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SUMMONS TO ATTEND A MEETING OF THE
NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

Time/Date 6.30 pm on THURSDAY, 23 FEBRUARY 2023
Location Council Chamber, Council Offices, Coalville
Officer to contact Democratic Services (01530 454512)



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Chief Executive

AGENDA

Item	Pages
PRAYERS	
1. APOLOGIES FOR ABSENCE	
2. DECLARATION OF INTERESTS	
Under the Code of Conduct members are reminded that in declaring interests you should make clear the nature of that interest and whether it is a disclosable pecuniary interest, registerable interest or other interest	
3. CHAIRMAN'S ANNOUNCEMENTS	
4. LEADER'S AND PORTFOLIO HOLDERS' ANNOUNCEMENTS	
Members are reminded that under paragraph 11.1 of part 4 of the Constitution, questions can be asked of the Leader and Cabinet Members without notice about any matter contained in any address. Questions shall be limited to five minutes in total for each announcement.	

Item	Pages
5. QUESTION AND ANSWER SESSION	
To receive questions from members of the public under procedure rule no.10. The procedure rule provides that members of the public may ask members of the Cabinet any question on any matter in relation to which the Council has powers or duties which affect the District, provided that three clear days' notice in writing has been given to the Head of Legal and Commercial Services.	
6. QUESTIONS FROM COUNCILLORS	
To receive members' questions under procedure rule no.11. The procedure rule provides that any member may ask the Chairman of a board or group any question on any matter in relation to which the Council has powers or duties which affect the District, provided that three clear days' notice in writing has been given to the Head of Legal and Commercial Services.	
7. MOTIONS	
To consider any motions on notice under procedure rule no. 12.	
8. PETITIONS	
To receive petitions in accordance with the Council's Petition Scheme.	
9. MINUTES	
To confirm the minutes of the meeting of the Council held on 15 November 2022	5 - 10
10. ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES	
Report of the Head of Finance	11 - 26
11. CAPITAL STRATEGY, TREASURY MANAGEMET STRATEGY AND PRUDENTIAL INDICATORS	
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12. GENERAL FUND BUDGET AND COUNCIL TAX 2023/24	
Report of the Head of Finance	89 - 150
13. HOUSING REVENUE ACCOUNT BUDGET & RENTS 2023/24	
Report of the Head of Finance	151 - 178
14. COUNCIL TAX RESOLUTION 2023/24	
Report of the Head of Finance	179 - 188
15. CORPORATE LEADERSHIP TEAM RESTRUCTURE	
Report of the Chief Executive	189 - 202

Item		Pages
16. REVIEW OF THE CONSTITUTION		
	Report of the Head of Legal and Commercial Services	203 - 600
17. PAY POLICY STATEMENT 2023/24		
	Report of the Head of Human Resources and Organisational Development	601 - 610
18. GENDER PAY GAP REPORT 2022		
	Report of the Head of Human Resources and Organisational Development	611 - 618
19. REQUEST FROM SWEPSTONE PARISH COUNCIL TO CHANGE ITS NAME TO SWEPSTONE AND NEWTON BURGOLAND PARISH COUNCIL		
	Report of the Head of Legal and Commercial Services	619 - 628
20. APPOINTMENT OF DEPUTY ELECTORAL REGISTRATION OFFICERS		
	Report of the Head of Legal and Commercial Services	629 - 632
21. URGENT DECISIONS TAKEN BY CABINET		
	Report of the Head of Legal and Commercial Services	633 - 634

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MINUTES of a meeting of the COUNCIL held in the Council Chamber, Council Offices, Coalville on TUESDAY, 15 NOVEMBER 2022

Present: Councillor R Boam (Chairman)

Councillors J Bridges, E G C Allman, R Ashman, R D Bayliss, C C Benfield, D Bigby, A S Black, R Blunt, A J Bridgen, R Canny, J Clarke, D Everitt, T Eynon, M French, J Geary, L A Gillard, S Gillard, T Gillard, D Harrison, B Harrison-Rushton, M D Hay, G Houlst, J Houlst, R Johnson, J Legrys, R L Morris, V Richichi, N J Rushton, A C Saffell, C A Sewell, S Sheahan, J G Simmons, N Smith, J Windram, A C Woodman and M B Wyatt

Officers: Mr J Arnold, Mr A Barton, Mrs C Hammond, Mr G Hammons, Thomas, Mrs R Wallace and Miss E Warhurst

33. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor K Merrie.

34. DECLARATION OF INTERESTS

There were no interests declared.

35. CHAIRMAN'S ANNOUNCEMENTS

The Chairman referred to the sad passing of Her Majesty the Queen and the honour of reading the proclamation for the District. Following the forward of the District's condolences to the Palace, the Chairman announced that a signed card of thanks had been received from His Royal Highness the King.

36. LEADER'S AND PORTFOLIO HOLDERS' ANNOUNCEMENTS

The Leader of the Council, Councillor R Blunt made the following announcements:

The new Customer Centre was now complete and would open later in the month. The next stage was the relocation of staff to Whitwick Business Centre and the final part was the refurbishment of Stenson House into a new Civic Hub. The work on Stenson House was due to start in the next few months and the plan was to have works completed before the Annual Council meeting in May next year. He thanked the Strategic Director for his work on the project and although it was acknowledged there would still be challenges ahead, he was confident that all was moving in the right direction.

In relation to what the Council was doing to address the Cost-of-Living Crisis, Councillor Blunt acknowledged the work of the Fuel Poverty Task and Finish Group and referred to the information now available on the website, the bids being made under the Decarbonisation Fund and the ECO4 Scheme.

Plans were moving forward with Marlborough Centre with the Council in the process of submitting a planning application in relation to the frontages and apartments above.

In relation to the former Hermitage Leisure Centre, demolition was expected in the new year and then further decisions would be taken on the site.

To conclude, Councillor Blunt announced that work was progressing on the Royal Hotel in Ashby with a planning application expected imminently. As a key part of the town, Councillor Blunt felt it was important to get the building back in to use as soon as possible.

In response to comments and questions, Councillor Blunt shared the view that much had changed in national Government since the last Council meeting, and he would be monitoring how the difficult decisions to come would affect Local Government Finances. In relation to the proposed Cinema in Coalville, Councillor Blunt confirmed that progress was still being made and gave a brief update on the current process for advertising the sites as available for leisure use.

Councillor T Eynon thanked Councillor Blunt for noting the work of the Fuel Poverty Task and Finish Group and thanked all involved in recent weeks. She encouraged Members to support the recommendations made by the group.

37. QUESTION AND ANSWER SESSION

There were no questions received.

38. QUESTIONS FROM COUNCILLORS

There were four questions asked which are set out below together with the responses. Each member who asked a question was invited by the Chairman to ask one supplementary question which is also set out together with the response.

Question by Councillor J Geary

"How much have the costs to NWLDC been to clear sites up after traveller trespass?"

Response by Councillor A Woodman

Council services in the form of housing, car parking, street cleansing, parks and property have not historically collected this data but will be doing so henceforth starting with the most recent trespass onto Council land at Silver Street Car Park. Listed below are the incidents over the past five years.

Date	Site location
10 May 2018	Coalville Park London Road Coalville
24 Jun 2018	Greenhill Park Cropston Drive Coalville
30 Jun 2018	A511 Stephenson Way Coalville
31 Jul 2018	Recreation Ground Ashburton Road Hugglescote
02 Aug 2018	Hermitage Leisure Centre Silver St Whitwick
17 Oct 2018	Bridge Street Car Park Coalville
08 May 2019	Covert Place Albert Village
06 Jun 2019	Hermitage Leisure Centre and Recreation Ground Whitwick Coalville

08 Sep 2019	Bridge Road Car Park Coalville
10 Sep 2019	A5324 Ashby Road Long Whatton
12 Oct 2019	Bridge Road Car Park Coalville
21 Oct 2019	Car Park Cropston Drive Greenhill Coalville
25 Oct 2019	NWLDC Visitor Car Park London Road Coalville
13 Nov 2019	Bridge Street Car Park Coalville
14 Nov 2019	Cropston Drive Coalville
21 Nov 2019	Bridge Road Car Park Coalville
07 Jun 2020	Scotland's Playing Fields Car Park Forest Road Coalville
17 Aug 2020	Hermitage Leisure Centre Silver St Whitwick
10 Sep 2020	Hermitage Leisure Centre Playing Fields Hermitage Road Whitwick
23 Dec 2020	Rear Car Park Covert Place Albert Village
06 May 2021	Garage Site Coronation Avenue Moira
14 Jun 2021	Recreation Ground Cropston Drive Coalville
05 Sep 2021	Waterworks Road Coalville
28 Oct 2022	Hermitage Leisure Centre Silver Street Whitwick

Supplementary question and response

Councillor Geary asked if it was possible for him to have the figures for the latest incident on Silver Street once they had been collated. Councillor Woodman informed members that there was not a legal requirement to keep this information, but he felt that it was useful for the authority to have. He was happy for all members to receive the information once available.

Question by Councillor J Legrys

"I am struggling to keep myself informed of staff movement due to promotion, resignation/retirement, joint working with another LA or internal move. I am aware that the Council have employed consultants/agency staff in many unfilled posts.

I would appreciate if the Portfolio Holder could provide regular update on staff changes please.

I would like to know which posts are filled by consultants/agency employees, and the number of unfilled posts?"

Response by Councillor R Ashman

“An updated copy of the current management structure to team manager level with names has been added to the members’ hub for information. This also indicates the posts at those levels currently occupied by consultants/agency staff. It is always our preference to employ people directly as a first option, but when this has not been possible, we do use interims and consultants to support the Council’s operations. Currently, all posts in the management structure to team manager level are either filled by a permanent member of staff or an interim worker.

Updates on key staff changes are regularly added to the members hub to help members to keep up to date.”

Supplementary question and response

Councillor Legrys thanked all involved in providing the information and urged Officers to keep it up to date. He asked if members could be regularly emailed with staff updates rather than just being placed on the Members Hub. Councillor Ashman encouraged members to use the Members Hub as there were lots of information provided and it was the best way to keep up to date. He added that if any assistance was required in accessing it, Democratic Services and ICT would be happy to help.

Question by Councillor C Sewell

“I would like to ask this Council to liaise more closely with LCC Highways to change conditions surrounding parking provision required for planning applications, both new builds and change of use for domestic properties: i.e. change of use to HMOs where no, or insufficient parking exists.

My understanding is that Leicestershire County Council Highways will only object on the grounds of ‘safety’ and my own personal experience is that shortfall in parking spaces is not considered to be a ground for refusal for an application, although it does indeed make the highway less safe, e.g. parking close to junctions and on corners, thus reducing visibility. Also, residents are being greatly inconvenienced when refuse/recycling cannot be collected due to parked cars blocking access.

What can this Council do about this?”

Response by Councillor R Ashman on behalf of Councillor K Merrie

“I am aware that the Council’s Head of Planning and Infrastructure has been in contact with Leicestershire County Council (LCC) Highways about this matter and they have confirmed that they currently do not have any standards covering parking requirements for HMO’s although they do now rely on information from the 2021 census, which includes evidence for HMO’s for the first time. As such, they will consider each application on its own merits and will advise whether the proposals will have an adverse impact on highway safety. They will also consider the advice contained in Paragraph 111 of the National Planning Policy Framework which states that “Development should only be prevented or refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be severe.

I can assure you that where issues are raised by the Parish Council and neighbouring residents, the Council’s Planning Officers will challenge LCC Highways on the response they have given. Ultimately, if there is no objection on highway grounds from the Council’s professional advisors, this is the position officers will need to take account of when making a decision or recommendation on the application.

However, I am aware that LCC Highways are in the process of reviewing the Leicestershire Highway Design Guide, which includes parking standards, and the

Council's Planning Team will be invited to feed into this process at which time they can raise the issue of on street parking resulting from HMO's and the need to consider whether parking standards for these types of property is appropriate."

Supplementary question and response

Councillor Sewell asked how much this 'loophole' in the planning process was costing the authority as well as requested refuse collection data including the number of collections that were missed due to inaccessibility as a result of on street parking in new developments. Councillor Ashman asked that Councillor Sewell submit her requests in writing to the Strategic Director who would provide a full response.

Question by Councillor S Sheahan

"In October, the BBC published figures about hazardous faults in private rented properties. The BBC had asked Councils in England how many hazards (category 1 or 2) they had recorded in the last 5 years.

Of the 60% of councils analysed, a total of 135,687 hazards were recorded, including 42,654 category one hazards - deemed to pose an immediate risk to safety.

In the same period, formal action was only taken by councils on 25,243 occasions, while less than 1% of the registered faults led to a prosecution.

What are the corresponding figures for this Council?"

Response by Councillor A Woodman

"For the period between 1 April 2021 and the end of October 2022, I can confirm that there have been no formal notices served. However, I would highlight that during this period the Council received and investigated 172 housing standards' complaints, which have resulted in works being carried out by landlords of the properties, whilst others have resulted in advice to the tenants. All the investigations are carried out in accordance with the provisions of the Housing Act 2004 and the Council's General Enforcement Policy and follow a graduated approach to enforcement and engagement with landlords. The vast majority of cases are resolved informally through discussion and negotiation with the landlord. The rare exception to this is where officers find Category 1 hazards where there is imminent risk to life. In these circumstances, we would either serve an emergency prohibition notice or a normal prohibition notice."

Supplementary question and response

Councillor Sheahan did not feel that his question had been answered accurately and believed the figures provided were incorrect. Councillor Woodman agreed to check the figures with officers and obtain a more concise answer outside of the meeting.

39. MOTIONS

No motions were received.

40. PETITIONS

No petitions were received.

41. MINUTES

Consideration was given to the minutes of the meeting held on 6 September 2022.

It was moved by Councillor R Boam, seconded by Councillor J Bridges and

RESOLVED THAT:

The minutes of the meeting held on 6 September 2022 be approved and signed by the Chairman as a correct record.

42. APPOINTMENT OF PARISH REPRESENTATIVE TO THE AUDIT & GOVERNANCE COMMITTEE

Councillor N J Rushton presented the report to members.

It was moved by Councillor N J Rushton, seconded by Councillor S Gillard and

RESOLVED THAT:

- a) The nomination process be received and noted.
- b) The appointment of Councillor Nick Antill-Holmes to the vacant Parish Representative seat be approved.

43. APPOINTMENT OF REPRESENTATIVES ON COMMUNITY BODIES

Councillor R Ashman presented the report to members.

It was moved by Councillor R Ashman, seconded by Councillor T Gillard and

RESOLVED THAT:

Councillors E Allman and K Merrie be appointed as representatives to serve on the Ravenstone Hospital Charity.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.05 pm

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
 COUNCIL – THURSDAY, 23 FEBRUARY 2023



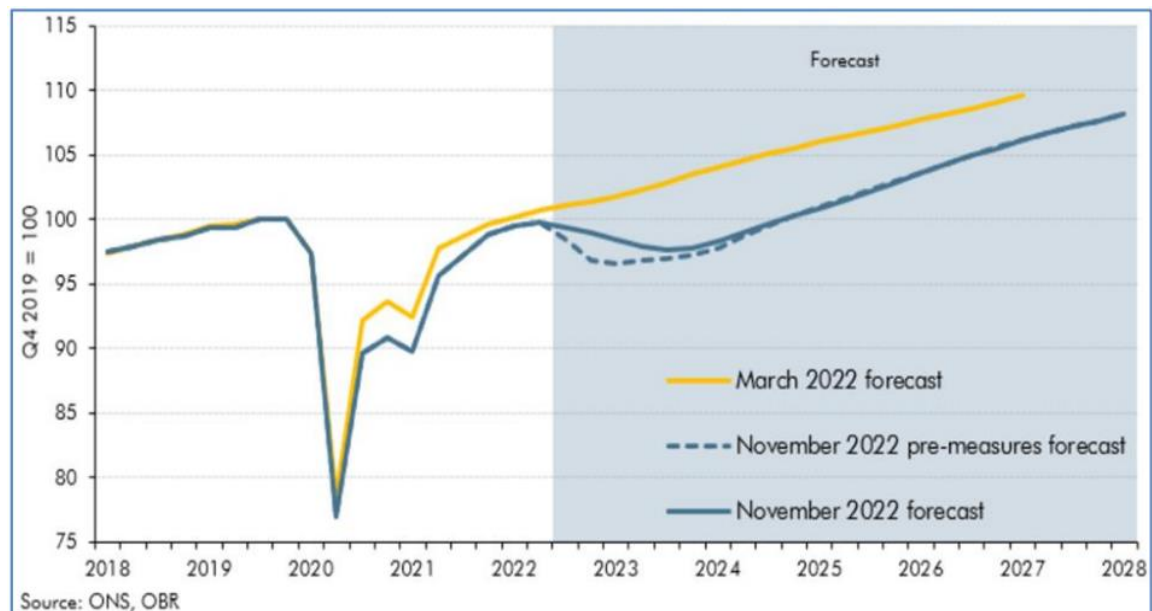
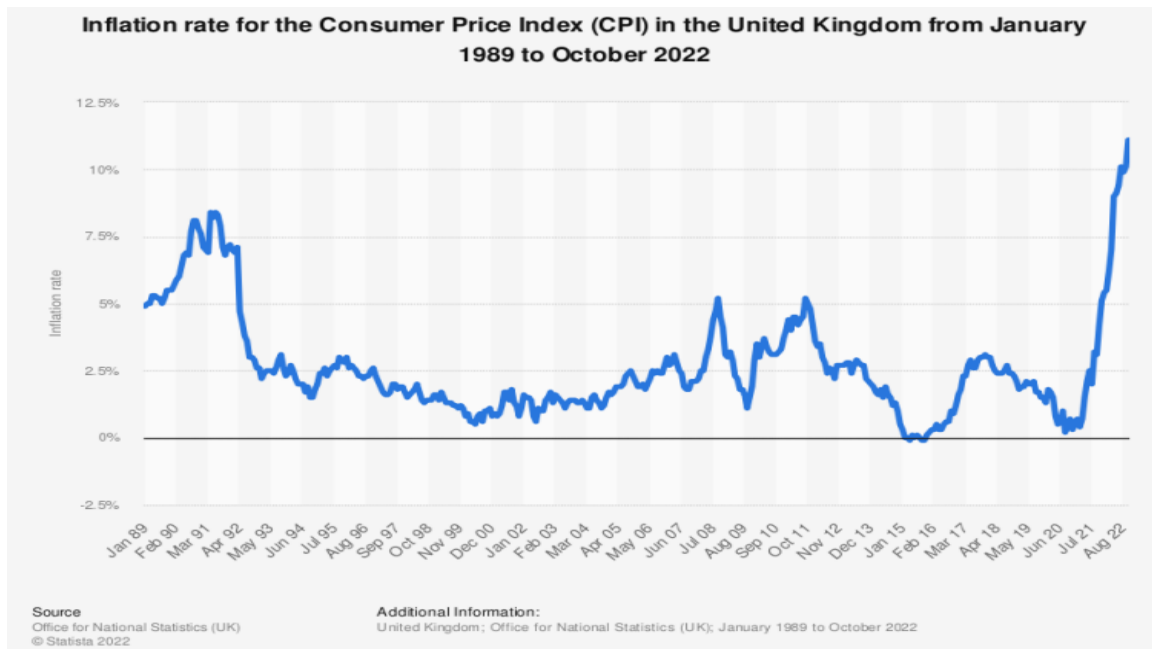
Title of Report	ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES	
Presented by	Councillor Nicholas Rushton Corporate Portfolio Holder	
Background Papers	Capital Strategy, Treasury Management Strategy and Prudential Indicators 2023/24 Report (Council 23 February 2023) General Fund Budget and Council Tax 2023/24 Report (Council 23 February 2023) Housing Revenue Account Budget and Rents 2023/24 Report (Council 23 February 2023) Cabinet Minutes 31 January 2023 Corporate Scrutiny Minutes 4 January 2023	Public Report: Yes
Financial Implications	In line with statutory requirements the report provides the Section 151 Officer's advice on the robustness of budget estimates and the adequacy of reserves in the draft budget. Signed off by the Section 151 Officer: Yes	
Legal Implications	No direct legal implications arising in this report. Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To ensure the council meets its statutory requirements when considering its budget.	
Recommendations	THAT COUNCIL NOTES THE S151 OFFICER'S ADVICE SET OUT IN SECTION 7 AND CAREFULLY CONSIDERS THE CONTENT OF THIS REPORT AS PART OF APPROVING THE GENERAL FUND BUDGET REPORT 2023/24, THE HOUSING REVENUE ACCOUNT BUDGET 2023/24 REPORT AND THE CAPITAL STRATEGY AND TREASURY MANAGEMENT STRATEGY 2023/24	

1.0 BACKGROUND

- 1.1 Section 25(1) of the Local Government Act 2003 (the “2003 Act”) requires that the Chief Financial Officer (Section 151 Officer under the Local Government Act 1972) reports to the Council when setting its Council Tax on:
- the robustness of the estimates in the budget.
 - the adequacy of the proposed financial reserves.
- 1.2 Section 25(2) of the 2003 Act requires the Council to have regard to this report in approving the budget and Council Tax.
- 1.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code reinforces this requirement stating that the statement in relation to the proposed financial reserves should consider whether the level of general reserves are appropriate for the risks (both internal and external) to which the Council is exposed and give reassurance that the authority’s financial management processes and procedures are able to manage those risks
- 1.4 While the statutory local authority budget setting process continues to be on an annual basis, a longer-term perspective is essential if local authorities are to demonstrate their financial sustainability.
- 1.5 This report is an assessment of the Proposed Budget and associated Strategy’s to Council on 23 February 2023 made by Cabinet at its meeting on 31 January 2023. It is not an assessment of any alternative budget proposals that Council may be asked to consider at its meeting when receiving the proposed General Fund and Housing Revenue Account budget reports. If there are alternative budget proposals these would also need to be assessed for their robustness and their impact on reserves by the Section 151 Officer.

2.0 CONTEXT

- 2.1 The Council is setting its budget at a time when it faces a range of issues to contend with. In broad terms these can be split into three categories: economic, local government and locally in North West Leicestershire. Each of these is explored below:
- 2.2 Economic
- 2.3 The national economic position has been influenced by a number of factors in recent years including the Covid-19 pandemic, Brexit, Russian invasion of Ukraine and the cost of living crisis. The government has provided unprecedented support through these events.
- 2.4 The key economic challenges faced are inflation, lower economic growth and a potential recession. The graphs below show the current level of consumer price inflation (CPI) and the forecast level of gross domestic product (GDP) for the UK as provided by the Office for Budget Responsibility.



2.5 Local Government

- 2.6 The pressures facing the national economy are also having an impact on the local government sector. The cost of providing services is increasing due to the inflationary pressures being experienced in the wider economy, the demand for services growing and the need to respond to government policy initiatives, such as zero carbon.
- 2.7 The Autumn Statement in November 2022, announced additional funding in local government for social care, provided increased flexibilities by increasing the level at which a referendum would be required to increase council tax, announced the cap on social rents for 2023/24 would be 7% and confirmed commitments to fund the Levelling Up agenda.

- 2.8 The service with the most pressure in local government continues to be social care. Whilst the Council does not provide social care services directly its budget is impacted upon with these pressures. Firstly, by government funding being targeted at councils with social care responsibilities and away from district councils as seen through reductions in New Homes Bonus funding in recent years. Secondly, through increased 'knock on' pressures on district council services supporting the vulnerable and their local communities.
- 2.9 The Provisional Local Finance Settlement was announced on 19 December 2022 and has been incorporated in the budget position for 2023/24. Whilst no specific funding allocations for 2024/25 have been made the Local Government Finance Policy Statement announced on 9 December 2022 stated they would be in line with 2023/24. There is currently little certainty of government funding streams for 2025/26 and the remainder of the medium term period.
- 2.10 Local – North West Leicestershire
- 2.11 North West Leicestershire District Council, just like the rest of the UK, is experiencing the impact of the cost of living crisis. The costs of running services and the demand for services has increased in the past 12 months and is expected to continue to increase over the coming year.
- 2.12 In the last 5-10 years the district has seen growth in its business rate income as new companies have moved into the area due to its location and excellent communication links. This has led to the Council being the largest beneficiary in England from the business rates growth retention scheme. The business rates growth has enabled the Council to fund services without increasing council tax.
- 2.13 However, this also presents the Council's highest financial risk as government has indicated that it is looking to reset the business rates growth baseline and redistribute resources to councils across the country with a fair funding review.
- 2.14 Leicestershire County Council has announced its draft budget for 2023/24 which includes a number of savings proposals. The full impact of these savings proposals on services provided by North West Leicestershire District Council is not fully understood. Officers are in the process of assessing the potential impact of County Council proposals. It should be noted the impacts are very difficult to assess as the effects are likely to be indirect. Mitigating actions will be considered as and when required. The Council will, alongside other district councils in the county, continue to work closely with the County Council.
- 2.15 Recognising the wider context within which the budget is being set, and making improvements to financial management, the Council has used a new process to develop its proposed budget plans for 2023/24 and over the medium term. This recognises the greater focus within the organisation on its finances. The new process, coupled with that used in previous years, has involved:
- Services completing budget proposal forms to justify the need for any changes to the budget.
 - Budget challenge sessions, with follow ups as required, between the Chief Finance Officer and Heads of Service.
 - Regular reporting to the Corporate Leadership Team on the Council's overall budget position.

- Engagement with councillors through Portfolio Holder briefings, Strategy Group and an all councillor budget briefing prior to the draft budget being proposed for consultation.
- Further engagement has taken place through Corporate Scrutiny, consultation with the public and the HRA tenants forum.

3.0 PROPOSED FINANCIAL STRATEGIES & POLICIES

3.1 To ensure the Council has a clarity on its financial management objectives it is imperative to have a clear financial strategy in place for the short, medium and long term. As part of setting the Budget for 2023/24 and beyond the following guiding principles have been developed for the budget setting approach:

- Financial Stability and Sustainability
- Resources Focussed on Priorities
- Maximising our Sources of Income
- Managing our Risks

3.2 Capital Strategy

3.3 The Capital Strategy has been significantly enhanced to make it fit for the future. Historically, there has been a substantial level of reprofiling budgets to future financial years after the budget has been set. This has been the position during 2022/23 where, as at Quarter 2, over 50% of budgeted capital spend has been reprofiled to future financial years. This indicates an optimism bias in the Council about how quickly capital projects can be delivered.

3.4 To provide greater accountability, governance and due diligence of the capital programme the Capital Strategy proposes improvements to managing capital schemes through their life cycle by splitting the programme into an approved Active Projects Programme for 'in flight' schemes and a Development Pool for schemes at business case stage. A new Capital Strategy and Investment Group will oversee this process and propose schemes through the Council's governance for formal approval by Cabinet or Council in line with the Constitution.

3.5 The Treasury Management Strategy

3.6 The Treasury Management Strategy has been refreshed and improved in line with required national guidance to ensure the Council is appropriately managing risk in both its borrowing and investment portfolios. The introduction of the liability benchmark indicator which measures the Council's future borrowing liabilities to fund its capital investment against how these will be financed either through external borrowing or by using our surplus cash resources (internal borrowing).

3.7 Corporate Charging Policy

3.8 The Corporate Charging Policy, which contains the Council's fees and charges, has been refreshed and updated to reflect the Council's financial strategy and provide greater clarity for service users on the rationale for future changes in levels of fees and charges. The draft budget includes a range of proposed amendments to fees and charges in line with the policy; reflecting both the costs of providing charges for services and estimated levels of demand.

4.0 PROPOSED GENERAL FUND BUDGET 2023-24

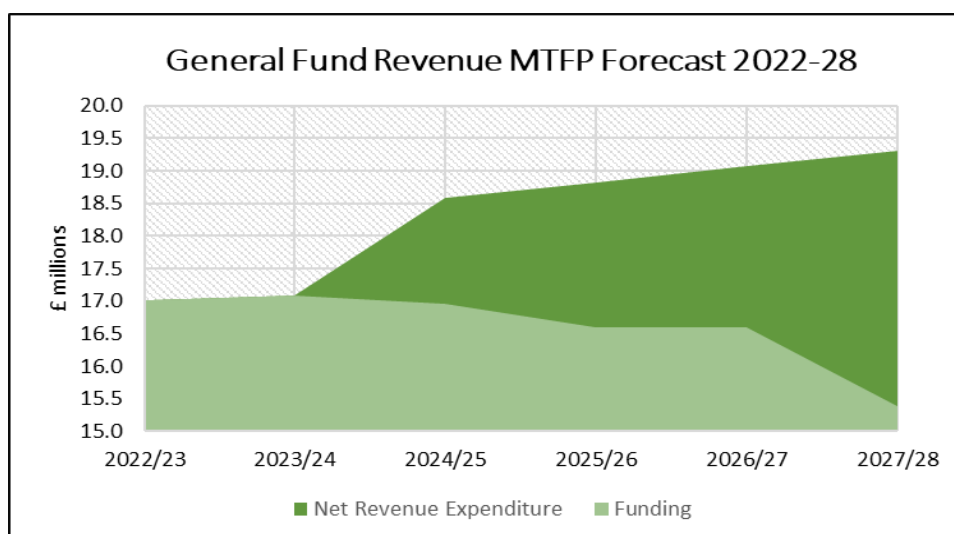
4.1 The macro economic challenges, particularly inflation, facing the country have directly impacted upon the Council's financial position in the 2022/23 financial year, the budget for 2023/24 and over the medium term.

4.2 The forecast outturn position for the general fund revenue budget 2022/23 is an operating deficit of £0.980 million due to the pay award being significantly greater than budgeted and inflation, such as utilities. In addition, the budget included savings target for the Journey to Self Sufficiency (J2SS) of £0.895m which if achieved would have been allocated to reserves. If no action is taken reserves will be £1.875m less than anticipated when the budget was set. As part of the 3rd Quarter monitoring for 2022/23, services have been instructed to explore ways to reduce its forecast cost projections for the remainder of the financial year by undertaking a robust assessment of their budgets to minimise any use of reserves to finance the projected overspend.

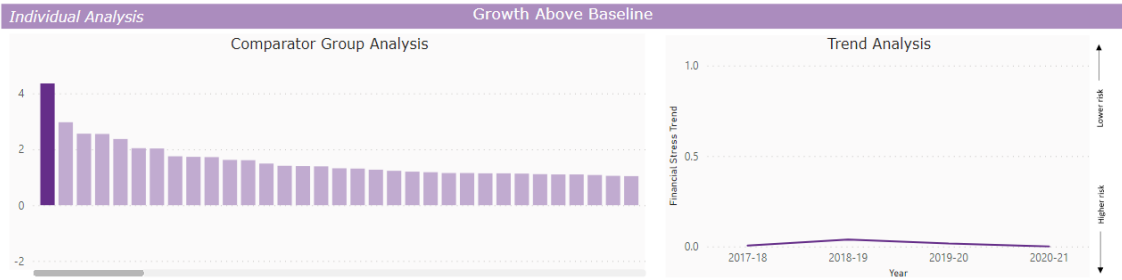
4.3 The key strategies applied to developing the proposed budget are set out as follows:

Guiding Principles	Key Strategies for Developing Budget 2023/24 and MTFP 2023-28
Financial Stability and Sustainability	<ul style="list-style-type: none"> Plan ahead for potential Government funding changes (including Business Rates Reset) Do not become overly reliant on Business Rates funding for on-going service provision Use future surpluses in Business Rates funding for future one off investment to reduce ongoing revenue costs or generate income
Resources Focussed on Priorities	<ul style="list-style-type: none"> Resources allocated to Council objectives
Maximising Our Sources of Income	<ul style="list-style-type: none"> Fees and Charges maximised (increased by inflation)
Managing our Risks	<ul style="list-style-type: none"> Acceptable level of risk tolerance Review of reserves strategy and position

4.4 The forecast medium term position is set out in the graph below.



- 4.5 The position shows a balanced budget for 2023/24 and forecast funding gap of £1.6m in 2024/25 rising to £3.9m per annum, equivalent to 20% of net budget, by 2027/28. The cumulative funding gap of £10.2m. The primary reasons for the forecast funding gap are pay, inflationary and service demand pressures on the Council's cost base and anticipated changes to its funding streams arising from promised government funding changes to local authorities arising from a reset of growth from the business rates retention schemes, fair funding review and new homes bonus.
- 4.6 The single most significant risk facing the Council on its revenue budget is the potential government funding changes, particularly in relation to a reset in growth from the business rates retention scheme. North West Leicestershire has seen the biggest growth above its business rates baseline in all local authorities in England. This can be seen from the graph below which compares the percentage growth above baseline for councils in England:



- 4.7 It should be noted the timing of these potential government funding changes is unclear. The latest intelligence, based on indications from government, is that the earliest a business rates reset could happen is 2025/26. There is fluidity over this date as government has been indicating its intention to undertake a business rates reset and fair funding review previously, and it is yet to happen. If and when these funding changes may happen there is likely to be an element of transitional protection to assist those councils, like North West Leicestershire, to manage reduced funding over a period of time. An estimate of this protection has been factored into the forecasts in the graph at 4.4 above.
- 4.8 However, it is important the Council starts to plan early for any potential government funding changes and ensures the funding gap this could create in its revenue budget is appropriately managed. To this end the financial strategies set out in paragraph 4.3 above and proposed draft budget seek to put in place the foundations to achieve this.
- 4.9 The proposed Revenue Budget for 2023/24 is balanced. The Council faced significant pressures on its revenue cost base compared to 2022/23. The table below sets out the changes to the budget and key assumptions made:

	£'000	Key Assumptions
Net Budget 2022/23	16,705	
Pay	1,413	<ul style="list-style-type: none"> Catch up pay award 2022/23 (extra 5%) Pay award 2023/24 (+4%)
Inflation & Unavoidable Service Pressures	1,090	<ul style="list-style-type: none"> Utilities (Gas +86%, Electricity +100%), Fuel (+30%), Insurance
Service Developments	271	<ul style="list-style-type: none"> Creating capacity to develop a robust MTFP Regeneration of district
Income & Efficiencies	-1,164	<ul style="list-style-type: none"> Fees and Charges (up to 11%) Waste income, planning income and improved return on surplus cash
Technical adjustments	-962	<ul style="list-style-type: none"> Removal of one-off budgets in 2022/23 and GF/HRA Recharges
Proposed Net Budget 2023/24	17,353	

4.10 At the time of publishing the proposed budget for 2023/24 the final local government finance settlement has not been announced. The figures included for the funding are estimates based on the provisional local government funding settlement and latest intelligence.

4.11 The Capital Programme has been developed in line with the guiding principles and a substantially improved Capital Strategy.

- The existing capital programme has been split into Active schemes and Development Pool schemes.
- Any new proposed schemes received have been placed into the Development Pool, with the exception of three schemes, totalling £335k, where approval is proposed to ensure service provision is maintained and/or where external funding is available.
- No new borrowing, over and above that approved in the 2022/23 budget, is proposed to fund the capital programme, with the exception of two schemes. This is to ensure the Council does not create additional revenue pressures in the future arising from interest and capital repayment costs.
- The funding source for new schemes over the medium term is capital receipts, government grant and use of monies previously generated from business rates growth and held in reserve.
- Schemes in the Development Pool will be worked up in more depth through the governance arrangements set out in the Capital Strategy and Constitution.

4.12 The proposed budget is based on the Council having the following levels of reserves.

	Estimated Balance 01/04/23 £'000	Change during 2023/24 £'000	Estimated Balance 31/3/24 £'000
Minimum Level of Reserves	1,544	0	1,544
Earmarked Reserves	3,250	-795	2,455
MTFP Reserve	5,165	0	5,165
Business Rates Reserve	369	+1,994	2,363
Total	10,328	+1,199	11,527

4.13 As part of preparing the reserves for the proposed budget the following should be noted:

- The minimum level of reserves has been risk assessed and is considered to be set at an appropriate level.
- Earmarked reserves have been reviewed to assess if the risks/commitments continue to exist and if the amounts are still appropriate.
- The former Journey to Self Sufficiency Reserve (J2SS) has been renamed MTFP Reserve. It will be used for managing risks over the medium term, investing in projects to make the Council more efficient, reduce its revenue costs, generate income and fund the capacity for the Council to deliver its financial plans
- The Business Rates Reserve includes the additional business rates revenues from growth in the district (including contributions from Business Rates Pool and Freeport) in excess of that included in the revenue budget to fund on-going services. This additional growth will be prioritised to fund the capital programme and projects. The reserve will also be used to manage the cashflow implications between the timing of payments received into the collection fund and government grants for business rates relief announced by HM Treasury in recent years to support businesses through Covid-19 and cost of living crisis.

5.0 PROPOSED HOUSING REVENUE ACCOUNT BUDGET 2023-24

5.1 The Housing Revenue Account (HRA) is a ringfenced account for the operation of the Council's housing stock. The Council has 4,181 homes. The budget for the HRA is also experiencing the inflationary pressures seen in other areas of the Council's budget, particularly on its staffing, maintenance and capital budgets.

5.2 In 2012, the Council took on the debt associated with its housing stock under the nationally HRA Self Financing initiative. As part of this a 30 year business plan was developed. A core component of the business plan is for the HRA to repay the self financing borrowing by 2042. The Council should continue to make provision in its HRA to repay this outstanding borrowing.

5.3 The forecast outturn position for the HRA budget 2022/23 is an operating deficit of £0.587 million due to the pay award being significantly greater than budgeted (£0.198m), inflation (such as utilities) and an unachieved savings target for the Journey to Self Sufficiency (J2SS) of £0.325m. If no action is taken reserves will be less than anticipated when the budget was set. As part of the 3rd Quarter monitoring for 2022/23 services have been instructed to explore ways to reduce its forecast cost projections for the remainder of the financial year by undertaking a robust assessment of their budgets in order to minimise any use of reserves to finance the projected overspend.

5.4 The position shows a balanced budget for 2023/24. The table below provides a summary of the key changes and assumptions.

HRA Budget	Approved 2022/23 £'000	Proposed 2023/24 £'000	Change and Key Assumptions
Repairs & Maintenance	5,914	7,693	<ul style="list-style-type: none"> • Inflation on repairs costs, grounds maintenance and materials

Supervision & Management (incl Provision for Doubtful Debts of £100k)	3,079	4,095	<ul style="list-style-type: none"> Catch up pay award 2022/23 5% Pay award 2023/24 4% Utilities (Gas 86%, Electricity 100%)
Capital Charges – Depreciation	6,241	5,289	
J2SS Cost Savings	-325	0	<ul style="list-style-type: none"> Savings targets removed
Total Expenditure	14,909	17,077	
Income	-18,524	-20,139	<ul style="list-style-type: none"> Rents (7%) Service charges (12%)
Net Operating Surplus	-3,615	-3,062	
Appropriations (incl contributions to capital programme)	3,550	3,815	
Contribution to/from Reserves	0	3,726	
Net Surplus(-)/Deficit (+)	-64	4,479	

5.5 The proposed HRA budget for 2023/24 shows an operating surplus of £3.1m. This is a £553k reduction from 2022/23. The primary reason for this movement is due to staff pay award and inflationary pressures on utilities, repairs, materials and grounds maintenance offset by additional income.

5.6 To deliver the HRA Capital Programme in 2023/24 and ensure sufficient monies are set aside for future debt repayment an overall deficit of £4.5m is being budgeted for. This will be paid for from accumulated surpluses of £6.6m which have been built up in reserves. This leaves an operating balance of £2.1 million for unexpected events. This is more than the minimum balance of £1 million considered adequate for the size of HRA and risks faced.

5.7 The Capital Programme is planned to spend £15.2m in 2023/24. Based on previous years experience this is an ambitious level of estimated spend. For example, as at Quarter 2 in 2022/23 over 50% of the planned in year spend has been re-profiled to future years. It is likely a proportion of spend in 2023/24 maybe delayed to future financial years, which would lead to a lower drawdown from reserves to finance the programme. The area of the capital programme at greatest risk of delay is the Housing Improvement Programme.

5.8 To mitigate the risks of the capital programme not delivering to budget the draft Capital Strategy proposes a number of improvements to manage schemes through their project lifecycle.

6.0 ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES

6.1 The table below provides an assessment of the key risk areas to determine the robustness of the estimates and adequacy of reserves included in the General Fund and Housing Revenue Account budgets:

Area	Y/N	Comments
Is performance against the current	Y & N	The 2022/23 Q2 financial monitoring is showing a projected overspend of £1.9m on the General

Area	Y/N	Comments
year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?		Fund and £0.6m on the HRA. Work is currently on-going within services to report a full and realistic position to minimise any drawdown from reserves. The on-going and unavailable pressures, alongside potential reductions in reserve levels, have been factored into budget plans for 2023/24 and the medium term.
Are arrangements for monitoring and reporting performance against the savings plans robust?	N	<p>In recent years the Council has not been required to make significant savings to maintain its financial position. Therefore, clear savings plans and delivery has not been required.</p> <p>The Council has delivered large projects, some of which have resulted in new income streams (eg Leisure). These projects have had project management structures in place which have tracked the delivery of enhanced income streams which are reflected in the draft budget and medium term forecasts.</p> <p><u>General Fund</u> Looking to the medium term the Council needs to establish a clear and robust plan to balance its financial position. As part of this it will be imperative to implement new processes to deliver the required savings are introduced.</p> <p><u>Housing Revenue Account (HRA)</u> Whilst the HRA is not facing the same medium term financial outlook as the General Fund. It is important that the HRA ensures it is operating at its optimum level of effectiveness and efficiency to provide value for money to tenants. As part of this it will be imperative to implement new processes to delivery these efficiencies.</p>
The reasonableness of the underlying budget assumptions	Y	<p>All budget proposals have been justified by service managers, reviewed by finance and subject to budget challenge sessions in the new process.</p> <p>External review has also been undertaken by the treasury advisers, Arlingclose, on the treasury strategy. The Pixel Financial Management funding model has been used to assist in forecasting General Fund income streams for Business Rates and Government Grants.</p>
The alignment of resources with the Council's service and organisational priorities	Y	<p>Resources are aligned to the current priorities of the Council.</p> <p>A new Corporate Plan will be developed from May 2023 following council elections. The Corporate Plan will need to ensure it is aligned to the resources available and risk faced. A Medium Term Financial Plan should be developed as a financial expression of the</p>

Area	Y/N	Comments
		Corporate Plan.
A review of the major risks associated with the budget	Y	The major risks within the budget have been assessed and are set out in the budget report, including mitigations and strategies about how these are being managed.
The availability of un-earmarked reserves to meet unforeseen cost pressures	Y	The Council has a minimum level of reserves for both its General Fund (£1.5m) and HRA (£1m). The General Fund position has been risk assessed to take account of potential unforeseen pressures.
Have realistic income targets been set and 'at risk' external funding been identified?	Y	An assessment of income targets has been undertaken as part of the development of the draft budget. The income areas which have the greatest risk (including business rates, council tax, planning and leisure) have had greater focus for this work and focus in the budget challenge sessions. Government funding projections are based on government announcements and the latest intelligence available.
Has a reasonable estimate of demand cost pressures been made?	Y	The enhanced budget process used in the development of the draft budget has improved the reasonableness of estimates. The budget proposals were required to be justified/assessed using a form, then were reviewed by finance and subject to budget challenge sessions.
Has a reasonable estimate of future income been made?	Y	
Have one-off cost pressures been identified?	Y	All pressures have been reviewed to assess if they are one-off or ongoing in nature. One-off proposals are to be funded from reserves. Services will need to ensure exit plans exist for one off expenditure.
Are arrangements for monitoring and reporting performance against the budget plans robust?	Y & N	The Council has operated a quarterly process of budget monitoring. Services and finance work closely to produce forecasts. However, with greater focus on the Council's finances more oversight is required. To this end a dedicated quarterly finance monitoring report is proposed for Cabinet and Scrutiny for 2023/24, rather than it being part of the wider performance reporting process. The Council will also need to enhance its development, monitoring and delivery of its plans to deliver balanced budgets over the medium term.
Is there a reasonable contingency available to cover the financial risks faced by the Council?	Y	The Council has incorporated estimates for pay award, inflation and demand pressures into its budget. It has also made provisions for key income streams not materialising in line with estimates for business rates and council tax.

Area	Y/N	Comments
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	Y	The Council has a range of earmarked and minimum levels of reserves to ensure its financial stability. It is important reserves are not used to fund service provision on an on-going basis.
The strength of the financial management function and reporting arrangements?	Y & N	The Council has an existing financial management process. To ensure it is kept up to date there are improvements in the process of being implemented. These include a new financial system, changes to the Financial Procedures Rules and a dedicated quarterly finance report to Cabinet/Scrutiny.
Are Special Expense Budgets financially stable and sustainable?	Y & N	<u>2023/24</u> Inflationary pressures and a proposed freeze in precept have led to some special expense accounts with funding deficits. As part of the budget process work has been undertaken to deliver a balanced position for 2023/24. <u>Medium Term Outlook</u> Further work is required to ensure financial stability and sustainability over the medium term. This work includes a review of planned & preventative maintenance, service levels, income sources and the Special Expenses Policy.
Have the previous years Accounts been signed off by external audit to verify balances?	N	The Council's Accounts for 2020/21 are currently being audited. The 2021/22 Accounts are awaiting the final sign off of 2020/21 but exist in an early draft form. Budget estimates and reserves balances for 2023/24 and beyond are based on the latest information incorporated into the 2020/21 and 2021/22 Accounts.
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget?	Y	There has been a fundamental change in the approach to engaging the organisation during this budget process. This has included a series of budget challenge sessions between the CFO and Heads of Service, as well as engagement with Corporate Leadership Team, Portfolio Holders, Strategy Group, an all councillor briefing prior to the budget being published for consultation and consideration from Corporate Scrutiny. In addition there has been an external public consultation on the draft budget with feedback being presented to Cabinet.

6.2 There are a number of specific actions arising from the table above that the Council's needs to undertake, alongside the delivery of its draft budget, to ensure risks and issues associated with the budget are mitigated. These actions are:

Financial Strategy

- The financial strategy set out at paragraph 4.3 is followed. This underpins the proposed budget 2023/24 and provides a stable platform from which to build over the medium term.
- A robust corporate and financial plan is required to bridge the funding gap and ensure the Council can balance its budget for 2024/25 and over the medium term. This plan should initially focus on being more efficient with the aim of having the same service outcomes at a lower cost. However, it needs to be flexible enough to adapt to potential national changes to local government funding which may require reductions in service levels in the future. To track progress of delivery against the plan robust reporting mechanisms will need to be implemented.
- To ensure this plan is developed and delivered the Council should invest in its financial and programme management capacity / capability.
- Reserves should not be used to fund on-going service expenditure.
- Special expense budgets must be in a balanced position for 2023/24 and the medium term.

Financial Reporting

- Introduce a dedicated quarterly financial report to Cabinet and Scrutiny to promote transparency and accountability of the financial position.
- Ensure the 2020/21 and 2021/22 Accounts are signed off.

Financial Management and Control

- Implement its new financial system to commence operation from 1 April 2023.
- Services need to develop exit plans for government grant funding and one off proposals funded by reserves.
- Enhance the capacity of the internal audit function to provide assurance of the internal control environment.

7.0 CONCLUSION

- 7.1 Based on the assumptions made in its proposed Budget 2023/24 and MTF5 2023-28 for income and expenditure, the Council can set a balanced proposed budget for 2023/24.
- 7.2 However, there are a number of risks, or “known unknowns”. The most significant of these for the Council is the timing of a potential reset in business rates and associated changes to the local government finance system.
- 7.3 Whilst the Council’s financial position is currently stable and sustainable there are a number of uncertainties. As such the Council will need to ensure it makes the right decisions in the short term (next year) to ensure it is financially stable and sustainable over the medium to long term.
- 7.4 Such a strategy should include maximising all income streams, being more efficient, growing its financial management capability, influencing the risks faced to optimise the Council’s future financial viability and delivering on the actions set out at paragraph 6.2.
- 7.5 The single most important action is for the Council to recognise the future risks ahead and start to develop, implement and, most importantly, deliver a medium term financial plan.

- 7.6 Provided the Council carefully considers and acts upon the analysis in this report, and officers robustly manage the implementation of the Revenue and Capital Budgets, a positive opinion can be given under Section 25 of the Local Government Act 2003 on the robustness of budget estimates and the level of reserves.

Policies and other considerations, as appropriate	
Council Priorities:	The report encompasses the Council's budget, therefore, is relevant to all Council Priorities: <ul style="list-style-type: none"> - Supporting Coalville to be a more vibrant, family-friendly town - Support for businesses and helping people into local jobs - Developing a clean and green district - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	None.
Safeguarding:	None.
Equalities/Diversity:	There have been equality impact assessments conducted by services on relevant proposals during this period.
Customer Impact:	Customers are likely to be impacted by the changes to fees and charges and special expenses precepts set out in this report.
Economic and Social Impact:	The General Fund capital programme allocates £9.9 million to investing in Coalville Regeneration Projects over five years.
Environment and Climate Change:	The General Fund budget sees substantial new investment of £7.1m in the replacement of council vehicles and reducing the Council's carbon emissions. There's £1m investment in bins and recycling containers to increase recycling from households. On revenue the Climate Change Programme Manager post has been funded for the next five years from reserves. The HRA budget includes a capital programme of Zero Carbon works to dwellings worth £13.8m.
Consultation/Community/Tenant Engagement:	The draft budget was considered by Corporate Scrutiny and has been the subject of consultation with the public. In addition, the Housing Revenue Account draft budget has been shared with and considered by the Tenants Forum. The proposed budget was considered by Cabinet on 31 January 2023 and recommended to Council for approval.
Risks:	This report provides the Section 151 Officers view on the robustness of budget estimates and adequacy of reserves. The report identifies the key risks, provides an assessment of these and proposed mitigating actions to manage those risks.

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Title of Report	CAPITAL STRATEGY, TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS 2023/24	
Presented by	Councillor Nicholas Rushton Corporate Portfolio Holder	
Background Papers	Prudential Indicators and Treasury Strategies 2022/23 – Council 24 February 2022 Draft Capital Strategy, Treasury Management Strategy and Prudential Indicators - Cabinet 10 January 2023. Statutory Guidance on Minimum Revenue Provision	Public Report: Yes
Financial Implications	<p>The report sets out the annual update of the core strategies which underpin the council's approach to managing its capital investment. There are a number of changes proposed to improve the governance and financial management of the capital programme.</p> <p>Signed off by the Section 151 Officer: Yes</p>	
Legal Implications	<p>No direct legal implications arising.</p> <p>Signed off by the Monitoring Officer: Yes</p>	
Staffing and Corporate Implications	<p>Signed off by the Head of Paid Service: Yes</p>	
Purpose of Report	To approve the 2023/24 Capital Strategy, Treasury Management Strategy and Prudential Indicators.	
Recommendations	<p>COUNCIL IS REQUESTED TO:</p> <ol style="list-style-type: none"> 1. NOTE THE FINANCIAL INDICATORS REQUIRED UNDER THE PRUDENTIAL CODE DETAILED IN SECTION 3 AND APPROVE THE FOLLOWING LIMITS: <ol style="list-style-type: none"> A) THE AUTHORISED LIMIT AND OPERATIONAL BOUNDARY FOR EXTERNAL DEBT AS DETAILED IN TABLE B OF THE TREASURY MANAGEMENT STRATEGY 2023-24 (APPENDIX 2) B) THE MATURITY STRUCTURE OF BORROWING AS DETAILED IN PARAGRAPH 6.6 OF THE TREASURY MANAGEMENT STRATEGY 2023-24 (APPENDIX 2) 2. NOTE THE MAIN CHANGES TO THE CAPITAL STRATEGY AND MINIMUM REVENUE PROVISION (MRP) STATEMENT AS DETAILED IN PARAGRAPH 2.2 AND <ol style="list-style-type: none"> A) DELEGATE AUTHORITY TO CABINET TO MOVE A CAPITAL SCHEME FROM THE DEVELOPMENT POOL TO THE ACTIVE PROGRAMME AS LONG 	

	<p>AS THE SCHEME IS WITHIN THE APPROVED BUDGET</p> <p>B) APPROVE THE FOLLOWING ADDITION TO THE MRP STATEMENT FOR 2022/23 AT PARAGRAPH 1.5: MRP WILL ONLY BE CHARGED ONCE THE ASSET IS FULLY OPERATIONAL AND WILL NOT BE CHARGED WHILST THE ASSET IS UNDER CONSTRUCTION. THE MRP WILL COMMENCE THE YEAR AFTER THE ASSET BECOMES OPERATIONAL.</p> <p>3. APPROVE THE:</p> <p>A) CAPITAL STRATEGY 2023-24 (APPENDIX 1)</p> <p>B) TREASURY MANAGEMENT STRATEGY 2023-24 (APPENDIX 2)</p> <p>C) MINIMUM REVENUE PROVISION (MRP) STATEMENT 2023-24 (APPENDIX 3)</p> <p>D) INVESTMENT STRATEGY 2023-24 (APPENDIX 4)</p> <p>E) REVISED MINIMUM REVENUE PROVISION (MRP) STATEMENT 2022-23 (APPENDIX 5).</p> <p>4. DELEGATE AUTHORITY TO THE HEAD OF FINANCE AND S151 OFFICER TO MAKE ANY NECESSARY CHANGES TO APPENDICES 1-4 IF ANY AMENDMENTS ARE AGREED TO THE GENERAL FUND AND HOUSING REVENUE BUDGETS AT THIS MEETING.</p>
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1. BACKGROUND

- 1.1 The Local Government Act 2002 and supporting regulations require the Council to 'have regard to' the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the Treasury Management Code of Practice and to prepare, set and publish prudential indicators and treasury indicators that ensure the Council's capital expenditure plans are affordable, prudent and sustainable in the long- term.
- 1.2 The prudential indicators consider the affordability and impact of capital expenditure plans and set out the Council's overall capital framework. The prudential indicators summarise expected treasury activity, introduce limits upon that activity and reflect the underlying capital programme. As a consequence, a Treasury Management Strategy is prepared which considers the effective funding of the capital expenditure decisions and complements the prudential indicators.
- 1.3 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return. The Council is required to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby charges to revenue remain affordable within the projected income of the Council for the foreseeable future. These increased charges may arise from:

- increases in interest charges and debt repayment caused by increased borrowing to finance additional capital expenditure; and
 - any increases in operational running costs from new capital projects.
- 1.4 Treasury Management is, therefore, an important part of the overall financial management of the Council's affairs and is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risk associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.5 Specific treasury indicators are prepared and included in the Treasury Management Strategy which requires Member approval. These are detailed in Section 2.
- 1.6 The Council's treasury activities are strictly regulated by statutory requirements and guidance, including:
- CIPFA Prudential Code for Capital Finance in Local Government
 - CIPFA Treasury Management Code of Practice
 - MHCLG Investment Guidance
 - MHCLG Minimum Revenue Provision (MRP) Guidance.
- 1.7 The Council's Constitution (via the Financial Procedure Rules) requires full Council to approve the Treasury Management Policy statement for the forthcoming year at or before the start of the year. The statement is proposed to the full Council by the Cabinet. The Head of Finance has delegated responsibility for implementing and monitoring the statement. The Head of Finance is responsible for reporting annually to the Cabinet on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers. Reports on treasury management are also required to be adequately scrutinised and this role is undertaken by the Audit and Governance Committee.
- 1.8 Below is a summary of changes between the Cabinet meeting on the 31 January 2023 and Full Council:
- Arlingclose, the Council's Treasury Management Advisors, were commissioned in December 2022 to undertake a MRP review. The findings of the review have been received and subsequent changes have been made to the MRP Strategy for 22/23 and 23/24. More details is available in paragraph 2.2 The changes reflect a more prudent approach to MRP and provided savings in the short term and overall.
 - The values within appendices 1-4 have been updated to reflect any applicable changes in the general fund and housing revenue account budgets (please refer to the separate reports on the same agenda as this report.

2.0 CAPITAL AND TREASURY MANAGEMENT STRATEGIES

- 2.1 The following strategies are attached as appendices for Council to approve:
- Appendix 1 – Capital Strategy 2023/24;
 - Appendix 2 – Treasury Management Strategy Statement 2023/24;
 - Appendix 3 – Minimum Revenue Provision (MRP) Statement 2023/24;
 - Appendix 4 – Investment Strategy 2023/24; and
 - Appendix 5 – Revised Minimum Revenue Provision (MRP) Statement 2022/23.
- 2.2 There are proposed changes to both the Capital Strategy and the Minimum Revenue Provision (MRP) Statement for 2023/24 which have an impact on the revenue budgets over the life of the Medium-Term Financial Plan (MTFP). These changes are to reduce or delay the revenue impact of the capital programme. The changes are summarised below and are documented in the relevant strategy:

- There are two main changes in the Capital Strategy (Appendix 1)
 - Improvements to governance and the process for managing schemes through their project lifecycle. This includes splitting the programme into two elements; an Approved Active Projects Programme (schemes that are currently in their delivery stage) and a Development Pool (schemes which are indicative and in their early stages). The Capital Strategy and Investment Group will oversee the capital programme and bring schemes forward for promotion to the Approved Programme through Cabinet/Council in line with the Constitution.
 - How the general fund capital programme will be financed. Currently the programme is heavily financed by prudential borrowing which has an impact on the revenue budget through interest charges and the repayment of debt. For 2023/24 onwards there will be no new borrowing to fund capital investments that are not yet in the live approved capital programme. For a capital investment to move from the Development Pool to the 'Active' capital programme, a funding source other than borrowing will need to be identified. This is to ensure the Council does not create additional revenue pressures in the future arising from interest and capital repayment costs.
- There are two main changes in the MRP Statement (Appendix 3):
 - As detailed in Appendix 3, the Council must put resources aside to repay debt in future years. The government guidance provides four ready-made options for calculating a prudent MRP provision. For capital expenditure incurred post 31 March 2019, the Council has been calculating the provision based on Option 3 – Asset Life Method using the straight line method. Following a MRP review undertaken by Arlingclose (the Council's treasury management advisors) it is proposed to continue to use Option 3 but instead of using the equal instalment method, change to the annuity method. The advantage of this is that it spreads the total capital financing costs (interest plus MRP) evenly over the life of the asset, similar to a repayment mortgage. The straight line approach currently used keeps MRP itself even, but since interest costs reduce as the debt is paid off, it front loads the total financing costs. The guidance allows local authorities to change their MRP calculation methods going forward, but changes cannot be backdated.
 - The second changes is in relation to assets under construction, the change means that MRP will not be charged until the asset is fully operational. At present MRP is charged for assets under construction.

2.3 Changes to the MRP Statement can be made in-year but cannot be backdated. Therefore, the two changes detailed in the paragraph above have also been made to the 2022/23 MRP Statement and a revised statement is attached at Appendix 5 for approval.

2.4 As the Statement of Accounts for 2021/22 has not yet been produced, data in the strategies is based on the 2020/21 Accounts, taking into account any known changes such as capital expenditure and changes to reserves.

3.0 PRUDENTIAL INDICATORS

3.1 The CIPFA codes require a prescribed set of prudential indicators to be produced annually and monitored throughout the year and the Council also has the option to add locally set indicators, these are shown below with further explanation to their meanings:

1(a). External Debt - Operational Boundary (Treasury Strategy – Appendix 2)

The most likely, prudent view of the level of gross external indebtedness. External debt includes both borrowing and long-term liabilities (e.g. finance leases). It encompasses all borrowing, whether for capital or revenue purposes. This indicator will be subject to the level and timing of borrowing decisions and so the actual level of borrowing can, therefore, be below or above this initial estimate. However, what cannot be breached without a further report to Council is the authorised borrowing limit.

1(b). External Debt - The Authorised Limit (Treasury Strategy – Appendix 2)

The upper limit on the level of gross external indebtedness, which must not be breached without Council approval. It is the worst-case scenario. It reflects the level of borrowing which, while not desired, could be afforded but may not be sustainable. Any breach must be reported to the executive decision-making body, indicating the reason for the breach and the corrective action undertaken or required to be taken. This limit is a statutory limit required to be set by the Council under Section 3(1) of the Local Government Act 2003.

1(c). External Debt - Actual External Debt (Treasury Strategy – Appendix 2)

The indicator for actual external debt will not be directly comparable to the operational boundary and authorised limit since the actual external debt will reflect the actual position at one point in time.

2. Capital Financing Requirement (CFR) (Treasury Strategy – Appendix 2)

The Capital Financing Requirement (CFR) replaced the 'Credit Ceiling' measure of the Local Government and Housing Act 1989. It measures an authority's underlying need to borrow or use other long-term liabilities, to pay for capital expenditure.

3. Capital Expenditure (Capital Strategy – Appendix 1)

The level of capital expenditure incurred and likely to be incurred in future years. This is to be based on an accruals basis and on the definition of capital expenditure.

4. Gross External Borrowing and the Capital Financing Requirement (Treasury Strategy – Appendix 2)

The level of external borrowing is required to be compared to the Capital Financing Requirement which represents the underlying need to borrow. Requires that borrowing in the medium term can only be for capital purposes.

5. Maturity Structure of Borrowing (Treasury Strategy – Appendix 2)

Local Authority debt portfolios consist of a number of loans with differing maturities. Setting limits assists in ensuring any new borrowing in particular when combined with existing borrowing does not result in large concentrations of borrowing maturing in a short period of time.

6. Principal sums invested for greater than one year (Treasury Strategy – Appendix 2)

This indicator measures the exposure of a local authority to investing for periods of greater than one year.

7. Ratio of Financing Costs to Net Revenue Stream (Capital Strategy – Appendix A)

This indicator is a measure of affordability of historic and future capital investment plans. It identifies the trend in the cost of capital financing which include:

- interest payable on borrowing
- penalties or any benefits receivable on early repayment of debt
- prudent revenue budget provision for repayment of capital expenditure paid for by borrowing.

This is calculated for the General Fund and Housing Revenue Account (HRA). For the General Fund, the net revenue stream is the amount to be met from non-specific Government grants and Council Tax, whilst for the HRA it is the amount to be met from rent payers. An increasing ratio indicates that a greater proportion of the Council's budget is required for capital financing costs over the planned Capital Programme period.

It should be noted that these figures include assumptions such as:

- no new approvals of additional borrowing apart from that currently proposed over the period of the programme.
- estimated interest rates.
- the level of internal borrowing and timing of external borrowing decisions and capital expenditure.

Policies and other considerations, as appropriate	
Council Priorities:	The Capital Strategy and Treasury Management Strategy Statement help the Council achieve all its priorities: <ul style="list-style-type: none"> - Supporting Coalville to be a more vibrant, family-friendly town - Support for businesses and helping people into local jobs - Developing a clean and green district - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	None
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	Not applicable
Economic and Social Impact:	Not applicable
Environment and Climate Change:	The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing. Where practical when making investment decisions ESG will be considered and counterparties with integrated ESG policies and commitments to carbon net zero by 2050 will be favoured by the council.
Consultation/Community/Tenant Engagement:	Corporate Scrutiny – 4 January 2023 Cabinet – 10 January 2023 Public consultation 16/01/23 – 27/01/23 Cabinet – 31 January 2023

Risks:	Borrowing and investment both carry an element of risk. This risk is moderated through the adoption of Treasury and Investment Strategies, compliance with the CIPFA Code of Treasury Management and the retention of Treasury Management advisors (Arlingclose) to offer expert advice.
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Appendix 1

Capital Strategy 2023/24

1. Background and Scope

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a Capital Strategy to demonstrate how capital expenditure, capital financing and treasury management activity contribute to the provision of desired outcomes and take account of stewardship, value for money, prudence, sustainability, and affordability. The Prudential Code has been significantly updated to incorporate changes which restrict councils using borrowing to finance commercial property solely for generating yield. The Capital Strategy reflects the new requirements and compliance to them.
- 1.2 The Capital Strategy forms part of the framework for financial planning and is integral to both the Medium-Term Financial Plan (MTFP) and the Treasury Management Strategy Statement (TMSS). It sets out how capital investment will play its part in delivering the long-term strategic objectives of the Council, how associated risk is managed and the implications for future financial sustainability.
- 1.3 The Capital Strategy maintains a strong and current link to the Council's Priorities and to other key strategy documents as shown below:
 - Corporate Plan
 - HRA Business Plan
 - Asset Management Strategy
- 1.4 All capital expenditure and capital investments decisions are covered by this strategy. Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. It is refreshed annually in line with the MTFP and TMSS to ensure it remains fit for purpose and enables the Council to make investments necessary to deliver its strategic aims and objectives.
- 1.5 The Capital Strategy is considered by the Council as one of the foundations of good financial management and reflects the requirements under the CIPFA Financial Management Code.

2. Economic

- 2.1 The national economic position has been influenced by a number of factors in recent years including the Covid-19 pandemic, Brexit, Russian invasion of Ukraine and the cost-of-living crisis. The government has provided unprecedented support through these events. The key economic challenges faced by the Council are inflation, lower economic growth and a potential recession.

3. Capital Expenditure

- 3.1 In contrast to revenue expenditure which is spending on the day to day running costs of the services such as employee costs and services, capital expenditure seeks to provide long-term solutions to Council priorities and operational requirements. Capital expenditure is technically described as: expenditure on the acquisition, creation, or enhancement of 'non-current assets' i.e., items of land, property and plant which has a useful life of more than one year. Expenditure for capital purposes therefore gives rise to new assets, increases the value or useful life of existing assets or generates

economic and social value and an income stream to the Council via non-treasury investments.

- 3.2 The five aims of the Capital Strategy are:
- i. To take a **long-term perspective of capital investment** and to ensure this contributes to the achievement of the Council’s Delivery Plan, emerging Local Plan and key strategies such as the Corporate Strategy.
 - ii. To ensure investment is **prudent, affordable, and sustainable** over the medium term and adheres to the prudential code, Treasury Management Code and other regulatory conditions.
 - iii. To maintain the **arrangements and governance for investment decision-making** through established governance boards.
 - iv. To make the **most effective and appropriate use of the funds available** in long term planning and using the most optimal annual financing solutions.
 - v. To establish a **clear methodology to prioritise capital proposals**.
- 3.3 The MTFP sets out the key principles and this strategy will support the achievement of the right blend of investment in key priority areas to enable the following:
- Financial Stability and Sustainability
 - Resources focused on priorities
 - Maximising Income Streams
 - Risk Management.
- 3.4 In 2023/24, the Council is planning capital expenditure of £21.1 million as summarised in the table below and future years are shown in Appendix A.

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2021/22 actual	2022/23 forecast*	2022/23 c/fwd	2023/24 budget
General Fund services	15.4	7.2	8.4	6.4
Council housing (HRA)	5.9	11.0	0.0	15.2
TOTAL	21.3	18.2	8.4	21.6

* 2022/23 forecast is based on the draft outturn position and may be subject to change

4. Principles for Capital Planning

- 4.1 Like most public sector bodies the Council has experienced delays on the physical progress of projects against the approved profile and cost over runs. This can be directly linked to the size of the programme, capacity to deliver and over optimism on the project in terms of cost, time and external factors outside the project sponsor’s control.
- 4.2 When capital schemes are approved their inclusion into the capital programme is based on best estimates and slippage is measured against the approved profile at the end of the financial year. The Council will need to significantly improve its performance to ensure that all projects being proposed for inclusion can be delivered within the timeframe and budget stated prior to programme entry. Resource capacity and size of the programme will need to be assessed annually as part of the budget setting process and a range of optimism bias tolls that are available should be utilised in business case assessments of delivery of major projects, as well as at a programme level.

4.3 Delivery of the programme will be overseen by the established governance boards as outlined in Section 6. The Council will operate a clear and transparent corporate approach to the prioritisation of capital spending. The investment principles are set out below:

a) Invest to improve and maintain Council assets

The Council will improve and maintain the condition of its core assets to extend their life where appropriate.

b) Investing for sustainable, inclusive, economic growth

The Council will expand its capacity to grow the economy in an inclusive manner, whilst delivering whole system solutions to demographic, social and environmental challenges sustainably

c) Invest to save and to generate income

The Council will invest in projects which will:

- Reduce running costs
- Avoid costs (capital or revenue) that would otherwise arise
- Generate a financial return

d) Risk awareness

The risks of the project have been fully assessed, consulted, communicated and are at an acceptable level.

4.4 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and central government grants. In developing subsequent capital schemes, it will be with a view to ensuring the capital financing costs are less than 15% as a proportion of General Fund net revenue budget over the medium and long term. Table 2 shows the proportion of financing costs to net revenue stream, future years are available in Appendix A.

Table 2: Prudential Indicator: Proportion of financing costs to net revenue stream

	2021/22 actual	2022/23* forecast	2023/24 budget
<u>General Fund</u>			
Financing costs (£m)	1.4	1.6	1.8
Proportion of net revenue stream	9%	9%	11%
<u>Housing Revenue Account</u>			
Financing costs (£m)	2.1	1.7	1.8
Proportion of net revenue stream	12%	10%	9%

* 2022/23 forecast is based on the draft outturn position and may be subject to change

5. Financing the Capital Investment Programme

5.1 The Council's capital programme is approved as part of the annual budget setting process. The capital programme is scrutinised by the Corporate Scrutiny Committee, recommended to Council by Cabinet, and then approved by Council. The capital programme is funded from a range of sources, principally:

- Grants
- Developer Contributions

- Capital Receipts
- Revenue and Reserves
- Prudential Borrowing

5.2 The first call on available capital resources will always be the financing of spending on live projects, including those carried forward from previous years.

5.3 For the General Fund, in the medium term, for 2023/24 onwards there will be no new borrowing to fund capital investments that are not yet in the live approved capital programme. This is due to the budget pressures facing the Council in future years and the repayment of debt whether internal or external have a revenue implication. For a capital investment to move from the Development Pool to the 'Active' capital programme, a funding source other than borrowing will need to be identified. This is to ensure the Council does not create additional revenue pressures in the future arising from interest and capital repayment costs.

5.4 The planned financing of the capital expenditure in Table 1 is summarised in the table below and full details are available in Appendix B:

Table 3: Capital Financing in £ millions

	2021/22 actual	2022/23* forecast	2022/23 c/fwd	2023/24 budget
External sources	1.2	0.7	0.2	3.1
Capital receipts	1.6	4.7	0.1	6.8
Revenue resources	4.6	7.6	2.4	11.4
Debt	13.9	5.2	5.7	0.3
TOTAL	21.3	18.2.	8.4	21.6

* 2022/23 forecast is based on the draft outturn position and may be subject to change

Grants

5.5 The Council receives grants from government, partners, and other organisations to finance capital investment. Grants can be split into two categories:

- Un-ringfenced – resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose).
- Ring-fenced – resources which are ringfenced to a particular service area and therefore have restricted uses.

Developer/External Contributions

5.6 Significant developments across the district are often liable for contributions to the Council in the form of S106 contributions. If contributions reduce the funding, timing of the planned programme will need reviewing. Following achievement of the targeted contributions, the Council can consider further projects with which to utilise this funding stream.

Capital Receipts

5.7 Capital receipts come from the sale of Council's assets. The Council will adhere to statutory guidance in relation to capital receipts. In considering asset disposals, the Council will comply with its Asset Management Strategy and Disposals Policy.

- 5.8 If the disposal is within the Housing Revenue Account (HRA) land or property, then not all of the receipt is available to support the capital programme as a percentage has to be paid over to the Department of Levelling Up, Housing and Communities (DLUHC).
- 5.9 The current strategy is for the assumed receipts from sale/disposal of assets to be taken into consideration when assessing the total value of receipts targeted to fund the overarching capital programme and planned flexible use of receipts (Appendix B).
- 5.10 Where the asset has been temporarily funded from prudential borrowing a review will be undertaken to determine whether the most cost-effective option is to utilise the receipt to repay the debt, considering the balance sheet position of the Council.
- 5.11 Where the sale of an asset leads to a requirement to repay grant the capital receipt will be utilised for this purpose. Once the liability has been established and provided for, the residual capital receipt will be available to support the capital programme as a corporate resource.
- 5.12 Appropriations of land between the General Fund and HRA will be considered on a site-by-site basis. The HRA 'pays for the land through an increase in the HRA Capital Financing Requirement (CFR). The General Fund benefits from a corresponding decrease in its CFR. The CFR adjustments should be based on the market value of land but taking into account of the intended use for social or other sub market housing. The Council has the discretion whether to appropriate land on this basis or sell it on the open market. More information on the Council's CFR is available in the Treasury Management Strategy Statement 2023/24.

Revenue and Reserves

- 5.13 The Council may choose to utilise revenue contributions to capital and finance its capital investment. This would be through contributions from the Council's revenue budget or from reserves.
- 5.14 Two reserves will be available to finance the capital programme:
- a) MTFP Reserve - The former Journey to Self Sufficiency Reserve (J2SS) has been renamed MTFP (Medium Term Financial Plan) Reserve. It will be used for managing risks over the medium term, investing in projects to make the Council more efficient, reducing its operating costs (e.g. making our building more energy efficient to reduce on going costs), generating more income and funding the capacity for the Council to deliver its financial plans.
 - b) Business Rates Reserve –The Business Rates Reserve includes the additional business rates revenues from growth in the district (including contributions from Business Rates Pool and Freeport) in excess of that included in the revenue budget to fund on-going services. This additional growth will be prioritised to fund the capital programme and projects. The reserve will also be used to manage the cashflow implications between the timing of payments received into the collection fund and government grants for business rates relief announced HM Treasury in recent years to support businesses through Covid-19 and cost of living crisis. The growth in business rates will not be used to fund the capital programme until the growth has materialised.

Prudential Borrowing

- 5.15 Table 3 above sets out how the Council will finance its capital expenditure (Table1). These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending obligations. The management of longer-term cash may involve long or short-term loans, or using cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 5.16 In planning for long term capital investment it is essential the long-term revenue financing cost is affordable. Any long-term investment is paid over the life of the asset. It is essential the Council is able to meet the costs of borrowing and minimum revenue provision (MRP) over the life of the asset.
- 5.17 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). More information is available in the Council's Minimum Revenue Provision Strategy. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP and use of capital receipts are as follows and future years are available in Appendix C.

Table 4: Replacement of prior years' debt finance in £ millions

	2021/22 forecast	2022/23 forecast*	2023/24 budget
Minimum revenue provision (MRP) – General Fund	1.0	1.2	1.4
Minimum revenue provision (MRP) – HRA	14.2	1.2	1.2
Capital receipts	0.0	0.0	0.0
TOTAL	15.2	2.4	2.6

* 2022/23 forecast is based on the draft outturn position and may be subject to change

- 5.18 In taking out new external borrowing, the Council will consider a range of different options such as Public Works Loan Board (PWLB), Market Loans, Private Placement and Bonds (Public, Pooled, Community Municipal Investment and Retail). More information is available in the Council's Borrowing Strategy which is included within the Treasury Management Strategy Statement 2023/24.
- 5.19 Any borrowing taken out is secured against the Council as an entity rather than against specific assets for which it is borrowed for. The Council is required to demonstrate to the PWLB in advance of borrowing that is affordable.

Housing Revenue Account (HRA)

- 5.20 The HRA Capital and Revenue Investment Programme is entirely funded from the ring-fenced Housing Revenue Account. The investment programme is driven by the 30-year HRA Business Plan. Key areas of housing include planned and cyclical works, zero carbon works and new supply. The programme also includes development and special projects. The HRA capital programme is funded from:
- HRA Self-Financing (the Major Repairs Reserve)

- Capital Receipts (HRA – Right to Buy and other asset sales)
- Revenue and Reserves (HRA contributions from revenue)
- Capital grants from government and other bodies
- Borrowing

- 5.21 Prior to 2018 the HRA had a limit to how much it was allowed to borrow, known as the HRA borrowing cap, which is tighter than the value of their assets, in order to control public borrowing levels. The HRA borrowing cap was abolished in late 2018. Further borrowing may be undertaken within the HRA subject to overall affordability and requisite business cases which should consider all risks including loss through right to buy.
- 5.22 The Council can use one for one element of Right to Buy (RTB) receipts to fund up to 40% of building new homes, the receipt must be used within five years. If not, the receipt is paid to DLUHC with interest. The removal of the cap means additional borrowing can be used to meet the remaining 60% of new home building.
- 5.23 Generally capital expenditure would be funded from capital sources however in exception revenue resources are able to be used to fund capital. The main exception is the use of housing rents to fund capital expenditure within the HRA.

6. Governance of the Capital Strategy

Approval of Capital Strategy and Capital Programme

- 6.1 The Capital Strategy is agreed annually alongside the TMSS. The Capital Programme is agreed annually by Full Council as part of the budget setting process. Variations to the Capital Programme or in-year additions, subject to delegation by Full Council, will be agreed by Cabinet including moving schemes from the Development Pool to the Approved Programme as long as the scheme is within the budget approved by Council and there are sufficient reserves available. Quarterly monitoring of the Capital Programme will be presented to Corporate Scrutiny and Cabinet.

Strategic Oversight and Delivery

- 6.2 The newly established Capital Strategy and Investment Group leads on the development and maintenance of the Capital Strategy that is consistent with the relevant code of practice, Corporate Strategy and core regulatory functions, Medium Term Financial Plan and Treasury Management Strategy.
- 6.3 The Capital Strategy and Investment Group has an oversight and stewardship role for the development and delivery of the Council's capital expenditure within affordable limits, which will include both the Capital Programme and capital investments; as well as providing strategic direction to the programme and projects where necessary.

Capital Programme and Project Delivery

- 6.5 The delivery of individual capital projects and programmes are managed through project boards in each directorate and for services which do not have a specific projects board delivery is managed through the Capital Strategy and Investment Group. The Project Boards are responsible for developing, managing and progressing capital projects; as well as reporting into the Capital Strategy and Investment Group.

Scrutiny

- 6.6 The formal scrutiny process will be used to ensure effective challenge via the quarterly Performance Report. The Corporate Scrutiny Committee is also engaged when setting the Capital programme prior to its consideration by Cabinet and approval by Full

Council. It should be noted business cases seeking Cabinet approval will follow the standard decision pathway and as such can be subject to Scrutiny as part of that process.

Managing Schemes Through Their Capital Lifecycle

- 6.7 The management of capital schemes through their lifecycle is an important aspect of delivering a successful capital investment programme. The approach should balance cost/funding certainty, risk, clarity of commitment to scheme, robust governance and transparent decision making.
- 6.8 An important aspect of the Council's capital governance framework is at which point schemes are in their development stage and when they are sufficiently developed to enter the approved capital programme. The capital programme is split into three broad components:
- Mandate. The initial concept and need for a capital scheme. Schemes will require prioritisation to ensure strategic fit and there are sufficient resources/capacity/capability to deliver the scheme.
 - Development Pool. A priority capital scheme in its early/developmental stages, typically outline business case (OBC) and full business case (FBC). At this stage costs/funding/risks are uncertain, gaining certainty as more in-depth work is undertaken.
 - Approved Capital Programme. This refers to a capital scheme which has been through OBC and FBC stages and is developed to an acceptable level of certainty to be formally approved in the programme for delivery/implementation.

Key Decision-Making Considerations

- 6.9 All capital investment decisions will be underpinned by a robust business case that sets out any expected financial return alongside the broader outcomes/impacts, including economic, environmental and social benefits.
- 6.10 Throughout the decision-making process the risks and rewards for each project are reviewed and revised and form part of the monitoring of the capital programme. The Capital Strategy and Investment Board receives monthly updates detailing financial forecasts and risks.
- 6.11 There may be occasions when the nature of a particular proposal requires additional support in the production of the business case or for example in performing a value for money or due diligence review. In these circumstances the Council may seek external advice.
- 6.12 The capital programme is reported to Cabinet and Council as part of the annual budget setting process which will take into consideration any material changes to the programme and the investment. The in-year position is monitored monthly, with periodic budget reports to Cabinet with capital reports incorporated. Within that monitoring report minor new investment proposals will be included and variations such as slippage and need for acceleration. Major new capital investment decisions will be subject to an individual report to Cabinet.
- 6.13 The Chief Finance Officer should report explicitly on the affordability and risk associated with the capital strategy. Where appropriate the Chief Finance Officer will have access to specialised advice to enable them to reach their conclusions and ensure sufficiency of reserves should risk or liabilities be realised.

7. Risk Management

- 7.1 One of the Council's key investment principles is that all investment risks should be understood with appropriate strategies to manage those risks. Major capital projects require careful management to mitigate the potential risks which can arise. The effective monitoring, management and mitigation of these risks is a key part of managing the capital strategy. All projects are required to maintain a risk register and align reporting to the Council's reporting framework.
- 7.2 In managing the overall programme of investment there are inherent risks associated such as changes in interest rates or credit risk of counter parties.
- 7.3 Accordingly, the Council will ensure that robust due diligence procedures cover all external capital investment. Where possible contingency plans will be identified at the outset and enacted when appropriate.
- 7.4 No project or investment will be approved where the level of risk - determined by the Cabinet or Chief Financial Officer as appropriate - is unacceptable.

8. Skills and Knowledge

- 8.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Head of Finance and Section 151 and Finance Team Manager and Deputy Section 151 Officer are both qualified accountants and the Head of Property Services and Economic Regeneration is a qualified surveyor. The Council pays for junior staff to study towards relevant professional qualifications including Chartered Institute of Public Finance and Accountancy (CIPFA), Association of Accounting Technicians (AAT) and Royal Institute of Chartered Surveyors (RICS).
- 8.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, and Wilks, Head and Eve as valuation consultants. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 8.2 Appropriate training will be provided to all charged with investment responsibilities. This includes all those involved in making investment decisions such as members of Capital Strategy and Investment Board as well as those charged for scrutiny and governance such as relevant scrutiny committees and the audit committee. Training will be provided either as part of meetings or by separate ad hoc arrangements.
- 8.3 When considering complex and 'commercial' investments, the Council will ensure that appropriate specialist advice is taken. If this is not available internally it will be commissioned externally to inform decision making and appropriate use will be made of the Council's Treasury Management advisers.

9. Capital Governance Improvement Plan

- 9.1 The Council recognises it needs to improve its capital governance, delivery capacity and related processes. The Capital Strategy and Investment Board will develop an improvement plan with a view of improving Capital Governance during 2023/24.

Capital Strategy Prudential Indicators

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

	2021/22 actual	2022/23 forecast*	2022/23 c/fwd	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget
General Fund services	15.4	7.2	8.4	6.4	3.3	4.6	2.4	1.5
Council housing (HRA)	5.9	11.0	0.0	15.2	13.6	12.0	12.3	9.5
TOTAL	21.3	18.2	8.4	21.6	16.9	16.6	14.7	11.0

* 2022/23 forecast is based on the draft outturn position and may be subject to change

Table 2: Prudential Indicator: Proportion of financing costs to net revenue stream

	2021/22 actual	2022/23* forecast	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget
<u>General Fund</u>							
Financing costs (£m)	1.4	1.6	1.8	2.6	2.5	2.5	2.4
Proportion of net revenue stream	9%	9%	11%	15%	15%	15%	15%
<u>Housing Revenue Account</u>							
Financing costs (£m)	2.1	1.7	1.8	1.9	2.2	2.5	2.8
Proportion of net revenue stream	12%	10%	9%	9%	11%	12%	13%

* 2022/23 forecast is based on the draft outturn position and may be subject to change

Capital financing in £ millions

	2021/22 actual	2022/23 forecast	2022/23* c/fwd	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget
<u>General Fund</u>								
External sources	0.9	0.7	0.2	1.7	1.5	0.7	0.7	0.7
Capital receipts	0.5	1.2	0.1	0.3				
Revenue resources	0.1	0.1	2.4	4.1	1.8	3.9	1.7	0.8
Debt	13.9	5.2	5.7	0.3				
TOTAL	15.4	7.2	8.4	6.4	3.3	4.6	2.4	1.5
<u>Housing Revenue Account</u>								
External sources	0.3			1.4	1.4			
Capital receipts	1.1	3.5		6.5	1.8	0.8	1.5	0.4
Revenue resources	4.5	7.5		7.3	4.9	4.2	3.9	4.1
Debt					5.5	7.0	6.9	5.0
TOTAL	5.9	11.0	0.0	15.2	13.6	12.0	12.3	9.5
<u>Total</u>								
External sources	1.2	0.7	0.2	3.1	2.9	0.7	0.7	0.7
Capital receipts	1.6	4.7	0.1	6.8	1.8	0.8	1.5	0.4
Revenue resources	4.6	7.6	2.4	11.4	6.7	8.1	5.6	4.9
Debt	13.9	5.2	5.7	0.3	5.5	7.0	6.9	5.0
TOTAL	21.3	18.2	8.4	21.6	16.9	16.6	14.7	11.0

* 2022/23 forecast is based on the draft outturn position and may be subject to change

Replacement of prior years' debt finance in £ millions

	2021/22 forecast	2022/23* forecast	2023/24 budget	2024/25 budget	2025/26 budget	2026/27 budget	2027/28 budget
Minimum revenue provision (MRP) – General Fund	1.0	1.2	1.4	2.3	2.3	2.2	2.1
Minimum revenue provision (MRP) – HRA	14.2	1.2	1.2	1.3	1.3	1.3	0.6
Capital receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	15.2	2.4	2.6	3.6	3.6	3.5	2.7

* 2022/23 forecast is based on the draft outturn position and may be subject to change

Flexible Use of Capital Receipts Strategy 2023/24

1. Introduction

- 1.1 As part of the November 2015 Spending Review, the Government announced that it would introduce flexibility for the period of the Spending Review for local authorities to use capital receipts from the sale of assets to fund the revenue costs of service reform and transformation. Guidance on the use of this flexibility was issued in March 2016 which applied to the financial years 2016/17 through to 2019/20.
- 1.2 In December 2017, the Secretary of State announced that this flexibility would be extended for a further three years (until 2021-2022) and in February 2021 an additional extension of three years was announced. The latest extension focused on the use of capital receipts to fund transformation or other projects that produce long term savings or reduce the costs of service delivery.

2. The Guidance

- 2.1 Local Government Act 2003 specifies that;
 - Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts to finance the revenue costs of reform.
 - Local authorities cannot borrow to finance the revenue costs of the service reforms.
 - The expenditure for which the flexibility can be applied (known as 'Qualifying Expenditure') should be the up-front (set up or implementation) costs that will generate future ongoing savings and/or transform service delivery to reduce costs or the demand for services in future years. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.
 - The key determining criteria to use when deciding whether expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure.
 - In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.
- 2.2 To make use of this flexibility, the Council is required to prepare a "Flexible use of capital receipts strategy" before the start of the year, to be approved by Full Council. This can form part of the budget report to Council. This Strategy therefore applies to the financial year 2023/24, which commences on 1 April 2023.

3. Examples of qualifying expenditure

- 3.1 There are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:
 - Sharing back-office and administrative services with one or more other council or public sector bodies;
 - Investment in service reform feasibility work, e.g. setting up pilot schemes;

- Collaboration between local authorities and central government departments to free up land for economic use;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Sharing Chief-Executives, management teams or staffing structures;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others);
- Integrating public facing services across two or more public sector bodies to generate savings or to transform service delivery.

4. The Council's 2022/23 Budget Proposal

- 4.1 The Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is: "Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility."
- 4.2 The 2023/24 budget proposal does not include any proposal to utilise the flexible use of capital receipts. However, if during the year projects are identified that satisfy the definition above these will be considered by Cabinet and approval for the use of capital receipts will be requested through the relevant channels in line with the Council's Budget and Policy Framework Rules.

5. Impact on Prudential Indicators

- 5.1 The guidance requires that the impact on the Council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. Capital receipts which are allocated to fund the Council's capital programme have been allocated, will be monitored throughout the year and will not be subsequently used to fund qualifying expenditure. Therefore, there will be no change to the council's Prudential Indicators that are contained in the Treasury Management Strategy Statement.

North West Leicestershire District Council

Treasury Management Strategy Statement 2023/24

1 Introduction

- 1.1 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 1.2 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
- 1.3 Investments held locally for service purposes, local regeneration, local investment and profit to be spent on local public services are considered in a different document, the Investment Strategy.

2 External Context

- 2.1 **Economic background:** The ongoing impact on the UK from the war in Ukraine, together with higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, will be major influences on the Authority's treasury management strategy for 2023/24.
- 2.2 The Bank of England (BoE) increased Bank Rate by 0.5% to 3.5% in December 2022. This followed a 0.75% rise in November which was the largest single rate hike since 1989 and the ninth successive rise since December 2021. The December decision was voted for by a 6-3 majority of the Monetary Policy Committee (MPC), with two dissenters voting for a no-change at 3% and one for a larger rise of 0.75%.
- 2.3 The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than in the August report, due in part to the government's support package for household energy costs, inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.
- 2.4 The UK economy contracted by 0.3% between July and September 2022 according to the Office for National Statistics, and the BoE forecasts Gross Domestic Product (GDP) will decline 0.75% in the second half of the calendar year due to the squeeze on household income from higher energy costs and goods prices. Growth is then expected to continue

to fall throughout 2023 and the first half of 2024.

- 2.5 CPI inflation is expected to have peaked at around 11% in the last calendar quarter of 2022 and then fall sharply to 1.4%, below the 2% target, in two years' time and to 0% in three years' time if Bank Rate follows the path implied by financial markets at the time of the November MPR (a peak of 5.25%). However, the BoE stated it considered this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target. Market rates have fallen since the time of the November MPR.
- 2.6 The labour market remains tight for now, with the most recent statistics showing the unemployment rate was 3.7%. Earnings were up strongly in nominal terms by 6.1% for both total pay and for regular pay but factoring in inflation means real pay for both measures was -2.7%. Looking forward, the November MPR shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.
- 2.7 Interest rates have also been rising sharply in the US, with the Federal Reserve increasing the range on its key interest rate by 0.5% in December 2022 to 4.25%-4.5%. This rise follows four successive 0.75% rises in a pace of tightening that has seen rates increase from 0.25%-0.50% in March 2022. Annual inflation has been slowing in the US but remains above 7%. GDP grew at an annualised rate of 3.2% (revised up from 2.9%) between July and September 2022, but with official interest rates expected to rise even further in the coming months, a recession in the region is widely expected at some point during 2023.
- 2.8 Inflation rose consistently in the Euro Zone since the start of the year, hitting a peak annual rate of 10.6% in October 2022, before declining to 10.1% in November. Economic growth has been weakening with an upwardly revised expansion of 0.3% (from 0.2%) in the three months to September 2022. As with the UK and US, the European Central Bank has been on an interest rate tightening cycle, pushing up its three key interest rates by 0.50% in December, following two consecutive 0.75% rises, taking its main refinancing rate to 2.5% and deposit facility rate to 2.0%.
- 2.9 **Credit outlook:** Credit default swap (CDS) prices have generally followed an upward trend throughout 2022, indicating higher credit risk. They have been boosted by the war in Ukraine, increasing economic and political uncertainty and a weaker global and UK outlook, but remain well below the levels seen at the beginning of the Covid-19 pandemic.
- 2.10 CDS price volatility was higher in 2022 compared to 2021 and the divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities has emerged once again.
- 2.11 The weakening economic picture during 2022 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several local authorities and financial institutions, revising them from to negative from stable.
- 2.12 There are competing tensions in the banking sector which could impact bank balance sheet strength going forward. The weakening economic outlook and likely recessions in many regions increase the possibility of a deterioration in the quality of banks' assets, while higher interest rates provide a boost to net income and profitability.

- 2.13 However, the institutions on our adviser Arlingclose’s counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.
- 2.14 **Interest rate forecast (December 2022):** The Council’s treasury management adviser Arlingclose forecasts that Bank Rate will continue to rise in 2022 and 2023 as the Bank of England attempts to subdue inflation which is significantly above its 2% target.
- 2.15 While interest rate expectations reduced during October and November 2022, multiple interest rate rises are still expected over the forecast horizon despite looming recession. Arlingclose expects Bank Rate to rise to 4.25% by June 2023 under its central case, with the risks in the near- and medium-term to the upside should inflation not evolve as the Bank forecasts and remains persistently higher.
- 2.16 Yields are expected to remain broadly at current levels over the medium-term, with 5-, 10- and 20-year gilt yields expected to average around 3.5%, 3.5%, and 3.85% respectively over the 3-year period to December 2025. The risks for short, medium and longer-term yields are judged to be broadly balanced over the forecast horizon. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty and events.
- 2.17 A more detailed economic and interest rate forecast provided by Arlingclose is in Appendix A.
- 2.18 For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate/yield of 3.41%, and that new long-term loans will be borrowed at an average rate of 4.42%.

3 **Local Context**

- 3.1 On 31 December 2022, the Council held £63.2 million of borrowing and £61.9 million of treasury investments. This is set out in further detail at Appendix B. Forecast changes in these sums are shown in the balance sheet analysis in Table 1 below. Please note that due to not having the 2021/22 accounts finalised this forecast uses financial data from the draft 2020/21 Statement of Accounts. Where available these figures have been updated with current positions, but the overall position is still subject to some change.

Table 1: Balance sheet summary and forecast

	31.3.21 Actual £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m	31.3.25 Forecast £m
Capital financing requirement	95.8	92.3	95.1	102.7	104.5
Less: External borrowing **	79.0	64.8	62.6	59.8	58.6
Internal borrowing	16.8	29.5	32.5	42.9	45.9
Less: Balance sheet resources	64.3	77.6	76.2	65.3	62.6
Treasury investments	47.5	50.1	43.7	22.4	16.7

- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment. In other words, the CFR is the total historic outstanding capital expenditure which has not yet been paid for. The Council’s current strategy is to maintain borrowing and

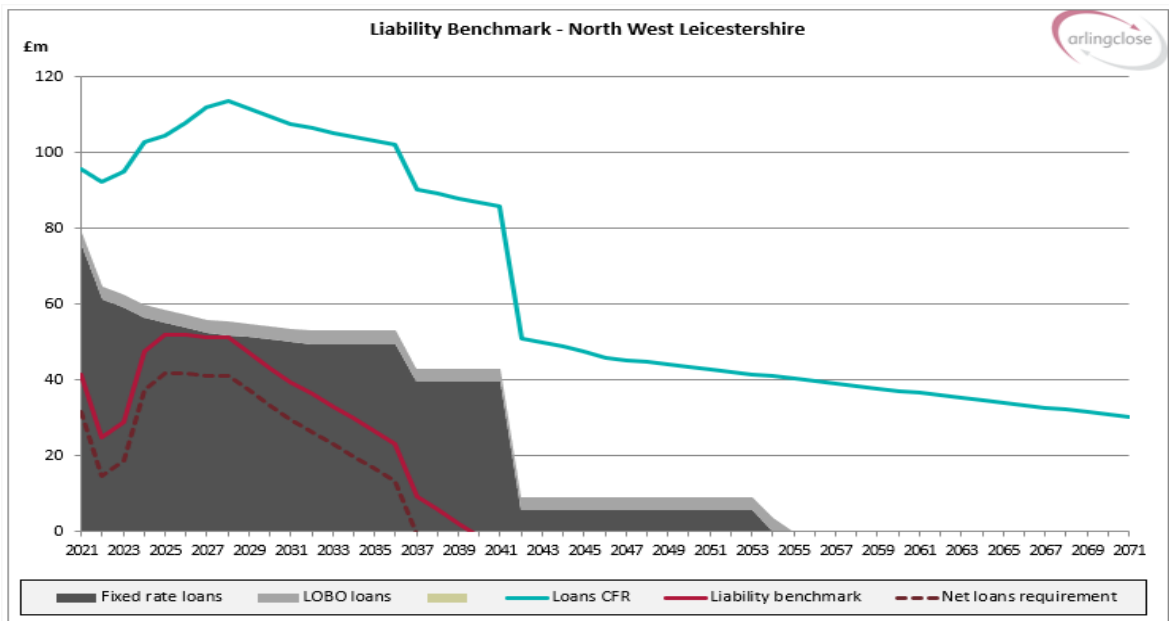
investments below their underlying levels, sometimes known as internal borrowing.

- 3.3 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2023/24.
- 3.4 **Liability benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as Table 1 above, but that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk. This also allows the Council to maintain its professional investor status (known as MIFID) which allows for higher levels of advice from its treasury advisors and investment in a more diverse range of sources.
- 3.5 The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.
- 3.6 Please note that the balance sheet resources figures are based on the 2020/21 unaudited accounts which are yet to be audited. Therefore, it is subject to change.

Table 2: Prudential Indicator: Liability benchmark

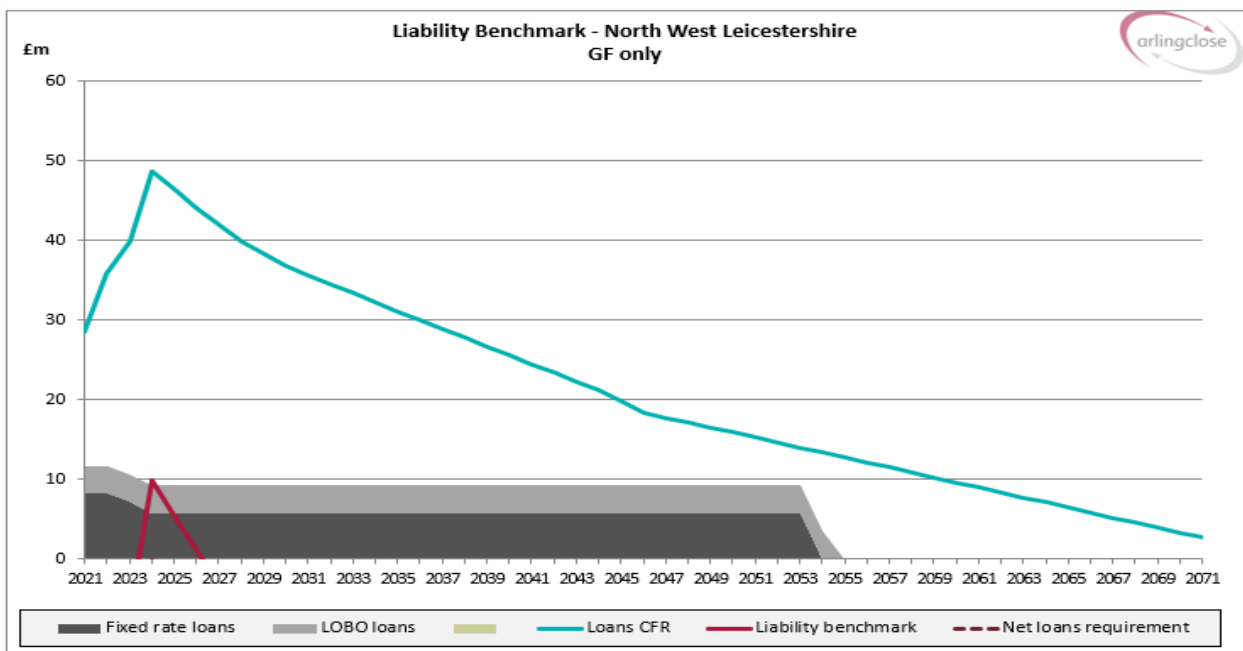
	31.3.21 Actual £m	31.3.22 Forecast £m	31.3.23 Forecast £m	31.3.24 Forecast £m	31.3.25 Forecast £m
Loans CFR	95.8	92.3	95.1	102.7	104.5
Less: Balance sheet resources	64.3	77.6	76.2	65.3	62.6
Net loans requirement	31.5	14.7	18.9	37.4	41.9
Plus: Liquidity allowance	10.0	10.0	10.0	10.0	10.0
Liability benchmark	41.5	24.7	28.9	47.4	51.9

- 3.7 Following on from the medium-term forecasts in Table 2 above, the long-term liability benchmark assumes capital expenditure funded by borrowing only for the HRA, minimum revenue provision on new capital expenditure based on local decisions on asset life and income, expenditure and reserves all increasing by inflation of 2.5% a year. This measure is shown in the charts below initially for the Council as a whole and then split into the General Fund and HRA together with the maturity profile of the Council's existing borrowing. Please note that as with the above graph these figures are in part using the 2020/21 unaudited accounts and may be subject to change:

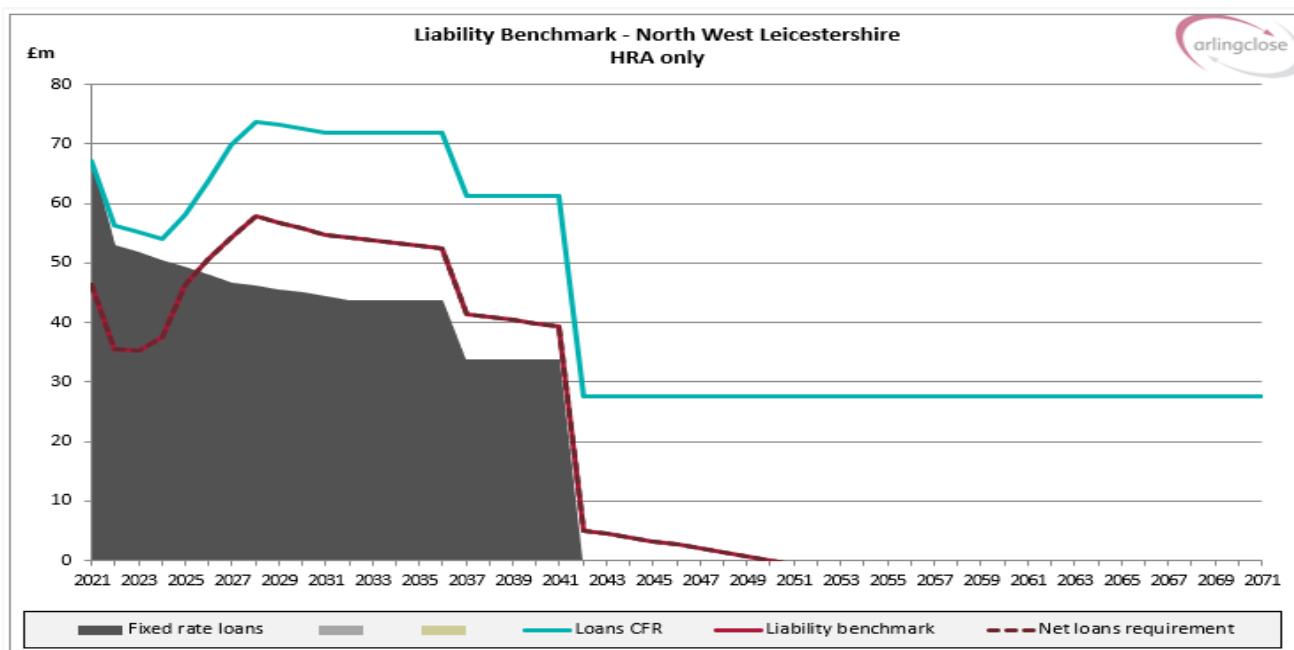


3.8 The above graph demonstrates the Council's overall forecasted borrowing requirement and anticipated underlying need to borrow. It shows that the Council is funding its CFR through a mixture of both internal and external borrowing. Should the Council maintain its policy of internal borrowing there is no expectation that any new external borrowing will be required. It is worth noting that this is subject to change within an uncertain economic environment.

3.9 The following graph shows the Liability Benchmark position for the general fund only. This graph demonstrates that the general fund may need to borrow in the short term. This could be funded through borrowing from the HRA. This situation is subject to change due to a variety of internal and external circumstances.



3.10 The following graph shows the Liability Benchmark position for the HRA. This shows that the HRA will likely require borrowing from 2024/25 to fund the capital programme. As discussed previously this is subject to change and reflects the forecasted position.



4 **Borrowing Strategy**

4.1 As at 31 December 2022, the Council holds £63.2 million of loans, a decrease of £1.6 million compared to the start of the financial year, as part of its strategy for funding previous years’ capital programmes. The balance sheet forecast in Table 1 shows that the Council’s CFR is due to increase by around £7.6 million in 2023/24, this increase will need to be financed through internal or external borrowing. The Council may borrow additional sums to pre-fund future years’ requirements, providing this does not exceed the forecast CFR plus any cashflow requirements. This is represented with the authorised limit for borrowing of £105.1 million as outlined below.

4.2 **Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

4.3 Leases limits will come into effect in the 2024/25 financial year with the implementation of IFRS16.

Table 3: Authorised limit and operational boundary for external debt in £m

	2021/22 limit	2022/23 limit	2023/24 limit	2024/25 limit
Authorised limit – borrowing	104.5	102.3	105.1	112.7
Authorised limit – leases	0.0	0.0	0.0	5.0
Authorised limit – total external debt	104.5	102.3	105.1	117.7
Operational boundary – borrowing	94.5	92.3	95.1	102.7
Operational boundary – leases	0.0	0.0	0.0	2.0

	2021/22 limit	2022/23 limit	2023/24 limit	2024/25 limit
Operational boundary – total external debt	94.5	92.3	95.1	104.7

- 4.4 **Objectives:** The Councils chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
- 4.5 **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently slightly higher than long term rates it may be beneficial to borrow long term to lock in lower rates. However, there is also the possibility that short term rates will decrease over the next few years if the economic situation improves. Due to the uncertain economic scenario any decisions on this will be made following an internal review and consultation with our treasury advisors.
- 4.6 The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2023/24 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
- 4.7 The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board (PWLB) but will consider long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.
- 4.8 Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
- 4.9 In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.
- 4.10 **Sources of borrowing:** The approved sources of long-term and short-term borrowing are:
- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
 - Any institution approved for investments (see below)
 - Any other bank or building society authorised to operate in the UK
 - Any other UK public sector body
 - UK public and private sector pension funds (except Leicestershire County Council Pension Fund)
 - Capital market bond investors
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

4.11 **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Leasing
- Hire purchase
- Private Finance Initiative
- Sale and leaseback

4.12 **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

4.13 **Lender's Option Borrower's Option (LOBOs):** The Council holds £3.5 million of LOBO loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £3.5 million of these LOBOs have options during 2023/24, and with interest rates having risen recently, there is now a reasonable chance that lenders will exercise their options. If they do, the Council will take the option to repay LOBO loans to reduce refinancing risk in later years. Total borrowing via LOBO loans will be limited to £3.5 million.

4.14 **Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).

4.15 **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

5 Treasury Investment Strategy

5.1 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Since 31 March 2022, the Council's treasury investment balance has ranged between £68.7 million and £44.0 million. These levels are expected to gradually reduce over the coming year due to planned capital expenditure, use of reserves and repayment of debt.

5.2 **Objectives:** The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an

appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

- 5.3 **Strategy:** As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.
- 5.4 The CIPFA Code does not permit local authorities to both borrow and invest long-term for cash flow management. But the Council may make long-term investments for treasury risk management purposes, including to manage interest rate risk by investing sums borrowed in advance for the capital programme for up to three years; to manage inflation risk by investing usable reserves in instruments whose value rises with inflation; and to manage price risk by adding diversification to the strategic pooled fund portfolio.
- 5.5 **ESG policy:** Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.
- 5.6 Where practical when making investment decisions ESG will be considered and counterparties with integrated ESG policies and commitments to carbon net zero by 2050 will be favoured by the council.
- 5.7 **Business models:** Under the IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.
- 5.8 **Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types in Table 4 below, subject to the limits shown.

Table 4: Treasury investment counterparties and limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	5 years	£60m	n/a
Local authorities & other government entities	5 years	£5m	£60m
Secured investments *	5 years	£5m	£60m
Banks (unsecured) *	13 months	£2.5m	£60m

Building societies (unsecured) *	13 months	£2.5m	£5m
Registered providers (unsecured) *	5 years	£2.5m	£12.5m
Money market funds *	n/a	£5m	£60m
Strategic pooled funds	n/a	£5m	£25m
Real estate investment trusts	n/a	£5m	£12.5m
Other investments *	5 years	£2.5m	£5m

This table must be read in conjunction with the notes below:

- 5.9 *** Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
- 5.10 For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £5 million per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.
- 5.11 **Government:** Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 5 years.
- 5.12 **Secured investments:** Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.
- 5.13 **Banks and building societies (unsecured):** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
- 5.14 **Registered providers (unsecured):** Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for

Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

- 5.15 **Money market funds:** Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. A £60 million sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.
- 5.16 **Strategic pooled funds:** Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.17 **Real estate investment trusts (REIT):** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.
- 5.18 **Other investments:** This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.
- 5.19 **Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2.5 million per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.
- 5.20 **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- No new investments will be made,
 - Any existing investments that can be recalled or sold at no cost will be, and
 - Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 5.21 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

- 5.22 **Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
- 5.23 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.
- 5.24 **Investment limits:** The Council's revenue reserves available to cover investment losses are forecast to be £10.3 million on 31 March 2023 and £16.5 million on 31 March 2024. In order that no more than 50% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.
- 5.25 Credit risk exposures arising from non-treasury investments, financial derivatives and balances greater than £2.5 million in operational bank accounts count against the relevant investment limits.
- 5.26 Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as detailed in the table below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 5: Additional investment limits

	Cash limit
Any group of pooled funds under the same management	£12.5m per manager
Negotiable instruments held in a broker's nominee account	£12.5m per broker

- 5.27 **Liquidity management:** The Council forecasts its cashflow using an excel spreadsheet to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.
- 5.28 The Council will spread its liquid cash over at least three providers (e.g. bank accounts and

money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

6 **Treasury Management Prudential Indicators**

6.1 The Council measures and manages its exposures to treasury management risks using the following indicators.

6.2 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	A-

6.3 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£2.5m

6.4 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	External Borrowing Limit	Internal Borrowing Limit
Upper limit on one-year revenue impact per a 1% <u>rise</u> in interest rates	£600,000	£550,000
Upper limit on one-year revenue impact per a 1% <u>fall</u> in interest rates	£600,000	£550,000

6.5 The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates.

6.6 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Lower limit	Upper Limit	Position as at 31/12/2023
Under 12 months	0%	70%	43%
12 months and within 24 months	0%	30%	1%
24 months and within 5 years	0%	30%	3%

5 years and within 10 years	0%	30%	2%
10 years and within 20 years	0%	90%	44%
20 years and above	0%	30%	6%

**includes internal borrowing*

- 6.7 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.
- 6.8 The figures above include internal borrowing. The assumption is made that internal borrowing matures in one working day so the full amount of £36.2 million is all represented in the 'under 12 months' row.
- 6.9 **Long-term treasury management investments:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price risk indicator	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	£60m	£10m	£10m	£10m

- 6.10 The section named 'no fixed date' refers to longer dated investments which have no set maturity point but are anticipated to be held for a period longer than a year e.g., strategic property funds.

7 Related Matters

- 7.1 The CIPFA Code requires the Council to include the following in its treasury management strategy.
- 7.2 **Financial derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
- 7.3 The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

- 7.4 Financial derivative transactions may be arranged with any organisation that meets the

approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk calculated using the methodology in the Treasury Management Practices document will count against the counterparty credit limit and the relevant foreign country limit.

- 7.5 In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.
- 7.6 **Housing Revenue Account:** In 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average interest rate on investments, adjusted for credit risk.
- 7.7 **External Funds:** The Council manages S106 funds. These funds contribute towards the investment balances. Therefore, interest earned on S106 balances are repaid to the S106 fund. The value of the S106 funds as at 31 December 2022 equals £6.9 million. Reducing our overall interest earned forecast by an estimated £130,000.
- 7.8 Additionally the Council holds funds for the Chairman's Charity which is gathered throughout the year and apportioned out to selected charities. These amounts are negligible.
- 7.9 **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Head of Finance believes this to be the most appropriate status.

8 Financial Implications

- 8.1 The risk adjusted budget for investment income in 2023/24 is £981,300, based on an average investment portfolio of £34.2 million at an interest rate of 2.87%. Deductions largely consisting of S106 Balances will reduce this by £189,300 leaving a total forecasted interest income of £792,000.
- 8.2 The allocations of interest to the General Fund and HRA will be worked out based on the average notional investment balances of both funds throughout the financial year the percentage of which will be applied to the overall interest received after deductions. The forecasted notional balances of each fund throughout the year result in a split of 42% for the general fund totalling £335,500 and 58% for the HRA totalling £456,500.
- 8.3 This interest forecast is subject to a great deal of change as it is impacted by cashflow timings, delivery of capital programmes and their subsequent forecasts, grant payments, grant repayments and growth in council tax, business rates and social housing rents. It is also dependent on our base rate forecast being accurate (shown in appendix A and

paragraph 2.14) which in turn is impacted by economic factors such as inflation which are notoriously difficult to predict. Therefore, this forecast is likely to evolve throughout the year and can change on a daily basis. As a result of the changeable nature of investment return the above interest income forecast is risk adjusted to be reduced by 20% of actual projections to reduce the risk to the Councils budget of the possible changes.

- 8.4 The budget for debt interest paid in 2023/24 is £2.2 million. Of this £520,000 refers to the General Fund and £1.7 million to the HRA. This is based on a debt portfolio of £62.6 million at an average interest rate of 3.6%. £51.9 million of this forecast is HRA Borrowing and £10.7 million is General Fund.
- 8.5 If actual levels of investments and borrowing, or actual interest rates, differ from those forecasts, performance against budget will be correspondingly different.
- 8.6 Where investment income exceeds budget, e.g., from higher risk investments including pooled funds, or debt interest paid falls below budget, e.g., from cheap short-term borrowing, then 50% of the revenue savings will be transferred to a treasury management reserve to cover the risk of capital losses or higher interest rates payable in future years. This option will be at the discretion of the Chief Financial Officer and will not be taken in periods of outstanding financial pressures or uncertainties.

9 **Other Options Considered**

- 9.1 The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Head of Finance, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain

Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain
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Arlingclose Economic & Interest Rate Forecast – December 2022

Underlying assumptions:

- The influence of the mini-budget on rates and yields continues to wane following the more responsible approach shown by the new incumbents of Downing Street.
- Volatility in global markets continues, however, as investors seek the extent to which central banks are willing to tighten policy, as evidence of recessionary conditions builds. Investors have been more willing to price in the downturn in growth, easing financial conditions, to the displeasure of policymakers. This raises the risk that central banks will incur a policy error by tightening too much.
- The UK economy is already experiencing recessionary conditions and recent GDP and PMI data suggests the economy entered a technical recession in Q3 2022. The resilience shown by the economy has been surprising, despite the downturn in business activity and household spending. Lower demand should bear down on business pricing power – recent data suggests the UK has passed peak inflation.
- The lagged effect of the sharp tightening of monetary policy, and the lingering effects of the mini-budget on the housing market, widespread strike action, alongside high inflation, will continue to put pressure on household disposable income and wealth. The short- to medium-term outlook for the UK economy remains bleak.
- Demand for labour appears to be ebbing, but not quickly enough in the official data for most MPC policymakers. The labour market remains the bright spot in the economy and persisting employment strength may support activity, although there is a feeling of borrowed time. The MPC focus is on nominal wage growth, despite the huge real term pay cuts being experienced by the vast majority. Bank Rate will remain relatively high(er) until both inflation and wage growth declines.
- Global bond yields remain volatile as investors price in recessions even as central bankers push back on expectations for rate cuts in 2023. The US labour market remains tight and the Fed wants to see persistently higher policy rates, but the lagged effects of past hikes will depress activity more significantly to test the Fed's resolve.
- While the BoE appears to be somewhat more dovish given the weak outlook for the UK economy, the ECB seems to harbour (worryingly) few doubts about the short term direction of policy. Gilt yields will be broadly supported by both significant new bond supply and global rates expectations due to hawkish central bankers, offsetting the effects of declining inflation and growth.

Forecast:

- The MPC raised Bank Rate by 50bps to 3.5% in December as expected, with signs that some members believe that 3% is restrictive enough. However, a majority of members think further increases in Bank Rate might be required. Arlingclose continues to expect Bank Rate to peak at 4.25%, with further 25bps rises February, March and May 2023.
- The MPC will cut rates in the medium term to stimulate a stuttering UK economy, but will be reluctant to do so until wage growth eases. It is anticipated that there will be rate cuts in the first half of 2024.
- Arlingclose expects gilt yields to remain broadly steady over the medium term, although with continued volatility across shorter time periods.

- Gilt yields face pressures to both sides from hawkish US/EZ central bank policy on one hand to the weak global economic outlook on the other. BoE bond sales and high government borrowing will provide further underlying support for yields.

	Current	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Official Bank Rate													
Upside risk	0.00	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25	1.25
Arlingclose Central Case	3.50	4.00	4.25	4.25	4.25	4.25	4.00	3.75	3.50	3.25	3.25	3.25	3.25
Downside risk	0.00	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
3-month money market rate													
Upside risk	0.00	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25	1.25
Arlingclose Central Case	3.00	4.40	4.40	4.40	4.35	4.30	4.25	4.00	3.75	3.50	3.40	3.40	3.40
Downside risk	0.00	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
5yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.43	3.60	3.80	3.80	3.80	3.70	3.60	3.50	3.40	3.30	3.30	3.30	3.30
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
10yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.47	3.50	3.60	3.60	3.60	3.60	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
20yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.86	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
50yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.46	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%

UKIB Rate (Maturity Loans) = Gilt yield + 0.60%

Existing Investment & Debt Portfolio Position - 31 December 2022

	31/12/2022 Actual portfolio £m	31/12/2022 Average rate %
External borrowing:		
Public Works Loan Board	55.7	3.4%
LOBO loans from banks	3.5	4.8%
Other loans	3.9	4.7%
Total external borrowing	63.2	3.6%
Treasury investments:		
The UK Government	47.5	3.0%
Local authorities	0.8	0.6%
Banks (unsecured)	2.1	2.0%
Money market funds	11.5	3.0%
Total treasury investments	61.9	3.0%
Net debt	1.3	

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North West Leicestershire District Council Minimum Revenue Provision Statement 2023/24

1. Annual Minimum Revenue Provision Statement 2023/24

- 1.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The *Local Government Act 2003* requires the Council to have regard to the former Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.
- 1.2 The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 1.3 The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.
- Capital expenditure funded by borrowing incurred before 1 April 2008 MRP will be determined in accordance with the former regulations that applied on 31 March 2008, incorporating an "Adjustment A" of £606k.
 - For capital expenditure funded by borrowing incurred between 1 April 2008 and 31 March 2019, MRP will be determined as 4% of the capital financing requirement in respect of that expenditure. This will be charged on a straight-line basis over 25 years.
 - For capital expenditure funded by borrowing incurred after 31 March 2019, MRP will be determined by charging the expenditure over the expected life of the relevant asset as the principal repayment on an annuity equal to the average relevant PWLB rate for year of expenditure, starting in the year after the asset becomes operational. MRP in purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
 - For transferred debt from Hinckley and Bosworth Borough Council, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

- Where former operating leases have been brought onto the balance sheet on 1 April 2024 due to the adoption of the *IFRS 16 Leases* accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or discounts, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.
- For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. While this is not one of the options in the MHCLG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred on the loan is fully funded over the life of the assets.
- MRP in respect of the £80 million payment made in 2012 to exit the Housing Revenue Account subsidy system will be determined as being equal to the principal amount repaid on the loans borrowed to finance that payment.

1.4 Capital expenditure incurred during 2023/24 will not be subject to a MRP charge until 2024/25.

1.5 MRP will only be charged once the asset is fully operational and will not be charged whilst the asset is under construction. The MRP charge will commence the year after the asset becomes operational.

1.6 Based on the Council's latest estimate of its capital financing requirement (CFR) on 31 March 2023, the budget for MRP has been set as follows:

	31.03.2023 Estimated CFR	2023/24 Estimated MRP
	£m	£m
Capital expenditure funded by borrowing before 01.04.2008	7.7	0.3
Capital expenditure funded by borrowing between 01.04.2008 and 31.03.2019	7.6	0.3
Unsupported capital expenditure after 31.03.2019	24.5	0.5
Transferred debt	0.1	0.0
Total General Fund	39.9	1.1
Assets in the Housing Revenue Account	3.3	0.0
HRA subsidy reform payment	51.9	1.2
Total Housing Revenue Account	55.2	1.2
Total	95.1	2.3

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North West Leicestershire District Council

Investment Strategy Report 2023/24

1. Introduction

1.1. The Council invests its money for three broad purposes:

- Because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- To support local public services by lending to or buying shares in other organisations (**service investments**), and
- To earn investment income (**Commercial investments**). It is important to stress that the primary goal of the commercial investments held by the Council and discussed in this report is not generation of profit but instead supporting local growth, local regeneration and the efficient use of local assets. Investment income is a secondary objective which is reinvested in local services.

1.2 Although not classed as a category of investment the Council also invests its own funds to finance capital expenditure funded through borrowing. This is known as internal borrowing.

1.3 This investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.

2. Treasury Management Investments

2.1 The Council typically receives its income in cash (e.g., from taxes and grants) before it pays for its expenditure in cash (e.g., through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £20.7 million and £40.1 million during the 2023/24 financial year.

2.2 **Contribution:** The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

2.3 **Further details:** Full details of the Council's policies and its plan for 2023/24 for treasury management investments are covered in a separate document, the Treasury Management Strategy Statement 2023/24.

3. Service Investments: Loans

3.1 **Contribution:** The Council does not currently, but may in the future, lend money to various organisations including its subsidiaries or trading companies, suppliers, local businesses, local charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth.

3.2 **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2022 actual		2023/24	
	Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries	Nil	Nil	Nil	Nil
Suppliers	Nil	Nil	Nil	Nil
Parish councils	Nil	Nil	Nil	Nil
Local businesses	Nil	Nil	Nil	Nil
Local charities	Nil	Nil	Nil	Nil
Housing associations	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil

3.3 Loans made for service purposes will be undertaken on a case-by-case basis and require approval by Full Council. Therefore, there is no approved limit for these loans outlined in the above table, but the option is available following a proper risk and benefit review.

3.4 Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

3.5 **Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding service loans by:

- Requesting a business case to support the service loan and reviewing the business case for validity and robustness;
- Completing a financial appraisal of the business case;
- Seeking external advice where necessary to ensure compliance with for example state aid/subsidy law and creditworthiness of the counterparty seeking a service loan;

- Monitoring and undertaking regular reviews of counterparties for credit risk.

4. **Service Investments: Shares**

- 4.1 **Contribution:** The Council does not currently, but may in the future, invest in the shares of its subsidiaries or trading companies, its suppliers, and local businesses to support local public services and stimulate local economic growth.
- 4.2 **Security:** One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Table 2: Shares held for service purposes in £ millions

Category of company	31.3.2022 actual		2023/24	
	Amounts invested	Gains or losses	Value in accounts	Approved Limit
Subsidiaries	Nil	Nil	Nil	Nil
Suppliers	Nil	Nil	Nil	Nil
Local businesses	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil

- 4.3 As in Table 1 there are no approved limits for investments of this kind. Applications will be dealt with on a case-by-case basis and require approval by Full Council following a comprehensive review.
- 4.4 **Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding shares by:
- Requesting a business case to support the investment and reviewing the business case for validity and robustness;
 - Completing a financial appraisal of the investment;
 - Seeking external advice where necessary to ensure the creditworthiness of the counterparty; and
 - Monitoring and maintain regular review of counterparties for credit risk.
- 4.5 **Liquidity:** To maintain liquidity, the council determines the maximum period for which funds may be prudently committed through financial planning in the Medium-Term Financial Strategy and the Treasury Management Strategy Statement. The Council's cash flow is monitored and reviewed to inform these strategies.
- 4.6 **Non-specified Investments:** Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The Council has not adopted any procedures for

determining further categories of non-specified investment since none are likely to meet the definition.

5. **Commercial Investments: Property**

5.1 **Contribution:** The Council invests in local commercial property with the primary aim of supporting local growth, regeneration and efficient use of local assets. The secondary aim is investment income that will be spent on local public services. Currently the Council only holds commercial investments within the district boundaries in line with these aims.

5.2 The following table uses information from the unaudited 2020/21 accounts and valuations for 2022/23 where these exist. More up to date information will be provided once the 2021/22 accounts have been finalised.

Table 3: Property held for investment purposes in £ millions

Property	31.3.2021 actual		31.3.2022 expected	
	Gains or (losses)	Value in accounts	Gains or (losses)	Value in accounts
Industrial Units	106,000	6,373,700	421,100	6,794,800.00
Market Hall	-1,245,600	185,100	0	185,100.00*
Whitwick Business Centre	21,300	1,850,000	-27,100	1,822,900.00
Land	38,900	5,403,300	-2,336,334	260,300.00**
TOTAL	1,079,400	13,812,100	-1,942,434	9,063,100

*Valuation unavailable for 2021/22

**Cropston Drive land sold in 2021/22

5.3 **Security:** In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs. An assessment of the council's investment property portfolio is undertaken each year in the Final Accounts year-end process.

- Where the value in the accounts is at or above purchase cost: the property investment is deemed to be secure as the property could be sold to cover the purchase cost.
- Where the value in the accounts is below the purchase cost: the investment property portfolio is no longer sufficient to provide security against loss.

5.4 **Risk assessment:** The Council assesses the risk of loss before entering into and whilst holding property investments by:

- Assessment of the business case on a case by case basis, reviewing for validity and robustness;
- Financial appraisal of the business case;
- Seeking external expertise and advice where necessary; and

- Assessing the market competition including barriers to entry or exit; market needs; nature and level of competition; ongoing investments required;
- The council will also take into consideration any impact on local businesses before entering into new investments. This is to protect local business's interest in the local market.

5.5 **Liquidity:** Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Council has minimised this risk by holding a minimal investment portfolio.

6. **Proportionality**

6.1 The Council generates a small amount of income from investment activity to achieve a balanced revenue budget. Table 4 below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Council is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Plan.

6.2 The below table outlines the investment income from commercial investments against the net service expenditure. A more appropriate measure would be the gross service expenditure as that figure would not already be adjusted for income and show a truer reflection of the extent to which income from these commercial investments support the Council's overall revenue expenditure. The gross expenditure figures are not currently available for this report. The below uses net service expenditure to give the reader an idea of the overall scale.

Table 4: Proportionality of Investments £'000

	2021/22 Actual	2022/23 Forecast	2023/24 Budget	2024/25 Budget	2025/26 Budget
Investment income	662	709	859	865	868
Net service expenditure	17,604	16,374	15,810	15,810	15,810
Proportion	4%	4%	5%	5%	5%

7. **Borrowing in Advance of Need**

7.1 Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council does not have any plans to borrowing in advance of need in 2023/24.

8. Capacity, Skills and Culture

8.1 **Elected members and statutory officers:** The Council recognises the importance of ensuring that all Elected Members and Officers involved in investment decisions are fully equipped to undertake the duties and responsibilities allocated to them and have the appropriate capacity, skills and information to enable them to make informed decisions e.g. as to whether to enter into a specific investment. There is a requirement to understand:

- The context of the Council's corporate objectives;
- The Council's risk appetite and risk assessment framework;
- The Prudential Framework;
- The regulatory regime within local authorities operations.

8.2 The Council will, therefore, seek to appoint individuals who are both capable and experienced and provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The following measures are in place:

- Identification of officer training needs on commercial investment related issues through the reflection process;
- Attendance at relevant training events, seminars and workshops; and
- Support from the Council's treasury management advisors, Arlingclose.

8.3 Elected members' training needs are assessed through the Member Development Group. The Council will also specifically address this important issue by:

- Periodically facilitating workshops or other training for members on commercial investment issues; and
- Interim reporting and advice to members.

8.4 Where necessary the Council will engage external advisers for investment advice, property surveys and due diligence checks. The cost of any such advice will be taken into account when developing business cases and when assessing the overall viability of projects.

8.5 **Commercial deals:** The Council has a decision-making framework which is aligned to the requirements of the Statutory Guidance relating to Local Authority Investments. A Commercial Board would be constituted if the requirement arises. The Commercial Board will consider any future commercial opportunities. The guiding principles that will be used will require future commercial projects to:

- Meet the Council's corporate priorities;
- Deliver community benefit
- Require minimum investment for maximum return;
- Be primarily within the District boundaries, consideration will be given to opportunities outside these boundaries if the benefit to the Council or North West Leicestershire is significant;

- Grow the business base;
- Deliver a diversified portfolio of projects that balance risk and return.

8.6 The Commercial Board will assess future commercial investment against the Investment Strategy. All investments will be subject to rigorous scrutiny and successful schemes will result in the provision of a report to Council for approval. Schemes will be considered for investment against the following criteria;

- Economic Impact – in particular; jobs, business growth and new housing;
- Impact on Market Towns – in terms of vibrancy, footfall and heritage;
- Financial Implications – value for money, affordability and return of investment; and
- Deliverability – the ability to deliver the proposals and the associated risks.

8.7 **Corporate governance:** It is important that the Council has sound arrangements in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the Council's values. In terms of governance, the Commercial Board will consider all new commercial investment proposals. The Commercial Board may determine an application under delegated powers or may recommend a project to Council for approval. Full Council is responsible for the approval of the Investment Strategy and for monitoring performance against it.

8.8 The Council's values include transparency in decision-making. To facilitate that, the following arrangements are in place:

- This Corporate Investment Strategy will be made available on the Council's website;
- Meetings of the Full Council will be open to the public and the agendas and minutes from such meetings will be shown on the Council's website.

9. **Investment Indicators**

9.1 The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

9.2 **Total risk exposure:** The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third-party loans.

Table 5: Total investment exposure in £millions

Total investment exposure	31.03.2022 Actual £m	31.03.2023 Forecast £m	31.03.2024 Forecast £m
Treasury management investments	49.0	40.0	23.3
Commercial investments: Property	9.0	9.0	9.0
TOTAL INVESTMENTS	58.0	49.0	32.3
Commitments to lend	0	0	0
Guarantees issued on loans	0	0	0
TOTAL EXPOSURE	58.0	49	32.3

- 9.3 **How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.
- 9.4 These figures have been worked out by using the actual and forecast percentage of the overall capital financing requirement (CFR) that is funded by external borrowing and applying that to the value of the investments in Table 5.

Table 6: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2022 Actual	31.03.2023 Forecast	31.03.2024 Forecast
Treasury management investments	33.6	25.3	13.7
Service investments: Loans	0	0	0
Service investments: Shares	0	0	0
Commercial investments: Property	6.2	5.7	5.3
Total Funded by Borrowing	39.8	31.0	19.0

- 9.5 **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2021/22 Actual	2022/23 Forecast	2023/24 Forecast
Treasury management investments	0.10%	1.87%	3.41%
Commercial investments: Property	2.69%	4.28%	4.36%

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North West Leicestershire District Council Minimum Revenue Provision Statement 2022/23

1. Annual Minimum Revenue Provision Statement 2022/23

- 1.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The *Local Government Act 2003* requires the Council to have regard to the former Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.
- 1.2 The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 1.3 The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.
- Capital expenditure funded by borrowing incurred before 1 April 2008 MRP will be determined in accordance with the former regulations that applied on 31 March 2008, incorporating an "Adjustment A" of £606k.
 - For capital expenditure funded by borrowing incurred between 1 April 2008 and 31 March 2019, MRP will be determined as 4% of the capital financing requirement in respect of that expenditure. This will be charged on a straight-line basis over 25 years.
 - For capital expenditure funded by borrowing incurred after 31 March 2019, MRP will be determined by charging the expenditure over the expected life of the relevant asset as the principal repayment on an annuity equal to the average relevant PWLB rate for year of expenditure, starting in the year after the asset becomes operational. MRP in purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.
 - For transferred debt from Hinckley and Bosworth Borough Council, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

- Where former operating leases have been brought onto the balance sheet on 1 April 2024 due to the adoption of the *IFRS 16 Leases* accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or discounts, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.
- For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. While this is not one of the options in the MHCLG Guidance, it is thought to be a prudent approach since it ensures that the capital expenditure incurred on the loan is fully funded over the life of the assets.
- MRP in respect of the £80 million payment made in 2012 to exit the Housing Revenue Account subsidy system will be determined as being equal to the principal amount repaid on the loans borrowed to finance that payment.

1.4 Capital expenditure incurred during 2022/23 will not be subject to a MRP charge until 2023/24.

1.5 MRP will only be charged once the asset is fully operational and will not be charged whilst the asset is under construction. The MRP charge will commence the year after the asset becomes operational.

1.6 Based on the Council's latest estimate of its capital financing requirement (CFR) on 31 March 2022, the budget for MRP has been set as follows:

	31.03.2022 Estimated CFR	2022/23 Estimated MRP
	£m	£m
Capital expenditure funded by borrowing before 01.04.2008	7.7	0.3
Capital expenditure funded by borrowing between 01.04.2008 and 31.03.2019	7.6	0.3
Unsupported capital expenditure after 31.03.2019	20.5	0.3
Transferred debt	0.1	0.0
Total General Fund	35.9	1.4
Assets in the Housing Revenue Account	3.3	0.0
HRA subsidy reform payment	53.1	1.2
Total Housing Revenue Account	56.4	1.2
Total	92.3	2.6

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	GENERAL FUND BUDGET AND COUNCIL TAX 2023/24	
Presented by	Councillor Nick Rushton Corporate Portfolio Holder	
Background Papers	Draft General Fund Budget and Council Tax 2023/24 - Corporate Scrutiny Minutes - 4 January 2023 Draft General Fund Budget and Council Tax 2023/24 - Cabinet 10 January 2023 Coalville Special Expenses Working Party - Minutes - 3 January 2023 Special Expenses Policy - Full Council 16 November 2021	Public Report: Yes
Financial Implications	<p>This report sets out the General Fund, Special Expenses Revenue and Capital Programme for 2023/24 to 2027/28, which are needed for the Council to continue to deliver its services to residents, tenants and businesses.</p> <p>It also seeks approval for a wide range of fees and charges for 2023/24 which are set out in Appendix 3(a) to (c) and approval for the updated Corporate Charging Policy at Appendix 3(d).</p>	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	No direct legal implications arising.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications		
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To allow the Council to approve the 2023/24 budgets.	
Recommendations	<p>COUNCIL IS RECOMMENDED:</p> <ol style="list-style-type: none"> 1. TO APPROVE THE GENERAL FUND REVENUE BUDGET FOR 2023/24 AS SUMMARISED IN SECTION 2 OF THIS REPORT. THIS INCLUDES: <ol style="list-style-type: none"> a. FREEZING THE DISTRICT COUNCIL'S SHARE OF COUNCIL TAX IN 2023/24 b. CHANGES TO THE FEES AND CHARGES AS DETAILED IN APPENDIX 3(A) TO 3(C), EFFECTIVE FROM 1 APRIL 2023 c. DELEGATING AUTHORITY TO THE HEAD OF COMMUNITY SERVICES TO CONSIDER ANY OBJECTIONS RECEIVED IN RELATION TO THE PROPOSED VARIATION OF FEES FOR VEHICLE AND OPERATORS' LICENCES UNDER S.70 OF 	

	<p style="text-align: center;">THE LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976, TO DETERMINE WHETHER IN LIGHT OF ANY OBJECTIONS THE VARIATION IN FEES SHOULD BE MODIFIED AND TO SET ANOTHER DATE ON WHICH THE VARIATION IN FEES WILL COME INTO FORCE, WITH OR WITHOUT MODIFICATION, AFTER CONSIDERATION OF THE SAID OBJECTIONS.</p> <ol style="list-style-type: none"> 2. TO NOTE THE GENERAL FUND REVENUE BUDGET FOR 2024/25 TO 2027/28 (APPENDIX 1). 3. TO APPROVE THE CORPORATE CHARGING POLICY 2023-2026 (APPENDIX 3D) 4. TO APPROVE THE PROPOSED GENERAL FUND CAPITAL PROGRAMME (APPENDIX 4) FOR 2023/24 AND PLANNED FINANCING, AS SET OUT IN SECTION 3 OF THIS REPORT. 5. TO NOTE THE REMAINING ELEMENTS OF THE GENERAL FUND CAPITAL PROGRAMME 2024/25 – 2027/28. 6. TO APPROVE THE FLEET REPLACEMENT PROGRAMME FOR 2024/25, TO ALLOW VEHICLES TO BE ORDERED IN ADVANCE ONCE APPROVAL HAS BEEN GIVEN TO MOVE THIS FROM THE DEVELOPMENT TO THE ACTIVE POOL (APPENDIX 4). 7. TO APPROVE THE SPECIAL EXPENSES REVENUE BUDGET FOR 2023/24 (APPENDIX 6) AS SUMMARISED IN SECTION 4. THIS INCLUDES: <ol style="list-style-type: none"> a. SETTING THE SPECIAL EXPENSE BAND D COUNCIL TAX AT THE LEVELS DETAILED IN TABLE 4 OF THIS REPORT. 8. TO APPROVE THE CONTINUATION OF NWLDC IN THE LEICESTER AND LEICESTERSHIRE ENTERPRISE PARTNERSHIP (LLEP) BUSINESS RATES POOL IN 2023/24. 9. TO APPROVE THE DRAWDOWN FROM RESERVES TO FUND THE ONE OFF BUDGET PROPOSALS AS DETAILED IN THE GENERAL FUND BUDGET SUMMARY 2023/24 TO 2027/28 (APPENDIX 1). 10. TO APPROVE THE CONTRIBUTION TO RESERVES AS DETAILED IN THE GENERAL FUND BUDGET SUMMARY 2023/24 TO 2027/28 (APPENDIX 1). 11. TO DELEGATE AUTHORITY TO THE S151 OFFICER IN CONJUNCTION WITH THE CORPORATE PORTFOLIO HOLDER TO ACTION A VIREMENT ON GROUNDS MAINTENANCE AND EVENTS TO REALIGN THE BUDGETS ON SPECIAL EXPENSES.
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1.0 BACKGROUND AND DISCUSSION

- 1.0.1 The Medium Term Financial Plan (MTFP) sets out the financial strategic direction for the Council and is updated as it evolves and develops throughout the year, to form the framework for the Council’s financial planning.
- 1.0.2 The purpose of the MTFP is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget

setting process to ensure that resources are effectively managed and are able to deliver the aspirations of the Council, as set out in the Council Plan, over the medium term.

1.0.3 Below is a summary of the changes between the Cabinet meeting on 31 January 2023 and Full Council:

- Final Local Finance Government Settlement outlined in paragraph 2.5.1.
- Car Parking Machines – Modem Upgrade (£13,288). Scheme had been included in Appendix 4 as part of Active Programme and Development Pool. This duplication has been corrected by removing the item in the Development Pool.
- UK Shared Prosperity Fund – the Council has been notified it will receive £2.4m of grant funding from Government over a three year period 2022-25. The Capital Programme (Appendix 4) and Grants (Appendix 7) have been updated to reflect the latest estimated funding position.
- Updated Public Consultation Section 6.2 – updated as per additional papers (Appendix 10a and 10b) tabled at Cabinet.

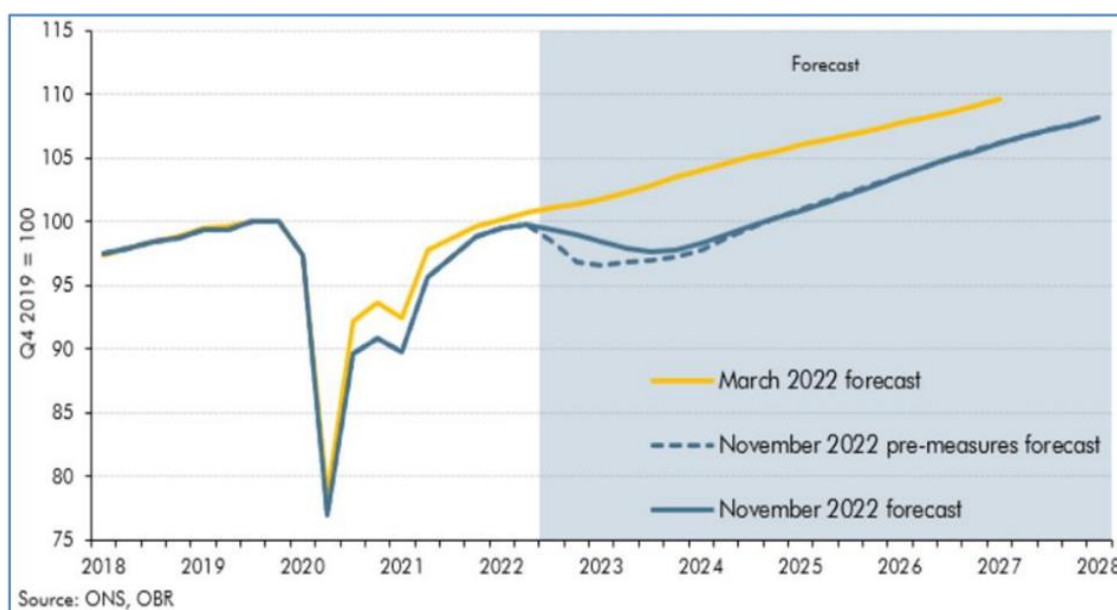
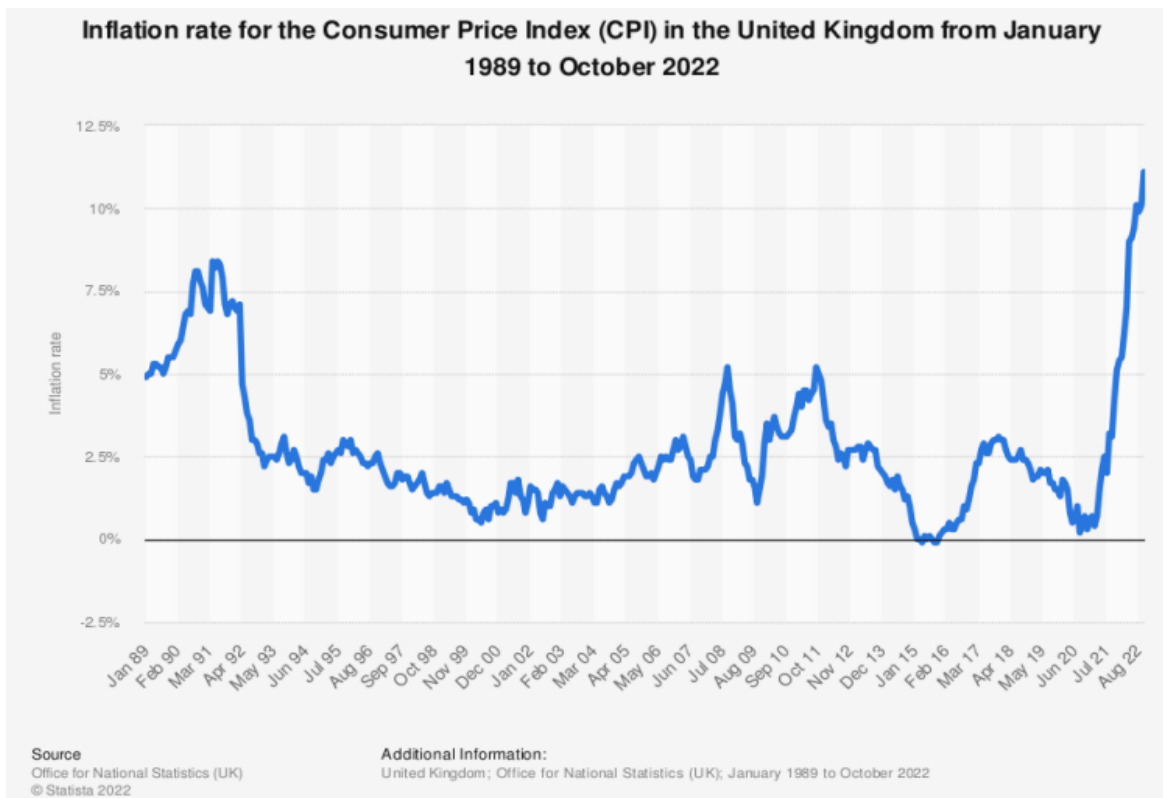
1.1 Context

1.1.1 The Council is setting its budget at a time when it faces a range of issues to contend with. In broad terms these can be split into three categories; economic, local government and locally in North West Leicestershire. Each of these is explored below:

1.2 Economic

1.2.2 The national economic position has been influenced by a number of factors in recent years including the Covid-19 pandemic, Brexit, Russian invasion of Ukraine and the cost-of-living crisis. The government has provided unprecedented support through these events.

1.2.3 The key economic challenges faced are inflation, lower economic growth and a potential recession. The graphs below show the current level of consumer price inflation (CPI) and the forecast level of gross domestic product (GDP) for the UK as provided by the Office for Budget Responsibility.



1.3 Local Government

- 1.3.1 The pressures facing the national economy are also having an impact on the local government sector. The cost of providing services is increasing due to the inflationary pressures being experienced in the wider economy, the demand for services growing and the need to respond to government policy initiatives, such as zero carbon.
- 1.3.2 The Autumn Statement in November 2022, announced additional funding in local government for social care, provided increased flexibilities by increasing the level at which a referendum would be required to increase council tax, announced the cap on social rents for 2023/24 would be 7% and confirmed commitments to fund the Levelling Up agenda.
- 1.3.3 The service with the most pressure in local government continues to be social care. Whilst the Council does not provide social care services directly its budget is impacted

upon with these pressures. Firstly, by government funding being targeted at councils with social care responsibilities and away from district councils as seen through reductions in New Homes Bonus funding in recent years. Secondly, through increased ‘knock on’ pressures on district council services supporting the vulnerable and their local communities.

1.3.4 The Provisional Local Finance Settlement was announced on 19 December 2022 and has been incorporated in the budget position for 2023/24. Whilst no specific funding allocations for 2024/25 have been made the Local Government Finance Policy Statement announced on 9 December 2022 stated they would be in line with 2023/24. There is currently little certainty of government funding streams for 2025/26 and the remainder of the medium term period.

1.4 Local – North West Leicestershire

1.4.1 North West Leicestershire District Council, just like the rest of the UK, is experiencing the impact of the cost-of-living crisis. The costs of running services and the demand for services has increased in the past 12 months and is expected to continue to increase over the coming year.

1.4.2 In the last 5-10 years the Council has seen growth in its business rates income as new companies have moved into the area due to its location and excellent communication links. This has led to the Council being the largest beneficiary in England from the business rates growth retention scheme. The business rates growth has enabled the Council to fund services without increasing council tax.

1.4.3 However, this also presents the Council’s highest financial risk as government has indicated that it is looking to reset the business rates growth baseline and redistribute resources to councils across the country with a fair funding review.

1.4.4 Recognising the wider context within which the budget is being set the Council has used a new process to develop its proposed budget plans for 2023/24 and over the medium term. This recognises the greater focus within the organisation on its finances. The new process, coupled with that used in previous years, has involved:

- Services completing budget proposal forms to justify the need for any changes to the budget.
- Budget challenge sessions, with follow ups as required, between the Chief Finance Officer and Heads of Service.
- Regular reporting to the Corporate Leadership Team of the Council’s overall budget position.
- Engagement with councillors through Portfolio Holder briefings, Strategy Group and an all councillor budget briefing prior to the draft budget being proposed for consultation.
- Further engagement has taken place through Corporate Scrutiny, consultation with the public and the HRA tenants forum.

1.5 **Principles Underpinning the Budget Strategy**

1.5.1 The Council has a number of agreed principles as a basis for financial management and budget planning as follows:

Guiding Principles	Key Strategies for Developing Budget 2023/24 and MTFP 2023-28
Financial Stability and Sustainability	<ul style="list-style-type: none"> • Plan ahead for potential Government funding changes (including Business Rates Reset)

Guiding Principles	Key Strategies for Developing Budget 2023/24 and MTFP 2023-28
	<ul style="list-style-type: none"> Do not become overly reliant on Business Rates funding for on-going service provision Use future surpluses in Business Rates funding for future one off investment in district to reduce revenue costs and/or increase income
Resources Focussed on Priorities	<ul style="list-style-type: none"> Resources allocated to council objectives
Maximising Our Sources of Income	<ul style="list-style-type: none"> Fees and Charges maximised (increased by minimum of inflation)
Managing our Risks	<ul style="list-style-type: none"> Acceptable level of risk tolerance Review of reserves strategy and position

1.6 Budget Assumptions

1.6.1 The following budget assumptions have been built into the forecast:

- Pay award – 5% in 2022/23 (actual pay award equated to 7% but the Council already had 2% included within its 2022/23 budgets), 4% in 2023/24, 3% in 2024/25 and 2% thereafter
- Contracts have been linked to the CPI/RPI as per individual agreements
- Inflation – fuel has been increased by 30%, gas by 86% and electricity by 100%
- Fees and charges – there have been some fees and charges increased by inflation and where appropriate these have been taken into account where demand has changed (please see section 2.3 for more detailed information on fees and charges)
- In broad terms other expenditure has not had any inflationary factor applied with a few exceptions where material costs have had to be increased to keep up with rising prices (e.g. Grounds Maintenance).

2.0 GENERAL FUND BUDGET 2023/24

2.1 General Fund Budget Summary

2.1.1 Appendix 1 shows the general fund budget position for 2022/23 and the proposed budget for 2023/24 to 2027/28.

2.1.2 Table 1 below highlights that in 2023/24 the net revenue expenditure has increased by £648k compared to 2022/23 and the anticipated funding has increased by just 81k.

Table 1: Changes to the General Fund budget from the previous year

	2022/23 £'000	2023/24 £'000	Movement £'000
Total Funding	(17,006)	(17,087)	(81)
Net Revenue Expenditure	16,705	17,353	648
Funding (surplus)/deficit	(301)	266	567
Targeted J2SS savings	(895)	-	895
Contributions to/(from) reserves	1,196	(266)	(1,462)

2.1.3 Also shown in the table is the Journey to Self Sufficiency (J2SS) budgeted savings for 2022/23 which if achieved would have been allocated to reserves. This is unlikely to be

achieved in 2022/23 so due to this the Council has had to reset its strategy. In line with the guiding principles set out in paragraph 1.5 savings targets have not been built into budget forecasts. Instead, the focus is on developing a robust MTFP.

2.1.4 To balance the budget in 2023/24, there is a net transfer from reserves of £266k. This amount reflects £290k which is an amount being met from reserves to fund one-off budget expenditure proposals and a contribution to MTFP earmarked reserve of £24k.

2.1.5 The forecast financial position for the medium term is set out in Appendix 1, although the Council currently has a balanced budget for 2023/24, there is uncertainty for the future as the budget gap for 2024/25 is £1.6m increasing to £3.9m in 2027/28. This is a cumulative budget gap over the medium term of £10.2m.

2.1.6 A robust corporate and financial plan is required to bridge the funding gap and ensure the Council can balance its budget for 2024/25 and over the medium term. This plan should initially focus on being more efficient with the aim of having the same service outcomes at a lower cost. However, it needs to be flexible enough to adapt to potential national changes to local government funding which may require reductions in service levels in the future.

2.2 Budget Proposals

2.2.1 Appendix 2 sets out the most significant planned changes to the general fund budgets for 2023/24 to 2027/28.

Budget Proposal by Type

2.2.2 Looking at 2023/24 specifically, the total budget proposals of £647k include:

- **Cost pressures totalling £2.5m.** The most significant cost pressures relate to:
 - pay related costs which are due to increase by £1.4m, due to a combination of funding the unbudgeted balance of the pay award for 2022/23 and a forecast pay award of 4% for 2023/24
 - inflation pressures of £547k largely due to energy costs £172k and fuel increases £131k
 - service pressures of £543k which include £147k on bed and breakfast due to increased costs towards emergency accommodation and external audit fees and audit of grants of £75k.
- **Changes to income, which see a net income increase of £845k.** The most significant changes include higher income from the sale of recycling materials (£193k), an increase in Leisure Contractor income (£270k), additional income from an increase in Planning Applications (£185k) and income from investments (£330k). This is offset by the reduction in income on the introduction of fees for additional garden waste bin collections of £174k which has had a lower take up than anticipated and a reduction in the income budget of £58k on Newmarket as a result in the delay of the opening of Marlborough Square Project and therefore the inability to hold regular outdoor markets.
- **Budget savings/efficiencies totalling £320k.** This is where the Council has identified areas where budgets can be decreased. The largest area of saving is by changing the way in which refuse and recycling bins and boxes are purchased, through capital, saving £155k per annum on the revenue budget in 2023/24.
- **Service Developments totalling £271k.** Service developments are where there are planned improvements to a service which bring additional costs. Considering the funding position, these developments have been sought to keep to a minimum. The main areas of development are the Coalville Regeneration Programme £50k, increase

in legal salaries to bring salaries in line with market rates £47k and a restructure of the Audit Team £35k.

Budget Proposals by Service

Community Services

- 2.2.3 As a front facing function within the Council incorporating waste, parks, car parks, toilets, leisure, markets and fleet, the service continues to be affected by significant inflationary pressures related to contracts, fuel, materials, vehicle costs and utilities. Income proposals for 2023/24 are seeking to cover the same inflationary pressures and are in the main at a 10% level of increase. The government announced in the 2022 autumn statement that the full costs of rolling out a food waste collection scheme would be paid for by government. It was also announced that licencing fees would be based on full cost recovery rather than being set centrally. Further details are awaited on these initiatives through legislation. Another key income potential for the Council is the new responsibility in 2023 for producers to contribute towards the Council's costs incurred in the processing discarded packaging.
- 2.2.4 Inflation will continue to be a challenge over the medium term, but it is anticipated that in the longer term the opening of a new outdoor market in Coalville and a new 150 space car park in Ashby will assist in the Council's ability to provide effective services, meet demand but importantly increase levels of income.
- 2.2.5 Work continues on zero carbon across the Council and new schemes will be rolled out as business cases are developed for the Council's fleet and buildings particularly in order that the Council can meet its aspiration to be zero carbon by 2030 for its operations.

Planning & Infrastructure

- 2.2.6 The key service issue for the Planning Policy team is to continue to progress the Local Plan Review. There are associated risks with this work including an unanticipated requirement for additional evidential work for example on transport modelling, especially in view of potential large-scale proposals in the north of the district in connection with the Freeport and new settlement at Isley Walton. In addition, if the joint working agreement (statement of common ground) between the Leicester and Leicestershire authorities breaks down, this could cause delay which in turn means completed evidence becomes out of date and might need to be recommissioned. In the mid-term, these risks could mean the Local Plan Examination is likely to be lengthier and more contentious and as such more expensive with the increased risk of the plan being found unsound.
- 2.2.7 The key service issue for the Planning and Development Team is to maintain the high level of performance in meeting government targets for the determination of planning applications and to ensure the Planning Enforcement Team is effective. There is a risk that planning fee income drops significantly during 2023/24 as a result of the current and forecast economic situation and cost of living crisis and this will be closely monitored throughout the year.

Corporate

- 2.2.8 A key service issue and priority for the Returning Officer and Democratic Services Team will be managing the local elections in May 2023. Resources have been put in place to manage a recent change in staffing and some upcoming changes to the arrangements for elections (for example introduction of voter ID). Strong project management is in place and the project is already in progress.
- 2.2.9 In terms of Legal Service and Internal Audit, a key risk is recruitment and retention. Work is ongoing with the Head of Human Resources and Organisational Development to

examine the approach to recruitment and retention within the services. For example, the Council has recently appointed an Audit Apprentice.

- 2.2.10 The utility budgets have been estimated using historic consumption data modified where assets are not expected to remain in use throughout the forthcoming year. Rates per unit consumed are based upon the best available information from the market. Due to significant increases in the projected unit charges budgets need to increase significantly.
- 2.2.11 A key financial pressure from a workforce perspective will be the discussions at national level around cost-of-living increases for 2023/24. If inflation continues to be high this will increase the pressure on the pay negotiations and while we have budgeted for an estimated 4% increase in 2023/24 to plan for the anticipated increase, there are risks around potential industrial unrest, with the associated disruption to Council services if settlement cannot be reached. The negotiations for the pay increase will commence in February 2023 with regional pay briefings with employers and the Local Government Association (LGA) negotiating team.

Property Services

- 2.2.12 Inflationary pressures place increasing challenge on the team to maintain the Council's stock of property to the desired standard and within available budget. For the commercial portfolio, a greater contribution from tenants towards repair costs will be sought. This can only be implemented, however, where new tenancies are being granted or existing tenancies renewed. There will be a lag before these increased charges are seen in budgets. Some properties will require investment before these funds become available, in order to remain safe or attractive to tenants. Additional budget is being sought to facilitate this investment.

Economic Regeneration

- 2.2.13 The service operates with a relatively modest budget. Its primary budgetary challenge (other than those issues linked to staffing costs) is the lack of funding for feasibility and preparatory work for Regeneration projects (which are likely to come forward in future years as capital proposals or will form the basis of bids for grant funding). A new budget of £50,000 is being sought for this work.

Housing

- 2.2.14 The General Fund aspect of the Housing Service stems from the Council's statutory Homelessness Service. Like many services Covid has increased the workload in this area. The restrictions on human resources has now caused a high demand for the availability of Supported Housing specialists. The Council is having to pay for these skills that are in high demand all over the country.
- 2.2.15 Supply chains have delayed reletting of properties which has extended the time spent in bed and breakfast and temporary accommodation on the whole. The Council has a statutory duty to provide temporary accommodation following stringent assessments.
- 2.2.16 The demand of housing via the Ukraine Scheme continues to rise together with the much publicised cost of living.
- 2.2.17 The introduction of a new IT housing system is being embedded which created a backlog of housing applications due to a six-month register closure. The demand for skilled officers to remain in the team has been challenging and been agreed by the Corporate Leadership Team (CLT).
- 2.2.18 The cost of temporary accommodation continues to increase and has had an impact on this year's budget in 2022/23 and it is not expected to reduce in the near future.

2.2.19 In order to recruit, retain and repurpose skilled staff to address the demands of the service a new restructure will be required. The proposal of this should be in place by 1 April 2023 at a cost.

2.3 Fees and Charges

2.3.1 The Council provides a large number of services to local residents that incur a fee. Appendix 3(a) to 3(c) sets out key changes to fees and charges for 2023/24.

2.3.2 There have been some changes to the income targets for 2023/24 which are detailed in section 2.2 above but the main changes due to increases in fees and charges are detailed below:

- Waste Services – trade refuse and recycling have increased their fees by 10% generating an additional £74k income.
- Environmental Protection – Private Sector Housing increase in licences by 10% generating an additional income of £13k.
- Environmental Protection – removal of early payment discount on fines for fly tipping, littering etc which will generate an estimated additional income of £3k.
- Electric vehicle charging points – increase of 133% from 30p per kwh to 70p per kwh due to the increased cost of electricity. There will also be an increase in vehicle charging points across the district in six locations which will generate an estimated additional income of £13k.

2.3.3 As part of the budget process a review of the fees and charges for the Bereavement Service has been undertaken. The review has ensured that the fees and charges align to the government's children's funeral fund guidance and a new fee structure for child burials is proposed for 2023/24. The fee structure is an indicative charge, there are no costs to the families. All fees associated with the burial of a child from the age of 24 weeks' gestation up until 17 years old will be claimed by the Council from the Children's Funeral Fund.

2.3.4 The Corporate Charging Policy has been refreshed and updated to reflect the Council's financial strategy and provide greater clarity for service users on the rationale for future changes in levels of fees and charges. A copy of the policy can be found at Appendix 3(d). The proposed budget includes a range of proposed amendments to fees and charges in line with the policy, reflecting both the costs of providing charged for services and estimated levels of demand.

2.3.5 Taxi licensing - S.70 of the Local Government (Miscellaneous Provisions) Act 1976 enables the Council to charge fees for the grant of vehicle and operators' licences. The Act sets out statutory maximums, though enables the Council to vary this charge provided it publishes a notice and considers any objections. If objections are received the Council is to set another date on which the variation will come into force with or without modification as decided by the Council after consideration of the objections. The proposed variation in fees is set out in Appendix 3(b). The publication requirements will be complied with and the report recommends that authority be delegated to the Head of Community Services to consider any objections received and to set another date on which the fee variation will come into force with or without modification after consideration of any objections.

2.4 Grants

2.4.1 There are a number of grants received by the authority and these are detailed in Appendix 7 of this report.

2.4.2 The appendix provides the detail of the £7.5m we have received in grants as at 31st December 2022 against a budget of £1.3m in 2022/23. The budget for 2023/24 is showing a similar £1.2m in anticipated grant income.

2.4.3 There is clearly a large disparity between the amount which we budget for and the actual income we are receiving. This has historically been due to the fact that there is a nil impact on the bottom line as all the grant we have received is either spent, returned or transferred to reserves. This is being addressed as part of the implementation of the new financial system and improvements to financial management in 2023/24 to ensure grants are correctly reflected in the budgets.

2.5 Funding

2.5.1 The funding position for the general fund is based on the provisional Local Government Finance Settlement (LGFS) announced in December. The key funding changes are:

- **Reduction in New Homes Bonus.** Removal of the final legacy payment has resulted in a reduction in funding from £2.2m in 2022/23 to £1.2m in 2023/24.
- **Reduction in the Lower Tier Service Grants.** This grant was introduced in 2021/22 to effectively provide transitional support and ensure no authority received a reduction in Spending Power. This grant will cease in 2023/24 and instead the Council will receive 3% Funding Guarantee
- **Minimum Funding Guarantee** - this is an additional grant of £1.2m in 2023/24 and expected £1.1m in 2024/25. This grant is to ensure the Council is not significantly affected by the reduced New Homes Bonus Grant and the loss of the Lower Tier Services Grant.
- **Increase in Business rates.** Growth in the district is expected to result in a significant increase in business rate income, from £8.6m currently forecast for this year to £9.9m for 2023/24. It is recommended that the additional £1.3m is not used to fund ongoing revenue spend and instead, is set aside within the business rates reserve to fund the capital programme. This is due to the risk North West Leicestershire faces from a potential business rates reset which could happen in 2025/26. North West Leicestershire has seen the biggest growth above its business rates baseline in all local authorities in England and therefore, could face a significant reduction in funding if and when such a policy is implemented.

The Council is also expecting around £2.5m to be allocated from the balance held by the Leicestershire Business Rates Pool for the period 2020-2023 and a further £0.8m Pool allocation for 2023/24. The Council is also expecting a Freeport Equalisation allocation of £0.3m in 2023/24. Both the Pool and Freeport allocations can also be used to fund the capital programme.

- **Reduction in Services Grant.** This grant will reduce from £166k in 2022/23 to £97k in 2023/24 and is forecast to cease after 2024/25.
- **Council Tax income is assumed to increase by £129k.** This is caused by growth in the district. This has been set based on the council tax base calculated for 2023/24. For more information see the Council Tax Base report on the same agenda.

2.5.2 The proposed budget assumes the value of the district's share of council tax remains frozen. Had the council tax been increased by the maximum amount, which is assumed to be £5 on a band D property, then the Council would receive an additional £173k in council tax each year.

2.5.3 The net impact is an increase in anticipated funding of £0.2 million based on the provisional local government finance settlement (LGFS) in December 2022.

2.5.4 The key points from the Local Government finance policy statement 2023-24 to 2024-25 announcement on 12 December 2022 are:

- A 3% Minimum Funding Guarantee - this new feature ensures every authority has a 3% increase in government funding (this essentially measures the change in Core Spending Power excluding Band D). It will be funded from “a proportion of” NHB legacy payments and the current Lower Tier Services Grant.
- The New Homes Bonus (NHB) will continue in 2023-24 and will be paid on the same basis as in 2022-23 (with the possibility that there will be a further year in 2024-25).
- Services Grant will continue to operate in the same way in 2023-24 (with £200m top-sliced from the Services Grant to claw-back funding for the National Insurance Contributions increase that was reversed).
- Local Government Funding Reforms to be delayed for at least another two years. Ministers say that they are still committed to reforming local government funding but these reforms are not now going to be implemented until at least 2025-26.
- Extended Producer Responsibility for Packaging Scheme (EPRP) will have an impact on funding in 2024-25. Potentially the new scheme will generate an additional income stream for local authorities, as well as change demand for waste collection services. These implications are still unformed at the moment.
- The government has also made clear that it envisages councils using reserves to fund services in the face of cost inflation.
- The Government specifically mentioned the importance of recognising the potential impact of any potential funding and new burden changes in 2024/25 and over the medium term on lower tier (district) councils in the following statement:

The government recognises that the position of the lower tier must be understood in the round, therefore we will review the 2024-25 position of funding for lower tier authorities particularly given the possible interactions with the pEPR scheme. We also recognise the need to help councils plan and we will therefore set out the future position of New Homes Bonus ahead of the 2024-25 local government finance settlement.

2.5.5 The provisional final settlement has been received and the figures have been factored into the proposed budget. The final settlement is due to be announced in February 2023, if the figures are different to the provisional settlement, the figures will be updated between the Cabinet and Council meetings.

2.6 General Fund Reserves

2.6.1 The Medium-Term Financial Plan reserve (previously Journey to Self-Sufficiency reserve) is to help manage deficits and funding volatility. The value of this reserve is forecast to be £5.2 million as at 31 March 2023.

2.6.2 In addition to these reserves, the Council also has earmarked reserves estimated to be £3.1m as at 31 March 2023, falling to £2.5m by 31 March 2024 and general balances of £1.5m. A summary of these reserves can be found in table 2 below.

Table 2: Summary of estimated reserves 2023/24 – 2027/28

Reserve Name	Estimated Balance as at 1/4/23 £	Commitments & Budget Proposals 23/24 £	Estimated balance as at 31/3/24 £	Future commitment incl budget proposals 24/25 to 27/28 £	Estimated Balance 31/3/28 £
Earmarked reserves - General Fund	3,147,465	(693,337)	2,454,128	(436,390)	2,017,738
MFTP Reserve	5,165,188	0	5,165,188	0	5,165,188

Reserve Name	Estimated Balance as at 1/4/23	Commitments & Budget Proposals 23/24	Estimated balance as at 31/3/24	Future commitment incl budget proposals 24/25 to 27/28	Estimated Balance 31/3/28
Business Rates Reserve	369,093	1,994,307	2,363,400	(2,363,400)	0
General Balance (minimum level of reserves) - General Fund	1,544,493	0	1,544,493	0	1,544,493
Special Expenses	102,010	-102,010	0	0	0
TOTAL ALL RESERVES - GENERAL FUND	10,328,250	1,198,960	11,527,209	(2,799,790)	8,727,419

2.6.3 Earmarked reserves are those reserves that have been earmarked for a specific purpose. The estimated balances include items currently committed and also £0.7m used to fund one off budget proposals over the 5 years from 2023/24 to 2027/28. A table showing details by service can be found in Appendix 5.

2.6.4 The MTFP reserve, previously called the Journey to Self-Sufficiency reserve, is expected to be £5.2m after taking into account the projected deficit for 2022/23. It will be used to mitigate unbudgeted pressures (including anticipated Government funding reduction), pump-priming invest to save opportunities and funding the capacity to deliver a medium term financial plan.

2.6.5 Contributions into the business rates reserve are expected to be £7m in 2023/24 and £3.9m in 2024/25. This is due to Business Rates growth, Leicestershire Business Rates Pool allocations and Freeport allocations. It is proposed to use this reserve to fund part of the capital programme, this leaves the balance in this reserve at £2.4m at 31 March 2024 and fully spent by 31 March 2028.

2.6.6 General balances are the minimum level of reserves that is prudent to hold.

3.0 CAPITAL PROGRAMME 2023/24 TO 2027/28

3.1 General Fund and Special Expenses Capital Programme

3.1.1 Capital Strategy

3.1.2 The Capital Strategy includes a number of key changes and improvements for the 2023/24 and future years' programme.

3.1.3 A key change is the reduction in the use of external borrowing to fund programmes. This will minimise the Council's exposure to increases in interest rates. Schemes would be funded from internal sources such as reserves, (mainly the MTFP and the Business Rates Reserves), capital receipts and revenue contributions. External grant applications would be made for schemes which qualify for such funding.

3.1.4 The capital programme is proposed to be divided into two parts – active projects and schemes in a development pool. The active projects are schemes which have been approved by Council (in-year or in previous years) and currently being delivered. Some new schemes have been added to the active pool as part of the budget process and these are proposed to be approved by Council when the budget is considered in February 2023.

3.1.5 Projects in the development pool are subject to a full business case being developed before moving to the active category. The business case is scrutinised by the newly formed

Capital Strategy and Investment Group before going onto Cabinet or Council for full approval in line with the Constitution.

3.1.6 These planned improvements to managing schemes through their project lifecycle will contribute towards better financial management and governance.

3.1.7 The Capital Strategy is available within the Capital Strategy, Treasury Strategy and Prudential Indicators report on the same agenda.

3.2.1 2023/24-2027/28 Capital Programme

3.2.2 The proposed General Fund capital programme is outlined in Appendix 4. The five-year programme totals £18.2 million. The Programme is made of some large projects such as;

- **Coalville Regeneration Programme:** This multi-year investment will be used for regeneration projects for Coalville. These projects will be subject to the approval of full business cases for the individual projects. A new budget of £0.5m has been added to this programme bringing the total planned investment in Coalville to £8.8 million over the next five years.
- **Accommodation programme:** A new budget of £0.335m has been added to this programme. This additional budget is due to taking the opportunity to increase the scope of the works to include non-essential but related works over and above the original business case which makes sense to undertake at the same time.
- **Fleet replacement programme:** This is the rolling programme to renew Council vehicles. This project is subject to annual review and approval. Part of the scheme is the disposal of old existing vehicles and the capital receipts from this is re-invested in the programme.
- **ICT Investment:** Investment is being made to upgrade and acquire various ICT systems and equipment over the five-year programme. Some of this include the replacement of laptops, server upgrades and implementing new storage systems.
- **Supply of Bins and Recycling Containers:** As reported to Cabinet in July 2022, a new contract for the supply of bins and recycling containers has been awarded. Prior to the award of the contract, the purchase of wheeled bins and recycling containers was undertaken on an ad-hoc basis and the budget included within the general fund revenue budget. Due to the value of the contract and the life of the assets (between three and seven years), this expenditure meets the definition of capital expenditure and has now been added to the capital programme.

3.3 Funding the Capital Programme

3.3.1 Each capital programme is funded from a variety of sources, including revenue, reserves, grants and borrowing. Table 3 below summarises the current identified funding sources for each year of the general fund capital programme.

Table 3: Sources of funding for the General Fund capital programme

	2022/23 Forecast c/f £'000	2023/24 Budget £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000
Capital Receipts	74	295	0	0	0	0
Government Grants	170	1,686	1,480	670	670	670
Reserves	2,437	4,153	1,804	3,906	1,724	801

	2022/23 Forecast c/f	2023/24 Budget	2024/25 Indicative	2025/26 Indicative	2026/27 Indicative	2027/28 Indicative
Section 106 contributions	0	0	0	0	0	0
Revenue contributions	0	10	0	0	0	0
Prudential Borrowing	5,746	292	0	0	0	0
General Fund Total	8,427	6,436	3,284	4,576	2,394	1,471

3.3.2 The monies set out in the Reserves line in the table above from 2023/24 onwards will be drawn down from the Business Rates Reserve. As per paragraph 2.5.5, there is forecast to be sufficient monies in the reserve to finance the capital programme commitments in both 2023/24 and 2024/25.

4.0 SPECIAL EXPENSES 2023/24

4.1 Background

4.1.1 The Council operates ten special expense accounts where it provides additional services specific to some areas of the district. The Council's Special Expense Policy sets out the criteria and services that are classified as special expenses.

4.1.2 Eight out of the ten special expense areas included a provision for Planned and Preventative Maintenance (PPM) in the draft budget to provide sufficient funding to cover future planned maintenance along with a programme for play equipment replacement (where applicable). The PPM programme has been reviewed and updated as part of the budget preparation.

4.1.3 The budget also allows for the phasing out of the Localisation of Council Tax Support Grant which commenced in 2021/22 over four years.

4.1.4 The Council Tax Base has been calculated for 2023/24 and agreed by Cabinet at its meeting on 10 January 2023.

4.1.5 To provide guidance in developing special expense budgets and the Coalville Special Expenses Working Party the Cabinet resolved at its meeting on 10 January that:

A balanced budget from the Coalville Special Expenses Working Party without any increase in precept be expected.

4.1.6 It should be noted any increases in council tax for special expense areas are considered as part of the District Council's proportion of the council tax when calculating and considering the Referendum Principles for increases in Council Tax.

4.1.7 As part of the budget process the net expenditure requirements for each special expense area have been reviewed against the level of funding available through precepts, grants, S106 Funding and earmarked reserves. In line with statutory requirements for the Council it is important that each special expense area produces a balanced budget and is financially sustainable. A key element of good practice financial sustainability is to have a minimum level of balances for each special expense area, which is recommended at circa 10% of reoccurring expenditure.

4.2 Special Expense Precepts and Budgets 2023/24

4.2.1 Table 4 below summarises the Band D Council Tax, Taxbase and Annual Precept available for each special expense area:

Table 4: Band D Council Tax, Taxbase and Annual Precept for Each Special Expense Area

Special Expense Area	Council Tax Band D £	Taxbase (Band D Equivalents)	Annual Precept 2023/24 £
Coalville	73.81	6,743	497,701
Whitwick	9.55	2,741	26,177
Hugglescote/Donnington Le Heath	15.27	2,429	37,091
Coleorton	10.63	583	6,197
Lockington-cum- Hemington	13.72	245	3,361
Measham	1.87	1,706	3,190
Oakthorpe, Donisthorpe & Acresford	6.10	915	5,582
Ravenstone with Snibston	1.29	1,053	1,358
Stretton	73.11	19	1,389
Appleby Magna	7.08	539	3,816
Notes: The table excludes funding from localised council tax support grant, Section 106 contributions, income (e.g. event or rents) and earmarked reserves.			

4.2.2 The special expense budgets for 2023/24 have been developed on the basis of no increase in the level of council tax precept, minimising Planned and Preventative Maintenance (PPM) expenditure and maintaining a minimum 10% reserve balance.

4.2.3 Special expense budgets, just like all council budgets, are subject to the inflationary pressures of the current economic environment. The increased costs from inflation and a freeze in council tax precept levels have created funding gaps in some special expense areas for 2023/24.

4.2.4 To mitigate these funding gaps, action has been taken to minimise PPM expenditure and reduce budgets on services such as grounds maintenance and events. As well as seeking to increase income from Section 106 contributions and fees & charges to users of open spaces.

4.2.5 There are potential risks in these mitigating actions. For example, minimising PPM expenditure in 2023/24 by deferring non-essential spend to future years, may lead to higher routine maintenance in the short term. This may take time to implement the impact of reductions in service levels which could lead to short term cost pressure on the wider general fund.

4.3 Medium Term Financial Sustainability and Review of Special Expense Policy

4.3.1 Once the Special Expense Budget and Precepts are approved by Council for 2023/24 focus will turn to considering the medium term financial position for special expense budget to ensure their financial sustainability. This work will involve balancing the pressures arising from inflation, the PPM programme and service levels against the resources available. A review of the Special Expense Policy will be undertaken alongside this work to identify if any improvements are required to promote financial stability and sustainability for the special expense areas.

5.0 KEY RISKS TO THE BUDGET

5.1 Table 4 below provides an assessment of the key risk areas to determine the robustness of the estimates and adequacy of reserves included in the General Fund budgets:

Table 4: Key Risks to the Budget

Area	Comments
The reasonableness of the underlying budget assumptions	All budget proposals have been justified by service managers, reviewed by finance and subject to budget challenge sessions in the new process. External review has also been undertaken by the treasury advisers, Arlingclose, on the treasury strategy.
The availability of un-earmarked reserves to meet unforeseen cost pressures	The Council has a minimum level of reserves for General Fund of £1.5m. The General Fund position has been risk assessed to take account of potential unforeseen pressures.
Have realistic income targets been set and 'at risk' external funding been identified?	An assessment of income targets has been undertaken as part of the development of the budget. The income areas which have the greatest risk (including business rates, council tax, planning and leisure) have had greater focus for this work and focus in the budget challenge sessions.
Has a reasonable estimate of demand cost pressures been made?	The enhanced budget process used in the development of the budget has improved the reasonableness of estimates. The budget proposals were required to be justified/assessed using a form, then were reviewed by finance and subject to budget challenge sessions.
Has a reasonable estimate of future income been made?	
Have one-off cost pressures been identified?	All pressures have been reviewed to assess if they are one-off or ongoing in nature. One-off proposals are to be funded from reserves. Services will need to ensure exit plans exist for one off expenditure.
Is there a reasonable contingency available to cover the financial risks faced by the council?	The Council has incorporated estimates for pay award, inflationary and demand pressures into its budget. It has also made provisions for key income streams not materialising for business rates and council tax.
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	The Council has a range of earmarked, MTFP and minimum levels of reserves to ensure its financial stability.
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget?	There has been a fundamental step change in the approach to engaging the organisation during this budget process. This has included a series of budget challenge sessions between the CFO and Heads of Service, as well as engagement with Corporate Leadership Team, Portfolio Holders, Strategy Group and an all-councillor briefing.

6.0 CONSULTATION

6.1 Consultation with Members

6.1.1 The Corporate Scrutiny Committee considered the proposals within this report at its meeting on 4 January 2023. Members asked a number of questions around the proposals,

and more detail can be seen in the minutes for the meeting, which are included as a background paper to this report.

6.1.2 There were also further questions which were taken away by officers to answer following the meeting which are detailed in Appendix 8 of this report.

6.1.3 The Coalville Special Expenses Working Party discussed the planned special expenses budgets for Coalville in their meeting on 3 January 2023. There is a further meeting on 24 January 2023 where more discussions will be taking place, the minutes of which will be available for the Cabinet and Council meetings.

6.2 Public Consultation

6.2.1 As part of the budget consultation, the Council launched an online survey on 12 January 2023 to seek the views of residents and businesses on the main changes within the budget. The survey was promoted via social media and set out the key changes to the budget and asked responders to state the extent to which they supported the proposed changes. Residents could also provide additional comments if they wanted to.

6.2.2 Appendix 10(a) provides a summary of the responses received. In total, 68 people have expressed their views on the general fund and special expenses budgets. This is a small proportion of businesses and residents within North West Leicestershire, so care should be taken when drawing inferences from the data. The key themes from the survey are:

- 71% of respondents were positive about the proposal to spend £195k increasing the solar panels at Whitwick and Ashby Leisure Centre
- 66% of respondents looked favourably on the plan to freeze the District Council's portion of the Council Tax
- By far the strongest negative reaction was to the proposal to spend £50k on a professional assessment of regeneration plans for Coalville with 57% in disagreement.

6.2.3 As part of the budget consultation, officers also wrote to representatives of the trade unions, parish and town councils and the federation of small businesses. These groups were asked to provide written comments or to complete the online survey. The only response received was from Unison which is attached at Appendix 10(b).

7.0 CONCLUSIONS

6.1 Based on the assumptions made in the Budget 2023/24 and MTFS 2023-28 for income and expenditure, the Council can set a balanced proposed budget for 2023/24.

6.2 Further work will need to be carried out going forward on balancing the budget gap for future years from 2024/25 onwards.

6.3 There has been equality impact assessments conducted by services on relevant proposals during this period.

Policies and other considerations, as appropriate	
Council Priorities:	The budget provides funding for the Council to deliver against all its priorities.
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	There have been equality impact assessments conducted by services on relevant proposals during this period.
Customer Impact:	Customers are likely to be impacted by the changes to fees and charges and special expenses precepts set out in this report.
Economic and Social Impact:	The General Fund capital programme allocates £9.6 million to investing in Coalville Regeneration Projects over five years.
Environment and Climate Change:	The budget sees substantial new investment of £7.1m in the replacement of council vehicles and reducing our carbon emissions. There's £1m investment in bins and recycling containers to increase recycling from households. On revenue the Climate Change Programme Manager post has been funded for the next five years from reserves.
Consultation/Community Engagement:	Corporate Scrutiny Committee 4 January 2023 Public consultation - 11 January to 27 January 2023 Parish and town councils, trade unions and the Federation of Small Businesses - 12 January to 27 January 2023 The results of the above consultations are detailed in this report.
Risks:	The budgets will be monitored throughout the year to ensure the Council remains within its funding envelope and planned budget savings are delivered. Key risks to the budget are discussed in further detail in section 5 of the report.
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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL GENERAL FUND SUMMARY BUDGET 2023/24 to 2027/28

2022/23		2023/24	2024/25	2025/26	2026/27	2027/28
Budget £	Service	Indicative £	Indicative £	Indicative £	Indicative £	Indicative £
282,310	Chief Executive	401,840	401,840	331,030	331,030	331,030
724,900	Human Resources	740,310	742,140	744,220	746,710	749,370
1,486,570	Legal & Support Services	1,654,930	1,683,780	1,691,180	1,697,700	1,703,320
2,493,780	Total Chief Executive's Department	2,797,080	2,827,760	2,766,430	2,775,440	2,783,720
347,920	Strategic Director of Place	340,600	340,600	340,600	340,600	340,600
6,776,570	Community Services	6,321,690	5,913,920	5,746,040	5,598,480	5,407,000
1,031,610	Planning & Infrastructure	985,399	1,018,399	1,018,399	1,018,399	1,018,399
893,070	Economic Regeneration	897,140	897,140	897,140	897,140	897,140
12,420	Joint Strategic Planning	9,080	6,460	4,660	2,820	950
9,061,590	Total Director of Services	8,553,908	8,176,519	8,006,839	7,857,439	7,664,089
560,010	Strategic Housing	797,733	797,733	797,733	797,733	797,733
1,199,820	ICT	1,208,970	1,226,470	1,226,470	1,226,470	1,236,470
213,930	Property Services	245,660	230,780	232,400	234,050	235,730
951,330	Revenues & Benefits	1,131,260	1,139,590	1,160,360	1,181,970	1,204,450
898,150	Customer Services	958,060	950,790	952,210	953,660	955,140
1,094,790	Finance	1,147,750	1,015,890	1,017,710	1,019,240	1,020,840
4,918,030	Total Director of Housing & Customer Services	5,489,433	5,361,253	5,386,883	5,413,123	5,450,363
0	Estimated Pay Award and Inflation Contingency	651,230	1,165,990	1,519,460	1,889,370	2,259,190
16,040	Non Distributed - Revenue Expenditure on Surplus Assets	107,530	109,410	110,390	111,390	112,410
70,690	Non Distributed - Retirement Benefits	67,380	69,980	71,330	72,710	74,120
40,750	Corporate & Democratic Core	70,410	70,410	70,410	70,410	70,410
16,600,880	NET COST OF SERVICES	17,736,972	17,781,322	17,931,742	18,189,882	18,414,302
(1,684,570)	Net Recharges from General Fund	(1,827,750)	(1,827,750)	(1,827,750)	(1,827,750)	(1,827,750)
14,916,310	NET COST OF SERVICES AFTER RECHARGES	15,909,222	15,953,572	16,103,992	16,362,132	16,586,552
CORPORATE ITEMS AND FINANCING						
Corporate Income and Expenditure						
1,762,293	Net Financing Costs	1,763,264	2,925,844	2,925,844	2,925,844	2,925,844
(4,895)	Investment Income	(335,200)	(135,200)	(125,200)	(125,200)	(125,200)
31,741	Localisation of CT Support Grant - Parish & Special Expenses	15,871	0	0	0	0
0	Revenue Contribution to Capital	0	0	0	0	0
16,705,449	NET REVENUE EXPENDITURE	17,353,157	18,744,216	18,904,636	19,162,776	19,387,196
(895,000)	Targeted savings in relation to J2SS	0	0	0	0	0
	Budget Proposals Funded from Reserves - One-Off	(290,195)	(161,905)	(92,590)	(94,100)	(87,795)
1,196,055	Contribution to/(from) Balances/Reserves	24,116	0	0	0	0
17,006,504	MET FROM GOVT GRANT & COUNCIL TAX	17,087,078	18,582,311	18,812,046	19,068,676	19,299,401
	ANTICIPATED BASELINE FUNDING GAP	0	1,628,302	2,208,001	2,468,737	3,905,009

2022/23		2023/24	2024/25	2025/26	2026/27	2027/28
Budget £	Service	Indicative £	Indicative £	Indicative £	Indicative £	Indicative £
Financed By						
2,218,274	New Homes Bonus	1,219,692	1,194,745	-	-	-
153,126	Transfer from/(to) Collection Fund - CT Prev Yrs Surplus/(Deficit)	25,056	-	-	-	-
5,642,435	Council Tax	5,771,361	5,951,887	6,091,161	6,233,694	6,379,562
2,403,617	National Non-Domestic Rates Baseline	2,493,566	2,499,955	2,548,123	2,601,109	2,654,094
6,222,377	Business Rates Retained Growth & Renewables Disregard	6,222,377	6,126,039	2,002,389	2,028,000	2,053,596
0	Business Rates Reserve	-	-	-	-	-
200,977	Lower Tier Services Grant	-	-	-	-	-
165,699	2022/23 Services Grant	97,213	125,383	-	-	-
0	Minimum Funding Guarantee	1,167,635	1,056,000	-	-	-
0	Revenue Support Grant	90,178	-	737,491	717,217	697,289
0	Other Grants from Government	-	-	-	-	-
0	Transitional Relief	-	-	5,224,881	5,019,919	3,609,851
17,006,504	TOTAL FUNDING AVAILABLE	17,087,078	16,954,009	16,604,045	16,599,939	15,394,392

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North West Leicestershire District Council General Fund Budget Proposals 2023/24 to 2027/28

Proposal Title	Proposal Description & Service Impact	Directorate	2023/24	2024/25	2025/26	2026/27	2027/28
			£	£	£	£	£
Payaward 22/23	Including NI savings	Various	672,830	0	0	0	0
Payaward Future Years	Including NI & Pension & other minor amendments	Various	730,230	514,760	353,470	369,910	369,820
Vacancy Allowance Increase	Applied a consistent 2% across the general fund	Various	(151,190)	0	0	0	0
Finance Team Agency Budget	Agency contracted until the end of September 2023 to fulfil the vacant Finance Team Manager & Head of Finance	Housing & Customer Services	97,630	(97,630)	0	0	0
Members Allowances	Members Allowances Payaward 22/23 & Future Years	Chief Executive Directorate	32,950	9,820	6,700	6,790	6,920
Enforcement Team Leader post	To upgrade the vacant Senior Planning Enforcement Officer role to a Team Leader position	Place Services	17,940	0	0	0	0
Minor Adjustments across all areas	9 budget proposals individually less than £15k	Various	12,580	2,170	2,320	2,490	2,660
Total Pay Related Costs			1,412,970	429,120	362,490	379,190	379,400
Corporate Licences increase in cost	Microsoft licences increased in cost due to inflation increase as well as Microsoft increasing prices	Housing & Customer Services	40,000	9,730	0	0	10,000
Fuel Increases of 30%	Increase to fuel costs on Grounds Maintenance, Cleansing and Refuse & Recycling	Place Services	131,480	0	0	0	0
General Fund Energy Costs	Additional budget to cover increase in energy costs for properties within the General Fund Portfolio	Housing & Customer Services	171,850	0	0	0	0
Business Rates - General Fund	Business Rates for Council owned properties future years inflation	Housing & Customer Services	0	12,330	6,420	6,530	6,670
Insurance	Budget increase to cover the increase in the insurance provision contract.	Various	143,780	0	0	0	0
Building Control Statutory Non-Fee Earning budget	Increase in hourly rates for Charnwood's building control service	Place Services	28,000	0	0	0	0
Minor Adjustments across all areas	7 budget proposals individually less than £15k	Various	31,740	2,410	2,040	2,590	1,660
Total Inflation Increases			546,850	24,470	8,460	9,120	18,330
CCTV Camera Replacement Programme - ongoing maintenance	Year 2 of CCTV camera replacement programme - Capital CCTV Maintenance Programme - Revenue	Place Services	0	0	15,000	0	0
Coalville Regeneration Programme	Continuation of funding for Coalville Regeneration Programme activities to be used to fund: feasibility, initial design, preparatory and legal and other due diligence work associated with: Coalville Cinema, Coalville Railway Station, council depot relocation, Stenson Square, Memorial Square workspace, Coalville public toilets and changing places other town centre regeneration projects.	Place Services	50,000	0	0	0	0
Business Change Resource	Costed at Team Manager Level	Chief Executive Directorate	70,805	0	0	0	0

Proposal Title	Proposal Description & Service Impact	Directorate	2023/24	2024/25	2025/26	2026/27	2027/28
			£	£	£	£	£
Service Management Restructure	Service Management Restructure	Chief Executive Directorate	54,000	0	0	0	0
Increase in legal salaries	Increase in legal salaries to bring in line with market rates	Chief Executive Directorate	47,140	1,410	970	990	1,010
Minor Adjustments across all areas	6 budget proposals individually less than £15k	Various	14,110	13,500	2,190	260	260
Audit Restructure	Audit Restructure net of income from Blaby District Council and Charnwood Borough Council	Chief Executive Directorate	35,370	1,050	740	740	760
Total Service Developments			271,425	15,960	18,900	1,990	2,030
District Election 23/24	District Election 23/24	Chief Executive Directorate	29,000	11,000	0	0	0
External Audit fees and audit of grants	Increase in audit costs due to PSAA procurement of audit services.	Housing & Customer Services	74,850	0	0	0	0
Credit & debit card charges - GF	Increase in credit & debit card charges - GF	Various	16,070	0	0	0	0
External Contractor Payments - Fencing HRA	To meet the increase in work demands	Place Services	88,060	0	0	0	0
Strategic Growth Plan	NWLDC contribution to work in connection with Strategic Growth Plan.	Place Services	39,000	33,000	0	0	0
Contribution to Revs & Benefits Partnership	Our share of the costs of the Revenues & Benefits Partnership	Housing & Customer Services	72,660	41,530	42,780	44,060	45,390
Bed and Breakfast Pressure	a recognition of the increasing costs toward emergency accommodation to fulfil our statutory homelessness duties	Housing & Customer Services	146,710	0	0	0	0
Industrial Units	Essential property repairs	Housing & Customer Services	18,000	(18,000)	0	0	0
Net Financing Costs	Changes to the net financing costs following the budget proposals for capital and the forecast carried forwards for 22/23.	Corporate	971	1,162,580	0	0	0
Cost Increase from disposal location changes to new facility	Residual waste to be taken to Newhurst Energy Recovery facility located near Shepshed.	Place Services	17,000	0	0	0	0
Minor Adjustments across all areas	7 budget proposals individually less than £15k	Various	40,687	9,750	11,150	11,470	11,790
Total Service Pressures			543,008	1,239,860	53,930	55,530	57,180
Newmarket income reduction	Result of the delay in the opening of the Marlborough Square Project and therefore the inability to hold regular outdoor markets.	Place Services	57,580	(8,792)	(9,212)	(9,422)	(9,632)
Leisure Contractor Income	An increase in income	Place Services	(269,550)	(332,080)	(163,940)	(107,820)	(188,040)
Refuse & Recycling - Additional Garden Bin	Introduction of Charge for Collection of 2nd Bin - Scheme income reduced to reflect lower take up than anticipated	Place Services	174,350	0	0	0	0
Refuse and recycling - recycling scheme income	Resale of recyclable materials from collections	Place Services	(193,020)	0	0	0	0
Trade Refuse & Recycling Collection	General Fees for Trade Refuse & Recycling Collections	Place Services	(73,460)	(22,720)	(18,620)	(19,170)	(19,750)
Income - Planning apps	Planning app charges	Place Services	(185,500)	0	0	0	0
Increased income from the partnership	Increased income from the Revenues & Benefits Partnership	Housing & Customer Services	(81,120)	(32,150)	(22,070)	(22,510)	(22,970)
Housing Benefits	Increase budget for Rent Allowances (Private Tenants), Rent Rebates (Council Tenants) and Modified Schemes	Housing & Customer Services	96,350	0	0	0	0
Investment Income	Income forecasts for treasury management investments	Corporate	(330,305)	200,000	10,000	0	0
Minor Adjustments across all areas	14 budget proposals individually less than £15k	Various	(40,080)	(51,061)	(8,709)	(28,768)	7,867

Proposal Title	Proposal Description & Service Impact	Directorate	2023/24	2024/25	2025/26	2026/27	2027/28
			£	£	£	£	£
Total Changes In Income			(844,755)	(246,803)	(212,551)	(187,690)	(232,525)
Removal of One-off 22-23 budgets	Agreed by Cabinet & Council as part of Budget Setting 22-23	Various	(438,420)	0	0	0	0
LCTS Grant - to Special Expenses	Phasing out of LCTS grant to Special Expenses	Corporate	(15,870)	(15,871)	0	0	0
Housing Revenue Account (HRA) & Special Expenses Income	Recharges from General Fund to HRA & Special Expenses	Various	(592,100)	0	0	0	0
Local Council Tax Support Grant (LCTS) 2023	LCTS Grant now included in total funding so needs to be removed from Revs & Bens Service	Housing & Customer Services	83,760	0	0	0	0
Total Technical Adjustments			(962,630)	(15,871)	0	0	0
Asset Protection Fund	Asset Protection Fund	Housing & Customer Services	(56,730)	0	0	0	0
Reduction in Market Towns Support programme	Reduce the Market Towns Support programme	Place Services	(15,000)	0	0	0	0
Refuse & Recycling general materials	Purchase of bags and removal of bins and boxes budget (now funded from capital)	Place Services	(155,230)	0	0	0	0
Vehicle Maintenance	MOT Testing and Operational Equipment	Place Services	(12,850)	0	0	0	0
EE Mobile phones budget reduction saving	Renewal of our EE mobile phone contract to a more sustainable and cheaper data shared tariff.	Various	(16,410)	0	0	0	0
ICT Vodafone & Canon MFD Contract efficiencies	Removal of Vodafone contract and reduced number of printers due to accommodation project	Housing & Customer Services	(17,800)	0	0	0	0
Finance System Licence & Maintenance	Efficiency savings for finance system licences and maintenance for Total and Unit 4.	Housing & Customer Services	15,000	(37,470)	0	0	0
Community Leisure - Castle Donington College	A budget saving due to change the way the scheme provision is managed	Place Services	0	(17,590)	0	0	0
Business Rates - General Fund	Adjustments to budgets to match current costs and efficiencies due to Accommodation project.	Various	(14,880)	0	0	0	0
Deletion of Admin Assistant Post	Deletion of the Admin Assistant Post in Leisure Services	Place Services	(16,970)	0	0	0	0
Business Change Resource	Efficiency savings from service reviews to fund Business Change Resource	Chief Executive Directorate	0	0	(70,805)	0	0
Minor Adjustments across all areas	3 budget proposals individually less than £15k	Various	(28,930)	0	0	0	0
Total Efficiencies			(319,800)	(55,060)	(70,805)	0	0
Total Budget Proposals			647,068	1,391,676	160,424	258,140	224,415

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North West Leicestershire District Council
Proposed Fees & Charges 2023/24 - Housing & Customer Services

Service	Fee/Charge	Charging Policy	2022/23 Fees	Percentage Change in		
				2023/24 Proposed Fees	Fees	Basis for Change
Property	Rent of Commercial Property	Rent agreement	Negotiated with tenant dependant on size of building and market rates			0
Property	Maintenance Charge for Commercial Property	% of rent	Currently 5% of rent, increasing to 10% on extension of lease and for new tenants.			5% Where new lease negotiated.
Property	Service Charges for Commercial Property	Actual cost	As per actual costs incurred			0
ICT	Print Room Sales	Cost plus 25%	Mono 6p + paper and finishing Colour 7.5p + paper and finishing +25% for external customers			0
Finance - Fin Planning	External charges (Insurance)	Cost				0
Strategic Housing	Caravan site rental	£36.19 per week from April 2022 on anniversary of individual rental agreement, an increase of £1.09 per week from 5 remaining residents		£36.19	£39.84	10.1% Sept CPI increase

North West Leicestershire District Council
Proposed Fees & Charges 2023/24 - Place Services

Service	Fee/Charge	Charging Policy	2022/23 Fees	2023/24 Proposed Fees	Percentage Change in Fees	Basis for Change	
Waste Services	Bulky Collections	Full Cost Recovery	£27 For 1-3 items, £5.50 for each additional item	£28 For 1-3 items, £5.80 for each additional item	3.70% & 5.45%	increase in line with previous years, £1 increase for 1 - 3 items. Any higher may lead to increased fly tipping	
Waste Services	Trade Refuse	Full Cost Recovery	between £8.50 to £18.00 for 240l, 360l, 770l, 1100l bins (per bin per collection)	between £9.35 to £19.80 for 240l, 360l, 770l, 1100l bins (per bin per collection)	10%	inflationary increase based on cpi	
Waste Services	Trade Sacks	Full Cost Recovery	£2.90 per sack (min 50 sacks)	£3.20 per sack (min 50 sacks)	10.34%	inflationary increase based on cpi	
Waste Services	Trade Recycling	Full Cost Recovery	between £3.70 to £6.20 for 240l, 360l, 1100l bins (per bin per collection)	between £4.00 to £6.80 for 240l, 360l, 1100l bins (per bin per collection)	between 8.11% to 9.68%	inflationary increase based on cpi	
Waste Services	Additional Garden Waste bin collection	Subsidised/Full Cost Recovery		£45.00	£45.00	0%	22/23 was the first year of charging with lower uptake than budgeted. Therefore fee to remain the same for 23/24 in order to try and get increased uptake
Waste Services	Emptying of litter bins	Full Cost Recovery	between £3.17 to £5.74 (per bin per wk)	between £3.50 to £6.30 (per bin per wk)	between 9.76% to 10.41%	inflationary increase based on cpi	
Waste Services	MOT's - Staff vehicles	Subsidised		£34.00	£37.00	8.82%	inflationary increase based on cpi
Waste Services	Air Con Service - Staff vehicles	Full Cost Recovery		£36.00	£40.00	11.11%	inflationary increase based on cpi
Leisure Services	3G Pitch fees (Hermitage Rec Grd)	Subsidised/Full Cost Recovery	between £28.85 to £72.10 depending on pitch size and Adult/Junior	between £31.75 to £79.30 depending on pitch size and Adult/Junior	between 9.99% to 10.06%	inflationary increase based on cpi	
Environmental Protection	Public Conveniences - Ashby	Full Cost Recovery	from no charge for children to £0.10p per adult	flat rate of £0.30p	from 200% to 500%	Hasn't charged since covid started. Increase to bring charge in line with other authorities	
Environmental Protection	EV	Profit Generating	30p kwh	70p kwh	133%	Increase is due to an increase in electricity and additional EVC points	
Environmental protection	New Market	Full Cost Recovery	Fees vary from £17.50 to £60	Fees vary from £17.50 to £60	0	no change in fees	
Environmental protection	Private Sector Housing	Full Cost Recovery	From £97 to £432	From £106 to £432	10%	increase due to inflation and the number of licenses due (renewable every 5 years)	
Environmental protection	Scrap Metal Dealers - Licenses	Full Cost Recovery	Fees vary from £35 to £503	Fees vary from £38 to £553	average 9.3%	increase due to inflation	
Environmental protection	High Hedges	Full Cost Recovery	£530.00	£553.00	4.3%	increase due to inflation	
Environmental protection	Noise surveys	Full Cost Recovery	£410.00	£451.00	10%	increase due to inflation	
Environmental protection	Caravans/Mobile Homes	Full Cost Recovery	Fees vary from £72 to £375	Fees vary from £79 to £412	average 9.7%	increase due to inflation	

Service	Fee/Charge	Charging Policy	2022/23 Fees	2023/24 Proposed Fees	Percentage	
					Change in Fees	Basis for Change
Environmental Health	Licensing	Subsidised/Full Cost Recovery	Fees vary between £3 and £64,000	Fees vary between £3 and £64,000	average 3.49%	Reduced number of taxi licenses, LA2003 (pubs and clubs)and Gambling licenses
Environmental Health	Vehicle Licence (up to 6 years old)		£260	£268	3.08%	increase due to inflation
Environmental Health	Vehicle Licence - 6 years and older (2 tests per year required)		£313	£323	3.19%	increase due to inflation
Environmental Health	Vehicle Licence - Stretch Limousines (2 tests per year required)		£366	£323	-11.75%	decrease due to reducing the number of vehicle examination from 3 to 2 per year
Environmental Health	Vehicle Licence - Ultra Low Emission Vehicle vehicles (15% discount applied)		£221	£228	3.17%	increase due to inflation
Environmental Health	Vehicle Accidental damage replacement (8weeks)	Subsidised/Full Cost Recovery	£148	£153	3.38%	increase due to inflation
Environmental Health	Private Hire Operators Licence - 1 year		£255	£264	3.53%	increase due to inflation
Environmental Health	Private Hire Operators Licence - 2 years		£474	£490	3.38%	increase due to inflation
Environmental Health	Private Hire Operators Licence - 3 years		£647	£670	3.55%	increase due to inflation
Environmental Health	Private Hire Operators Licence - 4 years		£820	£850	3.66%	increase due to inflation
Environmental Health	Private Hire Operators Licence - 5 years		£994	£1,030	3.62%	increase due to inflation
Environmental Health	Health and Food Safety	Full Cost Recovery	Fees vary between £4 and £155	Fees vary between £5 and £160	average 3.2%	Reduced income export certificates/food hygiene inspections
Environmental Health	Border Inspection Post	Full Cost Recovery	Fees vary between £25.50 and £192	Fees vary between £26.00 and £196	average 3.2%	Due to EU imports not being introduced
Environmental Health	Pest Control	Subsidised/Full Cost Recovery	Fees vary between £16 and £200	Fees vary between £18 and £200	average 4.5%	increase due to inflation
Planning & Infrastructure	Copy Planning/ Planning App Documents		£2.50 to £100		0%	
Planning & Infrastructure	Search fees LLC1	Trfd to Land Registry	£1 to £6	£	-100%	Transferred to Land Registry
Planning & Infrastructure	Search fees CON29		£0 to £128	No change	0%	
Planning & Infrastructure	Planning Application Fees	Set Nationally	Various	No change	0%	Set Nationally
Planning & Infrastructure	Planning Conditions Discharge	Set Nationally	Various	No change	0%	Set Nationally
Planning & Infrastructure	Pre-application fees	Individually determined	Various	Various	0%	

North West Leicestershire District Council
Proposed Fees & Charges 2023/24 - Chief Executive

Service	Fee/Charge	Charging Policy	2022/23 Fees	2023/24 Proposed Fees	Percentage Change in Fees	Basis for Change
Legal	Legal fees various		Various hourly rates depending on grade of person doing the work		0	No Change
Democratic Services	Electoral Registration sale of register	Statutory	Data - per 1000 electors or part thereof £1.50 + handling fee £20 Printed copy per 1000 electors or part thereof £5 + handling fee £10 Certificate of Registration (subject to review) £10.		0	No Change
Democratic Services	Address Management		Renaming existing property £42.25 Naming/numbering existing property £42.25 Naming/numbering a development of up to 5 plots £42.25 per Plot Naming/numbering a development of more than 5 plots £211.25 + £22.25 for each plot from 6 onwards Naming a street £158 Change to development after notification: Admin £55.50 plus £28.25 per plot Street re-naming at residents request £276.50 plus all compensation met by applicant Confirmation of postal address details £28.25 Number a new flat complex £28.25 per flat	Renaming existing Property £43.50. Naming/numbering existing property £43.50. Naming/numbering a development of up to 5 plots £43.50 per plot. Naming/numbering a development of more than 5 plots £217.50 + £23 for each plot from 6 onwards. Naming a street £162.75. Change to development after notification: Admin £57.25 plus £29 per plot Street re-naming at residents request £284.75 plus all compensation met by applicant Confirmation of postal address details £29 Number a new flat complex £29 per flat.		3%

CORPORATE CHARGING POLICY

2023 - 2026

1.0 INTRODUCTION

- 1.1 The Council provides a wide range of services to local residents, businesses and visitors for which it is able to make a charge either under statutory powers set by the Government or discretionary powers where charges are set by the Council. In 2022/23 the Council budgeted to collect over £27m in local income.
- 1.2 In the current local government funding environment, local income generation, when done in the right way, presents the Council with an opportunity to maximise its financial position and be more self-sufficient. Charging for services can also present opportunities to achieve policy objectives, for example by encouraging or discouraging the use of a service or altering the behaviour patterns of residents or businesses.
- 1.3 Decisions around charging for services are taken in reference to the Council's public sector ethos. As a public sector body, the Council needs to work within legislation, regulation and a political framework and this can sometimes limit the scope of what the Council can do. Adopting a commercial approach will provide opportunities to bring in additional external income to protect front line services whilst benefitting the locality.
- 1.4 This charging policy outlines the key principles to be considered in charging for services in a transparent and consistent manner. The purpose of this Policy is not to be over-prescriptive, but rather to provide a framework for how the Council approaches charging for its services. The application of this Policy should bring greater clarity to the process for setting charges and will, therefore, assist the Council in achieving its Corporate Objectives. It is also intended to help guide the process of reviewing charges for existing services and setting charges for any new services that may be introduced in the future.

2.0 LOCAL AUTHORITY POWERS TO TRADE COMMERCIALLY – THE STATUTORY BACKGROUND

- 2.1 The Local Government Act 2000 gave local authorities wide powers to act for the economic, social and environmental well-being of their areas. The general power to charge for discretionary services was included in the Local Government Act 2003.
- 2.2 The Council is permitted under the general power of competence to charge individuals for discretionary services. No additional legal structure is needed for this but, the Council is only permitted to recover its costs of delivering the relevant service – it cannot make profits.
- 2.3 If the Council intends to carry out commercial activities with individuals and private organisations, then section 4 of the Localism Act 2011 and section 95 of the Local Government Act 2003 require those commercial activities to be carried out through a company. Such activities must relate to the Council's discretionary functions only. A business case must be prepared and approved by the Council before the activities are carried out. The cost of support provided to the company by the Council must be recovered from the company.
- 2.4 The Council may trade with public bodies listed under the Local Authorities (Goods and Services) Act 1970 and its subsequent statutory instruments. It may also make its staff available to work for certain type of public body under section 113 Local Government Act 1972. The Council may make a profit on its activities under these Acts. No additional legal structures are required to trade under these powers although these activities do need to be identifiable in the Council's accounts.

- 2.5 The decision on whether to make a charge (and its level) is not always within the control of the Council and so it is critical that officers considering implementing or revising charges are aware of the statutory context in which they are delivering services
- 2.6 Services that the Council charges for are split into two areas:
- a) **Chargeable Statutory Services** - These are statutory services that the Council must provide but is able to charge for – either the methodology in determining charges or the charges themselves are prescribed. These charges can still contribute to the financial position of the Council.
 - b) **Discretionary Services** - Discretionary services are generally that an authority can provide but is not obliged to provide. Local authorities can make their own decisions on setting charges for discretionary services.
- 2.7 It is recognised that in some circumstances (such as Building Control) the approach to the use of surplus income may also be influenced by central government guidance.

3.0 HOW WILL CHARGES BE DETERMINED

- 3.1 It is critical that the implications of the charging decisions being taken are fully understood and that the officers to whom charge setting powers have been delegated have the appropriate information they need to make informed choices.
- 3.2 Charges may be set differentially, so that different people are charged different amounts. Authorities are not required to charge for discretionary services and may provide them for free if they so decide.
- 3.3 Charges will not be limited to a level that covers the costs of providing that service, but rather levels will be set based on market conditions with reference to the Council's policy objectives, the statutory constraints surrounding the ability for all Local Authorities to make profits and the alternative models for delivery available.
- 3.4 Assessing the impact of charging decisions to customers is a fundamental aspect of the decision making process. Where it is appropriate to do so (for example, when a charge is payable by an individual), an Equality Impact Assessment (EIA) for a charge introduction or variation must be completed to demonstrate the impact to customers and this must be presented alongside the financial information to decision makers. Where the customer is a corporate or public sector body an EIA may not be necessary but work to evidence the impact of proposed charges to these customers should be fully considered and presented to decision makers.
- 3.5 In some circumstances it may be appropriate to consider offering a subsidy to all users or certain key groups where it is consistent with achieving the Council's Corporate Priorities. Please see section 7 of this policy for further considerations around subsidising charges.
- 3.6 Charges should be set at levels that, as far as possible, do not preclude members of the public from using or benefiting from a service. Consideration should be given to the ability of individuals, including those of limited means, to meet the charges and benefit from the service available.
- 3.7 There are four fundamental principles to the Council's Corporate Charging Policy:

- a) Services should raise income wherever there is a power or duty to do so and are best placed to determine the charge level based on the impact to customers and the fulfilment of corporate priorities;
- b) The income raised should seek to generate profit if it is effective and lawful to do so within the appropriate trading structure or seek to sustain a full cost recovery position when it is not appropriate for profits to be generated. Subsidising of charges should be considered where it is necessary and in line with the Council's public sector ethos;
- c) The impact to customers in determining charges must be fully considered and an Equality Impact Assessment (EIA) (or other impact assessment for corporate or public sector bodies as necessary) must be completed; and
- d) Any departures from this policy must be justified in a transparent manner with reference to the relevant charging strategy and how the charge promotes financial sustainability, manages the impact on customers and/or meets the Council's priorities.

3.8 Adoption of these principles will be undertaken on both new and current charges. Where there is a disparity between the current charging position and the desired charging strategy (see Table 1), steps will be taken as outlined in section 4 as part of the annual review of charges.

3.9 Effective charging decisions require a solid market knowledge, benchmarking of costs against other public sector bodies and sometimes the private sector, and also an understanding of the impact such charges have on the use and in some circumstances, the delivery of a service.

3.10 There are situations where the Council may decide not to raise income when it is empowered to do so or not to recover the full cost of providing a particular service. Members or Officers must be supplied with the information to allow them to make these decisions in a structured manner in line with the charging strategies contained within this policy. A decision to forego income or to subsidise a service is a policy decision having regard to resources and is significant as any decision made in the budget setting process.

3.11 Charges should recover the actual cost of providing the service, including the recovery of organisational overheads apportioned to the charging service area. Discretion around the recovery of organisational overheads will be allowed to ensure that charges are not disproportionate with the actual level of corporate or directorate support likely to be consumed in delivering a chargeable service.

3.12 It is recognised that it will not be appropriate to recover the full costs in all circumstances and the actual amount of charge proposed could mean that a subsidised charging strategy is adopted as a result of:

- Any relevant Council strategies or policies and any subsidy or concessions given (concessionary groups and levels are explained in Section 7);
- Market conditions and prices charged by competitors and/or other local authorities;

- The need to avoid any potential distortion of the market which might otherwise occur from pricing services below the levels charged by private sector concerns for similar services;
- The desirability of increasing usage of a given service; and/or
- The possibility of increasing savings for the Council The need to be competitive and not recover organisational overheads.

3.13 All charges will be set in line with this policy and should fall into one of the categories set out in the following table which expands on different charging strategies of for discretionary services.

Table 1 – Charging Strategies

Charging Strategy		Objective
Statutory		<p>Charges are set nationally and local authorities have little or no opportunity to control such charges.</p> <p>Charges are set through either of the following scenarios:</p> <p style="padding-left: 40px;">a) A statutory charge determined by central government; or b) Where there is a statutory framework for setting charges.</p> <p>Under b) it is still possible for charges to fall under the subsidised or full cost recovery strategies.</p>
Free		The Council chooses to make the service available at no charge to meet a service objective
Subsidised	Corporate Priority	The Council wishes users of the service to make a contribution to the costs of providing the service in order to meet a corporate priority.
	Concession	The Council wishes all users of the service to make a contribution to the costs of providing the service, in order to meet a service objective, but recognises that the service users will not be able to contribute in full.
	Business Development	<p>The Council wishes users of the service to make a contribution to the costs of providing the service in order to:</p> <ul style="list-style-type: none"> - allow competition with other providers/secure market share whilst the service is established; or - as part of a wider business strategy that sustains a better financial position with a product/service sold at a loss.
Full Cost Recovery		The Council aims to recover the costs of providing the service from those who use it, including recovering service management time and an allowance (based on a corporate percentage) for the recovery of organisational overheads.
Profit Generating		The Council aims to recover the cost of providing the service and make a surplus. (Where the customer is NOT a public body, trading for a profit must be via a trading company).

- 3.14 Consideration should be given in all cases as to whether VAT is applicable and appropriate advice from the Council's insurers with regards to additional insurances required should be obtained. Advice on both of these matters can be provided by the Finance Team.
- 3.15 Income that is derived from charging for services must be used to offset the cost of providing the service. Any surplus must be paid to the General Fund/Housing Revenue Account, as applicable, but must be considered in reviewing charges.
- 3.16 Under the Full Cost Recovery methodology, where a surplus has been generated, the estimated cost of providing the services for the next year must be assessed to ensure that a surplus is not generated over a the five year period of the Medium Term Financial Plan.

4.0 ANNUAL REVIEW OF EXISTING CHARGES

- 4.1 All charges within the Council's control should be reviewed at least annually as part of setting the following year's annual budget and charge increases should be set to take effect from April. All the factors set out above should be taken into consideration in order that officers may make informed choices on the level of charge to be set.
- 4.2 The baseline assumption is that all charges within the Council's control should be increased annually by an agreed inflationary percentage. The inflationary percentage will be based on the September CPI unless exceptional circumstances occur. Before applying this annual uplift, however, a review of existing charges will be undertaken to identify any discretionary charges for which such an increase would not be considered appropriate. In addition, application of an inflationary uplift should not be seen as removing the need to review the efficiency of all services on an on-going basis.
- 4.3 The Council must calculate how much it needs to spend to provide services and how much income it can expect from charges and the amounts from specific government grants it will receive. This policy does not prescribe the format in which officers will review charges, but it is recommended that updating the service snapshot trading accounts will be the most effective format for reviewing the current and future service costs associated with providing a service.
- 4.4 Officers reviewing charges must consider the impact to customers and complete an Equality Impact Assessment (EIA) (or other impact assessment for corporate or public sector bodies as necessary), as outlined in paragraph 3.4 above.
- 4.5 Budget holders must communicate the effective percentage change of proposed revised charges to Finance to be included in the proposed budget for approval. The proposed changes to charges will be submitted to Cabinet as part of the draft budget ahead of the statutory consultation period and will be approved by Council in the February/March. The key considerations of the EIA will be conveyed within the budget reports for member consideration.
- 4.6 The review will not preclude the continuous monitoring of budgets having regard to take-up of the service, market forces and achieving target income levels.
- 4.7 It is considered to be good practice that, where possible, a minimum of one month's notice should be given to customers before any new or revised charges are implemented.

5.0 VARYING CHARGES IN-YEAR

- 5.1 Where there is a strong case for amendment of charges in-year, Team Managers should discuss with their Head of Service who will consult with the relevant Director, Portfolio Holder and Head of Finance for decision.
- 5.2 Proposals for short term promotions / sales in-year and/or the introduction of a concession or an amendment to an existing concession, should be discussed with the Head of Service and approved by the Director, Portfolio Holder and Head of Finance for decision unless otherwise delegated. The Portfolio Holder, for reasons of a political nature, may refer the decision to Cabinet even if it falls outside of the 'financial key decision' definition.
- 5.3 Proposals must consider the impact to customers and complete an Equality Impact Assessment (or other impact assessment for corporate or public sector bodies as necessary), as outlined in paragraph 3.4 above. This assessment must be presented alongside financial and other relevant information to the Director, Portfolio Holder and Head of Finance as part of the decision making so that the impact to customers is fully considered.
- 5.4 It is considered to be good practice that, where possible, a minimum of one month's notice should be given to customers before any new or revised charges are implemented.
- 5.5 Appropriate records must be retained in line with section 8 of this policy.
- 5.6 Officers must have regard to what may constitute a 'financial key decision' and act in accordance with the requirements of the Council's Constitution.

6.0 INTRODUCING NEW CHARGES

- 6.1 Before a new charge is introduced the financial and legal context for charging must be determined. A careful calculation of the costs of provision, utilising the snapshot trading account for the service area, and appropriate level of charge alongside anticipated demand must be undertaken. Financial and Legal advice must be sought and the legal authority for levying the charge must be established.
- 6.2 As above, the Council must calculate how much it needs to spend to provide services and how much income it can expect from charges and the amounts from specific government grants it will receive. This policy does not prescribe the format in which officers will review charges but it is recommended that updating the service snapshot trading accounts will be the most effective format for reviewing the current and future service costs associated with providing a service.
- 6.3 Proposals must carefully consider the impact to customers and an Equality Impact Assessment must be completed to demonstrate this (or other impact assessment for corporate or public sector bodies as necessary), as outlined in paragraph 3.4 above. This assessment must be presented alongside financial and other relevant information to officers or members as appropriate as part of the decision making process so that the impact to customers is fully considered.
- 6.4 Where a proposal exists to introduce a new charge for a discretionary service that may constitute a 'financial key decision' it is a matter for consideration by Cabinet.
- 6.5 Where a proposal exists to introduce a new charge for a discretionary service that does not constitute a 'financial key decision' it is a matter for consideration by the relevant Head of

Service and Director in consultation with the relevant Portfolio Holder and Head of Finance. The Portfolio Holder, for reasons of a political nature, may refer the decision to Cabinet even if it falls outside of the 'financial key decision' definition.

7.0 KEY PRINCIPLES – WHICH CUSTOMERS SHOULD RECEIVE A SUBSIDY?

7.1 In some circumstances it may be appropriate to consider offering a subsidy to all users or certain key groups where it is consistent with achieving the Council's corporate priorities.

7.2 Recognising this, it is Council policy that when charges are reviewed, concessions where appropriate should be considered for certain groups of customer. In some circumstances concessions may not be appropriate and it will be necessary to consider the impact on income levels before introducing the concession.

7.3 It is the policy of the Council that when charges are reviewed concessions should be considered for different groups of customers. Included in Appendix 1 are details of the current customer groups that should be considered. This policy delegates the maintenance of this list of different customer groups to the Head of Finance so that different customer groups who are not known at the time of writing this policy are not disadvantaged.

7.4 This policy retains discretion in respect of the level of concession - concession of between 25% and 100% of the full charge may be appropriate in some cases.

7.5 Concessions may not be appropriate in all circumstances and it will be necessary to consider the impact on income levels before introducing a concession. An assessment of the desirability of offering a concession will form a part of the process of reviewing charges.

7.6 However, it is recognised that there will be important exceptions that will make charging inappropriate in a number of cases. The following examples are not intended to be exhaustive list:

- Circumstances where the service in question is delivered to all residents or householders equally and which could therefore be considered to be funded from Council Tax;
- Circumstances where the administration costs associated with making a charge could outweigh any potential income;
- Circumstances where making a charge would be directly contrary to achieving one of the Council's Corporate Priorities;
- Circumstances where charging would be counterproductive (i.e. it may result in a substantial reduction in use of the service); and
- Circumstances where the Council incurs extra charges to enable people to have fair access to services.

8.0 ADMINISTRATION

8.1 The principles for administering charges are:

- The financial data used to set charges should be maintained on an ongoing basis and charges should be set with reference to the snapshot trading account for the relevant service area to evidence the current/proposed charging strategy;
- Documentation confirming Director of Service, Portfolio Holder and Head of Finance approval of in year changes to charges should be maintained.
- Charges should be simple to understand and administer;
- Charges should be well promoted so that customers can clearly understand the charging structure and methods of payment before they become liable to be paid;
- Where possible methods of payment should be flexible, convenient and take into account the needs of disadvantaged groups in the community (the easier it is to pay, the more likely it is that payment will be made);
- Wherever possible and practicable, payment should be made prior to the service being received or at the point of delivery; and
- The Council's preferred payment method is Direct Debit, BACS or direct payment through the Council's website followed by PayPoint and telephone payments.

9.0 HOW WILL THIS POLICY BE IMPLEMENTED?

9.1 All charges are subject to annual review as part of the Council's budget setting process. The review of existing charges and consideration given to the introduction of new charges will be undertaken having regard to the guidelines and Charging Strategies set out within this Policy.

Customer Groups for whom concessions should be considered

Customer Group	Service Category
Persons in receipt of an approved means tested benefit	Public Health related services e.g. Environmental Health – public health pests (rats and mice), housing standards Waste Services – bulky waste collection Leisure / Healthy lifestyle
Young people under 16 years of age	Leisure / Healthy lifestyle
Full time students	Leisure / Healthy lifestyle
Registered Carers	Leisure / Healthy lifestyle
Senior citizens over state pensionable age	Leisure / Healthy lifestyle
People with a disability	Car parking and public conveniences Leisure / Healthy lifestyle
Care Leavers	Leisure / Healthy lifestyle
Armed Forces Covenant	Leisure / Healthy lifestyle

An approved means tested benefit means the following benefits only:

- Carer's Allowance
- Council Tax
- Universal Credit
- Employment and Support Allowance (Income Based)
- Housing Benefit
- Income Support
- Jobseeker's allowance (Income based)
- Working Tax Credit

PROJECT	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Funding Source
	C/fwd	For Approval	Indicative	Indicative	Indicative	Indicative	
	£	£	£	£	£	£	

ACTIVE PROJECTS**Coalville Regeneration Projects**

Accommodation Project	873,803	420,000					Reserves and Prudential Borrowing
Marlborough Square Improvements	2,393,008						
Marlborough Centre Purchase and Renovation	3,257,172						
Total Coalville Regeneration Projects	6,523,983	420,000	-	-	-	-	

Systems / ICT Schemes

Car Parking Machines - Modem Upgrade		13,300					Reserves
Total Systems / ICT Schemes	-	13,300	-	-	-	-	

Fleet Replacement and Infrastructure Programme

Refuse Vehicles	633,109						Capital Receipts and Prudential Borrowing
Total Fleet Replacement and Infrastructure Programme	633,109	-	-	-	-	-	

Other Capital Schemes

Disabled Facility Grants		670,310					Grants
Market Street Car Park - Resurfacing	7,000						Prudential Borrowing
Appleby Magna Caravan Site - redevelopment -other	135,218						
New Garage Roof at Coalville Park	5,596						
Hermitage Recreational Ground Demolishing	170,000						
Refuse Bins & Recycling Containers	11,148	194,000					Grants
UK Shared Prosperity Investment Plan Programme	165,060						
Air Quality	5,240						
Total Other Capital Schemes	499,262	864,310	-	-	-	-	
TOTAL ACTIVE PROJECTS - MAIN PROGRAMME	7,656,354	1,297,610	-	-	-	-	

PROJECT	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Funding Source
	C/fwd	For Approval	Indicative	Indicative	Indicative	Indicative	

DEVELOPMENT POOL

Coalville Regeneration Projects

Coalville Regeneration Framework	324,818	500,000	500,000	500,000	500,000	500,000	Reserves
Demolition of Council Offices		300,000					
Total Coalville Regeneration Projects	324,818	800,000	500,000	500,000	500,000	500,000	

Systems / ICT Schemes

Laptop Replacements	-	68,000	49,000	92,000	49,000	49,000	Reserves
Server and storage additional capacity		70,000					
Firewall Replacement						50,000	
Cloud Back-up Solution		10,000					
Hosted SBC to Cloud			15,000				
Replacement of NetApp Storage Solution			70,000				
Shared Point Intranet Upgrade		10,000					
Total Systems / ICT Schemes	-	158,000	134,000	92,000	49,000	99,000	

Fleet Replacement and Infrastructure Programme

Fleet Replacement Programme		2,186,230	846,330	3,114,040	974,950		Capital Receipts and Reserves
MOT Lane Upgrade		50,000					
Kempower Mobile DC Charging Unit		15,860					
Solar Panels - Ashby Leisure Centre/Coalville Leisure Centre		195,000					
Total Fleet Replacement and Infrastructure Programme	-	2,447,090	846,330	3,114,040	974,950	-	

Other Capital Schemes

Disabled Facility Grants			670,310	670,310	670,310	670,310	Grants
UK Shared Prosperity Investment Plan Programme		515,250	809,500				Grants
Driver ID Fobs and Tachograph download	11,035						Reserves
Moira Furnace - Masonry & Drainage Masonry/Drainage/Upgrades to furnace and Bridge & further remedial works	280,000						
Whitwick Business Centre - Installation of Solar Power	40,000						
Market Hall -Demolish and make good	75,000						
Whitwick Business Centre - Upgrade CCTV	10,000						

PROJECT	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Funding Source
	C/fwd	For Approval	Indicative	Indicative	Indicative	Indicative	
Memorial Clock Tower	30,000						
The Courtyard Roof repair		200,000					
CCTV Cameras replacement		100,500					
Hermitage Recreational Ground 3G Pitch			130,000				Reserves
Refuse Bins & Recycling Containers			194,000	200,000	200,000	202,000	
Kegworth Public Realm Works		907,905					Grant and Reserves
Total Other Capital Schemes	446,035	1,723,655	1,803,810	870,310	870,310	872,310	
TOTAL DEVELOPMENT POOL - MAIN PROGRAMME	770,853	5,128,745	3,284,140	4,576,350	2,394,260	1,471,310	

SPECIAL EXPENSES PROGRAMME

DEVELOPMENT POOL

Play Areas

Staples Drive - Replacement Fencing		10,340					Revenue
Total Play Areas	-	10,340	-	-	-	-	
TOTAL DEVELOPMENT POOL	-	10,340	-	-	-	-	
TOTAL CAPITAL PROGRAMME	8,427,207	6,436,695	3,284,140	4,576,350	2,394,260	1,471,310	

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North West Leicestershire District Council
Estimated Reserves 2023/24 to 2027/28

TEAM	Estimated Balance as at 1/4/23 £	Commitments & Budget Proposals 23/24 £	Estimated balance as at 31/3/24 £	Future commitment incl budget proposals 24/25 to 27/28 £	Estimated Balance 31/3/28 £
Earmarked Reserves:					
Chief Exec	308,610	- 237,805	70,805	- 70,805	-
Human Resources	30,000	-	30,000	-	30,000
Legal & Support Services	132,070	- 132,070	-	-	-
Community Services	802,283	- 204,198	598,084	- 324,440	273,644
Planning	599,859	- 12,250	587,609	- 41,145	546,464
Economic Regen	182,698	-	182,698	-	182,698
Joint Strategic Planning	97,019	-	97,019	-	97,019
Strategic Housing	353,786	-	353,786	-	353,786
ICT	5,500	- 5,500	-	-	-
Property	30,000	- 18,000	12,000	-	12,000
Revenues & Benefits	235,992	-	235,992	-	235,992
Customer Services	10,000	- 10,000	-	-	-
Finance	186,804	- 97,630	89,174	-	89,174
Other reserves	172,845	24,116	196,961	-	196,961
MTFP Reserve	5,165,188	-	5,165,188	-	5,165,188
Business Rates Reserve	369,093	1,994,307	2,363,400	- 2,363,400	0
Total earmarked reserves - General Fund	8,681,747	1,300,970	9,982,716	- 2,799,790	7,182,926
Total earmarked reserves - Special Expenses	102,010	- 102,010	-	-	-
TOTAL EARMARKED RESERVES	8,783,757	1,198,960	9,982,716	- 2,799,790	7,182,926
Other reserves General Fund:					
General Balance (minimum level of reserves)	1,544,493	-	1,544,493	-	1,544,493
Total other Reserves - General Fund	1,544,493	-	1,544,493	-	1,544,493
Other reserves Special Expenses:					
General Balance	-	-	-	-	-
Total other Reserves - Special Expenses	-	-	-	-	-
TOTAL ALL RESERVES - GENERAL FUND & SPECIAL EXPENSES	10,328,250	1,198,960	11,527,209	- 2,799,790	8,727,419

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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
GRANT INCOME 2022/23 AND 2023/24**

Cost Code Description	Grant details	2022/23 Actual to P9	2022/23 Budget	2023/24 Budget
LICENSING	DLUHC - Pavement Licensing Year 2	(3,501)	(3,501)	0
BORDER INSPECTION	DEFRA - EU Transition Grant	(52,233)	(67,519)	(40,500)
BORDER INSPECTION	FSA - Food Standards Agency Grant	0	(9,351)	0
COMMUNITY SAFETY	DLUHC - Domestic Abuse Act New Burdens	(32,598)	(32,598)	(34,000)
DISCRETIONARY HOUSING	DWP - Discretionary Housing Payments	(52,012)	(104,000)	(104,000)
COUNCIL TAX BENEFITS	DLUHC - Energy Rebate grant	(5,874,000)	(5,773,250)	0
COUNCIL TAX BENEFITS	DLUHC - Energy Rebate Support grant	(58,011)	(58,011)	0
COUNCIL TAX BENEFIT ADMIN *	DLUHC - Local Council Tax Support Grant	(80,729)	(83,760)	0
COUNCIL TAX BENEFIT ADMIN	DWP - Various Housing Benefit grants	(4,202)	(6,048)	0
RENT ALL/RENT REBATE ADMIN	DWP - Various Housing Benefit grants	(8,403)	(12,095)	0
RENT ALL/RENT REBATE ADMIN	DWP - Housing Benefit Admin Grant	(123,448)	(185,170)	(185,170)
COUNCIL TAX **	DLUHC - Council Tax Family Annexe	0	(9,028)	0
HOUSING GRANTS	DLUHC - Domestic Abuse Act New Burdens	(5,399)	0	0
HOUSING GRANTS	DLUHC - Various Homelessness/Rough Sleeping	(469,027)	0	0
DISTRICT ELECTIONS	DLUHC - Electoral Integrity New Burdens	(17,971)	(17,971)	0
LOCAL LAND CHARGES	DLUHC - Local Land Charges New Burdens	(17,843)	0	0
CIVIL CONTINGENCY AC	DEFRA - Flooding	(4,984)	(4,984)	0
UKRAINE	LCC - Homes for Ukraine	(71,190)	(77,767)	0
UK SHARED PROSPERITY ***	DLUHC - UK Shared Prosperity Fund	0	(148,000)	(586,121)
PUBLIC PROTECTION	LCC - Disabled Facilities Grant	(547,431)	(547,431)	(649,470)
PUBLIC PROTECTION	DEFRA - Air Quality	(6,000)	(6,000)	0
PLANNING POLICY	DLUHC - Neighbourhood Planning Grant	(20,000)	0	0
COUNCIL TAX	ONS - Council Tax Submission New Burdens	(445)	(445)	0
BUSINESS RATES	DLUHC - Cost of Collection Allowance	0	(161,640)	(166,040)
PCC EARLY INTERVENTION FUND	CSP funding and Early Intervention funding	(45,074)	(45,074)	(45,074)
<u>Non-Specific Grant Income</u>				
Taxation and Non-Specific Grant				
Income	BEIS - Covid New Burdens	(12,400)	(12,400)	0
TOTAL		(7,506,900)	(7,366,042)	(1,810,375)

* Council Tax Benefit Admin Grant - this will be part of the Revenue Support Grant in 23/24

** Council Tax Family Annexe Grant - confirmed 6/2/23 £9,028 for 22/23. This income will be part of the Revenue Support Grant in 2023/24.

*** UK Shared Prosperity - In 2022/23 the Council are expecting £148,00 revenue (including £20,000 Capacity Funding) and £165,060 capital. Indicative allocation for 2023/24 is £586,121 and for 2024/25 is £1,535,636. The Council is still awaiting notification of the split between capital and revenue for 2023/24 and 2024/25. However, an indicative estimate of the capital element has been factored into the capital programme.

We have been notified that we have been allocated some funding in round two of the Changing Places Scheme, but have not been told the amount.

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Responses to Questions Raised by Corporate Scrutiny Committee 4 January 2023

Question Raised	Cabinet Response
<p>Enforcement Service A member wished to formally express the proposal that Cabinet be requested to assess what is required to deliver a full spectrum, proactive enforcement service and set out a plan to address any shortfall in staffing levels.</p>	<p>Private Sector Housing Community Services currently has 1.2 full time officers for private sector housing enforcement functions. This level of resource allows the Council to deliver an effective reactive service which is mainly complaint driven. In the last two years the team has been proactive in terms of changes to the Houses in Multiple Occupation (HMOs) legislation and has commenced proactive Minimum Energy Efficiency Standards Regulations compliance which forms part of the Council’s Zero Carbon Roadmap and Fuel Poverty Task and Finish Group. A series of Private Sector Housing Enforcement Policies are scheduled to go through Scrutiny and Cabinet in 2023. To support this additional work and move to a more proactive service, Cabinet is to be asked to approve the recruitment of two additional posts utilising funding for this from the Government’s Disabled Facilities Grant at its meeting on 31 January 2023.</p> <p>Antisocial Behaviour The current level of resource in Community Services allocated to reports of antisocial behaviour is one full-time officer. The resource enables the Council to provide a good level of service particularly relating to the highest risk cases of antisocial behaviour. Work is underway to explore ways of increasing resources through the Leicestershire Police and Crime Commissioners Office and such a resource would add further capacity for the investigation of lower risk reports of antisocial behaviour. In the Council’s Housing Service there are two staff members managing cases that relate solely to the Council’s own tenants.</p> <p>Planning Enforcement With regard to more proactive planning enforcement, the budget contains a bid for a new Planning Enforcement Team Leader. Officers have already reported to Community Scrutiny on the effectiveness of Planning Enforcement and advised that a further report would be presented in the autumn this year.</p>

Question Raised	Cabinet Response						
	With the above current resource status combined with the related planned increase in officer posts, officers consider that there are sufficient resources in place to effectively manage these functions.						
<p>Property Services Budget A member noted that the Property Services budget had been increased by around £800,000 and questioned why such a large increase would be occurring.</p>	It was identified that there was an error on Appendix 1 and the Property Services figures and the Revenues & Benefits figures were on the wrong lines. The overall budget figures were correct. This was corrected in an addendum report to Cabinet on 10 January 2023.						
<p>Coalville Regeneration Programme A member noted that the Coalville Regeneration Programme featured work associated with a Coalville railway station and expressed a wish to see similar works carried out at Ashby de la Zouch and at other locations throughout the district. Concerns were also raised at the marked increase in the cost of using public conveniences in Ashby de la Zouch, but officers confirmed that these increased costs had been in line with inflation</p>	Officers have developed a strong working relationship with CRiL and are involved in discussions about passenger infrastructure at all planned halts along the line through NWL.						
<p>Council Tax Members asked how much income would have been generated had there not been a freeze on council tax, and officers advised that this is something which would have to be worked out and brought back to members, however it was noted that this freeze had created some element of income which would have been foregone if the council tax had increased.</p>	<p>If the Council increased the council tax by the maximum amount allowed in 2023/24 without the need for a referendum from the 2022-23 rate of £158.58 Band D, it would generate an additional £173,000 council tax in 2023/24.</p> <p>If the Council had increased the council tax by the maximum amount allowed each year since 2010/11 without the need for a referendum, the rate of Band D Council Tax would be £228.20 and generate an additional £2.5m in 2023/24.</p> <p>The income foregone over the 14-year period that the council tax has been frozen (assuming the maximum increase of 2.99% or £5 each year is:</p> <table border="1" data-bbox="869 1129 1608 1241"> <tbody> <tr> <td>District Council Tax Income Foregone</td> <td>£17.3m</td> </tr> <tr> <td>Less Council Tax Freeze Grant Received</td> <td>£0.5m</td> </tr> <tr> <td>Total</td> <td>£16.8m</td> </tr> </tbody> </table>	District Council Tax Income Foregone	£17.3m	Less Council Tax Freeze Grant Received	£0.5m	Total	£16.8m
District Council Tax Income Foregone	£17.3m						
Less Council Tax Freeze Grant Received	£0.5m						
Total	£16.8m						
<p>Sale of Council Offices and Car Park A member enquired where the receipt for the sale of the Council offices and the car park appeared in the budget and if it had been included as capital receipt. Officers advised that it had not been factored in at present and</p>	No disposal of the Whitwick Road Council offices and car park has been agreed at this time, so it would be inappropriate to report or account for a capital receipt at present. Once any sale has been negotiated the relevant figures will be reported.						

Question Raised	Cabinet Response
<p>offered clarification around the separate issues of the business case for the accommodation changes and plans for the future site, and what the future income stream might be.</p>	
<p>Asset Management Team A member requested clarification on the large investment proposed to restructure the asset management team and asked for more information on exactly what the £350,000 would be spent on. Officers advised that this was still in process but would primarily be staff focussed and at the time of the meeting was dependant on various factors such as staff changes, which could be discussed outside of the public meeting.</p>	<p>Noted</p>

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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
GENERAL FUND SUMMARY BUDGET RECONCILIATION
REVISED DRAFT BUDGET 2023/24 TO PROPOSED BUDGET 2023/24**

Service	2023/24			Reason for Change
	Revised Draft £	Proposed £	Variance £	
Chief Executive	402,500	401,840	(660)	
Human Resources	748,750	740,310	(8,440)	Saving on software
Legal & Support Services	1,567,540	1,654,930	87,390	Internal Audit restructure and legal market supplements on salaries
Total Chief Executive's Department	2,718,790	2,797,080	78,290	
Strategic Director of Place	342,410	340,600	(1,810)	
Community Services	6,341,790	6,321,690	(20,100)	Additional income electric vehicle charging points, increase costs on waste disposal, minor recharge adjustments to HRA & Special Expenses
Planning & Infrastructure	977,119	985,399	8,280	Recharge adjustments
Economic Regeneration	891,210	897,140	5,930	Recharge adjustments
Joint Strategic Planning	9,120	9,080	(40)	
Total Director of Services	8,561,649	8,553,908	(7,741)	
Strategic Housing	796,453	797,733	1,280	
ICT	1,240,780	1,208,970	(31,810)	Recharge adjustments
Property Services	263,260	245,660	(17,600)	Recharge adjustments
Revenues & Benefits	1,033,790	1,131,260	97,470	Grants rolled in to RSG & loss of Local Council Tax Support Grant
Customer Services	958,570	958,060	(510)	
Finance	1,244,370	1,147,750	(96,620)	Recharge adjustments
Total Director of Housing & Customer Services	5,537,223	5,489,433	(47,790)	
Estimated Pay Award and Inflation Contingency	679,545	651,230	(28,315)	Removal of corporate contingency
Non Distributed - Revenue Expenditure on Surplus Assets	97,140	107,530	10,390	Recharge adjustments
Non Distributed - Retirement Benefits	67,380	67,380	0	
Corporate & Democratic Core	81,970	70,410	(11,560)	Recharge adjustments
Grants rolled in to RSG	90,000	0	(90,000)	£90k allocated correctly against Revs & Bens above
NET COST OF SERVICES	17,833,697	17,736,972	(96,725)	
Net Recharges from General Fund	(1,784,060)	(1,827,750)	(43,690)	Recharge adjustments
NET COST OF SERVICES AFTER RECHARGES	16,049,637	15,909,222	(140,415)	
CORPORATE ITEMS AND FINANCING				
Corporate Income and Expenditure				
Net Financing Costs	1,478,797	1,763,264	284,467	Change in our MRP strategy and updating of forecast expenditure for 2022/23
Investment Income	(250,300)	(335,200)	(84,900)	Higher interest rate and higher level of monies to invest
Localisation of CT Support Grant - Parish & Special Expenses	15,871	15,871	0	
NET REVENUE EXPENDITURE	17,294,005	17,353,157	59,152	
Budget Proposals Funded from Reserves - One-Off	(290,195)	(290,195)	0	
Contributions to Reserves	0	24,116	24,116	Contribution to MTFP earmarked reserve
MET FROM GOVT GRANT & COUNCIL TAX	17,003,810	17,087,078	83,268	
ANTICIPATED BASELINE FUNDING VARIANCE	(198,539)	0	198,539	

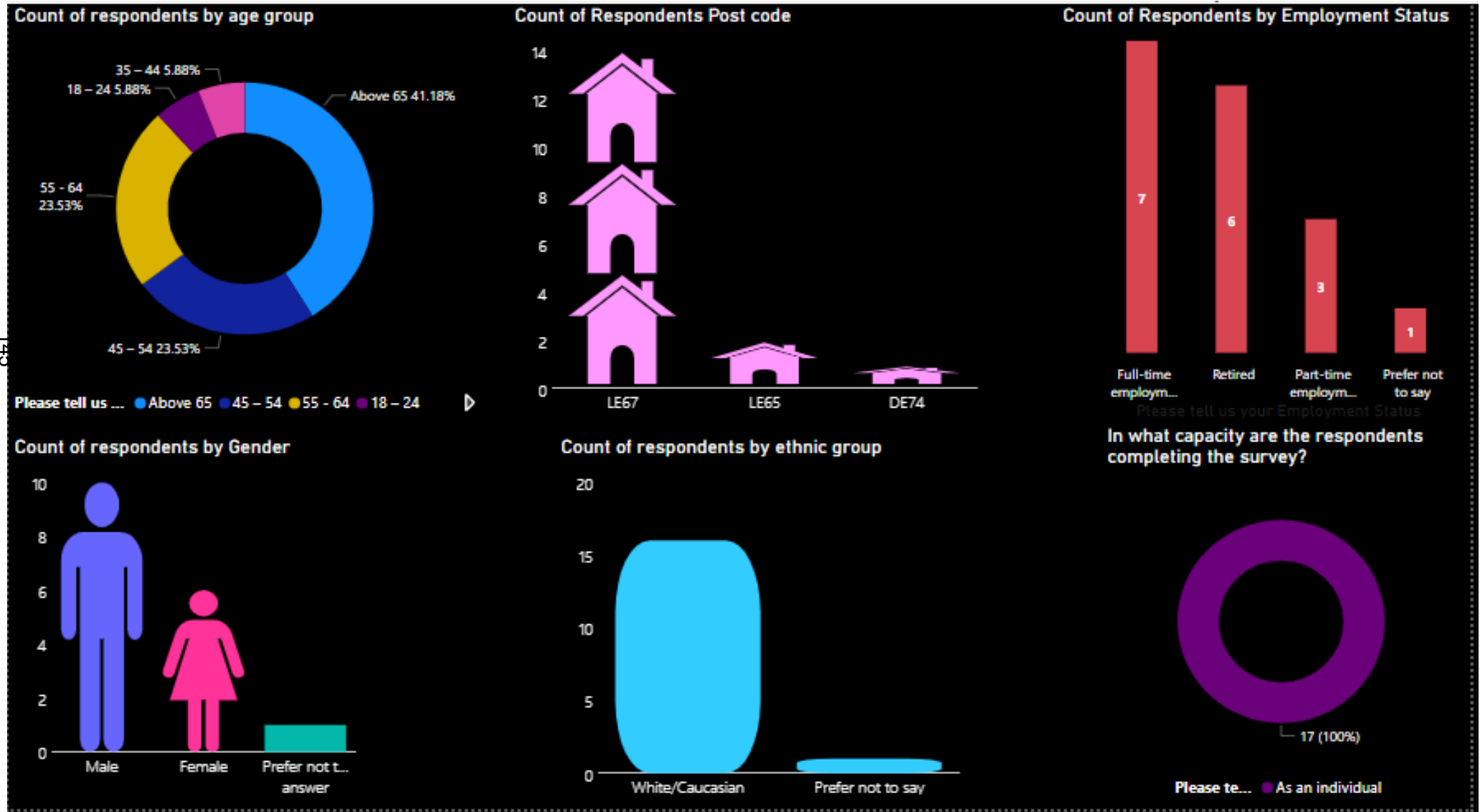
Service	2023/24			Reason for Change
	Revised Draft £	Proposed £	Variance £	
Financed By				
New Homes Bonus	1,219,692	1,219,692	0	
Transfer from/(to) Collection Fund - CT Prev Yrs Surplus/(Deficit)	140,327	25,056	115,271	Actual Council Tax surplus lower than anticipated in draft budget
Council Tax	5,771,361	5,771,361	0	
National Non-Domestic Rates Baseline	2,493,566	2,493,566	0	
Business Rates Retained Growth & Renewables Disregard	6,222,377	6,222,377	0	
Business Rates Reserve	0	0	0	
Lower Tier Services Grant	0	0	0	
2022/23 Services Grant	93,369	97,213	-3,844	As per final settlement
Minimum Funding Guarantee	1,171,479	1,167,635	3,844	As per final settlement
Revenue Support Grant	90,178	90,178	0	
TOTAL FUNDING AVAILABLE	17,202,349	17,087,078	115,271	

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Budget Consultation Survey - Responses as at 16/1/23

Demographics

There have been 17 responses so far, how does this breakdown in terms of demographics?



In terms of age breakdown of respondents, the majority (7 respondents, equating to 41%) were aged 65 or above.

There has been little response from the younger age groups - (in the 18-24 age group and the 35-44 age group there was one respondent from each group - and amongst the 25-34 age group, there was no response at all). It may be that the younger age groups who are working, have less time to fill in surveys like this one or it could be that we may need to explore other ways to reach these groups, for example how the survey is advertised, if we want to obtain their views.

In terms of Postcode, the majority of respondents (14 equating to 82.35%) were residents in the LE67 postcode area, which covers the Whitwick and Coalville area with two respondents from the LE65 postcode area (which covers Ashby-de-la-Zouch, Calke, Smisby, Willesley and Worthington) and one respondent residing in a DE74 Postcode (Which covers Castle Donington, Kegworth, Diseworth, Hemington, Lockington and East Midlands Airport).

In terms of employment status, the majority of respondents (10 respondents equating to 58.82%) stating that they are in employment - either Part time or Full time, with the next largest group (6 respondents, equating to 35.29 %) telling us they are retired and only one respondent preferring not to answer.

When responding to a question about gender, the majority of respondents (ten respondents equating to 58.82%) identified as male, with the next largest group (six respondents, equating to 35.29 %) telling us they are female and only one respondent preferring not to answer.

In terms of race, the overwhelming majority of respondents (94.11%), told us they from a White/Caucasian background, with the remaining respondent preferring not to answer)

All the respondents were filling in the survey in the capacity as an individual.

Responses to focussed budget questions



The majority of respondents (82.35%) were positive about the proposal to spend £195,000 increasing the Solar Panels at the Whitwick and Ashby Leisure Centre with only 17.65% responding negatively to the concept

In respect of the plan to allocate £650,000 for improvements to sheltered housing schemes over the next 5 years, again the response was predominantly positive - with 15 respondents (88.2%) in agreement with the proposal. Only one respondent was in disagreement, and one was neutral towards the concept.

Opinion was much more divided over the proposal to allocate £130,000 in 2024/25 on a new surface and new fencing for the 3G sports pitches at Hermitage Recreation Ground - 7 respondents (41.18%) disagreed with this proposal, 6 respondents (35.29%) were in agreement, with the remaining 4 respondents being neutral about the plan.

By far the strongest negative reaction was to the proposal to spend £50,000 on a professional assessment of regeneration plans for Coalville. 9 respondents (52.94%) were in disagreement with the proposal, with only 6 respondents (35.29%) responding positively. The remaining 2 respondents were neutral about the proposal.

A proposal looked on far more favourably was the plan to freeze the District Council's portion of the Council tax bill - 13 out of 17 respondents (76.47%) were in favour of this plan, with only 4 people reacting negatively to the idea.

The proposal in respect of allocating £100,000 to replace CCTV cameras in Coalville was another popular proposal- 58.82% were in support of this plan with 23.25% responding negatively.



There was support amongst the majority for allocating £2.2 million in 2023/24 upgrading the Council's fleet of vehicles to electric vehicles, making them zero carbon - 58.82% were in support of this plan with 35.29% responding negatively and the remainder choosing to remain neutral.

The proposal of a below-inflation increase to council home rents of 7% and investment of the money into council homes to maintain a decent standard was also viewed positively - 70.58% of the responses being positive and only 23.52% of the responses being negative.

A further proposal in respect of council housing pertained to the plan to spend £3.1 million in 2023/24 on retro-fitting sustainable energy measures on our council housing which will be partly funded by £1.4 million in Government grant funding - again this was widely supported by the respondents with 76.46% in agreement with the proposal and 17.65% against, with the remainder being neutral on the issue.

We had six individual pieces of feedback on the budget proposals overall:

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Freezing Council Tax for 14 years has led to funding shortfalls elsewhere. With inflation at ~10% what is hidden in this survey are the real (and possibly otherwise unnecessary) cuts to services. Council Tax is quite a fair tax, albeit that there maybe should be an extra Band for Mansions. For most people's incomes it is not a particularly significant Tax, this "zero increase" has become a NWL Conservative Party mantra, which now appears to be more about ego than care in the community. As for the zero carbon vehicle upgrades, this should only be done when the vehicles NEED replacing as any new vehicle even if it is electric will have a larger environmental cost (in its manufacturing) than using old ones until they can go no more. Both these policies have a "look at us' vanity air about them.

Instead of using Homes bonus to prop up your election commitments that you never increase the rates. You should be more honest with the electorate how you do it.

It is important to install energy saving measures for environmental purposes but you do need to publish the saving made on energy bills so residents can see the cost benefit as well.

Spending money on consultations then disagreeing with them, aka: the old leisure centre for instance, is a very bad look.

Whilst another freeze in council tax is welcome, the level of council tax is still relatively high compared to other districts in the county/ country, so perhaps you should consider a cut rather than just a freeze, to help hard-pressed residents?

You can spend all the money you like but can't even put the street lights on at night-Disgrace. Need a new bin.... Have to wait 6 weeks. Disgrace. Planning Dept - Disgrace. Pensions you are all on - Disgrace. Dealing with NWLDC is an absolute Public Sector couldn't give a toss nightmare.

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	HOUSING REVENUE ACCOUNT BUDGET AND RENTS 2023/24	
Presented by	Councillor Roger Bayliss Housing, Property & Customer Services Portfolio Holder	
Background Papers	Draft Housing Revenue Account Budget and Rents 2023/24 - Corporate Scrutiny Minutes - 4 January 2023 Draft Housing Revenue Account Budget and Rents 2023/24 - Cabinet 10 January 2023	Public Report: Yes
Financial Implications	<p>This report sets out the Housing Revenue Account (HRA) budget including both capital and revenue for 2023/24 to 2027/28.</p> <p>It also sets out the proposed increase in rents along with other planned changes to the fees and charges levied by the Council for some services delivered within the scope of the HRA.</p>	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	No direct legal implications arising.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications		
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To allow the Council to approve the 2023/24 budgets.	
Recommendations	COUNCIL IS RECOMMENDED: 1. TO APPROVE THE HOUSING REVENUE ACCOUNT (HRA) BUDGET FOR 2023/24 (APPENDIX 1) AS SUMMARISED IN SECTION 2 OF THIS REPORT. THIS INCLUDES:	

	<p>a. INCREASING RENTS BY UP TO 7%</p> <p>b. CHANGES TO FEES AND CHARGES AND SERVICES CHARGES, AS DETAILED IN APPENDIX 3</p> <p>2. TO NOTE THE HRA BUDGET FOR 2024/25 TO 2027/28 (APPENDIX 1)</p> <p>3. TO APPROVE THE PROPOSED HRA CAPITAL PROGRAMME FOR 2023/24 (APPENDIX 4) AND PLANNED FINANCING, AS SET OUT IN SECTION 3 OF THIS REPORT.</p> <p>4. TO APPROVE THE FLEET REPLACEMENT PROGRAMME FOR 2024/25 (APPENDIX 4), TO ALLOW VEHICLES TO BE ORDERED IN ADVANCE ONCE APPROVAL HAS BEEN GIVEN TO MOVE THE SCHEME FROM THE DEVELOPMENT POOL TO THE ACTIVE POOL.</p> <p>5. TO NOTE THE REMAINING ELEMENTS OF THE HRA CAPITAL PROGRAMMES 2024/25 – 2027/28 AS DETAILED IN APPENDIX 4</p>
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1.0 BACKGROUND AND DISCUSSION

1.0.1 The Housing Revenue Account (HRA) Medium Term Financial Plan (MTFP) sets out the financial strategic direction for the HRA and is updated as it evolves and develops throughout the year, to form the framework for financial planning.

1.0.2 The purpose of the HRA MTFP is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are effectively managed and are able to deliver the aspirations of the Council, as set out in the Council Plan, over the medium term.

1.0.3 Between the Cabinet meeting on 31 January 2023 and Full Council, the Public Consultation Section 7.2 has been updated as per additional paper (Appendix 6) tabled at Cabinet.

1.1 Context

1.1.1 The Council is setting the HRA budget at a time when it and residents face a range of issues to contend with. In broad terms these can be split into two categories: economic and housing. Each of these is explored below:

1.2 Economic

1.2.2 The national economic position has been influenced by a number of factors in recent years including the Covid-19 pandemic, Brexit, Russian invasion of Ukraine and the cost of living crisis. Nationally this has led to high inflation and increases in borrowing costs.

1.2.3 For the Council this means an increase in the cost of all of its inputs, 100% increase in energy costs, other costs inflating between 9% and 30%. The cost of borrowing to fund capital expenditure has also increased significantly.

1.3 Housing

1.3.1 The government has introduced zero carbon policy initiatives which have implications for housing. In the November 2022 Autumn Statement, the government sought to address affordability of social rent increases by announcing a 7% cap for 2023/24. There has also been media focus on disrepair in rented housing and the high demand for rented housing.

1.3.2 Recognising the wider context within which the budget is being set, the Council has used a new process to develop its budget plans for 2023/24 and over the medium term. This recognises the greater focus within the organisation on its finances. The new process, coupled with that used in previous years, has involved:

- Services completing budget proposal forms to justify the need for any changes to the budget.
- Budget challenge sessions, with follow ups as required, between the Chief Finance Officer and Heads of Service.
- Regular reporting to the Corporate Leadership Team of the Council's overall budget position.
- Engagement with councillors through Portfolio Holder briefings and an all councillor budget briefing.
- Further engagement has taken place through scrutiny, consultation with the public and the Tenant and Leaseholder Consultation Forum

1.4 **Budget Assumptions**

1.4.1 The following budget assumptions have been built into the forecast:

- Pay award – £1,925 per full time equivalent (FTE) 2022/23 (actual), 4% in 2023/24, 3% in 2024/25 and 2% from 2025/26.
- Contracts have been linked to the CPI/RPI as per individual agreements.
- Inflation – fuel has been increased by 30%, gas by 86% and electricity by 100%.
- Fees and charges – there have been some fees and charges increased by inflation and where appropriate these have been taken into account where demand has changed (please see section 2.4 for more detailed information on fees and charges).
- In broad terms other expenditure has not had any inflationary factor applied with a few exceptions where material costs have had to be increased to keep up with rising prices (e.g. Grounds Maintenance).
- Rent is assumed to increase by 7% in 2023/24 and revert to CPI+1% thereafter.
- Number of properties sold through Right to Buy is assumed to remain steady at 44 per year.
- Future borrowing is assumed to cost 4.5% in interest.

2.0 HOUSING REVENUE ACCOUNT BUDGET AND MTFs 2022/23 to 2027/28

2.1 HRA Budget Summary

2.1.1 Appendix 1 shows the HRA budget position for 2022/23 and the budget for 2023/24 to 2027/28.

2.1.2 Table 1 below highlights that in 2023/24 the net revenue expenditure has increased by £1,842k compared to 2022/23 whilst the anticipated income has increased by £1,615k.

Table 1: Changes to the Housing Revenue Account budget from previous year

	2022/23	2023/24	Movement
	£'000	£'000	£'000
Income	-18,524	-20,139	-1,615
Operating Expenditure	15,235	17,077	1,842
Operating (surplus)/deficit	-3,289	-3,062	227
Targeted J2SS savings	-325	-	325
Appropriations	3,550	7,541	3,991
Net (surplus)/deficit	-64	4,479	4,543

2.1.3 The table shows the Journey to Self Sufficiency (J2SS) budgeted savings for 2022/23. This is unlikely to be achieved in 2022/23 so due to this the Council has had to reset its strategy. In line with the guiding principles of financial stability and sustainability, savings targets have not been built into budget. Instead, the focus is on a robust Medium Term Financial Plan (MTFP) which can be implemented and delivered.

2.1.4 The appropriations in the table is the use of the HRA working balance to fund the capital programme as well as contributing to the loan repayment reserve. These appropriations are significantly higher in 2023/24 in order to set aside £3.7m funding towards repaying debt. In line with best practice the MTFP maintains the working balance at £1m to cater for unforeseen in-year costs which could otherwise cause the HRA to go into deficit.

2.2 Rents

2.2.1 As a self-financing account, the HRA's main source of income is the rents tenants pay for their homes. The Council proposes to increase the rents for 2023/24 by 7% which is in line with the sub-inflation cap set by the Government on social rents for 2023/24. The impact on our most vulnerable tenants will be reduced as the Government's announcements regarding benefit uplifts are in excess of the proposed 7% rental increase. The increase is expected to result in a total rental income of £19.2 million in 2023/24.

2.2.2 The Council will maintain its policy of capping rents for Affordable Rent homes at the level of the relevant Local Housing Allowance. Local Housing Allowance is used as a measure of affordability.

2.2.3 The average weekly rent for the 3,965 Social Rent properties, will increase from £86.92 to £93.05, an average increase of £6.13 per week. For the 133 Affordable Rent properties, the average increase will be £8.45, giving a weekly rent of £129.24 for these properties. Rents for the Affordable Rent properties will continue to be capped at the Local Housing Allowance level to ensure affordability. Both the Social and Affordable rents are based on 50 weeks per year.

2.3 Budget Proposals

2.3.1 Appendix 2 summarises the proposed changes to the HRA budgets that exceed £15k. Looking at 2023/24 specifically, the total budget proposals of £553k include:

- **Changes in income totalling £1,348k.** This is largely due to the increased rental income described in paragraph 2.2.1.
- **Cost pressures totalling £2,634k.** The most significant cost pressures relate to:
 - inflation of £1,770k has impacted across the service but energy costs £529k, general materials £387k, repairs £282k and grounds maintenance £272k are particularly significant.
 - pay related costs are due to increase by £515k, due to a combination of funding the unbudgeted balance of the pay award for 2022/23 and a forecast pay award of 4% for 2023/24
 - service pressures totalling £349k include £113k for Energy Performance Certificates to cover 1,300 surveys required in 2023/24 and £90k additional provision for legal costs to defend disrepair cases.
- **Service developments of £179k.** The planned restructure of the Asset Management team costing £115k will equip the team to effectively deliver the service including the proposed Zero Carbon programme.
- **Corporate proposals totalling £41k.** This is made up of:
 - income of £284k, the bulk of this is a £283k increase in investment income based on projected balances.
 - removal of the £325k savings budget which cannot be delivered due to the acute budget pressures impacting services.

2.4 Fees and charges

2.4.1 In addition to the rental charged for dwellings, there are a number of other fees and charges in relation to services provided within the HRA. Some properties have service charges, on top of the rent, to pay for specific services relevant to their properties. The proposed fees and charges for 2023/24 are listed in Appendix 3. The main changes are listed below:

- Energy Charges for shared/common parts increasing by 20%
- Central Heating – Increasing by 20% due to energy price increases

The 20% increase is lower than the general increase in energy costs as much of the energy requirement for 2023/24 has been purchased in advance.

3.0 HRA CAPITAL PROGRAMME 2023/24 TO 2027/28

3.1.1 The proposed HRA capital programme is outlined in Appendix 4. In 2022/23 there is forecast delivery of less than 50% of the programme and there is potential for further slippage in the 2023/24 programme particularly the £4.5m Home Improvement Programme which has historically underspent. Therefore, with a focus on what programme can be delivered, no carry-over of unspent 2022/23 budgets is assumed in the proposed programme.

3.1.2 Governance improvements are being made via the Capital Strategy for managing capital programmes through their life cycle. The programme has been split into Active Projects and a Development Pool to allow development schemes in early stages to go through further governance before being allocated a full budget and getting into contract. A summary of the capital programme is shown in Table 2.

Table 2: Summary Capital Programme

	2023/24 Budget £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000	Total £'000
Stock Investment	8,539	8,039	7,400	7,250	7,250	38,478
Estate Improvements	1250	620	720	620	620	3,830
Fleet Replacement	55	211	699	0	0	965
Other Capital	2,382	925	800	650	650	5,407
Total Approved Programme	12,226	9,795	9,619	8,520	8,520	48,680
Total Development Pool	2,948	3,805	2,378	3,750	1,000	13,881
Housing Revenue Account Total	15,174	13,600	11,997	12,270	9,520	62,561

3.1.3 Over the five-year period, the total programme comes to £62.6 million, a reduction of £4.2 million over the previous five-year programme. Which is chiefly a reduction in the Zero Carbon programme partly offset with an increase in the Off-Street Parking budgets.

- **Zero Carbon:** The programme has been reviewed with a focus on deliverability and this process has reduced the budgeted expenditure by £6.3 million. The Council has applied for grant funding to part fund this programme and this grant is assumed in the financing of the programme.
- **Off-Street Parking:** The increase of £1.5 million to improve the parking provision.

3.2 Funding the Capital Programme

3.2.1 The capital programme is funded from a variety of sources, including revenue, grants, capital receipts and borrowing. Table 3 below summarises the funding sources identified for each year of the proposed HRA capital programme.

Table 3: Sources of funding for the capital programme

	2023/24 Budget £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000
Capital Receipts	6,510	1,804	828	1,500	400
Government Grants	1384	1384	0	0	0
Reserves	3,465	4,899	4,227	3,907	4,085
Revenue contributions	3,815	0	0	0	0
External Borrowing	0	5,513	6,942	6,863	5,035
Housing Revenue Account Total	15,174	13,600	11,997	12,270	9,520

3.2.2 Table 3 shows a borrowing requirement of £24.4 million over five years to fund the programme. This has increased by £16 million from the five year plan from 2022/23. The increase is due to a combination of reserves being used to fund 2022/23 as well as the impact of inflation and other service pressures on the availability of revenue contributions to capital.

4.0 DEBT

4.1 The loan balance for the HRA is forecast to be £51.9 million at the end of 2022/23. There are annuity loan repayments of approximately £1.3 million to make each year, these repayments are usually funded from working balances but once working balances reach the £1 million minimum, they will be funded from other capital resources.

4.2 There are also loans to be repaid at maturity. The next of these to repay is a £10 million repayment in 2036/37. In accordance with the strategy agreed in 2012 when self-financing for the HRA was introduced, the Council sets aside funding each year in a Debt Repayment Reserve to ensure there is sufficient funding to repay this and later debt. The budget assumes £2.5 million is set aside each year from capital resources in order to make the scheduled repayments.

4.3 The HRA business plan agreed in 2012 planned to repay all self-financing debt by 2042. A full review of the 30 year business plan is required to ensure this strategy remains valid and achievable.

5.0 RESERVES

The Council has a number of reserves for the use of the HRA. Most of the reserves are used for capital financing as shown in 3.2.1. Table 4 shows the projected reserve balances over the MTFS period.

Table 4: Reserve balances

Reserve	01.04.23	01.04.24	01.04.25	01.04.26	01.04.27
	£'000	£'000	£'000	£'000	£'000
Major Repairs Reserve	1,540	1,540	408	0	0
Capital Receipts	9,433	4,160	4,615	5,025	4,762
Debt Repayment Reserve	0	2,492	4,985	7,477	9,970
Total Capital Reserves	10,973	8,192	10,008	12,502	14,732
HRA Reserve	8,499	6,577	2,098	1,000	1,000
Ear Marked Reserves	510	510	510	510	510
Total Revenue Reserves	9,009	7,087	2,608	1,510	1,510

6.0 KEY RISKS TO THE BUDGET

6.1 Table 5 provides an assessment of the key risk areas to determine the robustness of the estimates and adequacy of reserves included in the HRA budgets:

Table 5: Key Risks to the Budget

Area	Comments
The reasonableness of the underlying budget assumptions	All budget proposals have been justified by service managers, reviewed by finance and subject to budget challenge sessions in the new process.
The availability of un-earmarked reserves to meet unforeseen cost pressures	The HRA has minimum general reserve of £1m which is approximately 5% of the rent debit.
Have realistic income targets been set and 'at risk' external funding been identified?	Rental income is set in accordance with the Rent Standard, other income has been increased at an appropriate rate of inflation. External funding is assumed in the capital programme, however, the programme can be flexed if the bid is unsuccessful.
Has a reasonable estimate of demand cost pressures been made?	The enhanced budget process used in the development of the budget has improved the reasonableness of estimates. The budget proposals were required to be justified/assessed using a form, then were reviewed by finance and subject to budget challenge sessions.
Has a reasonable estimate of future income been made?	
Have one-off cost pressures been identified?	All pressures have been reviewed to assess if they are one-off or ongoing in nature. One-off proposals are to be funded from reserves. The service will need to ensure exit plans exist for one off expenditure.
Is there a reasonable contingency available to cover the financial risks faced by the council?	The Council has incorporated estimates for pay award, inflationary and demand pressures into its budget. It has also made a provision for bad debt on rents.

Area	Comments
Is there a reasonable level of reserves, which could be used to mitigate any issues arising and are they reducing as the risks decrease?	The Council has earmarked, reserves for the HRA as well as minimum working balance to ensure its financial stability.
Has there been a degree and quality of engagement with colleagues and councillors in the process to develop and construct the budget?	There has been a fundamental step change in the approach to engaging the organisation during this budget process. This has included a series of budget challenge sessions between the CFO and Heads of Service, as well as engagement with Corporate Leadership Team, Portfolio Holders and an all- councillor briefing.

7.0 CONSULTATION

7.1 Consultation with Members

7.1.1 The Corporate Scrutiny Committee has already considered the proposals within this report at their meeting on 4 January 2023. Members asked a number of questions around the proposals, and more detail can be seen in the minutes for the meeting, which are included as a background paper to this report.

7.1.2 There were also further questions which were taken away by officers to answer following the meeting which are detailed in Appendix 8 of the General Fund Budget and Council Tax 2023/24 report also presented at this meeting.

7.2 Public Consultation

7.2.1 As part of the budget consultation, the Council launched an online survey on 12 January 2023 to seek the views of residents and businesses on the main changes within the budget. The survey was promoted via social media and set out the key changes to the budget and asked responders to state the extent to which they supported the proposed changes. Residents could also provide additional comments if they wanted to.

7.2.2 Appendix 6 provides a summary of the responses received. In total, 68 people have expressed their views on the housing revenue account budgets. This is a small proportion of residents within North West Leicestershire, so care should be taken when drawing inferences from the data. The key themes from the survey are:

- 76% of respondents were positive about the proposal to spend £650k over five years on improvements to sheltered housing
- The proposed below inflation 7% rent increase for council tenants and investment in council housing were viewed positively by 68% of respondents
- 68% of respondents were in agreement with the proposal to spend £3.1 million on retro-fitting sustainable energy measures in 2023/24 partly funded by £1.4 million grant funding

7.2.3 As part of the budget consultation, officers presented the draft budget to the Tenants and Leaseholders Consultation Forum on 9 January 2023. Officers answered questions

and comments received following the presentation. The tenants and leaseholders at the meeting supported the draft budget.

8.0 CONCLUSIONS

- 8.1 Based on the assumptions made for the HRA in the Budget 2023/24 and MTF5 2023-28 for income and expenditure, the Council can set a balanced HRA budget for 2023/24 and indicative budgets to 2027/28.
- 8.2 Going forward there will be work on delivering services in a more cost efficient approach to offset the additional cost through inflation and loss of income in real terms.

Policies and other considerations, as appropriate	
Council Priorities:	The budget provides funding for the Council to deliver against the priorities for the HRA.
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	There has been equality impact assessments conducted by services on relevant proposals during this period.
Customer Impact:	Customers are likely to be impacted by the changes to fees and charges and increase in rents.
Economic and Social Impact:	The HRA capital programme allocates £38.5m over five years to improve homes and in the same period, £13.9m on new homes to give home to more people.
Environment and Climate Change:	The budget includes a capital programme of Zero Carbon works to dwellings worth £13.8m and a programme of electrical vehicles to replace current fleet.
Consultation/Community Engagement:	Corporate Scrutiny Committee 4 January 2023 Public consultation - 11 January to 27 January 2023 Parish and town councils, trade unions and the Federation of Small Businesses - 12 January to 27 January 2023. Tenants and Leaseholders Consultation Forum - 9 January 2023. The results of the above consultations are detailed in this report.
Risks:	The budgets will be monitored throughout the year to ensure the Council remains within its funding envelope and planned budget savings are delivered. Key risks to the budget are discussed in further detail in section 6 of the report.
Officer Contact	Glenn Hammons Head of Finance and Section 151 Officer glenn.hammons@nwleicestershire.gov.uk

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL HRA SUMMARY BUDGET 2023/24 to 2027/28

2022/23 Revised Budget	HOUSING REVENUE ACCOUNT SUMMARY	2023/24 Requested Budget	2024/25 Indicative	2025/26 Indicative	2026/27 Indicative	2027/28 Indicative
£		£	£	£	£	£
	Expenditure					
5,913,750	Repairs & Maintenance	7,693,445	8,410,588	8,578,504	8,853,813	9,146,924
2,979,128	Supervision & Management	3,995,193	4,171,142	4,254,565	4,339,656	4,426,449
100,000	Provision for Doubtful Debts	100,000	100,000	100,000	100,000	100,000
3,185,399	Depreciation	3,466,317	3,767,733	3,819,702	3,908,389	4,086,305
3,056,310	Capital Financing & Debt Management	1,822,113	1,918,280	2,178,614	2,487,005	2,781,796
-325,000	J2SS Cost Savings	0	0	0	0	0
14,909,587	Total Expenditure	17,077,068	18,367,743	18,931,385	19,688,863	20,541,474
	Income					
-18,455,670	Rent & Service Charges	-19,791,781	-20,242,275	-20,476,241	-20,773,765	-21,120,893
-45,220	Non-Dwelling Rents	-41,000	-41,000	-41,000	-41,000	-41,000
-20,147	Other Income	-20,147	-20,147	-20,147	-20,147	-20,147
-3,380	Investment Income	-286,000	-217,000	-262,000	-324,000	-379,000
-18,524,417	Total Income	-20,138,928	-20,520,422	-20,799,388	-21,158,912	-21,561,040
-3,614,830	Net Operating Expenditure/-Surplus	-3,061,860	-2,152,679	-1,868,003	-1,470,049	-1,019,566
	Appropriations					
0	Transfer to/from reserves	3,726,138	3,250,423	1,868,002	1,470,049	1,019,565
3,550,000	Revenue Contribution to Capital	3,814,898	0	0	0	0
3,550,000	Total Appropriations	7,541,036	3,250,423	1,868,002	1,470,049	1,019,565
-64,830	NET (SURPLUS)/DEFICIT	4,479,176	1,097,744	-1	0	-1
-6,911,743	Balance brought Forward	-6,576,920	-2,097,744	-1,000,000	-1,000,000	-1,000,000
-64,830	-Surplus/Deficit In Year	4,479,176	1,097,744	-1	0	-1
-6,976,573	Balance Carried Forward	-2,097,744	-1,000,000	-1,000,001	-1,000,000	-1,000,001

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North West Leicestershire District Council

Housing Revenue Account- Revenue Budget Proposals 2023/24 to 2027/28

Proposal Title	Proposal Description & Service Impact	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Pay award 22/23	Increase from original 22/23 budget assumption	66,976	0	0	0	0
Pay award Future Years	Including NI & Pension & other minor amendments	447,997	280,681	145,954	148,873	161,871
Total Pay Related Costs		514,973	280,681	145,954	148,873	161,871
Housing Management Contracts	Inflation on housing management contracts	20,370	0	0	0	0
Grounds Maintenance	Inflationary increase to grounds maintenance charges	271,624	0	0	0	0
Repairs and Maintenance Costs	11% inflation on repairs and maintenance costs	282,133	0	0	0	0
Ombudsman	Increase in cost of ombudsman and subscriptions	20,000	0	0	0	0
Energy Costs	Energy cost inflation for properties within HRA portfolio	528,627	0	0	0	0
General Materials	General materials inflation	386,665	0	0	0	0
Drainage	Drainage works cost inflation	29,730	0	0	0	0
Premises Insurance	Premises Insurance cost inflation	89,710	0	0	0	0
Audit	Audit cost inflation	33,620	0	0	0	0
Corporate Management	Corporate Management cost inflation	55,060		0	0	0
General inflation	General inflation		296,303	275,507	210,479	216,962
Various	Ten proposals below £15,000	52,597	0	0	0	0
Total Inflation Increases		1,770,136	296,303	275,507	210,479	216,962
Risk management	Additional housing management to manage block inspections and risk.	25,037	96,189	(71,152)	0	0
Tenancy Sustainment	Tenancy sustainment officer. Improving wellbeing and collection rates.	32,063	18,011	1,029	1,049	1,070
Tenants Newsletter	Tenants' newsletters from 4 to 6 per year. Communicate compliance and health and safety information.	7,680	0	0	0	0
Asset Management Restructure	Restructure of Asset management team to effectively deliver programme.	114,670	229,340	0	0	0
Total Service Developments		179,450	343,540	(70,123)	1,049	1,070

Proposal Title	Proposal Description & Service Impact	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Legal Costs	Legal costs based on increase in cases and costs in 22/23	90,000	0	0	0	0
Estate Roads etc. - Make Safe	No recent inspections - Car parks, footpaths, unadopted roads	47,433	(47,433)	0	0	0
Heating Servicing - Solid Fuel	Based on quantity and price budget is too high	(20,000)	0	0	0	0
Energy Performance Certificates	Energy Performance Certificates	113,032	20,000	(100,000)	0	0
Leaseholder Officer	To manage and recharge leaseholders incl. Sec 20 (Major Works)	22,500	0	0	0	0
Gas Servicing	Increase to match number of properties and servicing cost per property.	17,384	0	0	0	0
Servicing - Water Hygiene	Increase budget to enable full compliance	21,744	0	0	0	0
Various	Four proposals below £15,000	56,463	0	0	0	0
Total Service Pressures		348,556	(27,433)	(100,000)	0	0
Unallocated savings	J2SS unallocated savings removed	325,000	0	0	0	0
Investment Income	Investment income	(282,620)	69,000	(45,000)	(62,000)	(55,000)
Loan interest	Changes in loan interest due to capital financing requirements	(500)	96,167	260,335	308,390	294,791
	One proposal below £15,000	(500)	0	0	0	0
Total Other Corporate Proposals		41,380	165,167	215,335	246,390	239,791
Loan interest	Separating the principal repayment of annuity loans from the interest	(1,233,197)	0	0	0	0
Depreciation	Change in depreciation due to changes in assets and inflation	280,918	301,416	51,969	88,686	177,917
Various	Two proposals below £15k	(840)	0	0	0	0
Total Technical Adjustments		(953,119)	301,416	51,969	88,686	177,917
Dwellings Rents	Dwellings Rent Increase	(1,267,871)	(424,854)	(220,633)	(283,925)	(333,256)
Service Charges	Service Charge Increase	(68,240)	(25,640)	(13,333)	(13,599)	(13,871)
Central Heating	Central Heating	(23,390)	0	0	0	0
Various	Two proposals below £15,000	11,095	0	0	0	0
Total Changes In Income		(1,348,406)	(450,494)	(233,966)	(297,525)	(347,127)
Total Budget Proposals		552,970	909,180	284,677	397,954	450,483

North West Leicestershire District Council Proposed Fees & Charges 2023/24 - Housing Revenue Account

Fee/Charge	2022/23 Fees	2023/24 Proposed Fees	Percentage Change in	
			Fees	Basis for Change
Central Heating	0 Bed: £8.58pw 1 Bed: £10.36pw 2 Bed: £11.88pw 3 Bed: £13.68pw	0 Bed: £8.58pw 1 Bed: £10.36pw 2 Bed: £11.88pw 3 Bed: £13.68pw	20%	Energy cost inflation
Garage and Site Rent	Garage: £7.35pw Garage Site: £4.70pw	Garage: £8.09pw Garage Site: £5.18pw	10.1%	Sept CPI
Lifelines for private customers	£4.34pw Basic; £6.54pw Enhanced. 3.1% increase will also apply to all sensors	£4.78pw Basic; £7.20pw Enhanced. 10.1% increase will also apply to all Safe & Well equipment	10.1%	Sept CPI
Lifelines for Registered Providers	Various depending on scheme but range from £1.97 to £3.46 pw	Various depending on scheme but range from £2.18 to £3.81 pw	10.1%	Sept CPI
Service charges:				
Cleaning & Window Cleaning	£0.59 to £9.16 pw	£0.65 to £10.09	10.10%	Sept CPI
Grounds Maintenance	£0.32 to £6.71 pw	£0.35 & £7.38 pw	10.0%	Inflation
Repairs to common parts	£0.02 & £0.39 pw	£0.02 & £0.39 pw	0%	
Repairs/replacement of items in Laundry	£0.09 to £8.01 pw	£0.09 to £8.01 pw	0%	
Admin Fee	15% of chargeable services	15% of chargeable services	0.00%	
Cleaning Blocks £0.87 to £11.55 pw	£0.79 to £10.49	£0.87 to £11.55 pw	10.10%	Sept CPI
Fire Extinguishers	TBA	£0	-100.0%	No charge, majority removed.
Control Centre Link Equipment	£2.89 pw	£3.18 pw	10.10%	Sept CPI
				Lower than anticipated costs for 2021-22, with savings passed on to tenants in 2022-
Door Entry Systems	£0.05 to £0.19 pw	£0.03 to £0.12 pw	-36.0%	23 and into 2023-24
Heating (Electricity)	£7.15 to £10.93 pw	£8.58 to £13.11 pw	20%	As per cost
Utility Cost of Shared/Common Parts	As per bill	As per bill	20%	As per cost
Older Persons Service Management Fee (incl. 15% management Fee~)	£3.33pw	£3.71pw	12.6%	Sept RPI

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NORTHWEST LEICESTERSHIRE DISTRICT COUNCIL HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2023/24-2027/28

Appendix 4

PROJECT	2023/24	2024/25	2025/26	2026/27	2027/28	Funding Source
	For Approval	Indicative	Indicative	Indicative	Indicative	
	£	£	£	£	£	

Stock Investment

Home Improvement Programme	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	Reserves, RCCO, Prudential Borrowing Grant, Receipts, Prudential Borrowing
Roofs	300,000	250,000	250,000	250,000	250,000	
Commercial Boilers	150,000	150,000	150,000			
Stock Condition Surveys	450,000					
Zero Carbon	3,138,974	3,138,974	2,500,000	2,500,000	2,500,000	
Total Stock Investments	8,538,974	8,038,974	7,400,000	7,250,000	7,250,000	

Estate Improvements

Off-Street Parking	1,000,000	300,000	300,000	300,000	300,000	Receipts, RCCO, Prudential Borrowing
Estate Projects	100,000	200,000	300,000	200,000	200,000	
Garage Demolition	100,000	70,000	70,000	70,000	70,000	
Footpaths and Unadopted Roads	50,000	50,000	50,000	50,000	50,000	
Total Estate Improvement	1,250,000	620,000	720,000	620,000	620,000	

Fleet Replacement

Vehicles	55,170	211,200	698,500			Receipts
Total Fleet Replacement	55,170	211,200	698,500	-	-	

Other Capital

Sheltered Scheme Improvements	100,000	250,000	200,000	50,000	50,000	RCCO, Receipts, Prudential Borrowing
Passive Fire Safety	1,100,000	75,000	75,000	75,000	75,000	
Scheme Lighting	200,000	50,000	50,000	50,000	50,000	
Tunstall System	260,000					
Energy Performance Certificates	130,000	150,000	75,000	75,000	75,000	
Major Aids and Adaptations	400,000	400,000	400,000	400,000	400,000	
Housing Management IT System	192,000					
Total Other Capital	2,382,000	925,000	800,000	650,000	650,000	
Total Active Projects	12,226,144	9,795,174	9,618,500	8,520,000	8,520,000	

PROJECT	2023/24	2024/25	2025/26	2026/27	2027/28	Funding Source
	For Approval	Indicative	Indicative	Indicative	Indicative	

DEVELOPMENT POOL

New Supply	2,948,315	3,804,630	2,378,105	3,750,000	1,000,000	Receipts, Prudential Borrowing
Total Development Pool	2,948,315	3,804,630	2,378,105	3,750,000	1,000,000	

TOTAL HRA CAPITAL PROGRAMME	15,174,459	13,599,804	11,996,605	12,270,000	9,520,000	
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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
HOUSING REVENUE ACCOUNT SUMMARY BUDGET RECONCILIATION
DRAFT BUDGET 2023/24 TO FINAL BUDGET 2023/24**

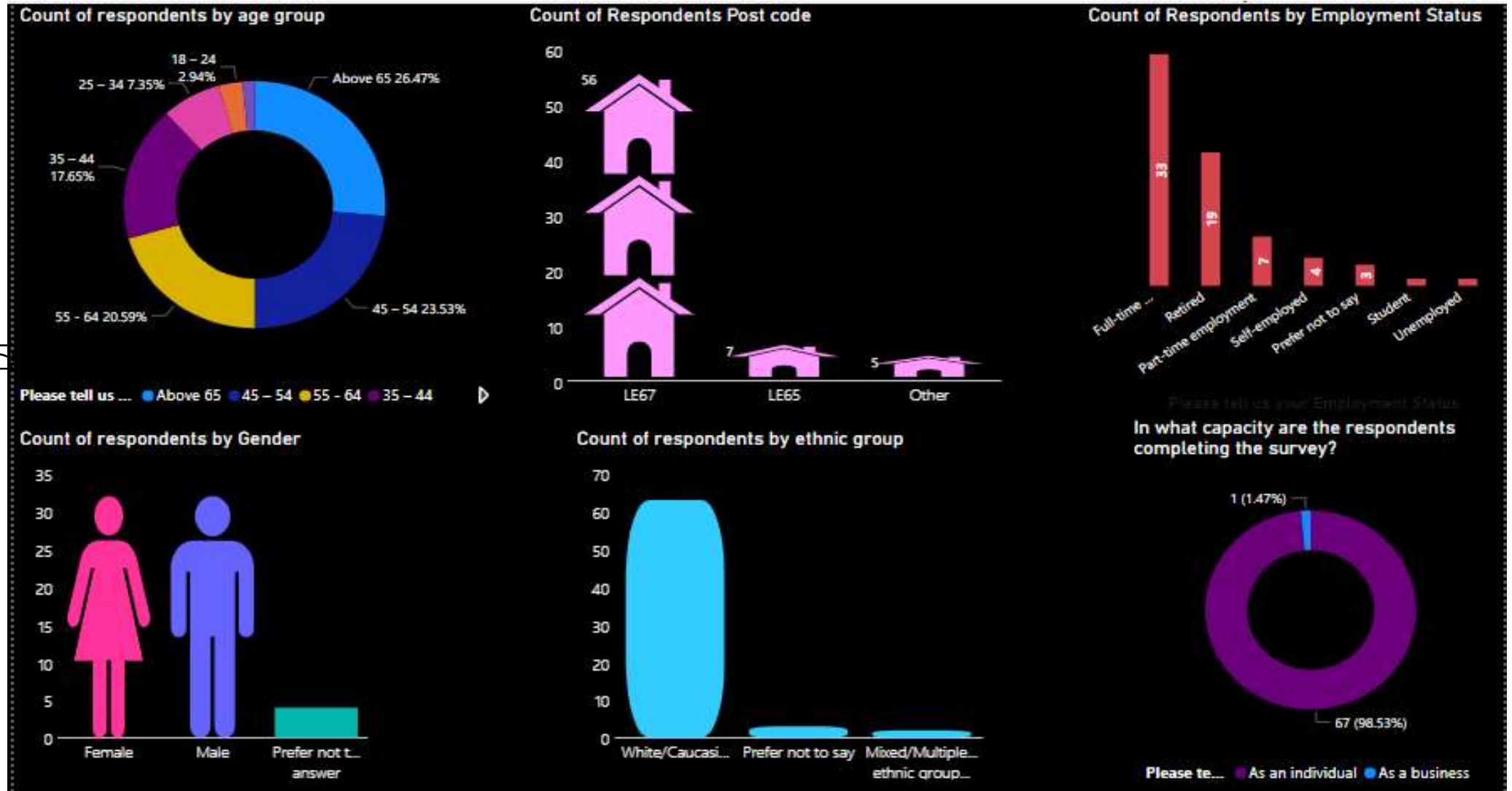
	2023/24			Reason for Change
	Draft	Final	Variance	
	£	£	£	
Expenditure				
Repairs & Maintenance	7,621,337	7,693,445	72,108	Recharge adjustments.
Supervision & Management	4,005,788	3,995,193	-10,595	Recharges adjustments.
Provision for Doubtful Debts	100,000	100,000	0	
Depreciation	3,466,317	3,466,317	0	
Capital Financing & Debt Management	1,714,832	1,822,113	107,281	Interest on pre- 2008 debt included.
J2SS Cost Savings	0	0	0	
Total Expenditure	16,908,274	17,077,068	168,794	
Income				
Rent & Service Charges	-19,985,223	-19,791,781	193,442	Allowance for voids included.
Non-Dwelling Rents	41,000	-41,000	-82,000	
Other Income	-20,147	-20,147	0	
Investment Income	-3,380	-286,000	-282,620	Estimate based on projected balances.
Total Income	-19,967,750	-20,138,928	-171,178	
Net Operating Expenditure/-Surplus	-3,059,476	-3,061,860	-2,384	
Appropriations				
Transfer to/from reserves	3,233,694	3,726,138	492,444	Increased debt repayment set aside.
Revenue Contribution to Capital	5,484,702	3,814,898	-1,669,804	Increase in receipts used for financing.
Total Appropriations	8,718,396	7,541,036	-1,177,360	
NET (SURPLUS)/DEFICIT	5,658,920	4,479,176	-1,179,744	
Balance brought Forward	-6,576,920	-6,576,920	0	
-Surplus/Deficit In Year	5,658,920	4,479,176	-1,179,744	
Balance Carried Forward	-918,000	-2,097,744	-1,179,744	

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Budget Consultation Survey - Responses as at 28/1/23

Demographics

In total there were 68 responses to the Budget Consultation Survey, how does this breakdown in terms of demographics?



In terms of age breakdown of respondents, the majority (48 respondents, equating to 70.58%) were aged 45 or above.

There was a significantly lesser response from the younger age group (in the 18-24 age group there were only 2 respondents and in the 25-34 age group there were 5 respondents). It may be that the younger age groups who are working, have less time to fill in surveys like this one or it could be that we may need to explore other ways to reach these groups, for example how the survey is advertised, if we want to obtain their views.

In terms of postcode, the majority of respondents (56 - equating to 82.35%) were residents in the LE67 postcode area, which covers the Whitwick and Coalville area with 7 respondents from the LE65 postcode area (which covers Ashby-de-la-Zouch, Calke, Smisby, Willesley and Worthington). Of the remainder 4 respondents had a Derby (DE11, DE12 or DE74 postcode) and one was resident in an LE12 area.

In terms of employment status, the majority of respondents (44 respondents equating to 64.7 %) stated that they are in employment - either part time, full time or self-employed, with the next largest group (19 respondents, equating to 27.94 %) telling us they are retired with 3 respondents preferring not to answer.

When responding to a question about gender, there was an even split between those identifying as male and those identifying as female (32 respondents for each category) and only 4 respondents preferring not to answer.

In terms of race, the overwhelming majority of respondents (92.64%), told us they from a White/Caucasian background, of the remaining respondents 3 preferred not to answer and 2 identified as being mixed race/ethnicity)

The primary capacity in which respondents were completing the survey was as an individual (this applied to 67 respondents with the remaining one undertaking the survey on behalf of a business)

Responses to focussed budget questions



The majority of respondents (70.59%) were positive about the proposal to spend £195,000 increasing the Solar Panels at the Whitwick and Ashby Leisure Centre with only 23.53% responding negatively to the concept and 5.88% remaining neutral.

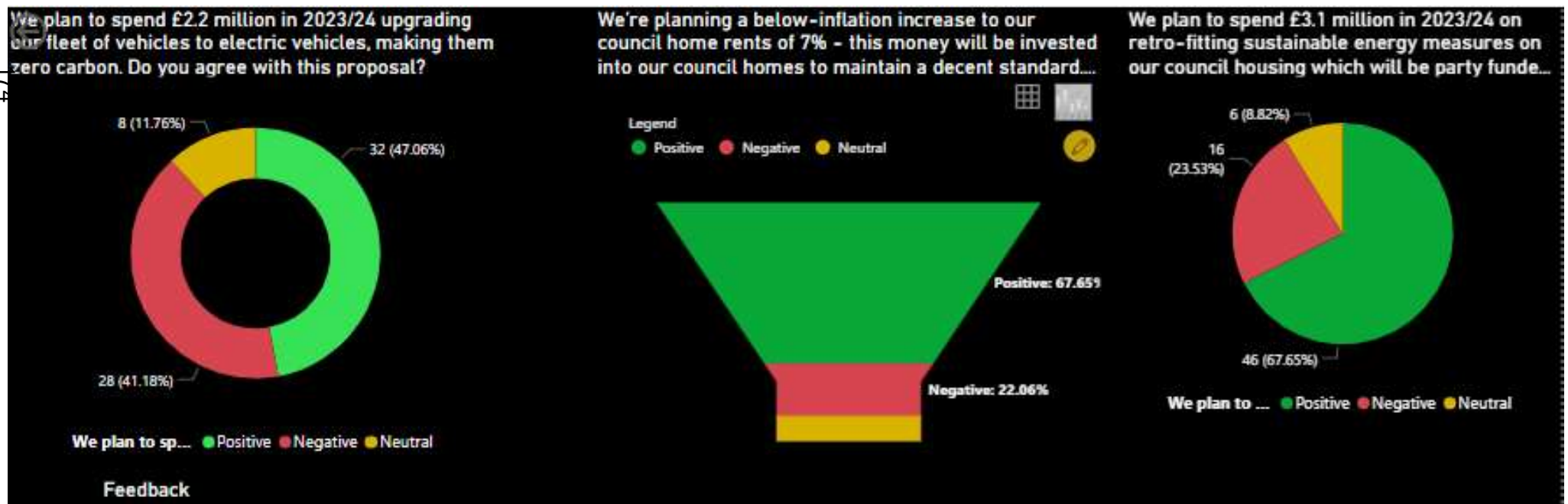
In respect of the plan to allocate £650,000 for improvements to sheltered housing schemes over the next 5 years, again the response was predominantly positive - with respondents (76.47%) in agreement with the proposal. Only 12 respondents reacted negatively towards the plan, and 4 were neutral towards the concept.

Opinion was much more divided over the proposal to allocate £130,000 in 2024/25 on a new surface and new fencing for the 3G sports pitches at Hermitage Recreation Ground – 21 respondents (30.88%) were neutral towards the plan, 18 respondents (26.47%) disagreed with this proposal and 29 respondents (42.65%) were in agreement with the proposal.

By far the strongest negative reaction was to the proposal to spend £50,000 on a professional assessment of regeneration plans for Coalville - 39 respondents (57%) were in disagreement with the proposal with only 24 respondents (35%) responding positively. The remaining 5 respondents were neutral about the proposal.

A proposal looked on far more favourably was the plan to freeze the District Council’s portion of the Council tax bill - 45 out of 68 respondents (66%) were in favour of this plan, with only 17 people reacting negatively to the idea.

The proposal in respect of allocating £100,000 to replace CCTV cameras in Coalville was another popular proposal - 55% were in support of this plan with 25% responding negatively and the remainder having a neutral opinion on the issue.



There was divided opinion over the proposal to allocate £2.2 million in 2023/24 upgrading the Council’s fleet of vehicles to electric vehicles, making them zero carbon - 47% were in support of this plan with 41% responding negatively and the remainder choosing to remain neutral.

There was a greater level of support for the proposal of a below-inflation increase to council home rents of 7% and investment of the money into council homes to maintain a decent standard – 67.65% of the responses being positive and only 22.06% of the responses being negative.

A further proposal in respect of council housing pertained to the plan to spend £3.1 million in 2023/24 on retro-fitting sustainable energy measures on our council housing which will be partly funded by £1.4 million in Government grant funding - this was widely supported by the respondents with 67.65% in agreement with the proposal and 23.53% against, with the remainder being neutral on the issue.

We had 28 individual pieces of feedback on the budget proposals overall:

Instead of using Homes bonus to prop up your election commitments that you never increase the rates. You should be more honest with the electorate how you do it.

You can spend all the money you like but can't even put the street lights on at night-Disgrace.

Need a new bin.... Have to wait 6 weeks. Disgrace.

Planning Dept - Disgrace.

Pensions you are all on - Disgrace.

Dealing with NWLDC is an absolute Public Sector couldn't give a toss nightmare.

171 Spending money on consultations then disagreeing with them, aka: the old leisure centre for instance, is a very bad look.

171 Whilst another freeze in council tax is welcome, the level of council tax is still relatively high compared to other districts in the county/ country, so perhaps you should consider a cut rather than just a freeze, to help hard-pressed residents?

Freezing Council Tax for 14 years has led to funding shortfalls elsewhere. With inflation at ~10% what is hidden in this survey are the real (and possibly otherwise unnecessary) cuts to services. Council Tax is quite a fair tax, albeit that there maybe should be an extra Band for Mansions. For most people's incomes it is not a particularly significant Tax, this "zero increase" has become a NWL Conservative Party mantra, which now appears to be more about ego than care in the community.

As for the zero carbon vehicle upgrades, this should only be done when the vehicles NEED replacing as any new vehicle even if it is electric will have a larger environmental cost (in its manufacturing) than using old ones until they can go no more.

Both these policies have a "look at us' vanity air about them.

It is important to install energy saving measures for environmental purposes but you do need to publish the saving made on energy bills so residents can see the cost benefit as well.

Coalville needs a complete rethink of the centre area, Home Bargains leaving the Belvoir will gut the place and mean a lot less footfall. Ignore vanity projects like a cinema and bowling alley, Meridian is close enough,

The District Council have not increased their part of the Council Tax at all in the last 14 years, due in the main to New Homes Bonus & extra Council Tax from all the new development. Inflation compounded over that period based on consumer price index shows an increase of more than 35%. A modest increase in council tax over that period would have provided additional funds for council services, including much needed additional car parking in Ashby, as recognised in the Council's Future Provision for Parking Services 2020 to 2023. The Council Delivery Plan states "Our commitment to promote a 'shop local, support North West Leicestershire ethos" is not being met for Ashby if additional parking is not provided. The planned car parking provision on the Money Hill development funded by developers is too far out and inaccessible for those shopping in or visiting the town centre. There is too much disparity between the planned future expenditure on services and community and cultural facilities for the Coalville Urban Area in comparison with the needs in Ashby (Key Service Centre in the Local Plan).

The freezing of the Council Tax for another year is unacceptable in that funding for any improvements to the locale have to be sourced from reserves or "private" funding which needs paying back. This is equivalent to robbing Peter to pay Paul. The switching to electric vehicles in an effort to make them zero carbon there's no concrete evidence to suggest that they have no impact on the environment since the metals and materials for the batteries are mined. Also there is still, particularly in NWL, very little effort to install charging stands has been made in easy accessible locations ie town centre car parks

You really need to think about the vulnerable and everyone is struggling. Maybe next year when hopefully things are on the up you can think about increases in rent, council tax.

1. Coalville cctv. Is there any quantifiable evidence that the spending will actually reduce crime / keep people safer? Would better lighting perhaps be more effective?

2. £50 k consultation on regeneration is a huge sum. This program has been ongoing for years now. Surely we know what needs to be done and what's most likely to give the best payback? Is it going to tell us anything new?

3. Agree with increasing council rents. I'm inclined to think they should go up by inflation. Hard one.

4. Completely disagree with freezing council tax. We can't make improvements or maintain service without investment.

5. I assume vehicles will only get replaced with electric vehicles when they are at the end of their life and not early?

Repairs to homes need sorting because some of us are waiting months for things or over a year for outside repairs it's not right.

It's like the repairs are done with a sticking plaster and that will do, people are sick of it.

It's not about the allocation of funds but the actual budgets is crazy - these costs per item need interrogating to a fine detail and local tradespeople should be contacted for honest quotes - Not overinflated estimated

Some good ideas. Personally I think it's too early and expensive to go fully electric but would be interested to see the roi. Also difficult to back the council housing proposal without more detail.

Nothing to support small businesses?

Subsidies in public transport are needed instead of isolating people in villages etc. people cannot travel to work or other appointment, social reasons.

Wasting vast sums of money on consultations for regenerating Coalville- yes regeneration is needed and to attract retailers but people (councils) have been talking about it for decades and nothing ever changes

The pavements in some places are awful, not good for elderly or those with disabilities ie past the library towards hotel street .

Do vehicles need upgrading, can we put this off for 12/24months and spend on more urgent things.... time to invest in the town and make people proud.... from someone who recently moved back.

What about the rest of the Area. Why is it always Coalville?

To carry on doing good rather than the useless crap coalville can are trying to do

2 million changing vehicles!?! I'm sure that money could be put to better use elsewhere. With the rising cost of electricity and lack of charging points I'm not sure how much this will benefit the community & council budgets

£100,00 for cctv how much of that gets spent in brides? The white leisure centr should be a been designed with energy saving measures, everyone active should pay for more improvements. Potentially the designers who signed off lack of solar pa Els should pay for them. Cars, all NWLDC staff/visitors should be charged for parking if they do not have an electric car?

Irresponsible to not increase council tax for as long as it has been. It would have been a preferred option to have increased council tax for all last year than charging for an extra green bin.

Although below inflation, if council home rents are being increased then the standard of repairs and maintenance must be higher.

Some costs may be too low for investment, for example solar panels. Will there be any additional funds to support from the council.

177 I think there should be some increase in council tax to fund services and minimise any additional charges.

Its great to see all the initiatives proposed for Coalville and I am sure it will improve the town centre but there seems to nothing for towns and villages in NW other than Coalville. What about Ashby? The town centre, which is a night life hot spot, could really do with additional money being spent on CCTV. There is no community centre on Ashby. I appreciate Ashby is the cash cow for NWLDC so isn't it time to start investing in this town too - cycle lanes, better footpaths, money towards events etc.

Spend money that will alleviate poverty

Freezing the council tax year on year for the past 14 years has reduced the budget by over 25% during this time, therefore significantly reducing services by over a quarter. It's applying austerity at a local level and it has simply resulted in diminished public services. It sounds like a vote-winning approach but in the long-term the reduction in services has resulted in great dissatisfaction with local services and politicians. And the public is totally unaware that NWLDC has frozen council tax for 13 years, if you ask anyone on the street they won't be aware, as the increases in tax for LCC/police/parish councils has increased the overall tax they pay. So the NWLDC portion is a drop in the ocean and totally missed. False economy, need to stop underinvesting in our public services and start delivering more local projects that help local people in a tangible way.

The solar panels should have been considered when the new sports centre was designed. It will now cost more to retrofit. How many years will the energy saved take to recoup the cost?

Vehicles should be replaced at end of life with electric/ hybrid and not before.

No money being spent in Moira, the Woulds Court land is an absolute disgrace. Do something with it while you wait to build social housing. The flats nearby are also a disgrace to NWLD, do you care?

Why do none of the recently build warehouses have solar panels? To late now should have been a planning condition, still possible for those still in the planning stage.

Title of Report	COUNCIL TAX RESOLUTION 2023/24	
Presented by	Councillor Nicholas Rushton Corporate Portfolio Holder	
Background Papers	Council Tax Base 2023/24 Cabinet 10 January 2023	Public Report: Yes
Financial Implications	This is a statutory report which is required to set the total level of Council Tax for North West Leicestershire. It includes the precepts for Leicestershire County Council, Leicestershire Police and Crime Commissioner, Leicestershire Combined Fire Authority, North West Leicestershire District Council and Parish/Town Councils.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no direct legal implications arising. The Council Tax resolution has been drafted to comply with legal requirements.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications		
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To enable Full Council to comply with the Local Government Finance Act 1992 and the Localism Act 2011 in respect of setting Council Tax.	
Recommendations	COUNCIL IS RECOMMENDED TO APPROVE THE COUNCIL TAX RESOLUTION 2023/24 AS SET OUT IN SECTION 2.	

1.0 BACKGROUND

- 1.1 This report asks Council to approve the rate of Council Tax for 2023/24. Although the legal requirement is that the Council must have set a balanced budget and Council Tax charge by 11 March, it is important that Council Tax rates are approved at this meeting to allow sufficient time to produce and post Council Tax bills and meet all statutory deadlines.
- 1.2 This report sets out the resolution based on the assumption that the budget proposals recommended by Cabinet on 31 January are approved.
- 1.3 Members are reminded that the individual Council Tax bill is comprised of five elements – the amount levied by North West Leicestershire District Council, the amount precepted by Leicestershire County Council, Leicestershire Police and Crime Commissioner, Leicestershire Combined Fire Authority and, for properties in a parished area of the district, the amount precepted by the individual Town or Parish Council and Special Expenses.
- 1.4 The Localism Act 2011 requires the billing authority to calculate a Council Tax requirement for the year. This is to help the Council determine if it has set an excessive Council Tax increase that would in turn trigger a local referendum. Principles set by the Secretary of State for Levelling Up, Housing and Communities determines that an increase in a council's basic rate of Council Tax of 3% is excessive.
- 1.5 The Council's net revenue budget and capital programme were recommended by the Cabinet on 31 January 2023 for approval by Council. Details appear earlier on this agenda.

- 1.6 Members are reminded that the Council must word the resolution in precise language, as directed by legislation.
- 1.7 At the time of writing this report, the precept for Leicestershire County Council is awaiting final approval at their Council meeting on the 22 February 2023. Therefore, if any changes are approved, these will be tabled at the meeting. The precept for the Police and Crime Commissioner was approved at the Leicester, Leicestershire and Rutland Police and Crime Panel meeting on the 1 February 2023. The precept for the Combined Fire Authority was approved at the Combined Fire Authority meeting on the 8 February 2023.

2.0 COUNCIL TAX RESOLUTION 2023/24

- 2.1 That it be noted that on the 10 January 2023 the Council calculated the Council Tax Base 2023/23:
- a) for the whole Council area as 36,394 [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the “Act”)] and,
 - b) for dwellings in those parts of its area to which a Parish precept as in Appendix A.
- 2.2 That the Council Tax requirement for the Council’s own purposes for 2023/24 (excluding Special Items) is calculated as £5,771,361.
- 2.3 That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:
- a) £61,759,983 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act (gross expenditure including parish precepts, the Housing Revenue Account and additions to reserves).
 - b) £52,555,684 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act (gross income including the Housing Revenue Account and use of reserves).
 - c) £9,204,299 being the amount by which the aggregate at 2.3(a) above exceeds the aggregate at 2.3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (net expenditure to be met from Council Tax).
 - d) £252.91 being the amount calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (average Council Tax for a Band D property for the District including Parish/Town Council Precepts and Special Expenses).
 - e) £3,432,938 being the aggregate amount of all special items referred to in Section 34(1) of the Act (Parish/Town Council Precepts and Special Expenses).
 - f) £158.58 being the amount calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (average Council Tax for a Band D property for the District excluding Parish/Town Council Precepts and Special Expenses), the amounts being for each of the categories of dwellings shown in Table 1.
 - g) In accordance with Section 34(3) of the Act, the basic amounts of Council Tax for the year for dwellings in those parts of its area to which a special item relates are shown by addition of the amounts for Band D for the District Council in Table 1 and Appendix C.

- h) In accordance with Section 36(1) of the Act, the amounts to be taken into account for the year in respect of the categories of dwellings listed in different valuation bands are shown by adding the amounts for each band in Table 1 and Appendix C.

- 2.4 That it be noted that for the year 2023/24 Leicestershire County Council, Leicestershire Police and Crime Commissioner and the Leicestershire Combined Fire Authority have stated the following amounts in precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area indicated in Table 1:

Table 1: Council Tax Precepts 2023/24

	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
County Council (Main Element)	882.87	1030.02	1177.17	1324.31	1618.60	1,912.89	2,207.19	2,648.62
County Council (Social Care)	134.10	156.45	178.80	201.15	245.85	290.55	335.25	402.30
County Council	1,106.97	1,186.47	1,355.97	1,525.46	1,864.45	2,203.44	2,542.44	3,050.92
District Council	105.72	123.34	140.96	158.58	192.82	229.06	264.30	317.16
Police and Crime Commissioner	182.15	212.51	242.87	273.23	333.95	394.67	455.38	546.46
Combined Fire Authority	52.86	61.67	70.48	79.29	96.91	114.53	132.15	158.58

- 2.5 That the Council, in accordance with Sections 30(2) of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix C as the amounts of council tax for 2023/24 for each of the categories of dwellings shown in Appendix C.
- 2.6 That Council determines that the Council's basic amount of Council Tax for 2023/2024 is not excessive in accordance with principles approved under Section 52ZB and 52ZY Local Government Finance Act 1992 and Section 4ZA Local Government Finance Act 1992: Referendums relating to Council Tax Increases.

Policies and other considerations, as appropriate	
Council Priorities:	<p>The Council Tax provides funding for the Council to deliver all of its priorities:</p> <ul style="list-style-type: none"> - Supporting Coalville to be a more vibrant, family-friendly town - Support for businesses and helping people into local jobs - Developing a clean and green district - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	<p>The Council has agreed a Local Council Tax Reduction Scheme and the effect of the Scheme, in particular the effect on the Council Tax Base, is taken into account in determining the District's Council Tax.</p> <p>The Council Tax Requirement of this Council includes the impact of Parish/Town Council precepts, although the Council does not have any role in the setting of these, other than determining the Tax Base for each parish.</p> <p>The Council does not have any role in the setting of</p>

	Council Tax for Leicestershire County Council, The Leicestershire Police & Crime Commissioner and the Leicestershire Combined Fire Authority. Their decisions do, however, feed into the overall Council Tax Resolutions.
Safeguarding:	None
Equalities/Diversity:	Not applicable.
Customer Impact:	Council Tax payers within the district are likely to be impacted by increase in Council Tax.
Economic and Social Impact:	Not applicable.
Environment and Climate Change:	There are no environmental implications arising directly from the report.
Consultation/Community Engagement:	Detail any consultation/community engagement undertaken prior to the decision.
Risks:	<p>Failure to agree the Council Tax Resolution would delay the preparation of Council Tax bills and the collection of the payments from residents. The cost of such a delay would be borne solely by the Council.</p> <p>There is a risk that one of the precepting bodies may amend their precept requirement after the issue of this report and that the figures quoted may differ from the provisional figures provided. Should this happen revised appendices will be circulated for approval.</p>
Officer Contact	<p>Anna Crouch Finance Team Manager & Deputy S151 Officer anna.crouch@nwleicestershire.gov.uk</p>

COUNCIL TAX BASE 2023/24

PARISH / SPECIAL EXPENSE AREA	COUNCIL TAX BASE
APPLEBY MAGNA	539
ASHBY DE LA ZOUCH	6,209
ASHBY WOULDLS	1,405
BARDON	11
BELTON	307
BREEDON-ON-THE-HILL	488
CASTLE DONINGTON	2,857
CHARLEY	78
CHILCOTE	59
COALVILLE	6,743
COLEORTON	583
ELLISTOWN & BATTLEFLAT	808
HEATHER	366
HUGGLESCOTE & DONINGTON LE HEATH	2,429
IBSTOCK	2,352
ISLEY WALTON-CUM-LANGLEY	30
KEGWORTH	1,345
LOCKINGTON CUM HEMINGTON	245
LONG WHATTON and DISEWORTH	824
MEASHAM	1,706
NORMANTON-LE-HEATH	69
OAKTHORPE, DONISTHORPE and ACRESFORD	915
OSGATHORPE	220
PACKINGTON	412
RAVENSTONE	1,053
SNARESTONE	147
STAUNTON HAROLD	62
STRETTON-EN-LE-FIELD	19
SWANNINGTON	465
SWEPSTONE	273
WHITWICK	2,741
WORTHINGTON	634
TOTAL	36,394

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APPENDIX B

COUNCIL TAX 2023/24 - SPECIAL ITEMS (PARISH/TOWN COUNCILS AND SPECIAL EXPENSES)

PARISH / AREA	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
APPLEBY MAGNA	39.35	45.92	52.47	59.03	72.14	85.27	98.38	118.06
ASHBY DE LA ZOUCH	80.08	93.43	106.77	120.12	146.81	173.51	200.20	240.24
ASHBY WOULD'S	58.80	68.60	78.41	88.21	107.81	127.41	147.01	176.42
BARDON	-	-	-	-	-	-	-	-
BELTON	65.15	76.00	86.86	97.72	119.44	141.15	162.87	195.44
BREEDON-ON-THE-HILL	39.31	45.86	52.41	58.96	72.06	85.16	98.27	117.92
CASTLE DONINGTON	103.79	121.09	138.39	155.69	190.29	224.89	259.48	311.38
CHARLEY	81.20	94.73	108.26	121.79	148.86	175.93	202.99	243.58
CHILCOTE	-	-	-	-	-	-	-	-
COALVILLE	49.21	57.41	65.61	73.81	90.21	106.61	123.02	147.62
COLEORTON	30.91	36.06	41.20	46.35	56.65	66.95	77.26	92.70
ELLISTOWN & BATTLEFLAT	56.22	65.59	74.96	84.33	103.07	121.81	140.55	168.66
HEATHER	26.41	30.81	35.22	39.62	48.42	57.23	66.03	79.24
HUGGLESCOTE & DONINGTON LE HEATH	55.60	64.87	74.13	83.40	101.93	120.47	139.00	166.80
IBSTOCK	70.86	82.67	94.48	106.29	129.91	153.53	177.15	212.58
ISLEY WALTON-CUM-LANGLEY	9.09	10.60	12.12	13.63	16.66	19.69	22.72	27.26
KEGWORTH	62.92	73.41	83.90	94.39	115.36	136.34	157.31	188.78
LOCKINGTON CUM HEMINGTON	64.48	75.22	85.97	96.71	118.20	139.69	161.18	193.42
LONG WHATTON and DISEWORTH	33.98	39.64	45.31	50.97	62.30	73.62	84.95	101.94
MEASHAM	54.00	62.99	71.99	80.99	98.99	116.98	134.99	161.98
NORMANTON-LE-HEATH	-	-	-	-	-	-	-	-
OAKTHORPE, DONISTHORPE and ACRESFORD	66.23	77.26	88.30	99.34	121.42	143.49	165.57	198.68
OSGATHORPE	16.58	19.35	22.11	24.87	30.40	35.93	41.45	49.74
PACKINGTON	40.06	46.74	53.42	60.09	73.45	86.80	100.15	120.18
RAVENSTONE	65.44	76.34	87.25	98.16	119.97	141.78	163.59	196.32
SNARESTONE	46.29	54.01	61.73	69.44	84.87	100.31	115.74	138.88
STAUNTON HAROLD	2.14	2.50	2.85	3.21	3.92	4.64	5.35	6.42
STRETTON-EN-LE-FIELD	48.74	56.86	64.99	73.11	89.36	105.60	121.85	146.22
SWANNINGTON	54.87	64.01	73.16	82.30	100.59	118.88	137.17	164.60
SWEPSTONE	50.06	58.40	66.75	75.09	91.78	108.47	125.15	150.18
WHITWICK	75.18	87.70	100.23	112.76	137.82	162.87	187.94	225.52
WORTHINGTON	24.19	28.22	32.25	36.28	44.34	52.40	60.46	72.56

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COUNCIL TAX 2023/24 - COUNTY PRECEPT, FIRE PRECEPT, POLICE PRECEPT, DISTRICT, TOWN/PARISH COUNCIL AND SPECIAL EXPENSES

PARISH / AREA	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
APPLEBY MAGNA	1,397.05	1,629.91	1,862.75	2,095.59	2,561.27	3,026.97	3,492.65	4,191.18
ASHBY DE LA ZOUCH	1,437.78	1,677.42	1,917.05	2,156.68	2,635.94	3,115.21	3,594.47	4,313.36
ASHBY WOULD'S	1,416.50	1,652.59	1,888.69	2,124.77	2,596.94	3,069.11	3,541.28	4,249.54
BARDON	1,357.70	1,583.99	1,810.28	2,036.56	2,489.13	2,941.70	3,394.27	4,073.12
BELTON	1,422.85	1,659.99	1,897.14	2,134.28	2,608.57	3,082.85	3,557.14	4,268.56
BREEDON-ON-THE-HILL	1,397.01	1,629.85	1,862.69	2,095.52	2,561.19	3,026.86	3,492.54	4,191.04
CASTLE DONINGTON	1,461.49	1,705.08	1,948.67	2,192.25	2,679.42	3,166.59	3,653.75	4,384.50
CHARLEY	1,438.90	1,678.72	1,918.54	2,158.35	2,637.99	3,117.63	3,597.26	4,316.70
CHILCOTE	1,357.70	1,583.99	1,810.28	2,036.56	2,489.13	2,941.70	3,394.27	4,073.12
COALVILLE	1,406.91	1,641.40	1,875.89	2,110.37	2,579.34	3,048.31	3,517.29	4,220.74
COLEORTON	1,388.61	1,620.05	1,851.48	2,082.91	2,545.78	3,008.65	3,471.53	4,165.82
ELLISTOWN & BATTLEFLAT	1,413.92	1,649.58	1,885.24	2,120.89	2,592.20	3,063.51	3,534.82	4,241.78
HEATHER	1,384.11	1,614.80	1,845.50	2,076.18	2,537.55	2,998.93	3,460.30	4,152.36
HUGGLESCOTE & DONINGTON LE HEATH	1,413.30	1,648.86	1,884.41	2,119.96	2,591.06	3,062.17	3,533.27	4,239.92
IBSTOCK	1,428.56	1,666.66	1,904.76	2,142.85	2,619.04	3,095.23	3,571.42	4,285.70
ISLEY WALTON-CUM-LANGLEY	1,366.79	1,594.59	1,822.40	2,050.19	2,505.79	2,961.39	3,416.99	4,100.38
KEGWORTH	1,420.62	1,657.40	1,894.18	2,130.95	2,604.49	3,078.04	3,551.58	4,261.90
LOCKINGTON CUM HEMINGTON	1,422.18	1,659.21	1,896.25	2,133.27	2,607.33	3,081.39	3,555.45	4,266.54
LONG WHATTON and DISEWORTH	1,391.68	1,623.63	1,855.59	2,087.53	2,551.43	3,015.32	3,479.22	4,175.06
MEASHAM	1,411.70	1,646.98	1,882.27	2,117.55	2,588.12	3,058.68	3,529.26	4,235.10
NORMANTON-LE-HEATH	1,357.70	1,583.99	1,810.28	2,036.56	2,489.13	2,941.70	3,394.27	4,073.12
OAKTHORPE, DONISTHORPE and ACRESFORD	1,423.93	1,661.25	1,898.58	2,135.90	2,610.55	3,085.19	3,559.84	4,271.80
OSGATHORPE	1,374.28	1,603.34	1,832.39	2,061.43	2,519.53	2,977.63	3,435.72	4,122.86
PACKINGTON	1,397.76	1,630.73	1,863.70	2,096.65	2,562.58	3,028.50	3,494.42	4,193.30
RAVENSTONE	1,423.14	1,660.33	1,897.53	2,134.72	2,609.10	3,083.48	3,557.86	4,269.44
SNARESTONE	1,403.99	1,638.00	1,872.01	2,106.00	2,574.00	3,042.01	3,510.01	4,212.00
STAUNTON HAROLD	1,359.84	1,586.49	1,813.13	2,039.77	2,493.05	2,946.34	3,399.62	4,079.54
STRETTON-EN-LE-FIELD	1,406.44	1,640.85	1,875.27	2,109.67	2,578.49	3,047.30	3,516.12	4,219.34
SWANNINGTON	1,412.57	1,648.00	1,883.44	2,118.86	2,589.72	3,060.58	3,531.44	4,237.72
SWEPSTONE	1,407.76	1,642.39	1,877.03	2,111.65	2,580.91	3,050.17	3,519.42	4,223.30
WHITWICK	1,432.88	1,671.69	1,910.51	2,149.32	2,626.95	3,104.57	3,582.21	4,298.64
WORTHINGTON	1,381.89	1,612.21	1,842.53	2,072.84	2,533.47	2,994.10	3,454.73	4,145.68

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Title of Report	CORPORATE LEADERSHIP TEAM RESTRUCTURE	
Presented by	Councillor Richard Blunt Leader of the Council	
Background Papers	Job descriptions Consultation responses	Public Report: Yes
Financial Implications	The financial details are contained within the report. The proposals will lead to an overall initial increase in staffing costs at Senior Management level, but this will be offset by wider efficiency savings in future years.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no direct legal implications. The report details the requirements of the constitution in relation to appointment of chief officer posts.	
	Signed off by the Deputy Monitoring Officer: Yes	
Staffing and Corporate Implications	The risks associated with not implementing the changes proposed is that the Council will not have sufficient staffing resilience and capacity to support its journey to becoming financially sustainable and deliver the business change required. Risks of redundancy relating to the proposed deletion of the Finance Team Manager (Deputy S151 Officer) are mitigated by the proposed assimilation of the current post holder into the revised Head of Finance position.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To propose changes to the Senior Management structure of the Council to ensure the Council has the right staffing resource to deliver the Council's priorities and objectives.	
Recommendations	<p>1. THAT COUNCIL NOTES THE OBJECTIVES OF THE CORPORATE LEADERSHIP TEAM REVIEW.</p> <p>2. THAT COUNCIL APPROVES THE REVISED SENIOR MANAGEMENT STRUCTURE AS SET OUT IN APPENDIX A.</p> <p>3. THAT COUNCIL GIVES THE APPOINTMENTS COMMITTEE AUTHORITY TO APPROVE THE ASSIMILATION OF THE CURRENT FINANCE TEAM MANAGER (DEPUTY S151 OFFICER) INTO THE HEAD OF FINANCE ROLE.</p> <p>4. THAT COUNCIL NOTES THAT IT WILL BE ASKED TO MAKE A DECISION ON CONSEQUENTIAL AMENDMENTS TO THE CONSTITUTION UNDER A SEPARATE ITEM ON THIS AGENDA.</p>	

SENIOR MANAGEMENT RESTRUCTURING PROPOSALS

1.0 PURPOSE OF THE REPORT

- 1.1 This report outlines proposed changes to the Corporate Leadership Team of the Council and some reorganisation of the departmental functions between existing roles to achieve greater synergy between services and to make the structure fit for purpose.
- 1.2 Under paragraph 1.15 of Section 5 of the Constitution full Council has responsibility for determining the senior management structure of the Council and therefore Council is being asked to approve recommendations that determine the new structure, as set out within this report.
- 1.3 The key drivers for change identified by the new Chief Executive are:
 - The changing needs of communities and their expectations and demands on Council services
 - A need to sufficiently resource business change and transformation of Council services to meet the current and future needs of customers, putting the needs of customers first.
 - A need to deliver significant capital projects and programmes requiring strategic oversight.
 - A need to strengthen the resilience and capacity of the corporate leadership team and to appropriately balance resources across the team.
 - An uncertain financial landscape for local government funding which requires additional expertise in financial planning and commercial acumen ensuring services are efficient and provide value for money.

2.0 MANAGEMENT RESTRUCTURE CONTEXT

- 2.1 In developing these proposals consideration has been given to the areas of work and projects that need to be delivered in the current Council Delivery Plan up to the date of the election in May 2023 and beyond. There is always the need to continuously drive improvements in service delivery across the Council and the proposed restructure will ensure that the Council is fit for the future in terms of its corporate and strategic leadership capacity.
- 2.2 The proposed organisational structure creates an additional director added to the structure, an existing Team Manager role would be redesignated as a Head of Service in Finance and a new Business Change Team Manager will be created. These roles will provide the necessary senior strategic permanent expertise needed to support the key finance service areas and to provide effective financial advice to the Corporate Leadership Team and Members during the next few years when the Council is likely to face increasing challenges around its financial stewardship and operations. All heads of service and the new director would be members of the Corporate Leadership Team, and as such will be expected to play a full role in the Council's corporate strategic management function.
- 2.3 The creation of the new Strategic Director role provides an opportunity to review the service operational responsibilities of the existing Strategic Directors in post, and some service areas will pass to the new director while others are rearranged slightly to ensure both an equitable split of service areas and also to take account of the additional focus needed in some key service areas in delivering key actions and Council priorities. The job descriptions of existing Strategic Directors will be amended accordingly to recognise these changes. There may be a need to appoint an Interim to the strategic director role depending on the timing of the restructure implementation, and subject to Council's consideration of the revised Constitution proposals. There is also a likelihood that candidates for the permanent director role will be required to work a two or three month

notice period. If an Interim Director is required, such appointment will be made by the Chief Executive under her delegated authority to appoint to temporary chief officer roles.

3.0 SERVICE RESPONSIBILITIES PROPOSED FOR THE DIRECTOR ROLES.

3.1 STRATEGIC DIRECTOR OF RESOURCES

- 3.1.1 The new director post will be designated Strategic Director of Resources and will be responsible for the service areas of Revenues and Benefits (Partnership arrangement), Financial Planning, Treasury Management, Financial Services, Payroll, Procurement and Information Technology. The new Strategic Director post will also have the responsibility for the new Business Change Team Manager. The postholder would be responsible for leading the development of a Business Change plan to support the Council becoming financially sustainable. This would encompass corporate and service level projects to support the Council's customer first approach and deliver service efficiencies.
- 3.1.2 The Business Change Team Manager will be responsible for leading reviews across the Council to achieve efficiencies across all service areas through process review, technological improvements, market testing and benchmarking to ensure maximum value for money while making improvements to the customer service experience.
- 3.1.3 The role of Head of Finance is currently in place on the existing establishment structure and is currently filled by an experienced interim. With the creation of the Strategic Director of Resources role which will be filled by an experienced, fully qualified finance professional the proposal is to fill the Head of Finance role with the current permanent finance team manager incumbent. The existing post of Finance Team Manager will be deleted. This will ensure continuity and will provide the opportunity for internal career development, while providing resilience in supporting the new director. This role will be designated as the deputy S151 Officer.
- 3.1.4 A compatibility assessment has been completed for this role and following consultation the Finance Team Manager (Deputy S151) has expressed an interest in the role of Head of Finance. Subject to approval by the Appointments Committee, it is proposed to assimilate the post holder into the role which will limit the likelihood of a redundancy situation and will ensure we retain the postholders skills and support her to develop further in the organisation.
- 3.1.5 The Council's Constitution requires that all appointments to Chief Officer and Deputy Chief Officer roles are approved by the Appointments Committee. This is to provide member scrutiny and ensure that Chief Officers are properly appointed on merit. Therefore, in accordance with the Constitution, the appointment to the Strategic Director of Resources role will be taken to the Appointments Committee for approval at the appropriate time. It is appropriate also that the Appointments Committee scrutinises the proposed appointment in respect of the Head of Finance Post and takes a decision on the assimilation into that role by the Finance Team Manager, and therefore Council is being asked to give authority to the Appointments Committee to consider and approve that assimilation.
- 3.1.6 The direct reports for this Strategic Director will be the Head of Revenues, the Head of Finance, the ICT Team Manager and the Business Change Team Manager.

3.2 STRATEGIC DIRECTOR OF PLACE

- 3.2.1 This role will have responsibility for Regeneration, Economic Development, Planning Policy, Planning and Development, Building Control, Planning Enforcement and Property services. The director role will be the key link to the Strategic Planning Manager – a jointly funded post having a County wide brief for the growth and spatial planning agendas.

3.2.2 The direct reports for this Director will be the Head of Planning, Head of Economic Development and Property and the Joint Strategic Planning Manager.

3.3 STRATEGIC DIRECTOR OF COMMUNITIES

3.3.1 This role will have responsibility for Customer Services, Waste Services, Environmental Protection, Leisure Services, Community Safety, Environmental Health, Housing Management, Strategic Housing, Housing Repairs, Older Persons, Asset Management, Community Focus, Climate Change and Resident Involvement.

3.3.2 The direct reports for this Strategic Director will be the Head of Housing, the Head of Communities and the Customer Services Team Manager.

4.0 CHIEF EXECUTIVE

4.1 The Chief Executive currently has responsibility for two heads of service roles – the Head of Human Resources and Organisation Development and the Head of Legal and Commercial services (and Monitoring Officer). Both roles will continue to report to the Chief Executive. The Deputy Monitoring Officer is currently the Legal Team Manager and receives a special responsibility payment. With the designation of the S151 statutory officer as the new Strategic Director of Resources, and the existing payments to the deputy S151 and Deputy Monitoring Officer roles, it is proposed to introduce a new special responsibility payment to the role of Monitoring Officer. Following research with other councils it has been established that this is a common additional payment, therefore, it is proposed that a Monitoring Officer payment of £5,000 per annum should be added to the role.

4.2 The Chief Executive, as Head of Paid Service, has delegated authority under the Constitution to make these changes to the terms of conditions of the Monitoring Officer role if the new structure is approved.

4.3 It is also proposed that the Personal Assistant Support provided to the Corporate Management Team will report directly into this role to better embed the team within the wider support currently provided to elected members. This will provide greater resilience but also provide wider development opportunities for the staff concerned.

4.4 There is a proposed job title change to the role from Head of Legal and Commercial Services to Head of Legal and Support Services, as the commercial services work will move to the new Business Change Team Manager.

4.5 The job title and functions of the Head of Human Resources and Organisation Development remain unchanged.

5.0 STAFF IMPLICATIONS

5.1 Any changes to the structure which impact on existing staff will be dealt with in accordance with the Council's Employee Stability Policy which affects all employees of the Council and will include a robust assessment of each existing role together with the new proposed roles to ensure that we maximise the opportunities for assimilation, thereby reducing the risk of redundancy.

6.0 FINANCIAL IMPLICATIONS

6.1 The cost and funding of the restructure proposals are set out in the table below:

Financial Implications Table	Current Year Budget	Impact of Proposals	Forecast
-------------------------------------	----------------------------	----------------------------	-----------------

	2022/23		2023/24	2024/25	2025/26 & beyond
	£000	£000	£000	£000	£000
Capital Investment					
Costs	0	0	0	0	0
Funded by	0	0	0	0	0
On-going costs (revenue)					
Costs – Staffing Senior Management Proposal	0	0	49	52	55
Staffing Business Change Manager	0	0	67	71	75
Total on-going costs	0	0	116	123	130
Funded by					
General Fund Revenue Budget	0	0	34	36	113
General Fund Reserves	0	0	67	71	0
HRA Budget	0	0	15	16	17
Total Revenue Funding	0	0	116	123	130

6.2 The funding of these roles is included in the proposed Budget 2023/24 and Medium-Term Financial Plan 2023-28.

6.3 The funding of the changes to the senior management proposal are split between the General Fund and Housing Revenue Account (HRA). This recognises the oversight of housing matters in the new and existing Strategic Director roles.

6.4 The Business Change Manager would be funded in the first two years from reserves. From year three the intention is for the post to be funded by net savings generated from transformation proposals realised from projects the role would enable to happen. This would reduce the revenue impact set out in the table above by £75,000 in 2025/26.

7.0 SUMMARY

7.1 To show the changes proposed in this report a new corporate leadership structure is attached as Appendix A. The existing structure is attached at Appendix B for completeness. It is intended that a number of second phase reviews will follow through the work of the Business Change Team Manager to drive efficiencies from existing budgets in conjunction with the other Team Managers and the Heads of Service. The priority for services will be to identify projects that will reduce overheads e.g. energy costs and generate income to bridge any financial shortfall. Investing in technology may also provide opportunities for services to improve efficiency. If service reviews are undertaken in the future, these will be implemented in a considered and thoughtful way and in full consultation with trade unions and affected staff at the time.

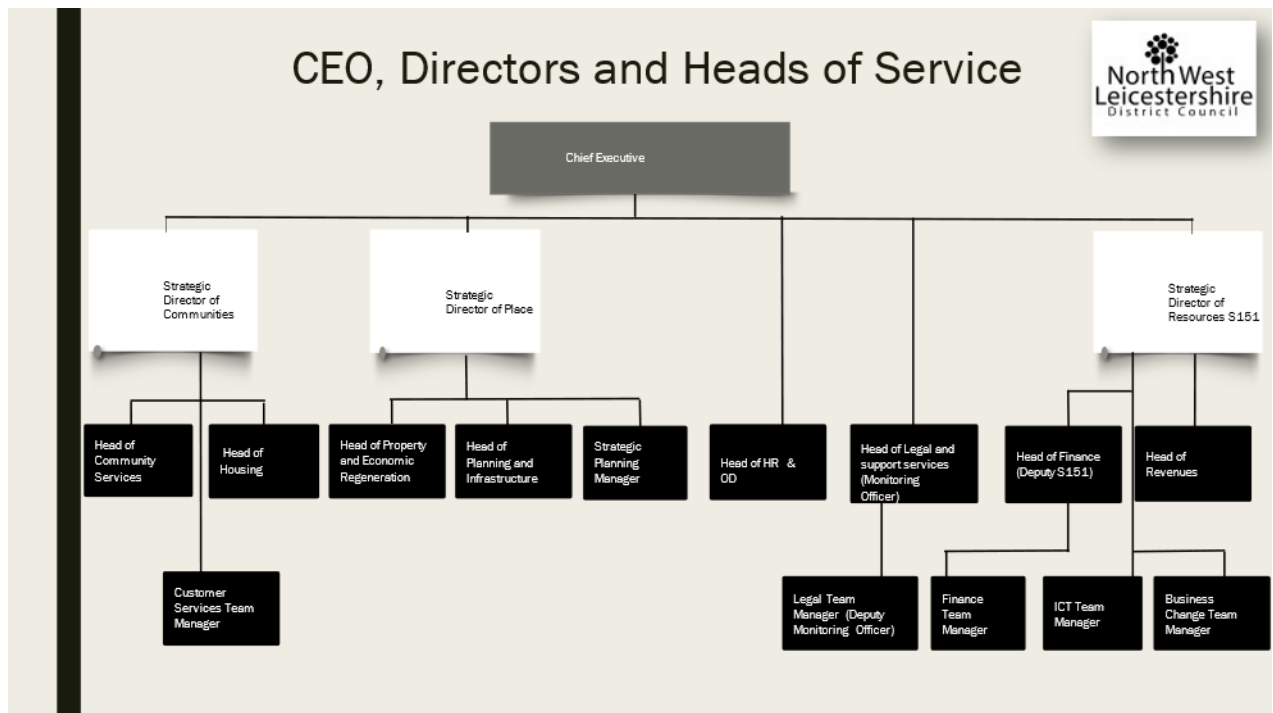
7.2 If the proposed structure is agreed it will be implemented with effect from 9 May to coincide with the proposed implementation of the new constitution. However, it is envisaged that work will commence prior to that date in order to be ready for the new structure to be implemented from that date.

7.3 This will include the recruitment, given the anticipated lead in times, to the Business Change Manager and Strategic Director of Resources roles and the commencement of the assimilation process of the Finance Team Manager into the Head of Finance Role (including the holding of an Appointments Committee, where possible).

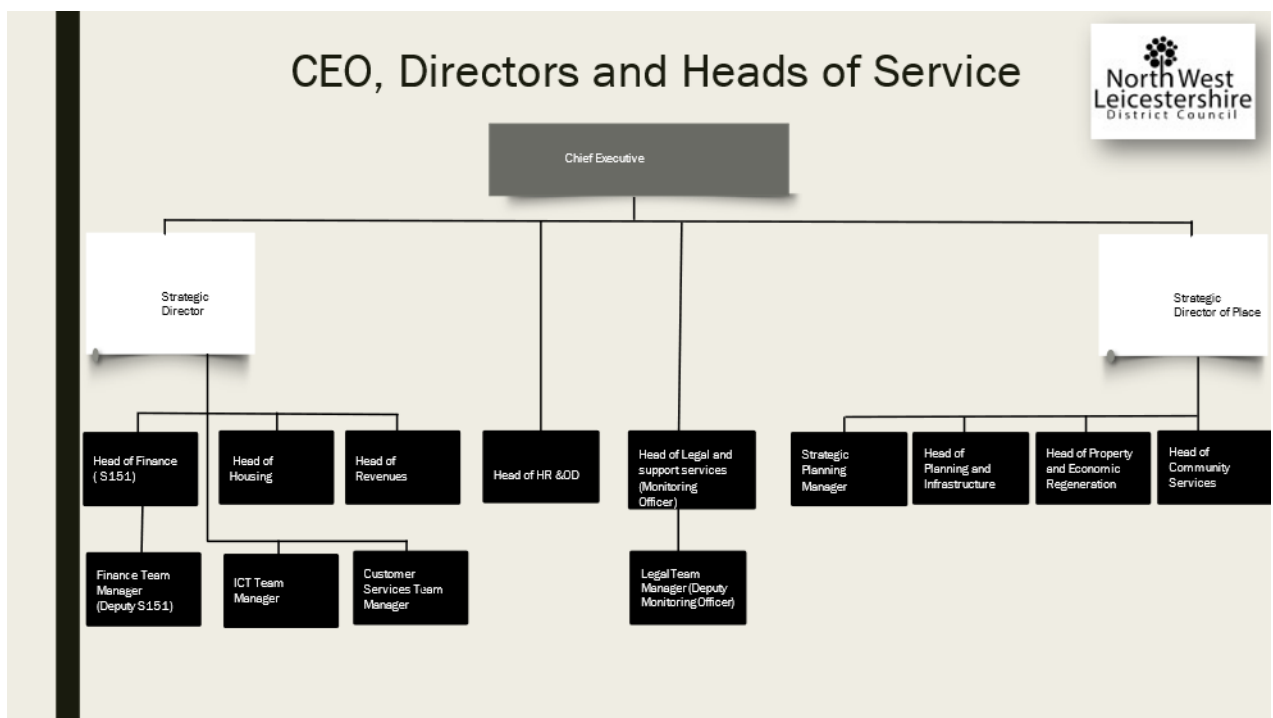
- 7.4 The Special Responsibility Allowance for the Head of Legal, Democratic and Support Services and the associated move of Personal Assistant support under this role will, however, take effect from 1 April.
- 7.5 Whilst the recruitment to the new Strategic Director of Resources is in train, it is proposed that the current Interim Head of Finance would be retained to provide additional financial resilience during this period.

Policies and other considerations, as appropriate	
Council Priorities:	Supporting Coalville to be a more vibrant, family-friendly town Support for businesses and helping people into local jobs Developing a clean and green district Local people live in high quality, affordable homes Our communities are safe, healthy and connected
Policy Considerations:	
Safeguarding:	
Equalities/Diversity:	Equalities Impact assessment has been carried out and is available from the Chief Executive's office as a confidential document.
Customer Impact:	
Economic and Social Impact:	
Environment and Climate Change:	
Consultation/Community Engagement:	Corporate Leadership Team The Council's recognised Trade Unions and all staff. Comments received from consultees are set out in Appendix C to the report along with a response from the Chief Executive.
Risks:	The risks associated with not implementing the changes proposed is that the Council will not have sufficient staffing resilience and capacity to support its journey to becoming financially sustainable and deliver the business change required. Risks of redundancy relating to the proposed deletion of the Finance Team Manager (Deputy S151 Officer) are mitigated by the proposed assimilation of the current post holder into the revised Head of Finance position.
Officer Contact	Allison Thomas Chief Executive allison.thomas@nwleicestershire.gov.uk

APPENDIX A Proposed management structure.



APPENDIX B Current management structure



APPENDIX C

Responses to Restructure Consultation

Date Received;	Name;	Comment;	Response;
8 November 2022	Manager	<p>My comments/suggestions are as follows:</p> <p>Five direct reports a CEO is a lot from my experience.</p> <p>The Head of Human Resources could report to the Strategic Director of Resources and subsequently the Business Change TM report to the Head of HR.</p> <p>There are synergies with these two elements of the service (HR and Business Change). Employees, Customers and Leadership. Customer centric organisations need to put employees first in some respects to transform the customer experience which you are striving for. HR is responsible for providing a service to the employee who is serving the customer. The employment, development and training of the employee contributes to the customer experience.</p> <p>All interactions between the organisation and the customers are delivered (employees) or designed by people (Business Change TM). The way those interactions feel for customers is an extension of how the people delivering or designing them feel about their work.</p> <p>The Business Change Team Manager is to deliver changes and efficiencies across ALL services which HR serves and is within the remit of the Strategic Director responsible for Finance and IT for ALL services.</p> <p>I realise the above does increase the span of control for the Strategic Director of Resources.</p>	<p>Noted. In developing the proposals there were a number of options as to the spread of responsibilities of the existing and proposed new Strategic Director as well as the Chief Executive and on balance the proposed approach is felt to be the appropriate one.</p> <p>Equally, who the Business Change Manager reports to was also given careful consideration. It was felt, however, the best place for this role was to support the new Strategic Director – Resources in driving service transformation to meet the challenges in the medium-term financial plan and to support the delivery of the capital strategy.</p>

5 December 2022	Manager	The table in 6.0 – a suggestion – might be clearer if the savings from the Finance Team Manager post were shown separately or the description referring to net cost.	Noted, but no changes proposed
6 December 2022	Manager	I see that the business change manager refers to the customer experience. Does this mean that there will be changes in terms of who reports to me, or do we just envisage that my role and the new role will work together? I can just see from reading the report that there could be some overlaps and obviously my position and the new position will report to separate directors who may have conflicting objectives and ideas.	Changes to the Customer services Manager role are not envisaged. The two roles will work together and with other managers. The directors will work collaboratively on business efficiency and change.
3 January 2023	UNISON	Overall comments received from member highlighted concerns that adding an additional high-level position will deliver valuable customer service or put them at the heart of what we do as most would prefer additional front line staff actively delivering a service than another decision making position. It is evident that teams are having to justify the replacement of frontline staff and when the councils' plans are to create posts and reduce works across directors.	The new director role has been created to improve the strategic focus on providing excellent customer service and will lead and foster a culture of service improvement across the Council for the benefit of residents, members, business and other partners.
January 2023	UNISON	3.1.2 The Business Change Team Manager will be responsible for leading reviews across the Council to achieve efficiencies across all service areas through process review, technological improvements, market testing and benchmarking to ensure maximum value for money while making improvements to the customer service experience. This appears to be rushed through without proper statistical or financial information provided. Why do we need more management when the workforce is needed to deliver the services to the public - the changing needs of communities and their expectations and demands will not be covered by	The new role will provide much needed corporate capacity to develop and support the transformation of all council services and act as a critical friend with a corporate approach to ensure consistency and efficiency. The role will work with managers to consider how processes and operations can be made more efficient to deliver more effective services to customers.

		more senior managers.	
3 January 2023	UNISON	3.1.3 The role of Head of Finance the Council needs to ensure that the person is the best candidate for the role. There are many examples where the Council has made other staff apply for roles and sit competitive interviews for job roles. It is felt that the same should happen here and there is distaste that this only happens to lower grade members of staff.	The Appointments Committee will determine if the individual is suitable for the role. This approach is being taken to seek to minimise the possibility of redundancy in the substantive role and the postholder is the only internal permanent employee who meets the financial qualification criteria needed to apply for the role. This approach also provides an internal development opportunity for future career succession planning.
3 January 2023	UNISON	3.2 Strategic Director of Place How is it justified that this director posts loses a 3rd of their current reporting?	The change in responsibilities is to allow the director to focus on the key Council objectives around Coalville and wider regeneration initiatives to deliver investment into the district.
3 January 2023	UNISON	3.3 Strategic Director of Communities the report outlines that the Council need to ensure resilience within its management structure however then give the Councils largest services (Community services, waste and housing) on to one director's responsibilities.	Bringing Housing and Community Services together will provide the necessary strategic leadership and synergy to support the improvement of all of the Council's key front line services to communities.
3 January 2023	UNISON	4.0 Chief Executive Following research with other councils it has been established this is a common additional payment, therefore, it is proposed that a Monitoring Officer payment of £5,000 per annum should be added to the role. Do you have the relevant research to support this proposal by means of a attached appendix or background paper with the research? There are other members of staff that have taken on additional responsibility and receive no reimbursement for their duties, why is this permitted in this case specifically. When looking at efficiencies, as the Deputy monitoring officer currently receives a special responsibility payment and therefore the	The Monitoring Officer (MO) role is designated in Local Government legislation and has particular and exclusive responsibilities that distinguishes it from other Head of Service roles. The research has shown that the MO role often is located at a more senior level or receives an additional level of payment than other Heads of service in comparably sized councils – this new payment is seeking to redress this balance. The legal professional's marketplace is currently highly competitive, and this measure is being implemented to ensure this role is competitive and to encourage retention.

		Monitoring Officer of senior rank has assumed responsibility previously without payment, why does this need to change?	
3 January 2023	UNISON	<p>6.2 The funding of these roles is included in the proposed Budget 2023/24 and Medium-Term Financial Plan 2023-28.</p> <p>Why are these plans not included as background papers? The forecast of expenditure is provided without clear definition where the £133k in 2025/25 will be sourced from - are service cuts in staffing likely to drive this in the near future?</p>	The budget proposals have been circulated for consultation, and the final budget proposals will be presented to the Council meeting on the same date as this report.
3 January 2023	UNISON	<p>6.4 The Business Change Manager would be funded in the first two years from reserves. The wording of the paragraph suggests that there will inevitably be further reviews and suggesting that the post will be funded in years 3 onwards by net savings. Where is the evidence and background papers to suggest this is possible? Until this can be provided then the post should be limited to a 2-year fixed term contract. What would be the Councils plan to fund this position when if the reserves ran out??</p> <p>It's felt by members that it is not clear what services will come under the Business Change Team Manager as the Customer Service Team Manager remains under Andy Barton Strategic Director of Communities, but the new Business Change TM will review efficiencies in technology and improvements in customer experience. It is felt that this is exactly what the Customer Service TM is doing.</p> <p>Customer Services still proceeds without a Head of Service and therefore have a team manager reporting directly to a Strategic Director – a suggestion of a Head of Customer Experience could be appointed and take the finance for the role as described for a Business Change team manager and could acquire Transformation</p>	<p>There is always scope to drive efficiency savings in service areas, If the savings are not realised we will review the funding of the role. The budget processes are being managed to ensure reserves are maintained at a satisfactory level. It is preferable to recruit to permanent roles wherever possible as it is more likely that good candidates will be recruited given the current tight labour market conditions.</p> <p>There are no proposals for the Business Change Manager to have any direct reports currently. They will work in a collaborative, matrix management approach with existing managers and teams. The work of the new Business Change TM will be structured to complement any existing work being undertaken by other managers.</p> <p>A Head of Transformation was considered as an alternative title/role during early discussions around the additional management resource to support the efficiency work, but the conclusion was the role could be effective at team manager</p>

		in their remit?	level.
3 January 2023	UNISON	<p>7.1 Based on the report a corporate leadership structure is attached as Appendix A. It is intended that several second phase reviews will follow through the work of the Head of Transformation to drive efficiencies from existing budgets in conjunction with the other Heads of Service. If this is intended, then the Council needs to be transparent. If it is intended, then they must have an idea of the next phases. It is generally felt by members that this is an implementation designed to protect the top management, leaving frontline staff worrying about their future. Also 7.1 mentions a Head of Transformation, is this another planned senior management role?</p>	<p>There are no plans to have a Head of Transformation – see above – this was a legacy title typo from an earlier draft of the report.</p> <p>It is clear in the budget reports that the Council will need to make savings in future years should new homes bonus and business rate income reduce</p> <p>Proposed changes to the way in which the Council manages its capital programme as outlined in the budget papers makes it clear that the priority for services will be to identify projects that will reduce overheads e.g. energy costs, and generate income to bridge any financial shortfall. Investing in technology may also provide opportunities for services to improve efficiency.</p> <p>If service reviews are undertaken in the future, these will be implemented in a considered and thoughtful way and in full consultation with trade unions and affected staff at the time.</p>
3 January 2023	UNISON	<p>7.2 If the proposed structure is agreed the following will be implemented in the new financial year Is this the right timing given local elections a month later?</p>	<p>Getting a new structure in place as early as practicably possible is considered essential to support the new Council during the early months of its life.</p>
3 January 2023	UNISON	<p>APPENDIX A Proposed management structure. One of the key elements of making efficiencies are driven by digitisation and process mapping, change etc, yet ICT, customer services and customer experience are under different directors on the proposed restructures. Is this an efficient and collaborative way of working in this case?</p>	<p>The directors will work collaboratively to ensure there are good linkages and cross departmental working where needed.</p>
3 January	UNISON	Overall, this report has left	There is no cause for staff to

2023		members feeling uneasy about the future and appears to be bringing another highly paid tier staff that will possibly be paid for in the future by department and frontline cuts to staffing and budgets.	feel uneasy about the proposals. The proposed structure will provide the necessary strong and resilient leadership the Council needs to meet the current and future challenges ahead.
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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	REVIEW OF THE CONSTITUTION	
Presented by	Councillor Ashman Deputy Leader	
Background Papers	Current Constitution Audit and Governance Report (25.01.23)	Public Report: Yes
Financial Implications	<p>The Chief Finance Officer has reviewed the Financial Procedure Rules (FPRs) and Contract Procedure Rules (CPRs) to ensure that members and officers can make effective decisions. The proposed changes to the FPRs and CPRs are based on financial advice and best practice. Appendix C contains the Chief Finance Officer's advice in relation to CIPFA's Position Statement on improving the governance of local authority Audit Committee's.</p> <p>Signed off by the Section 151 Officer: Yes</p>	
Legal Implications	<p>The Monitoring Officer has reviewed the Constitution to ensure that members and officers can make robust effective decisions. The proposed new version is based on legal advice, best practice and is in compliance with the law.</p> <p>Signed off by the Monitoring Officer: Yes/No</p>	
Staffing and Corporate Implications	<p>An up-to-date and modern Constitution helps the Council to make robust and effective decisions and deliver corporate priorities. The Monitoring Officer consulted and engaged with the Chief Executive, Directors, S151 Officer, other officers, the Leader and Deputy Leader, the Constitution Cross Party Working Group and the Audit and Governance Committee in carrying out this review.</p> <p>Signed off by the Head of Paid Service: Yes</p>	
Purpose of Report	To explain the outcome of the Monitoring Officer's review of the Constitution and present a proposed new version.	
Recommendations	<p>THAT COUNCIL</p> <ol style="list-style-type: none"> 1. CONSIDERS THE COMMENTS FROM THE AUDIT AND GOVERNANCE COMMITTEE MEETING ON 25 JANUARY 2023 2. ADOPTS THE PROPOSED NEW CONSTITUTION AS SET OUT IN APPENDIX A WITH EFFECT FROM 9 MAY 2023 	

	<p>3. APPROVES THE CHANGES TO THE PROPOSED NEW CONSTITUTION AS SET OUT IN APPENDIX D IN THE EVENT THAT THE NEW STRUCTURE IS APPROVED UNDER ITEM 15 AND DELEGATES AUTHORITY TO THE MONITORING OFFICER TO MAKE THOSE CHANGES</p>
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1.0 BACKGROUND

- 1.1 The Local Government Act 2000 requires each local authority to prepare, keep up to date and publicise the document known as the Constitution.
- 1.2 The Constitution should be logical, integrated and accessible to members, officers, the public and anyone else interested in the way a local authority makes its decisions. There is also a statutory requirement on the Council’s Monitoring Officer to keep the Constitution up to date, and accordingly the update of the Constitution is an on-going process.
- 1.3 Full Council regularly considers items relating to updates to the Constitution. The updates are generally required due to legislative and organisational changes or to clarify and improve processes within the Council to reflect best practice.

2.0 METHOD OF REVIEW

- 2.1 In previous years the review has involved consulting officers on areas of the Constitution that need updating/amending, updating any areas that have been raised with the Legal Team previously for clarity, reflecting any relevant changes in law and incorporating any feedback raised by members.
- 2.2 This year it was identified that a broader review of the whole Constitution may be needed. Whilst our current Constitution has worked well, it was felt that it could be made clearer and more accessible. Best practice was also identified based on the constitutions of other councils and was taken into account in the approach to remodelling ours.
- 2.3 For the 2021/22 annual review and following interest expressed by members, a cross party member working group was established to feed into the work on the Constitution review. The Constitution Member Working Group comprised of Councillors Ashman, Hay, Morris, Richichi, Saffell, Simmons and Wyatt, and met on the following dates:

10 December 2021
31 January 2022
4 March 2022
27 May 2022
22 July 2022
10 October 2022
8 December 2022

- 2.4 At the first meeting of the Constitution Member Working Group, members agreed that, rather than follow the usual process for reviewing the Constitution, a full review was needed. Members felt that it was an opportune time to consider the document as a whole to improve accessibility and ease of use. Members were shown some example constitutions from other district councils and chose one that they preferred for the new Constitution to be based on.

- 2.5 The Constitution Member Working Group also agreed the detailed methodology for the review. Once a suitable example Constitution had been identified, the Legal Team broke it down into sections and compared it against the equivalent sections in the current Constitution. The team sought to preserve the wording and layout of the example Constitution and only make changes to it to reflect how the Council works (e.g. committee titles and where decisions are made, etc.)
- 2.6 Proposed changes were presented to the Constitution Member Working Group accompanied with a separate change tracker document and any feedback from members within the group was taken into account in updating the relevant sections. The Constitution Member Working Group has been invaluable in providing member insight and constructive challenge to the review process and is thanked for its time and work on this project.

3.0 KEY CHANGES TO THE CONSTITUTION

- 3.1 The substance of the Constitution has not changed significantly, as the main changes have primarily been how it looks and is presented. The new Constitution is provided at Appendix A. The reference to page numbers later in the report relates to those displayed in the top right-hand corner throughout Appendix A rather than the agenda pack numbering displayed at the bottom of the page.
- 3.2 The review table at Appendix B sets out the full extent of the changes made and how the current Constitution has been captured in the new version.
- 3.3 The area that has changed the most is the Scheme of Delegation. The intention of the changes is to provide clarity to officers on the powers which have been delegated to them not to change the balance of delegations which Council has agreed.
- 3.4 The Council's current Constitution provides both general and specific delegations to specific officers. The proposed new Scheme of Delegation delegates all powers in relation to specific services to the Head of Service and then the Head of Service delegates their powers onwards through a local scheme of delegation. The local schemes of delegation do not form part of the Constitution document itself but will be made available on the Council's website.
- 3.5 Aside from the local scheme of delegation, officers may need specific authorisations (e.g. rights of entry). These will be delegated through specific authorisation forms, similar to those used currently for all delegations.
- 3.6 Apart from any specific delegations, officers are free to take whichever actions or decisions enable them to do their job as set out in their job description without the need for any further forms. Whilst this is the position under the current Constitution, it is not as clear as it could be because of the way it is presented.
- 3.7 Since the Constitution Member Working Group saw the last version of the Constitution in December 2022, a further change has been implemented to reflect requirements from CIPFA. CIPFA reissued its "Position Statement: Audit Committees in Local Authorities and Police 2022" along with some supplementary guidance on the statement at the end of last year. The statement represents CIPFA's view on the audit committee practice and principles and it is expected that all local government bodies should make their best efforts to adopt the principles, aiming for effective audit committee arrangements.
- 3.8 The guidance from CIPFA indicates that two independent persons should be co-opted onto the Audit and Governance Committee and that members of the Committee should not overlap with those exercising Scrutiny or Cabinet functions. The new Constitution has been

amended to allow for the appointment of the independent persons and the Internal Audit Manager take a report to the Audit and Governance Committee in April 2023 to update further on the recent CIPFA guidance.

- 3.8 As part of the review of the Constitution, all cross-references and legislative references in our current Constitution were checked to make sure they remain up-to-date before repeating in the new version. An anomaly was identified in respect of the Licensing Committee as it is a legal requirement that it has no more than 15 members (as opposed to the 17 it currently has). The new Constitution has addressed this.
- 3.9 Although the draft Constitution is complete, the final version will be updated to include hyperlinks, so that it is easier to navigate to relevant sections within the document and to any other webpages or documents that sit outside of the document and are referred to within it. This work will be undertaken prior to publication.
- 3.10 As the new Constitution has changes that affect committee membership (as explained above), it is proposed that it is adopted from the new civic year, on 9 May 2023 when new councillors take their seats following the elections on 4 May 2023. This will enable the arrangements and appointments at the annual meeting to comply with the new Constitution.

4.0 CONSULTATION

- 4.1 As some sections of the consultation affect employees, the Head of Human Resources and Organisational Development consulted with CLT on the Officers' Code of Conduct and Employment Procedure Rules at its meeting on 26 October 2022.
- 4.2 In addition, consultation was carried out on the Officers' Code of Conduct with team managers and the trade unions.
- 4.3 UNISON confirmed that they had no comments to make and no responses were received from the other trade unions. Responses received from team managers were considered and taken account of when finalising the Officers' Code of Conduct.

5.0 COMMENTS FROM AUDIT AND GOVERNANCE COMMITTEE

- 5.1 There were some questions asked and clarifications sought when the Constitution Report item went to the Audit and Governance Committee on 25 January 2023. Officers considered those and provided the following responses after the meeting:
- A question was raised about the number of years the Leader was to be appointed for, as there was inconsistency between page 7 (of the draft new Constitution) that it indicated that the Leader was elected for a four-year term and other references that were to a one-year term. This has been reviewed and it has been confirmed that the reference to a four-year term on page 7 was included in error and it has now been amended to one year to be consistent with the remainder of the Constitution.
 - A question was raised about paragraph 2.10 on page 39 (of the draft new Constitution) in relation to functions reserved to Planning Committee. It was queried whether the District Council has functions in relation to footpaths and therefore whether such references to footpaths should be included. The relevant legislation has been reviewed and discussions have taken place with the Head of Planning, which have confirmed that the District Council does in fact have functions in relation to footpaths under the Town and County Planning Act 1990 and the Highways Act 1980 as referred to in paragraph 2.10. It is, therefore, recommended that reference to these functions remain. It was, however, noted that there was an error in

paragraph 2.10(a), as it stated “the Town and Planning Act 1990” when this should in fact read the “Town and Country Planning Act 1990” and this has now been corrected.

- Clarification was sought on the basis of a change in the Constitution relating to membership not overlapping between Audit and Governance and Scrutiny Committees, as a result of CIPFA guidance. A briefing note in relation to this issue has been prepared and is attached at Appendix C.

5.2 In addition to the above, a comment was raised during the meeting regarding Cabinet Support Members and whether this should be included as it was believed that the Council did not have any. It was confirmed that the reference to Cabinet support members in the draft new Constitution has been carried forward from the current Constitution. Any appointments of Cabinet Support Members are made by the Leader.

6.0 CHANGES REQUIRED IN RELATION TO THE PROPOSED RESTRUCTURE

6.1 The proposed new Constitution has been prepared based on the current senior management structure, however, there is a prior item on this agenda that seeks to change that structure, particularly in relation to the S151 Officer post.

6.2 In the event that this new structure is approved, there will be some minor changes required to the proposed new Constitution to give effect to that new structure. The nature of those changes is set out at Appendix D and Council is being asked to approve those changes in the event that it approves the new structure. The Constitution will then be updated with those changes prior to it being adopted.

Policies and other considerations, as appropriate	
Council Priorities:	An up to date and modern Constitution helps the Council to make robust and effective decisions and deliver corporate priorities
Policy Considerations:	N/A
Safeguarding:	N/A
Equalities/Diversity:	N/A
Customer Impact:	The Constitution is made available to customers on the Council’s website and the intention of replacing it is to make it more accessible and easier to understand.
Economic and Social Impact:	N/A
Environment and Climate Change:	N/A
Consultation/Community Engagement:	The Monitoring Officer consulted and engaged with the Chief Executive, Directors, S151 Officer, other officers, the Leader and Deputy Leader and the Constitution Member Working Group. The Head of Human Resources and Organisational Development consulted with Corporate Leadership Team, team managers and trade unions on the aspects that affect employees (as detailed in section 4 of the report).

Risks:	An up to date Constitution which is reviewed regularly ensures that robust effective decisions can be made by members and officers
Officer Contact	Elizabeth Warhurst Head of Legal and Commercial Services elizabeth.warhurst@nwleicestershire.gov.uk

Constitution of North West Leicestershire District Council

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Part 1

Summary and Explanation

The Purpose of the Council's Constitution

North West Leicestershire District Council (usually referred to in this **Constitution** as “the Council”) has agreed a Constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these decisions are efficient, transparent and accountable to local people.

There are powers to scrutinise decision-makers and hold them to account and ensure that no one will review or scrutinise a decision in which he/she was directly involved.

The **Constitution** explains how members of the public can get involved and what rights they have and assists businesses and others to understand how the Council works and the rules and procedures that need to be followed.

Some of these processes are required by the law, while others are a matter for the Council to choose. Generally speaking the Council will exercise its powers and duties in accordance with the **Constitution**, unless the law requires the Council to do something else or the relevant provisions are waived.

Hyperlinks to other documents/sites are included where this will be helpful. All hyperlinks are coloured [blue like this](#) and are underlined. **Bold Text** refers to items explained in the Glossary and described or located elsewhere in this **Constitution**.

What's in the Constitution?

The **Constitution** has six parts:

1. **Part 1** is this Summary and Explanation
2. **Part 2** contains the Responsibility for Functions and sets out which parts of the Council are responsible for carrying out the various activities of the Council.
3. **Part 3** contains the various Procedure Rules which govern how the Council conducts its business, including how it makes decisions and how meetings are conducted.
4. **Part 4** includes Codes and Protocols that govern how **Councillors** (also known as “members of the Council”) and Officers must behave in performing their duties.
5. **Part 5** is the **Councillors' Allowance Scheme**, which sets the level of financial allowances which Councillors receive for performing their duties.
6. **Part 6** is a Glossary which explains some of the terminology used in this **Constitution**. Terms in the Glossary and parts of the Constitution are shown in **bold**.

There are a number of other codes, protocols and policy documents which govern

how the Council operates which do not form part of the **Constitution**. Where this Constitution refers to these documents, they will be made available on the Council's website via a hyperlink.

Councillors and the Council

The Council is made up of 38 **Councillors**. Councillors are elected by and are democratically accountable to residents of their Ward. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them. Only registered voters of the **District**, or people living, working or owning property here for at least 12 months, are eligible to stand to be elected as a Councillor.

The regular election of Councillors is usually held on the first Thursday in May every four years, for all Councillors at once. The term of office of Councillors starts on the fourth day after being elected and will finish on the fourth day after the next regular election (except for the Chair and Deputy Chair, the Leader and Deputy Leader, whose term of office continues until the following **Annual Meeting** even if they are not re-elected). Find out when the [next election](#) will take place.

A full list of Councillors' names, contact information, term of office and their membership of political groups is available [here](#) on the Council's website along with details of the **Committees** and bodies on which they serve.

Councillors roles and functions include:

- Collectively deciding the Council's **Budget and Policy Framework** and carrying out a number of other strategic functions;
- Initiating and scrutinising policy;
- Representing their communities and bringing their views into the Council's decision-making process, i.e. becoming the advocate of and for their communities;
- Contributing to the good governance of the area, demonstrating community leadership and encouraging community participation;
- Dealing with individual casework and acting as an advocate for constituents in resolving particular concerns or grievances;
- Balancing different interests identified within the Ward and representing the Ward and the Council as a whole;
- Maintaining the confidentiality of confidential and exempt information and assisting to ensure transparency of information that is publicly available (otherwise there may be a breach of the **Councillors' Code of Conduct in Part 4**);
- Taking personal responsibility for decision-making, having consulted and/or engaged with relevant persons and acting fairly and reasonably;
- Being available to represent the Council on other bodies;
- Participating in training and promoting digitisation and electronic

communications where possible; and

- Promoting and maintaining the highest standards of conduct and ethics.

Further information on the roles and responsibilities of Councillors can be found [here](#) on the Council's website.

Councillors have agreed to follow the **Councillors' Code of Conduct** in **Part 4** to ensure high standards in the way they undertake their duties. The **Audit and Governance Committee** and **Monitoring Officer** advise Councillors on the Code of Conduct; promote high standards of behaviour; and monitor standards of conduct. The Council maintains a [register of interests](#) declared by Councillors which is open to inspection by members of the public and available on the Council's website. Councillors are entitled to receive allowances in accordance with the **Councillors' Allowances Scheme** in **Part 5**.

How the Council makes decisions

All **Councillors** meet together a number of times a year as members of the **Full Council**. You can find details of the calendar of [Full Council meetings](#) on the Council's website.

There are three different types of **Full Council** meeting:

- The **Annual Meeting** of the **Full Council**, which will usually be held in May;
- Ordinary meetings; and
- Extraordinary meetings, which will be called as and when required in accordance with the **Council and Committee Procedure Rules** in **Part 3**.

The **Annual Meeting** of the **Full Council** elects the **Chair of the Council** annually and the **Leader** (for a one year term) and agrees the representation on **Council Committees** with the seats on each Committee allocated in accordance with the Council's **Political Balance** rules.

The **Full Council** is responsible for setting the **Budget and Policy Framework**. The Budget and Policy Framework sets out the Council's key policies and agreed budget for each year. All decisions must be taken in accordance with these agreed documents. Only Full Council can change the Budget and Policy Framework. Full Council sets the Council's budget each year.

The **Full Council** also appoints a number of **Committees** to deal with regulatory functions such as Planning and Licensing. See details of the [Council's Committees](#).

Full Council may also appoint area **Committees** as it sees fit, if it is satisfied that to do so will ensure improved service delivery in the context of best value and more efficient, transparent and accountable decision making. The Council will consult with relevant parish and town councils and the chair of relevant parish meetings when considering whether and how to establish area Committees.

Meetings of the **Full Council** and other decision-making bodies are open to the public, except where personal or confidential matters are being discussed

(see **Access to Information Procedure Rules** in **Part 3**).

The Diagram of Decision-Making Bodies at **Part 2** shows the overall structure of the Council's decision making arrangements.

The Council has adopted an "**executive**" form of governance. This means that the **Full Council** appoints a Leader of the Council. The Leader then appoints a minimum of 2 and no more than 9 other Councillors who, together with the Leader, form the **Cabinet** and are responsible for certain decisions such as policy matters (including recommending the **Budget and Policy Framework**), housing, land and property and economic regeneration.

More detail on decision making can be found in the Introduction to Decision Making at **Part 2 Section A**.

Decision Making and the Cabinet

The **Executive** is the part of the **Council** which is responsible for most day-to-day decisions and for implementing the Council's **Budget and Policy Framework**. The "**Executive**" is the collective term for the Leader, individual **Cabinet Members**, the **Cabinet** or a **Committee** of the Cabinet. Executive decisions will ordinarily be taken by the **Cabinet** where these are not delegated to Officers under the **Officer Scheme of Delegation**. More information is provided in **Part 2**.

The **Leader** appoints the **Cabinet**, comprising at least two and up to nine additional **Councillors**, who do not have to be appointed in **Political Balance**. The Council elects the Leader of the Council every four years usually starting and ending at the **Annual Meeting** of the **Full Council**. This is subject to a Leader resigning or being disqualified from office as a Councillor, or a vote of **Full Council** to remove the current Leader, which may happen before the end of the four year term.

Executive decisions will be taken in accordance with the **Cabinet (Executive) Procedure Rules** in **Part 3**. Decisions are subject to **Call-in** (see below under Scrutiny heading) which means that they cannot be acted upon until the period for Call-in has passed or the Call-in has been dealt with under the **Scrutiny Procedure Rules** in **Part 3**.

The Cabinet has to make decisions that are in accordance with the Council's overall policies and budget. If it wishes to make a decision that is outside the **Budget and Policy Framework**, this must be referred to **Full Council** to decide (unless urgent).

Where **Cabinet** intends to discuss any matter in private, a notice will usually be published 28 days before the meeting and a further notice will be published when the **Agenda** for the meeting becomes available.

When "**Key Decisions**" are to be discussed or made then special notice procedures must be followed – usually 28 clear days' public notice is given (although there are special rules where this is not possible). These are set out in the **Access to Information Procedure Rules** in **Part 3**. **Key Decisions** may only be taken by the **Leader**, the **Cabinet**, a **Committee** of Cabinet or a **Cabinet Member**.

Some decisions, as a matter of law, are not **Executive Decisions**. These decisions

include Planning, Licensing and Personnel matters. The Council has standing regulatory and other **Committees** to deal with these matters, set out in **Part 2**.

Scrutiny

The **Scrutiny Committees** support and challenge the work of the **Cabinet** and the Council as a whole. They may be supported by **Sub-Committees** or Task and Finish Groups. **Cabinet Members** cannot sit on the Scrutiny Committees or any of their Sub-Committees.

The Scrutiny function is divided between the Community Scrutiny Committee and the Corporate Scrutiny Committee. These **Committees** may hold inquiries into matters of local concern in which the public may take part, and may invite external bodies to provide evidence or appear before it. This sometimes leads to reports and recommendations which advise the **Cabinet**, the Council as a whole, and, in some case, outside agencies, on policies, budgets, and service delivery. Individual **Councillors** may ask for items related to Council functions to be placed on the **Agenda** of the relevant **Scrutiny Committee**.

The **Scrutiny Committees** also monitor the decisions of the **Cabinet** and of **Key Decisions** that have been taken but not yet implemented. Non-Cabinet Councillors can ‘**Call-in**’ these decisions to enable the relevant Scrutiny Committee to consider whether the decision is appropriate. The relevant Scrutiny Committee may recommend that the decision is reconsidered by **Cabinet**.

The Corporate Scrutiny Committee monitors the Council’s budget and **Treasury Management** functions throughout the year. The Corporate Scrutiny Committee will exercise the Council’s budget scrutiny function and will hold the **Cabinet** and others to account in scrutinising the preparation and development of the Council’s Budget.

The Community Scrutiny Committee and the Corporate Scrutiny Committee may also be consulted by the **Cabinet** or the Council on forthcoming decisions and the development of policy.

Residents, Members of the Public and the Council

Members of the public, service users and residents have a number of rights in their dealings with the Council. Some of these are legal rights, whilst others depend on the Council’s own processes. Citizens’ Advice can advise on individuals’ legal rights.

Where members of the public use specific Council services, for example as a Council tenant, they have additional rights. These are not covered in the **Constitution**, except in relation to complaints.

Members of the public have the right to:

- vote at local elections if they are registered on the electoral roll;
- stand for election as a Councillor if they have lived, worked or owned property in the Council's area for at least 12 months;
- present [petitions](#) in accordance with the Council's rules;
- contact their local **Councillors** about any matters of concern to them relating to functions of the Council;
- access [Councillor details](#);
- attend advertised surgeries held by Councillors;
- be consulted as individuals on certain changes to service delivery, where invited, although the Council is not always obliged to consult on service changes. The Council may have a duty to consult under specific legislation; or to consult representatives of the public and service users in connection with the Council's overall approach to the way services are delivered under the Council's **Best Value** duty.

Members of the public can access information and decision-making in the following ways:

- Attend meetings of the **Council**, **Cabinet** or Committees except for that part of a meeting where **confidential or exempt information** is likely to be disclosed, and the meeting is therefore held in private;
- Find out from the notices of forthcoming **Key Decisions** what Key Decisions will be taken by the Cabinet and when;
- See reports and background papers, and any records of decisions made by the Council and the Cabinet (except where those reports and papers contain confidential or exempt information); and
- Inspect the Council's accounts and make their views known to the External Auditor.

Members of the Public may participate in meetings, under the direction of the Chair of the Committee and in accordance with the Procedure Rules set out in **Part 3**, in the following ways:

- Addressing meetings of **Full Council** to ask questions, where prior notice is given;
- Addressing meetings of **Cabinet** to make representations and ask questions, where prior notice is given;
- Making representations to the **Planning Committee** in accordance with the Committee's rules on public speaking in the **Planning Code of Conduct** in **Part 4**;
- Making representations to the **Licensing Committee** as applicants or objectors in respect of individual applications; and speaking at Licensing Committee meetings on certain items in accordance with the Committee's rules on public speaking;

- Contributing to research or reviews undertaken by the **Scrutiny Committees**;
- Where invited, participating in other public meetings; and
- Reporting on the proceedings at open meetings of the **Council, Cabinet** and Committees by filming, photographing, audio-recording, using social media such as tweeting and blogging, or by any other means, providing written commentaries and outside of a meeting oral commentaries.

Anyone may make a complaint to:

- The Council (under the Council's [Complaints Policy](#));
- The Local Government and Social Care Ombudsman after having first used the Council's own [complaints procedure](#) and having given the Council a chance to respond to the complaint. The Ombudsman will normally allow the Council 8 to 12 weeks for a response, but the Ombudsman may get involved earlier if there are extenuating circumstances; or
- The **Monitoring Officer** about an alleged breach of the **Councillors' Code of Conduct** (in **Part 4**) by a **Councillor**.

The Council welcomes participation by the public, service users and residents. However, individuals must not be violent, abusive or threatening to **Councillors** or **Officers** and must not wilfully harm them or things owned by the Council, Councillors or Officers. Further information about public participation, can be found within this **Constitution**. Details of the Council's meetings, Councillors and services can be found on the Council's [website](#).

The Role of the Chair of the Council

The **Chair of the Council** is a civic and ceremonial role that is non-political. The Chair serves for a one-year term of office. The **Chair** and the **Deputy Chair** will be elected by the **Council** annually. The Chair and in his/her absence, the Deputy Chair will have the following roles and functions:

A Ceremonial Role, which will include:

- to communicate with the private and voluntary sector organisations across the **District**;
- to act as official host to visitors to the District;
- to represent the District at ceremonial events;
- to attend civic events and local community activities;
- to carry out all duties in a manner that reflects the position and traditions of the office;
- to promote public involvement in the Council's activities;
- to act as the representative of the District on other occasions as determined by the Council; and

- to attend such civic and ceremonial functions as the Council and the Chair determines appropriate.

The Chair will preside over **Full Council** meetings:

- to uphold and promote the purposes of the **Constitution**, and subject to the advice and guidance of the **Chief Executive, Section 151 Officer** or **Monitoring Officer** during Council meetings to interpret the Constitution where necessary;
- to preside over meetings of the **Full Council** so that business can be carried out efficiently and with regard to the rights of **Councillors** and the interests of the community;
- to ensure that the **Full Council** meeting is a forum for the debate of matters of concern to the local community and the place at which **Councillors** who are not on the **Cabinet** and do not hold Committee Chairs are able to hold the Cabinet and Committee Chairs to account;
- to be the conscience of the Council;
- keep order at **Full Council** meetings and ensure that Councillor behaviour is of the highest standard and does not bring the Council into disrepute;
- exercise a second or casting vote in the event of a tied vote;
- to authorise extraordinary meetings of the **Full Council** under the Council's Procedure Rules at **Part 3** of this **Constitution**; and
- to act in a politically neutral and impartial manner when performing all roles as **Chair of the Council**.

Council Officers

The Council and its **Councillors** are supported by the Council's employees, and other appointees who are referred to as "**Officers**". Officers provide advice, implement decisions and manage the day to day delivery of the Council's services.

The most senior Officer is the **Chief Executive**. Other senior managers lead parts of the Council's services. Some Officers have specific duties to ensure that the Council operates within the law and use resources wisely. These are the Council's **Statutory Officers**: a **Head of Paid Service** responsible for the Council's Officers (in North West Leicestershire this is the Chief Executive); a **Section 151 Officer**, responsible for the proper administration of the Council's financial affairs (in North West Leicestershire this is the Head of Finance); and a **Monitoring Officer**, responsible for reporting upon illegality and maladministration (in North West Leicestershire this is the Head of Legal and Commercial Services). The Council's Management Structure is set out in **Part 2**.

Officers must comply with a **Code of Conduct** which is set out in **Part 4** of this **Constitution**. The recruitment, selection and dismissal of Officers will comply with the **Officer Employment Procedure Rules** in **Part 3**. Officers are paid in

accordance with the Council's [Pay Policy](#).

The **Protocol on Councillor / Officer Relations** governs the relationship between **Officers** and Councillors (in **Part 4** of this **Constitution**).

Further details of the powers and responsibilities of Officers are set out in **Part 2**.

Duty to Monitor and Review the Constitution

Full Council adopts the **Constitution**.

The Leader may amend and/or update the **Executive** arrangements at any time and shall report such changes to Full Council at the earliest opportunity.

The **Monitoring Officer** will monitor and review the operation of the **Constitution** on a regular basis, in order to ensure that it is up-to-date and that the aims and principles of the Constitution are given full effect. The Monitoring Officer is empowered to make changes to ensure that:

- legislative references are updated;
- it reflects the Council's structures and decision-making requirements;
- consequential amendments are made as a result of Council, Executive and Committee decisions; and
- it is clear and unambiguous and maintains efficiency of operations.

A review of the **Constitution** by the Monitoring Officer will take place annually. Any changes to the Constitution will only be approved by the **Full Council** after consideration by the **Audit and Governance Committee**.

Suspension of the Constitution

Any part of the **Constitution** may be waived or suspended by **Full Council** (or the **Cabinet** in relation to **Executive Functions**) to the extent permitted within the Procedure Rules in **Part 3** and the law.

Publication

Copies of the **Constitution** are available to view on the [Council's website](#) (which is the definitive version) or from Democratic Services at the [Council Offices](#).

The **Monitoring Officer** will ensure this **Constitution** is available for inspection at the Council offices. Printed copies can be purchased by the local press and the public on payment of a reasonable fee.

Part 2

Responsibility for Functions

Section A – The Council’s Management Structure**The Council’s Committee Structure****Introduction to Decision Making****Section B - Responsibility for Local Choice Functions****Section C - Full Council****Section D - Non-Executive Committees**

Section D1 - Licensing Committee

Section D2 - Appointments Committee

Section D3 - Investigatory Committee

Section D4 - Planning Committee

Section D5 - Local Plan Committee

Section D6 - Scrutiny Committee

Section D7 - Audit and Governance Committee

Section D8 - Employee Joint Consultative Committee

Section D9 - Independent Remuneration Panel

Section E - The Cabinet (Executive Functions)**Section F - Joint Arrangements****Section G - Officer Scheme of Delegation**

Section G1 - Introduction to the Officer Scheme of Delegation

Section G2 - General Delegations to Designated Officers

Section G3 - Delegations to Head of Paid Service and Statutory Officers

Section G4 - Proper Officer and Specified Officer Functions

SECTION A – THE COUNCIL’S MANAGEMENT STRUCTURE



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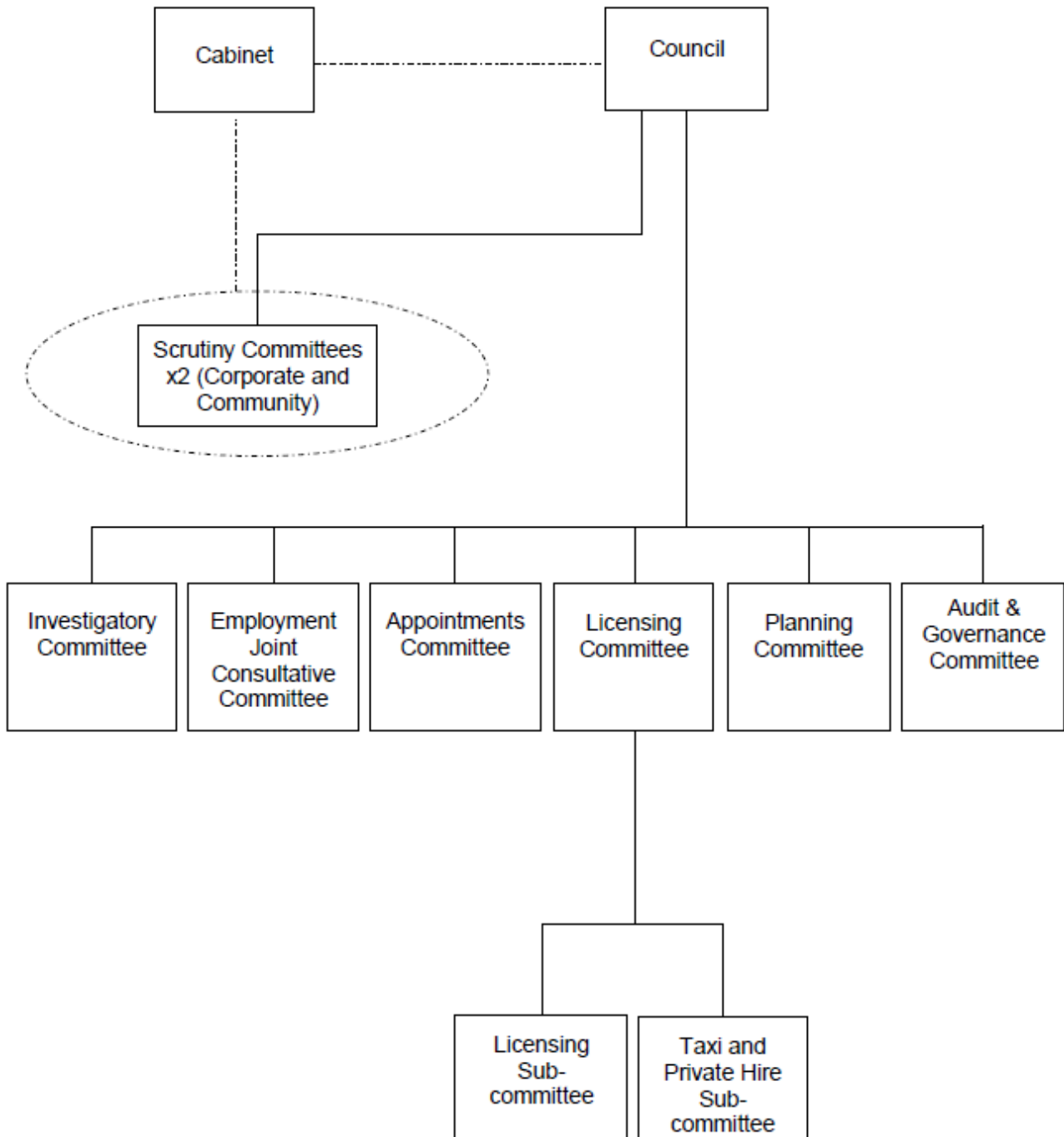
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 Payroll
 Procurement
 Treasury Management

Revenues and Benefits
 ICT / Reographics
 Customer Services

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SECTION A – THE COUNCIL’S COMMITTEE STRUCTURE



SECTION A - INTRODUCTION TO DECISION MAKING

- 1 The Council makes many decisions relating to matters within its area. This Part of the **Constitution** sets out how these decisions are made so that members of the public are clear about what decisions are made and which part of the Council or individual has responsibility for particular types of decisions.
- 2 The Council's functions may be lawfully exercised by:
 - 2.1.1 The **Full Council**;
 - 2.1.2 The **Cabinet**;
 - 2.1.3 **Committees** and **Sub-Committees** of the **Full Council** or the Cabinet;
 - 2.1.4 **Joint Committees**; and
 - 2.1.5 Officers.
- 3 All of the Council's functions are either "executive" or "non-executive". **Executive Functions** are the responsibility of the Cabinet or one of its Committees, sub- Committees, **Joint Committees**, or an Officer. **Non-Executive Functions** are the responsibility of the **Full Council** or one of its Committees, **Sub-Committees**, Joint Committees, or an Officer. "Functions" include all of the Council's powers and duties under legislation, that is, all of the activities the Council undertakes.
- 4 The Cabinet is the part of the Council which is responsible for most day-to-day decisions, including **Key Decisions**. The Cabinet is made up of the **Leader** and a number of **Cabinet Members** selected by the Leader and which make up the **Cabinet**. The Cabinet might also establish Committees and **Sub-Committees**. All **Key Decisions** will be published in advance in the Executive Decision Notice in so far as they can be anticipated.
- 5 The **Cabinet** will ordinarily carry out all of the Council's **Executive Functions** that are not the responsibility of any other part of the Council, whether by law or under this **Constitution**, unless the **Leader** decides to discharge them personally or allocate them to an individual **Cabinet Member** or a Committee of the Cabinet.
- 6 Under Section 9D of the Local Government Act 2000 ("the 2000 Act") any function of the local authority which is not specified in regulations made by the Secretary of State is to be an "**Executive Function**", and therefore the responsibility of the Cabinet. **Non-Executive Functions** (or Council functions) are specified in Regulations issued under the 2000 Act and include functions such as those relating to Officers, planning and

licensing. Non-Executive Functions may be delegated to Committees, **Sub-Committees** or **Officers** under Section 101 of the Local Government Act 1972 (“the 1972 Act”). The effect of this legislation is that unless specified as a non-executive function, a function is presumed to be an executive function.

7 The Council will issue and keep up to date a record of what part of the Council or individual has responsibility for particular types of decision or decisions relating to particular areas or functions. This record is set out in this **Part 2** of this **Constitution** along with schemes of further delegation maintained by the Council's **Designated Officers**.

8 Where a function is delegated under this **Constitution**, that does not prevent the person or body that has delegated the function from removing the delegation or exercising the function concurrently, for example in the absence of the person delegated to make a decision.

9 **Principles of decision-making**

9.1 The following principles will apply to all decision-makers. Decision-makers will:

9.1.1 take into account all relevant considerations and ignore those which are irrelevant;

9.1.2 take decisions which are proportionate to the desired outcome;

9.1.3 undertake appropriate consultation where required and based on professional and technical advice from Officers, in particular the **Monitoring Officer** and **S151 Officer**;

9.1.4 undertake a realistic evaluation of alternatives and options, giving reasons for their decision;

9.1.5 consider relevant professional advice;

9.1.6 have regard to statutory duties, such as **Best Value** and to environmental considerations and impacts;

9.1.7 respect human rights and equality of opportunity; and

9.1.8 approach decision-making on a transparent and open basis.

10 **Record of decision-making**

10.1 The Council supports transparency of decision-making in the public interest. When decisions are taken, the report, decision record and/or minutes must be produced which will include the following information:

- 10.1.1 who took the decision (the person or body);
 - 10.1.2 the details of the decision including the date it was made;
 - 10.1.3 the reasons for the decision;
 - 10.1.4 a summary of any alternative options considered and rejected by the Officer, **Councillor** or decision-making body when the decision was made;
 - 10.1.5 details of any interest relating to the matter declared by any member of the decision-making body or by a Councillor who is consulted by the Officer or **Councillor** who made the decision; and
 - 10.1.6 in respect of any declared interest, a note of any dispensation granted by the **Monitoring Officer** or **Audit and Governance Committee**.
- 11 **Types of decision and the decision-takers**
- 11.1 When the **Full Council** makes decisions, it will comply with the **Council and Committee Procedure Rules** in **Part 3**.
 - 11.2 When the Cabinet makes decisions, these will comply with the **Cabinet (Executive) Procedure Rules** in **Part 3**.
 - 11.3 When the **Scrutiny Committees** make decisions, these will comply with the **Scrutiny Procedure Rules** in **Part 3**.
 - 11.4 When Committees and **Sub-Committees** make decisions, these will comply with the **Council and Committee Procedure Rules** in **Part 3**.
 - 11.5 On occasions, the Council, the Cabinet, a **Councillor** or an Officer will act as a tribunal or in a quasi-judicial manner when they determine the civil rights or obligations of an individual. When this happens, they will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.
 - 11.6 Any area of responsibility that is not specifically listed under the matters reserved for Councillors in Sections B-F of this **Part 2** is deemed to be delegated to Officers – **Designated Officers**.
 - 11.7 **Part 2** Section B sets out the “local choice” functions, which are those that the Council can allocate to either the **Full Council** or the Cabinet for decision and sets out which body has been allocated them.
 - 11.8 **Part 2** Section C sets out the **Non-Executive Functions** which are reserved to the **Full Council**.

- 11.9 **Part 2** Section D sets out the **Non-Executive Functions** which are reserved to the Committees established by the **Full Council**.
- 11.10 **Part 2** Section E sets out the **Executive Functions** that are the responsibility of the **Leader**, individual **Cabinet Members**, the **Cabinet** and any Committees or Sub-Committees it establishes
- 11.11 **Part 2** Section F sets out the functions which are reserved to **Joint Committees** established by the Council.
- 11.12 **Part 2** Section G sets out the principles of the **Officer Scheme of Delegation** for all functions and powers not otherwise reserved to Councillors.

General Limitations

12 Council Functions

The General limitations on the exercise of delegated powers by Committees, **Sub-Committees** or Officers acting under delegations from **Full Council** under s101 of the Local Government Act 1972 as amended, apply as follows:

1. Delegated powers must be exercised in conformity with this **Constitution** and with any other directions of the Council; and
2. For the period between the local elections and the **Annual Meeting** of the **Full Council** provided they are still elected **Councillors**, any consultations required under the arrangements in this **Constitution** with chairs, or in their absence Deputy Chairs, should be with those persons who were chairs and Deputy Chairs of Committees or **Sub-Committees** at the time of the election.

13 Executive Functions

Executive Functions that are delegated must be exercised in accordance with the **Council's Budget and Policy Framework** subject to any discretions permitted by, and within any limitations imposed by, the **Cabinet (Executive) Procedure Rules** in **Part 3**.

14 Term of Office

Councillors appointed to Non-Executive Committees, including the Chair and **Deputy Chair of the Council**, shall hold office until:

1. the **Annual Meeting** of the Council following their appointment; or
2. they resign from Office; or
3. they are no longer Councillors or are disqualified from being a councillor;
or
4. a six months absence from attendance at Council Committees has

occurred without reasonable excuse approved in advance; or

5. they are removed from Office by resolution of the Council (note the Chair cannot be removed by resolution).

15 **Advisory Bodies and Working Parties**

- 15.1 **Full Council**, the **Cabinet** and the **Scrutiny Committees** may from time to time establish working parties or advisory bodies which include in their membership **Councillors**, Officers and/or representatives from partner organisations or the local community.
- 15.2 To the extent permissible by law, these are not constituted as boards or Committees and are not authorised to make decisions on behalf of the Council.

SECTION B – RESPONSIBILITY FOR LOCAL CHOICE FUNCTIONS

1 Allocation of Local Choice Functions

- 1.1 Schedule 2 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (the “2000 Regulations”) makes provision for certain functions, known as “local choice functions” to be either **Executive Functions** or **Non-Executive Functions**. The Council has determined that the responsibilities shall be allocated as follows:

1. Function	2. Decision Making Body	3. Delegation of Function
Functions under local Acts (other than a function specified in Regulation 2 or Schedule 1 of the Regulations)	Cabinet	Heads of Service
The determination of an appeal against any decision made by or on behalf of the authority	Cabinet	Chief Executive Strategic Directors
Any function relating to contaminated land	Cabinet	Strategic Directors
The discharge of any function relating to the control of pollution or the management of air quality	Cabinet	Strategic Directors
The service of an abatement notice for a statutory nuisance	Cabinet	Strategic Directors
The passing of a resolution that Schedule 2 to the Noise and Statutory Nuisance Act 1993 should apply	Cabinet	

Inspections for statutory nuisance	Cabinet	Strategic Directors
Investigation of any complaint as to the existence of a statutory nuisance	Cabinet	Strategic Directors
Obtaining information under Section 330 Town and Country Planning Act 1990 as to interests in land	Cabinet	Strategic Directors
Obtaining of particulars of persons interested in land under Section 16 Local Government (Miscellaneous Provisions) Act 1976	Cabinet	Heads of Service
The appointment of any individual— (a) to any office other than an office in which he is employed by the authority; (b) to any body other than— (i) the authority; (ii) a Joint Committee of two or more authorities; or (c) to any Committee or Sub-Committee of such a body, and the revocation of any such appointment	Council	Chief Executive
The making of agreements with other local authorities and external agencies for the placing of staff and joint working arrangements	Council	Chief Executive

All those functions for which the Council is responsible relating to Community Governance Reviews as set out in Part 4 of Chapter 3 of the Local Government and Public Involvement in Health Act 2007	Council	Chief Executive
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SECTION C - FULL COUNCIL

ONLY THE FULL COUNCIL SHALL HAVE RESPONSIBILITY:

1. to approve, adopt and agree changes to the **Constitution** (subject to paragraph 3.12 of Section G3 of Part 2);
2. to approve, adopt and agree changes to the **Budget and Policy Framework**;
3. to approve, adopt and agree changes to the Council's [Pay Policy Statement](#);
4. to approve, adopt and agree changes to the **Councillors' Allowance Scheme** in **Part 5**, following a report from the Independent Remuneration Panel;
5. to approve, adopt and agree changes to any applications to the Secretary of State for a **Housing Land Transfer**;
6. for the appointment of an Electoral Registration Officer;
7. for the appointment of a Returning or Acting Returning Officer for Parliamentary, local and Police and Crime Commissioner elections and referenda;
8. for Parishes including:
 - 8.1. dealing with any issues relating to the establishment and any community governance review of parish councils and their consequent electoral arrangements;
 - 8.2. dissolving small parish councils under section 10 of the Local Government Act 1972;
 - 8.3. making orders for grouping parishes, dissolving groups and separating parishes from groups under section 11 of the Local Government Act 1972;
 - 8.4. dividing electoral divisions into polling districts at local government elections under;
 - 8.5. making temporary appointments to parish councils;
 - 8.6. changing the name of a parish.
9. for the name and status of areas and individuals including:
 - 9.1. changing the name of the **District**;
 - 9.2. conferring the title of Honorary Alderman or admission to be and Honorary Freeman.

10. for agreeing the basis on which appointments to outside bodies should be made and appointing to outside bodies except where appointment to those bodies is an **Executive Function** or has been otherwise delegated;
11. to agree the appointment of **Councillors to Committees in Political Balance**;
12. in the absence of any express statutory prohibition, every Board or Committee appointed by the Council may appoint **Sub-Committees** for purposes and duration to be specified by the Board or Committee. They may also make specific delegations to Officers;
13. to elect the Chair and appoint the **Deputy Chair of the Council**;
14. to elect the Leader of the Council for a one year term and to remove the Leader of the Council;
15. to determine annually the revenue and capital budgets (the Medium Term Financial Strategy) and levying Council Tax and the capital programme along with the **Treasury Management** Strategy, Investment Strategy and any Prudential Indicators;
16. to take decisions which would represent a departure from the strategies and budgets previously agreed in the **Budget and Policy Framework** including determining supplementary estimates which are outside the authority spend available to the **Cabinet**;
17. agreeing and/or amending the terms of reference for Non-Executive Committees and working groups (save those constituted by the **Scrutiny Committee**) and deciding on their composition;
18. to make, amend, revoke, re-enact or adopt by-laws and promoting or opposing the making of local legislation or personal Bills;
19. confirming the appointment or dismissal of the **Head of Paid Service**;
20. to designate the appropriate Officer posts as the **Monitoring Officer** and the **S151 Officer**;
21. to appoint **Independent Person(s)** under the Localism Act 2011 in relation to the **Councillors' Code of Conduct** in **Part 4** and Statutory Officer discipline;
22. to appoint Chairs of **Committees** (though Committees may appoint to fill a casual vacancy);
23. to determine any matter which is properly referred to it for determination by a **Committee** or **Sub-Committee** in relation to **Non-Executive Functions**;
24. to determine whether functions which are classified as "Local Choice" functions should be reserved to the Council or exercised by Cabinet;

25. to designate streets for street trading under the Local Government (Miscellaneous Provisions) Act 1982;
26. to discharge all licensing functions and such other matters which must be reserved to the **Full Council** as specified in the Licensing Act 2003 (the "Act"), or any Regulations published in relation to the Act or any other legislation or any statute or regulations amending, consolidating or replacing them including approving, reviewing and revising any Statement of Licensing Policy in relation to the Licensing Act 2003;
27. to discharge all functions which must be reserved to **Full Council** as specified in the Gambling Act 2005, or any other ancillary regulations or legislative provisions amending, consolidating or replacing the same, including:
 - 27.1. approving and revising any Statement of Gambling Policy;
 - 27.2. resolving not to issue any casino premises licences in the next three years;
28. subject to the urgency procedure contained in the **Access to Information Procedure Rules** in **Part 3**, making decisions about any matter in the discharge of an Executive Function which is covered by the policy framework or the budget where the decision maker is minded to make it in a manner which would be contrary to the policy framework or contrary to/or not wholly in accordance with the budget;
29. determining senior management structure of the organisation;
30. agreeing procedure rules, standing orders and financial regulations;
31. proposals relating to district boundaries, electoral wards and the number of district councillors;
32. agreeing an annual schedule of meetings for **Full Council** and **Committees**;
33. adopting and amending the **Council's Councillors' Code of Conduct** in **Part 4** and other codes and protocols comprising the ethical framework;
34. accepting the delegation of **Non-Executive Functions** from another local authority;
35. power to promote or oppose local or personal Bills
36. agree payments in relation to termination of employment of statutory Officers and any severance package exceeding £100,000; and
37. all other matters which, by law, must be reserved to Council.

Non-Executive Functions may still be exercised by the **Council** even where delegated to a **Committee, Sub-Committee**, body or **Officer** elsewhere in this **Constitution**, subject to specific exceptions (for example **Licensing Sub-Committee**).

2 FULL COUNCIL MEETINGS

There are three different types of **Full Council** meeting:

- 2.1 The **Annual Meeting** of the Council, which will usually be held in May;
- 2.2 ordinary meetings;
- 2.3 extraordinary meetings, which will be called as and when required in accordance with the **Council and Committee Procedure Rules** in **Part 3**.

All **Full Council** meetings will be conducted in accordance with the **Council and Committee Procedure Rules** in **Part 3**.

3 THE BUDGET AND POLICY FRAMEWORK

Budget Framework

The Budget Framework includes the allocation of financial resources to different services and projects, the setting of virement limits (that is the transfer of funds between budget heads) and carry forward limits for budgets, proposed contingency funds and other provisions and reserves, council tax setting and other local taxation matters and decisions relating to the Council's **Treasury Management** activities including investments, borrowing limits and the control of capital expenditure. The Budget Framework is set out in the following:

1. Budget and Medium Term Financial Strategy;
2. Treasury Management Framework (including relevant policies and strategies); and
3. Capital and Investment Strategies.

Policy Framework

By law, the Council must have a Policy Framework. This is a list of plans and strategies which are relevant to the Council's functions and are required by law to be decided by the **Full Council**, usually on the recommendation of the **Cabinet**, supplemented by other plans and strategies that the Council wishes to add.

The Policy Framework comprises:

1. The [Council's Corporate Plan](#);

2. The [Sustainable Community Strategy](#);
3. The [Local Development Plan](#) and [Development Plan Documents](#);
4. The [Statement of Licensing Policy](#);
5. The [Statement of Gambling Policy](#);
6. The annual [Pay Policy Statement](#);
7. The plan and strategy which together comprise the Council's Housing Investment Programme; and
8. Any other plan or strategy (whether statutory or non-statutory) in respect of which the Council from time to time determines that the decision on its adoption or approvals should be taken by **Full Council** rather than the Cabinet.

Housing Land Transfer

Housing Land Transfer means the approval or adoption of applications (whether in draft form or not) to the Secretary of State for approval of a programme of disposal of 500 or more properties to a person under the Leasehold Reform, Housing and Urban Development Act 1993 or to dispose of land used for residential purposes where approval is required under sections 32 or 43 of the Housing Act 1985.

SECTION D – NON-EXECUTIVE COMMITTEES

To discharge **Non-Executive Functions** which are not reserved to **Full Council** alone, the Council has established the following ordinary **Committees**:

Section D1 - Licensing Committee

Section D2 - Appointments Committee

Section D3 - Investigatory Committee

Section D4 - Planning Committee

Section D5 - Local Plan Committee

Section D6 - Scrutiny Committees

Section D7 - Audit and Governance Committee

Section D8 - Employee Joint Consultative Committee

Section D9 - Independent Remuneration Panel

The terms of reference of these Committees and their delegated powers are set out in the following pages.

SECTION D1 - LICENSING COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Composition

- 1.1 The full **Licensing Committee** will comprise 15 Councillors in **Political Balance**.
- 1.2 The Chair will be appointed by **Full Council** annually.
- 1.3 Where **Sub-Committees** are established by the **Licensing Committee** on an ad hoc basis to deal with matters under the Licensing Act 2003 and the Gambling Act 2005 and 'general' licensing matters they will comprise 3 Councillors from the full Licensing Committee.

Quorum

- 1.4 The **Licensing Committee Quorum** will be five **Councillors**. The **Sub-Committee Quorum** will be 3 Councillors.

Substitutes

- 1.5 Each group may appoint substitutes under the **Councillors' Substitute Scheme Procedure Rules** in **Part 3**.

2 MATTERS RESERVED FOR THE LICENSING COMMITTEE

- 2.1 Functions under both the Licensing Act 2003 and the Gambling Act 2005:
- 2.1.1 To consider all outstanding licensing matters;
- 2.1.2 To recommend to Council to resolve not to issue a casino licence;
- 2.1.3 To determine all licensing matters referred to it with the exception of:
- (a) The Statements of Licensing Policy under both the Licensing Act 2003 and the Gambling Act 2005;
 - (b) the power to resolve not to issue a casino licence
- which shall be reserved to Council.
- 2.2 To decide on any other matter where it is necessary or desirable for Councillors to make that decision.
- 2.3 Where **Sub-Committees** are convened they will have the following functions under the Licensing Act 2003:
- 2.3.1 To determine applications to vary designated premises supervisors

following police objections;

- 2.3.2 To determine applications for transfer of premises licences following police and/or Secretary of State objections;
 - 2.3.3 To consider police and/or Secretary of State objections made to interim authority notices;
 - 2.3.4 To determine applications for premises licences and club premises certificates where relevant representations have been made;
 - 2.3.5 To determine applications for provision statements where relevant representations have been made;
 - 2.3.6 To determine applications to vary premises licences and club premises certificates where relevant representations have been made;
 - 2.3.7 To determine valid applications for review of premises licences and club premises certificates;
 - 2.3.8 To decide whether to give counter notices following objections from police and/or environmental health to standard temporary event notices;
 - 2.3.9 To determine applications for grants of personal licences following police objections;
 - 2.3.10 To determine applications for renewals of personal licences following police objections;
 - 2.3.11 To decide on revocation of personal licences where convictions come to light after grant;
 - 2.3.12 To decide whether to object when the local authority is the consultee and not the relevant authority considering the application.
- 2.4 Where **Sub-Committees** are convened they will have the following functions under the Gambling Act 2005:
- 2.4.1 To determine applications for premises licences where relevant representations have been made and not withdrawn.
 - 2.4.2 To determine applications for provisional statements where relevant representations have been made and not withdrawn;
 - 2.4.3 To determine valid applications for review of premises licences;
 - 2.4.4 To determine applications for variations of premises licences where relevant representations have been made and not withdrawn;

- 2.4.5 To determine applications for transfers of premises licences following representations by the Gambling Commission or others;
 - 2.4.6 To determine applications for the re-instatement of premises licences where relevant representations have been made;
 - 2.4.7 To decide whether to give counter notices following objections to temporary use notices;
 - 2.4.8 To determine applications for the grant or renewal of club gaming permits and club machine permits where valid objections have been received and not withdrawn;
 - 2.4.9 To determine proposals to cancel club gaming permits and club machine permits where the holder requests a hearing;
 - 2.4.10 To determine applications for the grant of temporary use notices where objections have been made.
- 2.5 Where a **Hackney Carriage and Private Hire Sub-Committee** is convened it will have the following function:
- 2.5.1 To consider all outstanding hackney carriage and private hire licensing issues which are referred to it.

SECTION D2 - APPOINTMENTS COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Composition

- 1.1 The **Appointments Committee** will comprise four Councillors in **Political Balance**, one of whom must be a **Cabinet Member**, plus the relevant portfolio holder.
- 1.2 Members and the **Chair** will be appointed by **Full Council** annually.

Quorum

- 1.3 The **Appointments Committee Quorum** will be three **Councillors**.

2 MATTERS RESERVED FOR THE APPOINTMENTS COMMITTEE

- 2.1 With regard to appointments of the Councils' **Statutory Officers, Chief Officers** and **Deputy Chief Officers**:
- 2.1.1 To interview shortlisted candidates for **Head of Paid Service, Strategic Director** and **Head of Service** posts;
- 2.1.2 To make recommendations to **Full Council** on the appointment of the **Chief Executive/Head of Paid Service**;
- 2.1.3 To make decisions about all permanent appointments to **Strategic Director** and **Head of Service** posts.
- 2.1.4 Undertake an annual appraisal of the performance of the **Chief Executive/Head of Paid Service**.
- 2.1.5 To hear appeals from the **Investigatory Committee**.

SECTION D3 - INVESTIGATORY COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Composition

- 1.1 The **Investigatory Committee** will comprise five Councillors in **Political Balance**.
- 1.2 Members and the **Chair** will be appointed by **Full Council** annually.
- 1.3 When advising the Council in relation to the proposed dismissal of the **Head of Paid Service, Strategic Directors** and Heads of Service (including Statutory Officers) the Committee will co-opt two (voting) **Independent Persons** in accordance with the Local Authorities (Standing Orders) (England) Regulations 2001 (as amended).

Quorum

- 1.4 The **Investigatory Committee Quorum** will be 3 **Councillors**.

2 MATTERS RESERVED FOR THE INVESTIGATORY COMMITTEE

- 2.1 To appoint an independent investigator and independent advisors, if required.
- 2.2 To determine whether or not any of the following should be suspended pending investigation into allegations of misconduct or incapability:
- **Head of Paid Service**
 - **S151 Officer**
 - **Monitoring Officer**
 - **Strategic Director**
 - **Head of Service**
- 2.3 To make a recommendation to Council to dismiss a Statutory Officer.
- 2.4 When making a recommendation to Council to dismiss a Statutory Officer, to meet and consider the matter with an **Independent Person** and prepare a report for Council.
- 2.5 To approve any proposed severance payment to the Head of Paid Service that is no more than £100,000.

SECTION D4 - PLANNING COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Committee scope

- 1.1 The majority of planning applications are dealt with by Officers under delegated powers from the **Planning Committee**, as they are relatively straightforward. Consequently, the determination of all non-executive decisions under the Planning Acts is delegated to the Strategic Directors, apart from those matters reserved to the Planning Committee under this Section D4.
- 1.2 Where development control functions are discharged by the **Planning Committee**, the meeting will consider applications and related planning matters which are being determined or considered by the Council as the Local Planning Authority.
- 1.3 Without prejudice to the generality of paragraph 1.1 above, the Planning Committee has delegated responsibility for determining the following to the Strategic Directors:
- Agricultural Prior Approval
 - East Midlands Airport Informal Notification
 - Certificate of Alternative Appropriate Development
 - Certificate of Lawful Development – Existing
 - Certificate of Lawful Development – Proposed
 - County Council Consultation
 - Demolition Prior Approval
 - Discharge of Conditions
 - Habitat Regulations Assessment
 - Hedgerow Removal Notice
 - Neighbouring Authority Consultation
 - Non-Material Amendment
 - Overhead Lines Notification
 - Pre-Application Advice
 - Pre-Application Advice - Major
 - Applications querying whether Planning Permission is required
 - Prior Approval for Householder development
 - Works to trees in a conservation area

Composition

- 1.4 The **Planning Committee** will comprise 11 Councillors in **Political Balance**.
- 1.5 The Chair will be appointed by **Full Council** annually.

Quorum

- 1.6 The **Planning Committee Quorum** will be three **Councillors**.

Substitutes

- 1.7 Each group may appoint substitutes in accordance with the **Councillors' Substitute Scheme Procedure Rules** in **Part 3**.

2 MATTERS RESERVED FOR THE PLANNING COMMITTEE

- 2.1 The determination of an application that is contrary to the provisions of an approved or draft development plan policy and is recommended for permission, which in the opinion of the relevant Strategic Director the application is likely to:
 - (a) be potentially controversial; or
 - (b) be of significant public interest; or
 - (c) have a significant adverse impact on the environment; or
 - (d) raise matters which should be referred to the Planning Committee.
- 2.2 The determination of an application that is submitted by or on behalf of the Council for its own development, except for the approval of development which is unlikely to have any major impacts and to which no material planning objections (in the opinion of the relevant Strategic Director) have been received.
- 2.3 The determination of an application where a legal agreement (S106 or similar) is required, except in the case of minor non-contentious agreements or minor amendments to existing legal agreements.
- 2.4 Excluding those types of applications detailed at paragraph 1.3 above, the determination of an application where:
 - (a) a ward member of the ward to which the application relates or the ward member of an adjoining ward (if that adjoining ward is materially impacted by the application) has notified the relevant Strategic Director (in writing or by email within 4 weeks of being notified of the application) that the application should be determined by the Planning Committee; and
 - (b) in the opinion of the Chair having consulted the relevant Strategic Director (or his nominated officer):

- (i) the notification is supported by one or more material planning grounds; and
- (ii) the item relates to a matter of local concern,

Provided that where the relevant ward member or neighbouring ward member has a disclosable pecuniary interest in the application in question, this “call-in” shall automatically be triggered for consideration by the Chair under (b) above.

Where the Chair decides that an application does not satisfy (b)(i) or (ii) above, written reasons shall be given to the requesting member.

- 2.5 The determination of an application that is recommended for approval by officers and is submitted by:
- (a) a serving member or officer of the Council; or
 - (b) the close relative of a serving member or officer of the Council
- except for the approval of an application which in the opinion of the relevant Strategic Director (or a nominated officer) is unlikely to have any major impacts and to which no objections have been received.
- 2.6 The determination of any application or matter that the relevant Strategic Director refers to the Planning Committee, including (but not limited to) any consultation on an executive function, provided that where the matter referred to the Committee relates to an executive function, the Committee’s view shall be subject to being agreed with the relevant portfolio holder or agreed by Cabinet.
- 2.7 The making of orders to revoke or modify planning permissions, to impose conditions to remove buildings or repair listed buildings.
- 2.8 To consider objections or other representations in relation to making tree preservation orders.
- 2.9 Serving Building Preservation Notices or Listed Building Repair Notices, except where it is necessary to serve a notice in an emergency.
- 2.10 To determine matters referred to it following the receipt of objections or other representations in relation to:
- (a) Public Footpath Orders under the Town and Country Planning Act 1990;
 - (b) Footpath Diversion Orders under the Highways Act 1980.

SECTION D5 - LOCAL PLAN COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Committee Scope

- 1.1 The **Local Plan Committee** will meet at least once every two months but may meet more frequently where necessary.
- 1.2 Other **Councillors** may (at the discretion of the Chair) be invited to speak at meetings of the **Local Plan Committee** on any particular matter. Requests to be so invited must be submitted by Councillors to the Democratic and Support Services **Team Manager** no later than 12pm on the last clear working day before the meeting. Councillors so invited shall not be entitled to vote.
- 1.3 If appropriate to a particular matter being discussed by the **Local Plan Committee**, the Chair may permit relevant experts to speak at a meeting.
- 1.4 Rule 11 of the **Council and Committee Procedure Rules** in **Part 3** which allows members of the public to ask questions shall apply to the **Local Plan Committee** provided that references to "Council" or **Cabinet Members** shall be deemed to refer to the Local Plan Committee or its **Councillors**.
- 1.5 Neither the **Chair** nor **Deputy Chair** of the **Local Plan Committee** shall be the same person who is the Chair or Deputy Chair of the **Planning Committee**.

Composition

- 1.6 The **Local Plan Committee** will comprise 11 Councillors in **Political Balance**.
- 1.7 The Chair will be appointed by **Full Council** annually.

Quorum

- 1.8 The **Local Plan Committee Quorum** will be seven **Councillors**.

Substitutes

- 1.9 Each group may appoint substitutes in accordance with the **Councillors' Substitute Scheme Procedure Rules** in **Part 3**.

2 MATTERS RESERVED FOR THE LOCAL PLAN COMMITTEE

- 2.1 In relation to Development Plan Documents (DPDs) (the Council's Local Plan is a DPD):
- 2.1.1 To receive reports and drafts from **Cabinet** on:
- (a) proposed DPDs; and

- (b) the functioning of and proposed revisions to existing DPDs;
 - 2.1.2 To consider and comment on documents that relate to DPDs including (but not restricted to) policy options and draft policies having regard to evidence prepared to support each DPD;
 - 2.1.3 To provide updates to other Councillors who do not sit on the **Local Plan Committee** and to champion the Committee's work on the Local Plan;
 - 2.1.4 To keep DPDs under review and monitor progress on the preparation of revisions and updates to DPDs (including the Local Plan);
 - 2.1.5 Instructing **Cabinet** to reconsider drafts of DPDs and revisions of them;
 - 2.1.6 Deciding to publish DPDs and revisions of them for public consultation;
 - 2.1.7 Deciding to submit DPDs and revisions of them for examination by a Planning Inspector;
- (Adoption of DPDs and revisions of them following examination remains a function of **Full Council**).
- 2.2 In relation to Supplementary Planning Documents (SPDs):
 - 2.2.1 To receive reports from the Cabinet on:
 - (a) proposed SPDs; and
 - (b) the functioning of and proposed revisions to existing SPDs;
 - 2.2.2 To consider and comment on documents that relate to SPDs including (but not restricted to) draft SPDs;
 - 2.2.3 To keep SPDs under review and monitor progress on the preparation of revisions and updates to SPDs;
 - 2.2.4 Instructing the executive (i.e. Portfolio Holder/Officers) to reconsider drafts of SPDs and revisions of them;
 - 2.2.5 Deciding to publish SPDs and revisions of them for public consultation;
 - 2.2.6 Deciding to adopt SPDs and revisions of them following public consultation.
 - 2.3 In relation to HS2:
 - 2.3.1 To keep the Council's HS2 strategy under review and monitor developments on the ground against the parameters set out in the Council's Strategy;

2.3.2 To decide to adopt an amended HS2 Strategy from time to time.

2.4 In relation to other Council functions:

2.4.1 To determine any matters referred to it by **Full Council**.

2.5 Advisory functions (non-decision-making):

2.5.1 Duty to Co-operate:

- (a) To consider and comment on responses to plans being prepared by other local planning authorities or by multiple local authorities working in partnership (such as the Strategic Growth Plan) as part of the “Duty to Cooperate” contained in s33A of the Planning and Compulsory Purchase Act 2004;
- (b) To recommend to Council that a particular inter-authority plan or strategy is adopted in compliance with the “Duty to Cooperate”.

SECTION D6 - SCRUTINY COMMITTEES

1 COMMITTEE FORM AND STRUCTURE

Committee Scope

- 1.1 North West Leicestershire District Council adopts the Cabinet system to operate its decision making and there are two **Scrutiny Committees** comprising non-Cabinet Members – the Corporate Scrutiny Committee and the Community Scrutiny Committee.
- 1.2 Where there are references to the “relevant Scrutiny Committee” in this Constitution and there is any doubt as to which Scrutiny Committee it is, the decision of the Monitoring Officer shall be final.
- 1.3 Scrutiny is central to the Council's decision-making process and has two main roles:
- 1.3.1 The development and review of policies for a wide range of subjects and services; and
 - 1.3.2 The critical examination of the Council's performance and effectiveness of its decisions.
- 1.4 The **Scrutiny Committees** look into areas of local concern and recommend improvements the Council can make to ensure quality of life is improved for all. The main tasks of the **Committees** are:
- 1.4.1 Performance Monitoring - The Council has to meet corporate priorities set out in the Corporate Plan and report against those indicators. **Scrutiny Committees** can examine any aspect of the Council's performance, including services that it delivers through partnerships with other organisations;
 - 1.4.2 Holding the Cabinet to Account - Decisions made by the Cabinet but not yet put into practice can be reviewed by the **Scrutiny Committees** and challenged;
 - 1.4.3 Policy review and development - **Scrutiny Committees** can propose new policies or review existing policies and recommend changes to Cabinet; and
 - 1.4.4 External Scrutiny - Any issue directly affecting the residents of North West Leicestershire can be scrutinised by the **Scrutiny Committees**, including services provided by another organisation.
- 1.5 The **Scrutiny Committees** are not able to take decisions but make recommendations to either **Cabinet** or **Full Council**.

- 1.6 Below is a non-exhaustive list of the respective areas of responsibility for each **Scrutiny Committee**. Each Committee may receive reports and comment on matters of policy or items of business of a reasonably similar nature to those listed:

Corporate Scrutiny Committee	Community Scrutiny Committee
Asset Management	Business/Economy
Estates and property	Planning and Building Control
Audit	Tourism
Communications	Partnerships
Customer Services	Community Safety
Finance	Leisure
Human Resources	Health and Wellbeing
ICT	Stronger Safer Communities
Legal Services	Environmental Health
Revenue and Benefits	Licensing
Shared Services	Environmental Protection
	Statutory Crime and Disorder Committee
	Strategic Housing - Housing Strategy
	Housing Management
	Economic Development
	Regeneration
	Waste Services

Composition

- 1.7 The **Scrutiny Committees** will each comprise 10 Councillors in **Political Balance**.
- 1.8 Members of the **Scrutiny Committees** must not be **Cabinet Members** or members of the **Audit and Governance Committee**.
- 1.9 The Chair and Deputy Chair will be appointed by **Full Council** annually.
- 1.10 The **Scrutiny Committees** shall be entitled to recommend to Council the appointment of a number of people as non-voting co-optees.

Quorum

- 1.11 The **Quorum** for each **Scrutiny Committee** will be three **Councillors**.

2 MATTERS RESERVED TO THE SCRUTINY COMMITTEES

The two **Scrutiny Committees** shall have equal status and equal functions as set out below. The Scrutiny Committees:

- 2.1 will discharge the Council's functions under section 9F of the Local Government Act 2000;
- 2.2 will be responsible for the Council's scrutiny function including the preparation, implementation, monitoring and review of an annual **Work Plan** for scrutiny in accordance with the objectives of the Corporate Plan and arrangements for the scrutiny of other public bodies particularly where required to do so by law;
- 2.3 may establish such **task and finish groups**, appointing the Chair in accordance with the Council's criteria and with such membership as it sees fit, to undertake scrutiny on a task and finish basis;
- 2.4 will, as part of the overall role, ensure the **Chief Executive** and Senior Leadership Team discharge their responsibilities effectively and efficiently in relation to the scrutiny function;
- 2.5 will scrutinise decisions of or actions taken by the **Cabinet**, and offer advice or make recommendations on the matter under scrutiny once the Committee has considered the issues;
- 2.6 may scrutinise matters coming before **Cabinet** for decision and respond appropriately to the Cabinet on the matter once the Committee has considered the issues fully;
- 2.7 will review or scrutinise decisions or actions taken in respect of any functions which are not the responsibility of the **Cabinet** and make reports or recommendations to the **Full Council**, or appropriate body of the Council;
- 2.8 may refer to the Council or appropriate Committee/**Sub-Committee** any matter which, following scrutiny, the Committee determines should be brought to the attention of the **Full Council** or the Committee or **Sub-Committee** and may, if requested, offer any views or advice to the **Cabinet** in relation to any matter referred to the Committee for consideration;
- 2.9 may undertake reviews with a cross-service approach wherever possible and make reports and recommendations to the **Full Council** (or other appropriate Council body) or the **Cabinet** to assist in the review of policies and strategies;
- 2.10 may offer advice and make recommendations to the appropriate body of the Council on the review of policy, services and aspects of services where there is an identifiable need, by itself or through setting up a **Task and Finish Group**;

- 2.11 in performing its role, the Committee may consult and involve the local community and other local public, private and voluntary bodies or organisations;
- 2.12 may review the Council's response to its obligations in respect of the overall performance management regime and, where appropriate, to advise the **Cabinet** or appropriate body of the Council of its findings;
- 2.13 may recommend that a decision made but not yet implemented, and taken in respect of a function which is the responsibility of the **Cabinet**, be reconsidered by the Cabinet;
- 2.14 may scrutinise decisions after implementation to examine their effect and outcomes;
- 2.15 may make reports or recommendations to the appropriate body of the Council in respect of any matters which affect the Council's area or its inhabitants;
- 2.16 may review and make recommendations in relation to matters which are not the direct responsibility of the Council but which affect the social, economic or environmental well-being of an area or the Council's area as a whole or under any statutory requirement or Council contract, procedure or practice;
- 2.17 may invite expert witnesses, Councillors, Officers and partners to answer questions;
- 2.18 will consider and advise the **Cabinet** in respect of "Call-in" notices under the Council's relevant procedures;
- 2.19 will create **Task and Finish Groups** and set their Terms of Reference, to fulfil the scrutiny requirements of the Council and the annual **Work Plan**;
- 2.20 will approve an annual **Work Plan**, to be kept under review and updated as required;
- 2.21 will produce an annual report to **Full Council** for the scrutiny process;
- 2.22 will report to **Full Council** as required on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose;
- 2.23 will discharge the Council's scrutiny functions in relation to the reduction of crime and disorder pursuant to the Crime and Disorder Act 1998 and:
 - 2.23.1 shall have power to scrutinise decisions or actions taken in connection with the discharge of its crime and disorder functions by any responsible authority and make recommendations or reports to the Council in relation to the discharge of those functions;

- 2.23.2 may co-opt additional members to serve on the Committee;
 - 2.23.3 may require the attendance before it of any Officer or employee of any responsible authority or co-operating body;
 - 2.23.4 may make a report or recommendation to a responsible authority or co-operating body; and
 - 2.23.5 shall exercise its functions in accordance with any appropriate regulations.
- 2.24 Notwithstanding the above, the **Scrutiny Committees** shall not review any decisions of development control or other quasi-judicial matters.

SECTION D7 - AUDIT AND GOVERNANCE COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Committee scope

- 1.1 The **Audit and Governance Committee** has specific responsibility for governance issues, including audit functions.
- 1.2 The Committee's scope is to:
- 1.2.1 provide independent assurance to those charged with governance of the adequacy of the risk management framework and the internal control environment;
 - 1.2.2 provide independent review of the **Council's** governance, risk management and control frameworks and oversee the financial reporting and annual governance process;
 - 1.2.3 oversee internal audit and external audit arrangements, helping to ensure efficient and effective assurance mechanisms are in place.
- 1.3 The success of the **Audit and Governance Committee** in exercising its audit functions depends upon its ability to remain apolitical. It must adopt a non-political approach to its meetings and discussions at all times. Remaining apolitical also places a duty on **Councillors** not to make inappropriate use of information provided to the Committee for other purposes.

Composition

- 1.4 The **Audit and Governance Committee** will comprise 10 Councillors in **Political Balance**.
- 1.5 Members of the **Committee** should not be members of **Cabinet** or **Scrutiny**.
- 1.6 The Chair will be appointed by **Full Council** annually.
- 1.7 Two **Independent Persons** may be co-opted as required to the Audit and Governance Committee to advise on finance matters or to a **Sub-Committee** of the Audit and Governance Committee in relation to standards matters but will not be entitled to vote at meetings.
- 1.8 At least one parish councillor may be present when matters relating to parish councils or their Councillors are being considered. Parish councillors are co-opted to the Audit and Governance Committee as required and will not be entitled to vote at meetings.

Quorum

- 1.9 The **Audit and Governance Committee Quorum** will be three **Councillors**.

2 MATTERS RESERVED FOR THE AUDIT AND GOVERNANCE COMMITTEE

Governance, Risk and Controls

- 2.1 The Committee has the right to access all the information it considers necessary to undertake the work of the Committee and may receive reports and refer matters to internal and external auditors.
- 2.2 To review the Council's corporate governance arrangements against the good governance framework, including the ethical framework and consider the local code of governance.
- 2.3 To review and approve the **Annual Governance Statement** and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the **Council's** framework of governance, risk management and control.
- 2.4 To consider the **Council's** arrangements to secure value for money and to review and scrutinise assurances and assessments on the effectiveness of these arrangements.
- 2.5 To consider the **Council's** framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
- 2.6 To monitor the effective development and operation of risk management in the **Council**.
- 2.7 To monitor progress in addressing risk related issues reported to the **Committee** such as the [Corporate Risk Register](#).
- 2.8 To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 2.9 To review the assessment of fraud risks and potential harm to the **Council** from fraud and corruption.
- 2.10 To monitor the [Anti-Fraud and Corruption Strategy](#), actions and resources.
- 2.11 To review the governance and assurance arrangements for significant partnerships or collaborations.
- 2.12 To review and monitor the **Council's** compliance with public sector financial and audit standards and guidance, in accordance with the **CIPFA** Codes and Accounts and Audit Regulations.

- 2.13 To review and monitor the Council's **Treasury Management** arrangements in accordance with the **CIPFA** Treasury Management Code of Practice.

3 INTERNAL AUDIT

- 3.1 To approve the internal audit charter.
- 3.2 To approve (but not direct) the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 3.3 To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- 3.4 To make appropriate enquiries of both management and the Head of Internal Audit (currently the Audit Manager) to determine if there are any inappropriate scope or resource limitations.
- 3.5 To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Head of Internal Audit. To approve and periodically review safeguards to limit such impairments.
- 3.6 To consider reports from the Head of Internal Audit on internal audit's performance during the year.
- 3.7 To consider internal audit's annual report:
- 3.7.1 The statement of the level of conformance with the **Public Sector Internal Audit Standards** and the results of the Quality Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of internal audit;
- 3.7.2 The opinion on the overall adequacy and effectiveness of the **Council's** framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the **Annual Governance Statement**.
- 3.8 To consider summaries of specific internal audit reports in accordance with agreed protocols.
- 3.9 To receive reports outlining the action taken where the Head of Internal Audit has concluded that management has accepted a level of risk that may be unacceptable to the Council or there are concerns about progress with the implementation of agreed actions.
- 3.10 To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.

- 3.11 To provide free and unfettered access to the **Audit and Governance Committee** Chair for internal audit, including the opportunity for a private meeting with the Committee.

4 **EXTERNAL AUDIT**

- 4.1 To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised.
- 4.2 To consider the external auditor's annual audit letter, relevant reports and the report to those charged with governance.
- 4.3 To consider specific reports as agreed with the external auditor.
- 4.4 To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 4.5 To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

5 **FINANCIAL REPORTING**

- 5.1 To review and approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the **Full Council**.
- 5.2 To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
- 5.3 To seek assurances that the **Council** has complied with the **Treasury Management** Strategy and Practices by demonstrating effective control of the associated risks and pursuing optimum performance consistent with those risks.

6 **ACCOUNTABILITY ARRANGEMENTS**

- 6.1 To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
- 6.2 To report to **Full Council**, as required, on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.
- 6.3 To publish an annual report on the work of the Committee.

7 RELATED FUNCTIONS

- 7.1 Subject to the requirements set out below, to consider all findings of the Local Government and Social Care Ombudsman, including reports resulting in a finding of maladministration against the **Council**, and to make recommendations as to actions that may be necessary in connection with the Ombudsman's findings.

There are statutory obligations which will, in some circumstances, require reports to be taken to **Cabinet** or **Full Council**.

The Ombudsman operates protocols in relation to the timing of the publication of findings. The Council would have to give consideration to those protocols when determining how to manage the **Audit and Governance Committee's Agenda**.

- 7.2 To review any issue referred to it by the **Chief Executive, S151 Officer, Monitoring Officer** or any **Council** body.

8 STANDARDS FUNCTIONS

- 8.1 To assist the Council in fulfilling its duty under the Localism Act 2011 to promote and maintain high standards of conduct by **Councillors** and **co-opted Councillors** of district and parish councils.
- 8.2 To advise the Council on the adoption or revision of its **Councillors' Code of Conduct** in **Part 4**.
- 8.3 To monitor and advise the Council about the operation of its **Councillors' Code of Conduct** in **Part 4** in light of best practice and any changes in the law.
- 8.4 Advising, training or arranging to train councillors and co-opted members on matters relating to the **Councillors' Code of Conduct** in **Part 4**.
- 8.5 Dealing with any report from the **Monitoring Officer** on any matter concerning governance.
- 8.6 To establish **Sub-Committees** for the assessment or determination of matters concerning allegations in relation to Councillor conduct.
- 8.7 To grant dispensations to **Councillors** who require such dispensations for more than one meeting or on more than one occasion from requirements relating to interests set out in the **Councillors' Code of Conduct** in **Part 4** as appropriate.
- 8.8 To advise the Council on, and review as necessary, the arrangements for dealing with complaints or any local protocols regulating the conduct of **Councillors** and to deal with allegations of breach of any such protocol.
- 8.9 To consider and make recommendations to **Full Council** on any other matter

that may be referred to the **Audit and Governance Committee** relating to the conduct and training of Councillors.

- 8.10 To consider amendments to the **Constitution** and recommend proposals to **Full Council** for approval, except where specifically delegated to the **Monitoring Officer**.
- 8.11 To undertake an annual review of the **Corporate Governance Policies** and make recommendations to **Cabinet**.

Local Assessment of Complaints About Councillor Conduct

- 8.12 **Sub-Committees** of the **Audit and Governance Committee** are formed on an ad hoc basis to deal with local assessment of **Councillor** conduct complaints.
- 8.13 All **Audit and Governance Committee** members will form a pool from which members will be drawn based on their availability and the requirements of the particular **Sub-Committee** as and when required.
- 8.14 The **Sub-Committee** may co-opt at least one parish councillor when decisions are taken concerning a parish matter.
- 8.15 The **Sub-Committee** may co-opt at least one **Independent Person** as appropriate.
- 8.16 No member who considered a complaint at the initial **Assessment/ Determination Sub-Committee** may consider the same complaint at the **Review Sub-Committee**.
- 8.17 The **Quorum** of the **Sub-Committees** is 3 **Councillors**.
- 8.18 The **Chair** of each **Sub-Committee** will be a **Councillor**.
- 8.19 The **Sub-Committees** and their functions are set out below:

Assessment Sub-Committee

Assessment of complaints in accordance with the **Council's Councillors' Code of Conduct** in **Part 4** and to either:

- Accept the **Monitoring Officer's** recommendation of no failure to comply with the **Councillor's Code of Conduct**;
- Refer the matter for full investigation; or
- Refer the matter for other action.

Review Sub-Committee

Consideration of requests for a review in accordance with the **Council's Councillors' Code of Conduct in Part 4.**

Determinations Sub-Committee

To receive reports from the **Monitoring Officer** or his/her appointed investigating officer and to decide either:

- to determine finding of no failure to comply with the **Councillors' Code of Conduct in Part 4;**
- to determine finding of failure to comply with the **Councillors' Code of Conduct in Part 4** and impose relevant sanctions; or
- Refer the matter for other action;

in accordance with the **Council's Councillors' Code of Conduct in Part 4.**

SECTION D8 - EMPLOYEE JOINT CONSULTATIVE COMMITTEE

1 COMMITTEE FORM AND STRUCTURE

Scope

- 1.1 The **Employee Joint Consultative Committee** shall meet as and when required. The **Chair** or Deputy Chair may request the **Monitoring Officer** to call a meeting at any time. A meeting shall also be called within seven days of the receipt of a requisition signed by not less than one third of the members of either side. The matters to be discussed at any meeting of the Committee shall be stated upon the notice summoning the meeting, provided that any other business may be considered if admitted by a majority vote of those present at such meeting.
- 1.2 No resolution shall be regarded as carried unless it has been approved by a majority of the members present on each side of the **Committee**.
- 1.3 The proceedings of any meeting of the **Committee** shall be reported to **Cabinet**.

Composition

- 1.4 The **Employee Joint Consultative Committee** will comprise six Councillors in **Political Balance** on behalf of the Council as employer and six representatives from the recognised trade unions on behalf of employees, in the following proportions:

General and Municipal Union (GMB)	Two representatives
Unite	One representative
UNISON	Three representatives

- 1.5 If a representative on behalf of the employees ceases to be an Officer of the Council, he/she shall thereupon cease to be a member of the **Employee Joint Consultative Committee** and any vacancy shall be filled by the Council.
- 1.6 The Chair and a Deputy Chair will be appointed by the **Employee Joint Consultative Committee** annually, at its first meeting following the statutory **Annual Meeting** of the Council. If the Chair appointed is a Councillor on behalf of the Council, the Deputy Chair shall be appointed from the representative on behalf of the employees, and vice versa. The Chair of the meeting shall not have a second or casting vote.

Quorum

- 1.7 The **Employee Joint Consultative Committee Quorum** will be three **Councillors** and three representatives on behalf of the employees.

Substitutes

- 1.8 Each group may appoint substitute Councillors in accordance with the **Councillors' Substitute Scheme Procedure Rules in Part 3**.
- 1.9 Each representative on behalf of the employees may appoint a substitute and is responsible for making their own arrangements.

Advisors and Observers

- 1.10 The following Officers may attend meetings of the **Employee Joint Consultative Committee** in an advisory capacity:

The **Chief Executive**

The **Strategic Directors**

Head of Human Resources and Organisational Development

- 1.11 The Monitoring Officer will be responsible for convening meetings and shall be represented by a Democratic Services Officer for the sole purpose of recording the minutes of the meeting.
- 1.12 Trade Union Officials or organisers will be allowed to attend the meetings and may speak to the meeting. Trade Union Representatives (other than the designated members of the **Employee Joint Consultative Committee**) will be permitted to attend as observers, subject to the provision of two working days' notice to the Head of Human Resources and Organisational Development.

2 FUNCTIONS OF THE EMPLOYEE JOINT CONSULTATIVE COMMITTEE

- 2.1 To provide a means of resolution for those matters that the Employee Consultation Group has been unable to resolve, provided that the decision is not one that should be made elsewhere.
- 2.2 To consider any relevant matter referred to it by a Committee of the Council or by any of the recognised trades unions.
- 2.3 To discharge any other functions specifically assigned to the **Employee Joint Consultative Committee**.
- 2.4 The **Employee Joint Consultative Committee** may refer any question coming before it for the consideration and advice of the East Midlands Regional Joint Council for Local Government Services.

SECTION D9 - INDEPENDENT REMUNERATION PANEL

1 PANEL FORM AND STRUCTURE

Composition

1.1 The Independent Remuneration Panel will comprise five independent members. In order to maintain the independence of the Independent Remuneration Panel, members shall not be:

- a person who has within the period of five years before receiving the date of appointment been a **Councillor** or Officer of the Council;
- a person who is a relative or close friend of a **Councillor** or Officer of the Council; and/or
- a person who does not either live or work in the **District**.

1.2 The term of office for members of the Independent Remuneration Panel is four years.

1.3 The Chair will be appointed at the first meeting of the Independent Remuneration Panel each year. The Chair shall have a casting vote.

Quorum

1.4 The **Independent Remuneration Panel Quorum** will be three members of the panel.

2 MATTERS RESERVED FOR THE INDEPENDENT REMUNERATION PANEL

To make recommendations to Council:

2.1 as to the amount of basic allowance that should be payable to its **Councillors**;

2.2 about the responsibilities or duties which should lead to the payment of a special responsibility allowance and as to the amount of such an allowance;

2.3 about the duties for which a travelling and subsistence allowance can be paid and as to the amount of this allowance;

2.4 as to the amount of co-optees' allowance;

2.5 as to whether the Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependents and if it does make such a recommendation, the amount of this allowance and the means by which it is determined;

- 2.6 on whether any allowance should be backdated to the beginning of a financial year in the event of the scheme being amended;
- 2.7 as to whether annual adjustments of allowance levels may be made by reference to an index and, if so, for how long such a measure should run;
- 2.8 as to which members of the Council are to be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972;
- 2.9 on whether basic allowances and special responsibility allowances should be treated as amounts in respect of which such pensions are payable.

SECTION E - THE CABINET (EXECUTIVE FUNCTIONS)

1 Introduction

- 1.1 The **Cabinet** will carry out the Council's **Executive Functions**. Functions that are not stated in the Local Authorities (Functions and Responsibilities) Regulations 2000 or in other legislation to be **Non-Executive Functions** are, by default, Executive Functions.
- 1.2 Where the **Cabinet** is exercising these functions, it may delegate those functions to Officers but not to an individual **Cabinet Member**.
- 1.3 Where **Executive Functions** have been delegated, that does not prevent the **Cabinet** from reviewing decisions made in the discharge of those functions in accordance with the provisions of this **Part 2**.
- 1.4 All **Executive Functions** not expressly reserved to the **Cabinet**, are delegated to Officers, subject to the restrictions on Officer powers set out in the **Officer Scheme of Delegation** at **Part 2 Section G** of the **Constitution**.
- 1.5 The **Cabinet** is responsible for making proposals to **Full Council** about what its priorities should be and how it should use its resources. Once approved by the Full Council, these proposals become the Council's **Budget and Policy Framework**.
- 1.6 The **Cabinet** is responsible for making all of the necessary arrangements to ensure that the priorities identified by the Council are delivered within the **Budget and Policy Framework** set by the **Full Council**. If Cabinet wishes to make a decision which is not in line with the Budget and Policy Framework, this must be referred to the Full Council as a whole to decide, subject to any relevant provisions in the **Financial Procedure Rules** in **Part 3**.

2 Composition

- 2.1 The **Cabinet** comprises the **Leader** of the Council together with at least two, but no more than nine other **Councillors**, one of whom will be the Deputy Leader, all appointed by the Leader. **Cabinet Members**, including the Deputy Leader, are appointed at the **Annual Meeting** of the **Full Council** at which the Leader is appointed. The Chair and **Deputy Chair of the Council** cannot be appointed to the Cabinet. No substitution arrangements will apply to the Cabinet.
- 2.2 The **Leader** and **Cabinet Members** cannot sit on the **Scrutiny Committees** or the **Audit and Governance Committee**. They can sit on any other Committees of the Council and can chair them but Cabinet Members should not be in a majority.
- 2.3 The **Cabinet Quorum** will be three **Councillors**.

3 **The Leader**

- 3.1 The **Leader** will be a Councillor elected for a one year term to the position of Leader.
- 3.2 The Leader will hold office until he/she:
- 3.2.1 resigns from the office;
 - 3.2.2 is disqualified or otherwise ceases to be a Councillor;
 - 3.2.3 is removed from office by resolution of the **Full Council** that requires the support of a simple majority of those Councillors present; or
 - 3.2.4 ends the term of office at the **Annual Meeting of Full Council** one year after the term begins, when the position of Leader is elected by simple majority for the next year.
- 3.3 If the **Full Council** passes a resolution to remove the Leader, the Full Council shall elect another Councillor as Leader at the meeting at which the Leader is removed from office, or at a subsequent meeting of the Full Council. If there is a vacancy in the office of Leader for any other reason, the Full Council shall elect another Councillor as Leader at the first Full Council meeting after the vacancy occurs. In the interim the Deputy Leader will assume the responsibilities of the Leader.
- 3.4 The law vests all executive responsibilities in the Leader of the Council who may choose to delegate them in any manner allowed by the law, namely:
- 3.4.1 the **Cabinet**;
 - 3.4.2 an individual **Cabinet Member**;
 - 3.4.3 a Committee of the Cabinet;
 - 3.4.4 an Officer of the Council;
 - 3.4.5 another authority;
 - 3.4.6 a **Joint Committee**.
- 3.5 At each **Annual Meeting** the Leader will inform Council of how he/she intends executive powers to be exercised over the ensuing municipal year. The Leader may alter these at any time during their period of office. Such changes may be reported to Council by the Leader.

4 **The Deputy Leader**

- 4.1 The **Leader** shall appoint a Deputy Leader who shall be a **Cabinet Member**

and deputise for the Leader and carry out the functions delegated to the Leader in periods of their incapacity or absence.

- 4.2 The Deputy Leader shall hold office until such time as the term of office of the Leader who appointed him/her comes to an end, or until he/she:
- 4.2.1 resigns from the office;
 - 4.2.2 is disqualified or otherwise ceases to be a Councillor; or
 - 4.2.3 is removed from office by the Leader.
- 4.3 If for any reason the Leader is unable to act or the office of Leader is vacant, and the Deputy Leader is unable to act or the office of Deputy Leader is vacant, the **Cabinet** must act in the Leader's place, or arrange for a **Cabinet Member** to act in his/her place.

5 **Cabinet Members**

- 5.1 Each **Cabinet Member** will be appointed by the Leader to cover one of the specific [portfolio responsibilities](#) (other than those reserved to the Leader) determined by the Leader. The opposition party shall nominate Councillors as shadow portfolio holders for each of the Cabinet portfolios.
- 5.2 A **Cabinet Member** shall hold office until such time as the term of office of the Leader who appointed him/her comes to an end, or until he/she:
- 5.2.1 resigns from the office;
 - 5.2.2 is disqualified or otherwise ceases to be a Councillor; or
 - 5.2.3 is removed from office by the Leader.
- 5.3 Each **Cabinet Member** may, by notification in writing to the Leader and to the **Chief Executive**, appoint a maximum of two Councillors as Cabinet support members to support the Cabinet Member in the discharge of his/her functions. Such Cabinet support members shall hold office until he/she:
- 5.3.1 Resigns from office;
 - 5.3.2 Is disqualified or otherwise ceases to be a Councillor; or
 - 5.3.3 Is removed from office, either individually or collectively, by notification in writing by the relevant Cabinet Member to the other Cabinet support member, the Leader and the Chief Executive.
- 5.4 Such Cabinet support members shall provide advice and support to relevant **Cabinet Members** but cannot take any executive decision or action.

6 Individual Cabinet Member Decisions

- 6.1 Cabinet Members shall have the responsibilities as determined by the Leader from time to time.
- 6.2 Cabinet Members exercising **Executive Functions** may delegate those functions to Officers.
- 6.3 Details of [current Cabinet Members and their portfolios](#) are available on the Council's website.

7 Proceedings of the Cabinet

- 7.1 Proceedings of the Cabinet shall be conducted in accordance with the **Cabinet (Executive) Procedure Rules** in **Part 3**.

8 Joint Executive Arrangements

- 8.1 Where joint arrangements are established with one or more local authorities and/or their **executives** to exercise functions which are **Executive Functions**, any **Joint Committee** appointed in accordance with those arrangements may, subject to the terms of those arrangements, discharge those Executive Functions. See the Council's [Joint Arrangements](#).

9 General responsibilities of the Executive

- 9.1 The **Executive** is responsible for:
 - 9.1.1 ensuring the effective and efficient discharge of the functions delegated to them;
 - 9.1.2 ensuring that any Council services within their remit are appropriate for and responsive to the needs and views of the Council's residents, and are delivered effectively and efficiently;
 - 9.1.3 ensuring that good external relationships and effective local liaison are promoted in relation to Council services within their remit;
 - 9.1.4 monitoring the functions of the Council within their remit and contributing to any Council aims, objectives and policies;
 - 9.1.5 determining policies and objectives for any Council services, within their remit, reviewing the extent to which they are met, and agreeing any necessary action;
 - 9.1.6 determining the Council's views on matters specific to their areas of responsibility and related external matters;
 - 9.1.7 ensuring the effective and efficient management of any services and

resources within their remit and, where appropriate, the effective and efficient discharge of the responsibilities of any subordinate bodies or person;

- 9.1.8 ensuring the promotion of rights, welfare and interests among all groups in society is given equal and primary consideration in all aspects of the Council's work and services;
- 9.1.9 promoting and developing international exchanges and links with towns and cities in other countries.

10 **Matters reserved for the Executive**

- 10.1 The following functions shall be exercised only by the **Executive** and will be taken by the Cabinet, or a Committee or **Sub-Committee** appointed by it, unless the **Leader** chooses to exercise these functions personally or allocate them to an individual Cabinet Member or a Committee of the Cabinet.
- 10.2 Where the **Cabinet** is exercising an **executive function**, in whole or in part, as set out below, the Cabinet is empowered to take all necessary and appropriate decisions to fulfil the obligations placed upon it, subject to any restrictions or constraints imposed by the law or this **Constitution**.
- 10.3 The Cabinet is responsible for:
 - 10.3.1 the taking of **Key Decisions**. These will be published in the **Executive Decision Notice** insofar as they can be anticipated;
 - 10.3.2 setting fees, charges or concession policies in respect of **Executive Functions**;
 - 10.3.3 the development of policy/strategy for the Council, the monitoring of the effectiveness of policy/strategy and the review of policy/strategy (leading to revision and further development);
 - 10.3.4 on an annual basis, to draw up proposals for the Council's revenue budget, **Capital Programme**, **Treasury Management** Policy and council tax levels for consideration and determination by **Full Council**;
 - 10.3.5 to prepare the draft **Budget and Policy Framework** documents and in so doing to consult with the Corporate Scrutiny Committee and to include in its submission to the **Full Council** a statement of views received and the **Cabinet** response to those views;
 - 10.3.6 to approve or adopt non-development plan documents and to modify, revise, revoke or withdraw a **Development Plan Document** where such modification, revision, revocation or withdrawal: is required to give effect to a direction of the Secretary of State under the Planning and Compulsory Purchase Act 2004; is recommended by a person carrying out an independent examination under Section 20 of the 2004

- Act; or is authorised by a determination made by **Full Council** when approving or adopting the development plan document;
- 10.3.7 ensuring that proper arrangements exist for the effective and efficient management of the Council's executive affairs and the delivery of policy/strategy;
 - 10.3.8 to be responsible for promoting community leadership, social value and the economic, social and environmental well-being of the area;
 - 10.3.9 approving, monitoring and reviewing the provision of services to the Council which are delivered by internal and/or external suppliers;
 - 10.3.10 overseeing, approving and co-ordinating policies on national and external communications, public and media relations and public affairs generally;
 - 10.3.11 overseeing relationships with, participation in and contribution to external organisations and partnerships, the Local Government Association, or their successors or like bodies;
 - 10.3.12 ensuring Officers exercising delegated powers on behalf of the Cabinet discharge their responsibilities efficiently and effectively;
 - 10.3.13 monitoring and reviewing issues relating to the implementation of strategy and policy;
 - 10.3.14 supporting any relevant regional arrangements relating to regional policy, transportation, planning and environmental issues;
 - 10.3.15 to refer to the **Full Council** for determination all matters which are departures from the **Budget and Policy Framework** adopted by the Full Council, except matters of urgency which shall be dealt with in accordance with the procedures set out in **Part 3 Section E**;
 - 10.3.16 to undertake a continuing review of the Council's broad policy objectives and priorities over the whole range of its functions and to secure a continuous review and evaluation of the effectiveness of services and demonstrate that the Council is delivering those services in accordance with the principles of **Best Value**, calling upon the **Scrutiny Committees** to assist in that process as it considers appropriate;
 - 10.3.17 to report to the **Full Council**, where appropriate, on any matters which Council or the **Scrutiny Committees** have requested;
 - 10.3.18 to present a business progress report annually in writing to Council usually at the meeting preceding Annual **Full Council** (to be presented by the Leader on behalf of Cabinet);

- 10.3.19 to take any urgent action necessary in the event of a civil emergency and to determine general policy matters at such times;
 - 10.3.20 promoting the Council's policies relating to climate change from time to time in force;
 - 10.3.21 to exercise the Council's duty in Section 17 of the Crime and Disorder Act 1998 to reduce crime and disorder;
 - 10.3.22 to exercise the powers and duties of the Council under Sections 13 of the Public Order Act 1986;
 - 10.3.23 dealing with any petitions referred to Cabinet in accordance with the Council's adopted petition scheme;
 - 10.3.24 to make decisions on behalf of the Council as member or shareholder in any companies that the Council is, or may become, a member or shareholder.
- 10.4 **Cabinet** may discharge these functions itself, through a Cabinet Committee or **Sub-Committee** or by delegation to an Officer. In addition, the Cabinet may appoint such advisory panels, including any Councillor, as it considers appropriate to provide advice to it.

11 **Responsibilities of all Cabinet Members**

- 11.1 The following are the general responsibilities which apply to all **Cabinet Members**. These responsibilities include various functions which are delegated to each Cabinet Member to discharge.
- 11.2 There are occasions when matters affect more than one portfolio of responsibility. On such occasions, the **Cabinet Member** with the primary responsibility shall take the lead, in consultation with all Cabinet Members with an interest.
- 11.3 Each **Cabinet Member** is the spokesperson for the policy area or 'portfolio' they are responsible for. They also:
 - 11.3.1 lead on developing Council policy and make recommendations to the **Cabinet**;
 - 11.3.2 provide guidance to the Cabinet on delivering services within their portfolio area;
 - 11.3.3 give guidance to the Cabinet on budget priorities;
 - 11.3.4 monitor performance and make sure policy is delivered;
 - 11.3.5 lead on improving Council services;

- 11.3.6 ensure that activities meet the Council's overall vision, core values and guiding principles;
- 11.3.7 represent the Council at a national and local level;
- 11.3.8 contribute to debate and decision-making;
- 11.3.9 work with all Councillors and Officers to make sure that the scrutiny process works correctly including appearing before relevant Scrutiny meetings and responding to **Scrutiny Committee** reports;
- 11.3.10 make decisions as delegated to them by the Leader within the responsibility of the Cabinet Member's portfolio;
- 11.3.11 ensure appropriate consultation and liaison with partners and the community on matters within the scope of their portfolio.

12 Responsibilities of the Leader

The Leader of the Council shall:

- 12.1 Chair the **Cabinet**;
- 12.2 Nominate a Deputy Leader;
- 12.3 Select the **Cabinet Members** and determine their **portfolios of responsibility**, determine the size of and preside over and provide leadership and direction to the **Cabinet**;
- 12.4 Have the power to vary the portfolios held by Cabinet Members and shall determine which Cabinet Members shall hold a lead role in respect of any cross cutting policy matter;
- 12.5 Appoint **Committees** and **Sub-Committees** of the **Cabinet** and determine their powers;
- 12.6 Represent and act as ambassador for the Council as Leader of the Council (recognising the role of the **Chair of the Council**);
- 12.7 Have overall responsibility for:
 - 12.7.1 policy development and design;
 - 12.7.2 Ministerial and Members of Parliament liaison;
- 12.8 Co-ordinate the decision-making process of the **Cabinet** and its **Committees** within the **Budget and Policy Framework** agreed by the Council;
- 12.9 Co-ordinate the **Cabinet's** preparation of draft proposals to amend or update the **Budget and Policy Framework**;

- 12.10 Co-ordinate the preparation of the **Annual Budget**;
- 12.11 Represent the Council's views on matters of corporate or strategic policy and any other matters which are within the Leader's terms of reference;
- 12.12 Submit to the **Cabinet** all policy and/or operational matters which have corporate implications or which cross the remits of the individual **Cabinet Members**;
- 12.13 Provide appropriate and timely **Cabinet** responses to **Scrutiny Committee** recommendations and to monitor the implementation of those responses.
- 12.14 Act in the place of any **Cabinet Member** having delegated authority under this scheme.

The [portfolio responsibilities](#) of the Leader can be found on the Council's website.

13 **Scope of and Limitations to Individual Cabinet Member Decision-Making**

- 13.1 Any decisions taken by individual **Cabinet Members**, including the **Leader**, will be notified, by email, to all Councillors as soon as possible after the decision has been taken. The record of all decisions shall be recorded and publicised in accordance with the **Access to Information Procedure Rules** in **Part 3**.
- 13.2 **Cabinet Members** are empowered to make delegated decisions as determined by the Leader.
- 13.3 **Cabinet Members** may take a **Key Decision** subject to the usual requirements in relation to Key Decisions (including advance publication) detailed in the **Access to Information Procedure Rules** in **Part 3**.
- 13.4 **Cabinet Members** may refer a decision to the **Cabinet**.
- 13.5 **Cabinet Members** may delegate a function or decision to an Officer. If a function is so delegated, the Cabinet Member shall complete a written record.
- 13.6 If the **Monitoring Officer**, **S151 Officer** or **Chief Executive** give advice that a decision would fall outside the powers of the Cabinet Member, the Cabinet Member shall refer the matter to the **Leader** or the **Cabinet**.
- 13.7 Where it is not clear in which **portfolio** an issue sits, the Leader will decide.
- 13.8 Decisions by individual **Cabinet Members** including the **Leader**, must be recorded on a Decision Notice in an agreed format. The signed copy of the Decision Notice will be held by the Democratic Services team. The decision will be published electronically.

14 Procedure for Taking Executive Decisions

- 14.1 All Executive decisions shall be taken in accordance with the principles of decision-making as described in **Section A** of this **Part 2**.
- 14.2 **Executive Functions** must be exercised in accordance with the Council's **Budget and Policy Framework** subject to any discretions permitted by, and within any limitations imposed by, the **Cabinet (Executive) Procedure Rules** in **Part 3**.
- 14.3 Decisions made by the **Leader, Cabinet**, an individual **Cabinet Member** or a Committee of the Cabinet, or **Key Decisions** made by an Officer with delegated authority from the **Executive**, or under Joint Arrangements, shall be subject to the "Call-in" procedure as set out in the **Scrutiny Procedure Rules** in **Part 3**.

SECTION F - JOINT ARRANGEMENTS

- 1.1. The **Full Council** may establish joint arrangements with other local authorities and/or their executives to exercise functions (which are **non-Executive Functions** in any of the participating authorities) or advise the Council. The **Cabinet** may establish joint arrangements for Executive Functions. Joint arrangements may include appointing **Joint Committees**.
- 1.2. Joint arrangements will normally take one of two forms: the appointment of a **Joint Committee** of two or more authorities, or the delegation of functions by one authority to another.
- 1.3. If the **Joint Committee** is to discharge **Non-Executive Functions**, it must be appointed by **Full Council** and appointments must reflect the **Political Balance** of the Council as a whole. If it is to discharge **Executive Functions**, it must be appointed by the **Cabinet**. The **Cabinet** can only appoint **Cabinet Members** to the Joint Committee (except where the Joint Committee involves five or more authorities or has to be set up under specific legislation). If it is to discharge a mix of non-executive and Executive Functions, it must be appointed by Full Council with the agreement of the **Leader**. In that case, if only one Councillor is appointed, he/she can be, but need not be, a Cabinet Member, but if more than one Councillor is appointed then those appointed must include at least one Cabinet Member, and the **Political Balance** rules do not apply.
- 1.4. **Full Council** or the **Cabinet** may delegate their powers and functions to another local authority or the **Executive** of another local authority.
- 1.5. The decision whether or not to accept the delegation of **Non-Executive Functions** from another local authority shall be reserved to a **Full Council** meeting.
- 1.6. The decision whether or not to accept the delegation of **Executive Functions** shall be taken by the Cabinet.
- 1.7. The Cabinet may contract-out **Executive Functions** to another body or organisation if this is allowed by an order under Section 70 of the Deregulation and Contracting Out Act 1994. Alternatively, the Cabinet may enter into arrangements where the contractor acts as the Council's agent under usual contracting principles, provided there is no delegation of the Council's decision-making.
- 1.8. The Council currently participates in the following joint arrangements:
 - 1.8.1. The Council has entered a joint arrangement with neighbouring district councils and the County Council for the enforcement of decriminalised parking.
 - 1.8.2. The Council has entered a joint arrangement with neighbouring

councils for the administration of Revenues and Benefits.

- 1.8.3. The Council has entered a joint arrangement with the local authorities in Leicester, Leicestershire and Rutland for the establishment of a Police and Crime Panel.
- 1.8.4. The Council has entered a joint arrangement with neighbouring district councils under which Blaby District Council discharges the Council's functions in relation to Disabled Facilities Grants.
- 1.8.5. The Council has entered a joint arrangement with Charnwood Borough Council under which Charnwood Borough Council discharges the Council's functions in relation to Building Control.

SECTION G - OFFICER SCHEME OF DELEGATION

This part of the **Constitution** sets out the ways in which the Officers of the Council can make decisions and which decisions they have the power to make. It is called the **“The Officer Scheme of Delegation”**

It is separated into four parts:

Section G1 - Introduction to the Officer Scheme of Delegation

Section G2 - General Delegations to Designated Officers

Section G3 - Delegations to Head of Paid Service and Statutory Officers

Section G4 - Proper Officer and Specified Officer Functions

SECTION G1 - INTRODUCTION TO THE OFFICER SCHEME OF DELEGATION

- 1 “Officers” is the term used to refer to the people employed, retained or appointed by the Council to advise and support Councillors and implement their decisions. The term “Officers” in this **Constitution** includes all the people who operate in this capacity including contractors, consultants and agency staff.
- 2 The Council operates a “cascade” principle of delegation to ensure that decisions are taken at the most appropriate level closest to those who will be affected. This means that the majority of the Council's decisions and actions will fall into the category of operational day to day decisions taken by its Officers.
- 3 In order to ensure the smooth functioning of the Council and the efficient delivery of services, **Full Council** and the **Cabinet** have delegated to Officers the powers that they need to perform their roles.
- 4 Certain Officers have specific legal duties to ensure that the Council acts within the law, uses its resources wisely and exercises its powers properly. These Officers are known as “Statutory” or “Proper” Officers and some have specific legal titles in addition to their job titles.
- 5 The way the Council structures its services and its officer arrangements changes from time to time to reflect changes in service delivery and best practice. The current arrangements include a **Chief Executive** (as the most senior officer of the Council) supported by the other senior roles which are set out below and which together are referred to as the “**Senior Officers**”:
 - 5.1 **Strategic Directors;**
 - 5.2 Head of Finance and Customer Services (**S151 Officer**);
 - 5.3 Head of Legal and Commercial Services (**Monitoring Officer**); and
 - 5.4 Heads of Service.
- 6 The **Head of Paid Service**, the **S151 Officer** and the **Monitoring Officer** are also called “**Statutory Officers**” (because every Council is required by statute - the law - to have these posts).
- 7 It is possible (subject to any legal restrictions) for the roles of the **S151 Officer** and/or the **Monitoring Officer** to be combined with another of the **Senior Officer** posts (or with other Officer posts in the Council).
- 8 There are also a number of formal functions which the Council has to allocate to named Officers called “**Proper Officers**”.
- 9 **Section A** of this Part 2 shows the current management structure of the Council, showing more detail about the roles and responsibilities of the **Chief**

Officers and the Officers supporting them to deliver all the Council's services.

General Principles Relating to Officer Delegation

- 10 For the purposes of Officer delegated powers, both within this part and any other part of the **Constitution**, the term “**Designated Officers**” shall include the following Officers:
 - 10.1 The **Chief Executive**;
 - 10.2 The **Strategic Directors**;
 - 10.3 Head of Finance and Customer Services (**S151 Officer**);
 - 10.4 Head of Legal and Commercial Services (**Monitoring Officer**); and
 - 10.5 All **Heads of Service**.

- 11 This scheme gives the power for the **Designated Officers** to take decisions and institute any process or take any steps in relation to all the functions in their areas of responsibility except where:
 - 11.1 a matter is prohibited by law from being delegated to an **Officer**, or
 - 11.2 a matter has been specifically reserved to **Councillors** or excluded from delegation by this scheme, by a decision of the **Full Council**, the **Cabinet/Executive** or a **Committee** or **Sub-Committee**.

- 12 No Officer may take **Key Decisions** unless specifically provided for within the **Constitution** or specifically delegated by the **Leader**, the **Cabinet**, a Committee of Cabinet or a **Cabinet Member**.

- 13 The cascade principle under which this Scheme operates means that any Officer given powers under this scheme can further delegate those powers to other Officers either:
 - 13.1 through a Local Scheme of Delegation (which sets out all the standing delegations given to specific Officers in defined areas of the Council's service areas). There is a list of the [Local Schemes of Delegation](#); or
 - 13.2 through a Specific Delegation in relation to an individual decision which must be evidenced in writing using the agreed standard form, dated and signed by the Officer delegating the power and saved on the register of [Specific Delegations](#). A Specific Delegation does not need to be given where an Officer is given delegated powers to action a particular decision by Council, Cabinet or a Committee or Sub-Committee.

General limitations on exercise of powers

- 14 Any matters falling within the scope of the Scheme will be subject to any

limitation, imposed by statute, by the **Full Council** or **Cabinet** and/or any duly authorised Committee. In addition, in exercising these powers each **Designated Officer**:

- 14.1 Will comply with relevant Procedure Rules including the **Financial Procedure Rules** in **Part 3** and **Contract Procedure Rules** in **Part 3**. In the event of any inconsistency or conflict between the **Financial Procedure Rules** and/or **Contract Procedure Rules** and these delegations then the former shall prevail. In the event that the inconsistency or conflict cannot be resolved by the application of this rule then the matter shall be settled by the **Chief Executive** with advice, where necessary and appropriate, from the **S151 Officer** and/or the **Monitoring Officer**;
 - 14.2 Will not depart from any approved policies, scheme, or, any direction of the **Full Council** or **Cabinet** and/or appropriate Committee;
 - 14.3 Will have due regard to the Public Sector Equality Duty;
 - 14.4 Will consult the appropriate professional or technical Officer of the Council, in particular the **Monitoring Officer** and **S151 Officer**, in any case involving professional or technical consideration not within the capacity of the Officer concerned; and
 - 14.5 Will take account of any Council Strategy and the **Budget and Policy Framework** approved by Council in relation to the management functions for which he/she is authorised.
- 15 The exercise by Officers of the powers delegated under this **Constitution** involving the incurring of any expenditure is subject to there being sufficient approved provision within the budget to cover that expenditure.
 - 16 Any delegation under the Scheme will be without prejudice to the overriding right of the **Council** or **Cabinet** and any duly authorised **Committee** to withdraw or amend the powers or to decide any matter and, in particular, any **Designated Officer** may, in any case, instead of exercising their powers under the Scheme, refer any matter to the **Council**, the **Cabinet** or **Committee** for decision.
 - 17 The Scheme will also be subject to the right of the **Council** or **Cabinet** and/or any duly authorised Committee to rescind the Scheme or any part or parts of the Scheme.

SECTION G2 - GENERAL DELEGATIONS TO DESIGNATED OFFICERS

1 General

- 1.1 To exercise any functions, powers and duties of the Council to secure the effective management of their service areas including the authorisation of any procedures or contracts within the framework of **Financial Procedure Rules in Part 3** and **Contract Procedure Rules in Part 3**, and taking and implementing decisions to maintain the operational effectiveness of their service areas where these fall within a policy decision made by the Council or Cabinet.
- 1.2 To implement and develop initiatives within the strategic policy framework and other Council plans and policy documents.
- 1.3 To carry out, or authorise the carrying out, of the functions of the **Proper Officer** of the Council in any legislation relating to those areas of responsibility assigned to **Designated Officers**.
- 1.4 To exercise the general power of competence under the Localism Act 2011 where appropriate.

2 Incidental powers

- 2.1 In addition to any of their general and/or specific delegated functions and powers set out below, to enter into arrangements or do anything else which is calculated to facilitate, or is conducive or incidental to, the discharge of such delegated functions.

3 Service Performance

- 3.1 To make arrangements to secure value for money in respect of their service areas, to secure continuous improvement in the way functions are exercised having regard to a combination of economy, efficiency and effectiveness, and to maximise economic, environmental and social value.
- 3.2 To arrange consultation with tax payers, non-domestic rate-payers, service users and other local representatives about fulfilment of the best value duties and to involve representatives of local persons in the exercise of Council functions.
- 3.3 To meet business critical and key performance indicator targets.
- 3.4 To enter into any agreement with any other public body for the supply of goods and/or services subject to this being in accordance with the Council's **Budget and Policy Framework**, the **Financial Procedure Rules in Part 3** and the **Contract Procedure Rules in Part 3**.
- 3.5 To make arrangements for co-ordinating the activities of the Council and those of any charity established for purposes similar or complementary to services provided by the Council in the interests of persons who may benefit from

those services or from the charity and to disclose to any such charity any information obtained in connection with the services provided by the Council.

- 3.6 To approve any severance payment to any Officer up to £20,000 in consultation with the **S151 Officer** and **Monitoring Officer**, provided that any proposed severance payment to the **Head of Paid Service** will be dealt with either by the **Investigatory Committee** or **Full Council** (dependent on the value of the proposed severance payment).

4 **Legal**

- 4.1 To recommend to the **Head of Legal and Commercial Services**, where it is necessary to give effect to a decision of the Council, the need to institute, prosecute, defend, conduct, participate in, withdraw or settle any legal proceedings brought by or against the Council, to make any necessary applications and to take steps to enhance or protect the Council's legal position or interest.
- 4.2 To recommend to the **Head of Legal and Commercial Services**, the negotiation and settling of claims and disputes without recourse to court proceedings including the use of alternative dispute resolution.
- 4.3 Subject to the agreement of the **Head of Legal and Commercial Services**, to authorise Officers to appear on the Council's behalf in proceedings before any Court or Tribunal.
- 4.4 To prepare, issue and serve any statutory notice, demand, certificate, order, or requisition for information in respect of functions in their area, including the authentication of such documents save that the authentication of documents necessary for any legal procedure or proceedings is reserved to the **Head of Legal and Commercial Services**.
- 4.5 To authorise Officers to enter and/or inspect any land or premises in respect of which the Council has a statutory power or duty to enter or inspect including the obtaining and enforcement of a search warrant.
- 4.6 To authorise any Officer exercising a power to enter and/or seize items found on premises to exercise the powers of seizure, to give the required notice and to perform the duties to return certain items seized and to secure certain items seized.
- 4.7 To apply, or to authorise other Officers to apply, to a Court for a warrant to enter any land or premises, in exercise of his/her responsibilities.
- 4.8 To certify that any document forms part of the records of the Council for the purpose of admitting that document as evidence in civil proceedings.
- 4.9 To authorise the recovery of sundry debts of any sum to which the Council is entitled.

- 4.10 To take the action necessary to comply with any court order made against the Council.
- 4.11 To appoint Officers as authorised Officers for any statutory purpose.
- 4.12 To accept, hold and administer any property on trust (in consultation with the **Head of Legal and Commercial Services** and **S151 Officer**).
- 4.13 To supply photocopies of documents to the general public subject to making such charges as may be agreed in an approved scheme in accordance with the provisions of the Copyright, Designs and Patents Act 1988.

5 **Administrative Matters**

- 5.1 Power to deal with requests for access to Council premises by the media.
- 5.2 Power to waive charges, where justified in exceptional circumstances and where this is legally permissible.

6 **Finance**

- 6.1 Officers are referred to the **Financial Procedure Rules** in **Part 3** of the **Constitution**.

7 **Contracts**

- 7.1 Officers are referred to the **Contract Procedure Rules** in **Part 3** of the **Constitution**.

8 **Property Matters**

- 8.1 Any decision concerning the management or use of land held for the operational requirements of the Officers of a service area, subject to the following provisions.
- 8.2 Powers to take any action or sign any document under the Land Registration Rules, including the release of mortgages or charges; and powers to give any undertaking are reserved to the **Head of Legal and Commercial Services**.
- 8.3 Subject to the agreement of the **S151 Officer**, the power to acquire any land or property with a capital value up to or equalling £100,000 except by use of compulsory powers is reserved to the **Chief Executive** and the **Strategic Directors** in consultation with the relevant Portfolio Holder. The power to acquire any land or property with a capital value over £100,000 is reserved to Cabinet.
- 8.4 Subject to the agreement of the **S151 Officer**, the power to dispose of any land or property with a capital value up to or equal to £30,000 is reserved to the **Chief Executive** and the **Strategic Directors** in consultation with the relevant Portfolio Holder. Disposal of any land or property with a capital value over

£30,000 is reserved to Cabinet.

- 8.5 Subject to the agreement of the **S151 Officer**, the power to take a lease or licence of any land or property for any period where the rent is up to £100,000 per annum is reserved to the **Chief Executive** and the **Strategic Directors** in consultation with the relevant Portfolio Holder. Taking a lease or licence of any land or property for any period where the rent is over £100,000 per annum is reserved to Cabinet.

9 **Emergencies (e.g. flooding, power failure etc.)**

- 9.1 Where an emergency or disaster involving destruction of or danger to life or property occurs or is imminent or there is reasonable ground for apprehending such an emergency or disaster, all **Designated Officers** may:

9.1.1 incur such expenditure as is considered necessary in taking action (either by the Council itself or jointly with any other person or body and either in their area or elsewhere in or outside the United Kingdom) which is calculated to avert, alleviate or eradicate in the **District** or among its inhabitants the effects or potential effects of the event; and

9.1.2 make grants or loans to other persons or bodies in respect of any such action taken by those persons or bodies, subject to ratification where necessary, as soon as possible, and subject to agreement of a **Strategic Director** or the **Chief Executive**.

- 9.2 The preparation of Civil Emergency Plans for the Council, in consultation with all necessary outside bodies and organisations.

10 **Responding to consultations and proposals**

- 10.1 To respond to consultations and to make comments and representations on matters notified to the Council by third parties including (but not limited to) Government Departments, statutory undertakers and local authorities, in consultation with the relevant Strategic Director and **Portfolio Holder**.

11 **Submission of grant funding bids**

- 11.1 To submit bids for grant funding and/or other financial assistance to Government departments and other organisations and bodies for projects and initiatives consistent with Council policies, following consultation with the relevant Strategic Director and **Portfolio Holder**, and to enter into any such agreements and arrangements as necessary to secure such funding, in accordance with the **Contract Procedure Rules** in **Part 3** and the **Financial Procedure Rules** in **Part 3**.

12 **Complaints**

- 12.1 To take action regarding complaints received.

- 12.2 To settle any Ombudsman / Complaint Cases:
- 12.2.1 cases of alleged maladministration where there has not been a finding of maladministration by the Ombudsman; and
 - 12.2.2 complaints that have been brought against the Council under any of its internal complaints procedures in conjunction with the **Head of Legal and Commercial Services**.
- 12.3 To approve compensation payments to remedy complaints in accordance with the Council's Complaints Procedure and **Financial Procedure Rules** in **Part 3**.
- 13 **Attestation of the Common Seal of the Council**
- 13.1 A decision of the Council, Cabinet, a Committee or any Officer with delegated authority, will be sufficient authority for sealing any document necessary to give effect to the decision.
 - 13.2 The Common Seal will be affixed to those documents which in the opinion of the **Head of Legal and Commercial Services** should be sealed or where required by the **Contract Procedure Rules** in **Part 3**.
 - 13.3 The affixing of the Seal on documents shall be attested by the **Head of Legal and Commercial Services** or any Officer authorised by him/her.

SECTION G3 - DELEGATIONS TO THE HEAD OF PAID SERVICE AND STATUTORY OFFICERS

The Council is required to designate a number of Officers to discharge statutory functions. The legal provisions and the Officer designated by the Council to discharge each function are listed in the table below. Further detail about the responsibilities of the **Head of Paid Service** and each **statutory Officer** then follows.

A table of designated **Proper Officers** is set out below:

Legislative Provision	Statutory Power the Council Must Delegate to an Officer	Officer Designated as the Statutory Officer
S4 Local Government and Housing Act 1989	Designate one of their Officers as the Head of Paid Service	Chief Executive
S151 Local Government Act 1972	Appoint an Officer responsible for the administration of the authority's financial affairs	Head of Finance
S5 Local Government and Housing Act 1989	Designate one of their Officers as the Monitoring Officer	Head of Legal and Commercial Services
S36 Freedom of Information Act 2000	Qualified person in relation to s36 of the Act	Head of Legal and Commercial Services

1 **Functions delegated to the Head of Paid Service (Chief Executive)**

- 1.1 To act as the Council's statutory Head of Paid Service pursuant to section 4 of the Local Government and Housing Act 1989 and carry out the responsibilities assigned to the Head of Paid Service under the **Constitution** generally.
- 1.2 Where he/she considers it appropriate to do so, to prepare a report to the Council setting out their proposals as to:
 - 1.2.1 the manner in which the discharge by the Council of their different functions is co-ordinated;
 - 1.2.2 the number and grades of staff required by the Council for the discharge of their functions;
 - 1.2.3 the organisation of the Council's staff;
 - 1.2.4 the appointment and proper management of the Council's staff.

- 1.3 To be responsible for and take action in relation to corporate strategy, policy initiatives and integrated planning and service delivery.
- 1.4 The corporate management of the Council and, specifically:
- 1.4.1 Advice to the Council on the **Policy Framework**;
- 1.4.2 Preparation of, and consultation on, the draft of the **Executive Decision Notice** on a monthly basis;
- 1.4.3 The responsibility for the discharge of the Council's functions in implementation of statutory and non-statutory plans including the modernisation, collation, indexation and publication of policies and practices of the Council within the evolving Policy Framework as the **Full Council** and the **Executive** shall determine.
- 1.5 As required to exercise any function delegated to any other Officer of the Council, with the exception of those functions delegated exclusively to the Council's **S151 Officer** or the **Monitoring Officer**. Further, in the event of any dispute or doubt as to the delegated powers of any other **Designated Officer**, the **Chief Executive** shall have the authority to determine which **Designated Officer** is to exercise that power.
- 1.6 To provide the 'certificate of opinion' for an employee making an application to the **Audit and Governance Committee** for exemption of his/her post from political restriction under section 3 of the Local Government and Housing Act 1989 (opinion as to whether the duties of the post involve regularly giving advice to **Councillors** or speaking to journalists/broadcasters).
- 1.7 The power to determine that an emergency has occurred, namely, an event or situation which threatens serious damage to human welfare or to the environment in the **District** or war or terrorism which threatens serious damage to the security of the United Kingdom.
- 1.8 The power to incur expenditure and take any necessary action within local authority statutory functions, including jointly with other authorities, in the event of an emergency or where urgent action is needed to enable the Council to fulfil its functions.
- 1.9 To nominate other **Senior Officers** of the **Council**, whether orally or in writing, to take administrative decisions in the event of an emergency.
- 1.10 In the event that the **Chief Executive** is absent or unable to act for any reason, the **Strategic Directors** may exercise these powers. In the event that the Strategic Directors are absent or unable to act for any reason, the powers in paragraphs 1.8, 1.9 and 1.10 above may be exercised by any other **Chief Officer** who is available to act.
- 1.11 To take urgent **Key Decisions** in place of the **Executive** in accordance with the **Cabinet (Executive) Procedure Rules** in **Part 3**.

- 1.12 In the event that all **Cabinet Members** are removed from office, to exercise all **Executive Functions** in consultation with the **Chair of the Council** until a new Cabinet has been appointed.
- 1.13 To discharge the functions of Electoral Registration Officer and to appoint Deputy Electoral Registration Officers.
- 1.14 To act as Returning Officer, Local, Acting or Deputy Returning Officer in local elections, parliamentary elections, police and crime commissioners' elections and referenda.
- 1.15 The review of electoral arrangements and **District** boundaries.
- 1.16 To carry out all activities in connection with the Council's Human Resources function including:
- 1.16.1 To determine all staffing matters in accordance with the **Officer Employment Procedure Rules** in **Part 3**. This includes determining matters relating to structure (additions, reductions and other changes to the establishment) as he/she considers appropriate following consultation with the Leader and Deputy Leader.
- 1.16.2 The appointment, dismissal or discipline of staff, except in relation to those posts listed in paragraph 1.2 of the said Rules.
- 1.16.3 Where the decision of the Head of Paid Service taken under (a) above requires consideration of the financial/budgetary implications and a decision in that respect only, then the matter will be referred to the Cabinet, provided that the remit of the Cabinet shall be limited to decisions on financial matters only.
- 1.16.4 To approve any severance payment to any Officer between £20,000 and £100,000 with the agreement of the **Leader** and in consultation with the **S151 Officer** and **Monitoring Officer**, provided that any proposed severance payment to the Head of Paid Service will be dealt with either by the **Investigatory Committee** or **Full Council** (dependent on the value of the proposed severance payment).
- 1.16.5 The Head of Paid Service may delegate the discharge of this function to another Officer.
- 1.17 To co-ordinate, direct and monitor the Council's initiatives to achieve Best Value in the delivery of its functions.
- 1.18 To be responsible for performance review issues.
- 1.19 To suspend the Strategic Directors where their continued presence at work may prejudice an investigation or where there is a prima facie case of gross misconduct (Cabinet to be notified as soon as possible after the action is taken

in accordance with the Employment Procedure Rules contained in the **Constitution**).

- 1.20 To make interim appointments to fill vacancies, and to make interim designations as **S151 Officer** and **Monitoring Officer** where a vacancy arises in such position, the term of each such appointment or designation not to extend beyond 18 months without the confirmation of the **Appointments Committee**.
- 1.21 To make agreements with other local authorities and external agencies in compliance with the **Contract Procedure Rules** in **Part 3** for the placing of staff and joint working arrangements (including committing expenditure within authorised budgets).
- 1.22 To authorise the use of juveniles and vulnerable adults as covert human intelligence sources under the Regulation of Investigatory Powers Act 2000.

2 **Functions delegated to the S151 Officer (Head of Finance)**

- 2.1 To act as the Council's statutory chief finance Officer pursuant to section 114A Local Government Finance Act 1988 and carry out the responsibilities assigned to the S151 Officer under the Council's **Financial Procedure Rules** in **Part 3** and under the **Constitution** generally, including carrying out all **Treasury Management** functions and activities in accordance with the approved **Treasury Management** Strategy.
- 2.2 To make arrangements for the proper administration of the Council's financial affairs in accordance with section 151 of the Local Government Act 1972.
- 2.3 To contribute to the corporate management of the Council, in particular through the provision of professional financial advice.
- 2.4 Maintaining strong financial management underpinned by effective financial controls by:
 - 2.4.1 Advising on effective systems of internal management and financial control;
 - 2.4.2 Ensuring that financial management arrangements are sound and effective;
 - 2.4.3 Ensuring a prudential financial framework is in place;
 - 2.4.4 Ensuring that any partnership arrangements (or other innovative structures for service delivery) are underpinned by clear and well documented internal financial controls;
 - 2.4.5 Securing effective arrangements for prudential borrowing, **Treasury Management**, pensions and trust funds;
 - 2.4.6 Ensuring there is an effective internal audit function and assisting

- management in providing effective arrangements for financial scrutiny;
- 2.4.7 Advising on anti-fraud and anti-corruption strategies and measures;
- 2.4.8 Securing effective systems of financial administration; and
- 2.4.9 Ensuring that statutory and other accounts and associated claims and returns in respect of grants are prepared.
- 2.5 To approve the detailed format of the financial plan and the budget prior to approval by the **Full Council**.
- 2.6 To approve the annual calculation of the Council's council tax requirement in accordance with section 31A Local Government Finance Act 1992 prior to approval by the **Full Council**.
- 2.7 To report annually to Council on the robustness of the budget and adequacy of reserves as required by section 25 Local Government Act 2003.
- 2.8 To provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and **Budget and Policy Framework** issues to Council Officers and **Councillors**.
- 2.9 To report to Councillors, in consultation with the **Monitoring Officer**, if there is or there is likely to be unlawful expenditure or an unbalanced budget as required by sections 111-116 Local Government Finance Act 1988.
- 2.10 To establish and maintain the general fund and collection fund of the Council in accordance with the provisions of the Local Government Act 1988.
- 2.11 To manage the capital programme flexibly and to make adjustments to the phasing of approved projects within the limits of available capital resources.
- 2.12 To approve the draft Council's Accounts and Accounting Policies each year in accordance with the Accounts and Audit (England) Regulations 2015.
- 2.13 To approve the terms of release of staff aged 55 or over and made redundant or retired early with a claim on the pension scheme, in accordance with agreed procedures, save in relation to **Chief Officers** which is reserved to the Independent Remuneration Panel.
- 2.14 To write off uncollectible debts relating to the management of tenanted properties, up to the level equivalent to four months' rent. All debts written off this way would be reported to **Cabinet** for information through the quarterly reporting procedures.
- 2.15 To provide financial information to the media, members of the public and the community.

3 **Functions delegated to the Monitoring Officer (Head of Legal and Commercial Services)**

- 3.1 To act as the Council's statutory **Monitoring Officer** pursuant to section 5 and 5A Local Government and Housing Act 1989 and carry out the responsibilities assigned to the Monitoring Officer under the **Constitution** generally.
- 3.2 To ensure that the Council, its Officers and its elected **Councillors** maintain the highest standards of conduct.
- 3.3 To contribute to the corporate management of the Council, in particular through the provision of professional legal advice.
- 3.4 To establish and maintain the **Councillors' Code of Conduct** in **Part 4** to address the conduct that is expected of **Councillors** and co-opted members of the Council when they are acting in that capacity.
- 3.5 To establish and maintain a register of interests of Councillors and co-opted members of the Council in accordance with the provisions of the Localism Act 2011.
- 3.6 To contribute to the promotion and maintenance of high standards of conduct through provision of support to the **Audit and Governance Committee**.
- 3.7 To receive and act on reports made by the **Audit and Governance Committee**.
- 3.8 To consider complaints against **Councillors** including conducting investigations into matters as appropriate and the making of reports or recommendations in respect of them to **Sub- Committees** of the Audit and Governance Committee.
- 3.9 To provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and **Budget and Policy Framework** issues to Council Officers and **Councillors**.
- 3.10 To report to **Councillors** on any actual or potential breaches of the law or maladministration as required by section 5 Local Government Housing Act 1989.
- 3.11 To advise whether decisions of the **Cabinet** are in accordance with the **Budget and Policy Framework**.
- 3.12 To be responsible for the maintenance and operation of the **Constitution**. The **Monitoring Officer** has authority to make minor amendments and corrections to the Constitution to ensure that:
 - 3.12.1 legislative references are updated;

- 3.12.2 it reflects the Council's structures and decision-making requirements;
- 3.12.3 consequential amendments are made as a result of Council, Executive (Leader, Cabinet, Cabinet Member) and Committee decisions; and
- 3.12.4 it is clear and unambiguous and maintains efficiency of operations.
- 3.13 To advise and assist the Democratic and Support Services **Team Manager** with the proper performance of the **Access to Information Procedure Rules** in **Part 3**.
- 3.14 To fulfil the requirements of the 'qualified person' in relation to section 36 of the Freedom of Information Act 2000.
- 3.15 To designate "Proper Officers" for the purpose of particular statutory functions and to make any changes needed to the table at 1.5 in Section G4 of this Part of the **Constitution**.
- 3.16 After consultation with the Chair of the **Audit and Governance Committee**, to make compensation payments of up to £500 to victims of maladministration.
- 3.17 To instruct Counsel and to retain the services of costs specialists, parliamentary agents or outside solicitors and to obtain expert advice on any matter affecting or likely to affect the interests of the Council.
- 3.18 Authority to sign any document necessary in legal proceedings on behalf of the Council and authority to sign informations and complaints, and lay them on behalf of the Council for the purpose of Magistrates Court proceedings unless Statute provides otherwise.
- 3.19 May grant dispensations to **Councillors** who require such dispensations for one meeting or on one occasion from requirements relating to interests set out in the **Councillors' Code of Conduct** in **Part 4** as appropriate.

For the purpose of carrying out these functions, the **Monitoring Officer** shall be provided with the following resources:

- 3.20 The right of access to all documents and information held by or on behalf of the Council, including documents and information held by any Officer or **Councillor** of the Council. For the purpose of clarification, this right does not extend to documents and information held by or on behalf of any political group represented on the Council;
- 3.21 The right of access to any meetings of Officers or **Councillors** (or both) of the Council, whether or not such meetings include any other persons. For the purpose of clarification, this right does not extend to any meetings held by or on behalf of any political party represented on the Council;
- 3.22 The right to require any Officer or **Councillor** of the Council, or any contractor

of the Council, to provide an explanation of any matter under investigation;

- 3.23 A right to report to the **Full Council**, the **Audit and Governance Committee**, and to the **Cabinet**, including a right to present a written report and to attend and advise verbally;
- 3.24 The right to require the assistance of any Officer of the Council in carrying out an investigation and to delegate to that Officer any of the powers of the post of Monitoring Officer;
- 3.25 A power to mediate a local resolution to any complaint of breach of the **Councillors' Code of Conduct** in **Part 4**, in accordance with the **Council's** relevant procedures;
- 3.26 The right of access to the **Head of Paid Service/Chief Executive, Strategic Directors** and the **S151 Officer**; and
- 3.27 The right, after consultation with the **Head of Paid Service/Chief Executive** and/or the **S151 Officer** where appropriate to notify the Police, the Council's auditors and other regulatory agencies of his/her concerns in respect of any matter and to provide them with information and documents in order to assist them with their statutory functions.

SECTION G4 - PROPER OFFICER AND SPECIFIED OFFICER FUNCTIONS

- 1.1 Many legislative provisions require the appointment of a "**Proper Officer**" or "Specified Officer" to undertake formal responsibilities on behalf of the Council.
- 1.2 Statutory provisions and regulations are from time to time amended, replaced or re-enacted. When a statutory provision or regulation is amended, replaced or re-enacted, the appointments in the table below shall be effective in relation to the corresponding new provision.
- 1.3 Substitutes are identified to act where the Proper Officer is absent or otherwise unable to act.
- 1.4 The **Chief Executive/Head of Paid Service** shall be the **Proper Officer** of the Council for the purposes of the Local Government Act 1972, the Local Government Act 2000 and for all other statutory purposes unless:
- 1.4.1 such designation is given by the Council to any other Officer or
- 1.4.2 the Chief Executive/Head of Paid Service, exercising the powers given to him/her by this **Constitution**, appoints another Officer of the Council to be the **Proper Officer** for a specific service area or function.

SPECIFIED OFFICERS

Statutory Requirement	Allocated to	Substitute
Local Government and Housing Act 1989 Section 4 Head of Paid Service	Chief Executive	Strategic Directors
Representation of the People Act 1983 Section 8 Electoral Registration Officer	Chief Executive	A deputy, as appointed by the Electoral Registration Officer
Representation of the People Act 1983 Section 28 Acting Returning Officer (Parliamentary)	Chief Executive	As appointed by the Acting Returning Officer
Representation of the People Act 1983 Section 35 Returning Officer (Local Elections)	Chief Executive	As appointed by the Returning Officer

Local Government and Housing Act 1989 Section 5 Monitoring Officer	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Local Government Act 1972 Section 151 Chief Finance Officer	S151 Officer	Deputy S151 Officer

1.5 A table of designated **Proper Officers** is set out below:

Section of the Local Government Act 1972 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer
Section 13 To act as a Parish Trustee	Chief Executive	Strategic Directors
Section 83 (1) to (4) Witness and receipt of Declarations of Acceptance of Office	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section 84 Receipt of Declaration of Resignation of Office	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section 86 Declare any vacancy in office	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section 88 (2) Convening of meeting of Council to fill casual vacancy in the office of Chair	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section 89 (1) (b) Receipt of notice of casual vacancy from two local government electors	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)

Section 99 Signature of summons to Council meetings	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section 100B Exclusion of reports, etc. from inspection	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 100C Written Summary where minutes would disclose exempt information	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 100D Compilation of list of background papers	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 100F Exclusion from production to Councillors of documents disclosing exempt information	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 115 (2) Receipt of money due from Officers	S151 Officer	Deputy S151 Officer
Section 146 (1) (a) and (b) Declarations and service with regard to securities	S151 Officer	Deputy S151 Officer
Section 191 Functions with respect to Ordnance Survey	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 210 (6) and (7) Charity functions of holders of offices with existing authorities transferred to holders of equivalent offices with new authorities or, if there is no such office, to Proper Officer	Chief Executive	Strategic Directors

Section 223 Authorise Officers to appear in legal proceedings	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 225 (1) Receipt and retention of documents deposited with the Authority	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 228 (3) Making accounts open to inspection by any Councillor of the Authority	S151 Officer	Deputy S151 Officer
Section 229 (5) Certification of Photographic copies of Documents	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 234 Authentication of Documents	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 234 Officer authorised to sign forms of notice to give effect to planning applications	Head of Planning and Regeneration	Planning and Development Team Manager
Section 236 (9) and (10) To send copies of byelaws to Parish Council	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 238 Certification of byelaws	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer

Section 248 Officer who will keep the Roll of Freeman	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Schedule 12, Para 4 (2) (b) Signature of summonses to Council Meetings	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Schedule 12, Para 4 (3) Receipt of notice regarding address to which summonses to meetings are to be sent	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Schedule 14, Para 25 (7) Certifying resolutions applying or dis-applying provisions of Public Health Acts 1875-1961	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Local Government Act 1974	Proper Officer	Alternative Proper Officer
Section 30(5) To give notice that copies of an Ombudsman's report are available	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)
Section of the Local Government (Access to Information) Act 1985 amending the Local Government Act 1972 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer
Section 100B (2) Exclusion of whole or part of reports from public inspection	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 100B (5) Withholding of reports containing exempt information	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer

Section 100B (7) (c) Supply of papers to press	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 100C (2) Summaries of Minutes	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 100D Inspection of background papers	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section 100F Councillors' right to papers	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors
Section of the Local Government Finance Act 1988 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer
Section 114 Duty to report etc	S151 Officer	Deputy S151 Officer
Section of the Local Government and Housing Act 1989 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer
Part 1 (s.2.4, 3, 4, 5, 15) and regulations made thereunder	Chief Executive	Strategic Directors
Section 2 and Section 3 Preparation and deposit of politically restricted posts and issue of certificate in respect of politically restricted posts	Chief Executive	Strategic Directors
Section of the Party Wall etc Act 1996 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer
Section 10(8) Appointing Officer	Chief Executive	Strategic Directors

Section of the Public Health Act 1936 and the Public Health Act 1961	Proper Officer	Alternative Proper Officer
Sections 84 and 85 of the Public Health Act 1936 Proper Officer functions	Strategic Directors	Head of Community Services
Section of the Food Safety Act 1990	Proper Officer	Alternative Proper Officer
Section 5 Authorised Officer to act in matters arising under the Act	Strategic Directors	Head of Community Services
Section 27 Nomination of a Public Analyst	Strategic Directors	Head of Community Services
Section 49 Signature on documents authorised or required under the Act	Strategic Directors	Head of Community Services
Local Government Act 2000 and Regulations made thereunder and Proper Officer functions	Proper Officer	Alternative Proper Officer
Proper Officer functions	Chief Executive	Strategic Directors
Section of the Freedom of Information Act 2000 and Proper Officer Functions	Proper Officer	Alternative Proper Officer
Section 36 the “qualified person”	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer

Section of the Regulation of Investigatory Powers Act 2000 and Proper Officer Functions	Proper Officer	Alternative Proper Officer
Part II Authorised Officers who may authorise, review or cancel the carrying out of directed surveillance or the use of covert human intelligence sources	Chief Executive Strategic Directors	Heads of Service
Part II Senior Responsible Officer	Chief Executive	Strategic Directors
Miscellaneous: Statutory Provision and Proper Officer Functions	Proper Officer	Alternative Proper Officer
Section 41 Local Government (Miscellaneous Provisions) Act 1976 Certifying true copies of minutes	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer
Section 321 (3) Highways Act 1980 Certifying copies of approved plans	Chief Executive	Strategic Directors
Section 61 Building Act 1984 Receive notification of and having free access to repairs of drains	Strategic Directors	as delegated by the Strategic Directors
Section 149 Environmental Protection Act 1990 Discharging functions relating to stray dogs	Head of Community Services	Environmental Health Team Manager
Section 2 Planning (Listed Buildings and Conservation Areas) Act 1990 Lists of protected buildings	Strategic Directors	Head of Planning and Regeneration
Proceeds of Crime Act 2002 Part 7 Nominated Officer to receive disclosures of suspected Money Laundering	S151 Officer	Deputy S151 Officer

Part 3

Rules of Procedure

Section A – Council and Committee Procedure Rules

Section A1 – Interpretation and Chair's Ruling

Section A2 - Procedure Rules

Section B - Cabinet (Executive) Procedure Rules**Section C - Access to Information Procedure Rules****Section D - Scrutiny Procedure Rules****Section E - Budget and Policy Framework Procedure Rules****Section F - Financial Procedure Rules****Section G - Contract Procedure Rules****Section H - Officer Employment Procedure Rules****Section I - Councillors' Substitute Scheme Procedure Rules**

SECTION A1 - INTERPRETATION AND CHAIR'S RULING

SECTION A2 - PROCEDURE RULES

Rule

1. Annual Meeting of the Full Council
2. Ordinary Meetings of the Full Council
3. Extraordinary Meetings of the Full Council
4. Chair of the Council and Deputy-Chair of the Council
5. Time and Place of Meetings
6. Notice and Summons to Meetings
7. Chairs and Deputy-Chairs of Meetings
8. Quorum
9. Duration of Meeting
10. Questions by the Public
11. Public/Councillor Participation at Meetings
12. Questions by Members
13. Motions on Notice
14. Motions and amendments Without Notice
15. Previous Decisions and Motions
16. Rules of Debate
17. Voting
18. Minutes
19. Deputations
20. Record of Attendance
21. Exclusion of Public
22. Councillor Conduct
23. Disturbance by Public

24. Committees and Sub-Committees
25. Suspension of Council and Committee Procedure Rules
26. Petitions

SECTION A1 - INTERPRETATION AND CHAIR'S RULING

1. The procedure rules in section A2 apply to meetings of the **Full Council** and to meetings of **Committees** and **Sub-Committees** except that:
 - 1.1 Rules 1, 2, 3, 5, 10, 11, 12, 13.1.2, 13.1.6, 13.1.18, 16.5 and 16.7 do not apply to meetings of **Committees** and **Sub-Committees**;
 - 1.2 Rule 9 (Duration of Meetings) does not apply to meetings of any board, group, **Committee**, or panel at which the appointment of staff is being considered or a meeting of a quasi-judicial nature; and
 - 1.3 Rule 16.1 shall not apply to meetings of the **Planning Committee** meaning that a debate can proceed without a motion being moved and seconded.
2. The procedure rules in section A2 do not apply to meetings of the **Cabinet** – for which see the **Cabinet (Executive) Procedure Rules** in **Part 3** Section B.
3. References in these Council and Committee Procedure Rules to the **Chair of the Council, Leader** of the Council or Chair, include the appointed deputy or any other Councillor acting in their absence.
4. References in these Council and Committee Procedure Rules to the **Chair of the Council** shall include the Chair of any meeting where appropriate.
5. These Council and Committee Procedure Rules should be read in conjunction with other parts of the **Constitution**.
6. The ruling of the **Chair of the Council** on the application and interpretation of these Council and Committee Procedure Rules is final.

SECTION A2 - PROCEDURE RULES

1. **Annual Meeting of the Full Council**

Timing and Business

 - 1.1 The **Annual Meeting** of the **Full Council** shall be held at the Council Offices.
 - 1.2 In a year when there is an ordinary election of **Councillors**, the **Annual Meeting** will take place within 21 days of the retirement of the outgoing Councillors.
 - 1.3 In any other year, the **Annual Meeting** will take place in March, April or May.
 - 1.4 The **Annual Meeting** will:
 - 1.4.1 elect a person to preside if the **Chair of Council** is not present;

- 1.4.2 elect the **Chair of the Council**;
- 1.4.3 appoint the **Deputy Chair of the Council**;
- 1.4.4 approve the minutes of the last meeting of **Full Council** as a correct record;
- 1.4.5 receive any announcements from the **Chair of the Council** and/or **Chief Executive**;
- 1.4.6 elect the **Leader** of the Council for a period of one year;
- 1.4.7 receive any declarations of interest (the **Councillor** must comply with the **Councillor's Code of Conduct** in relation to whether they are able to remain in the room and/or vote);
- 1.4.8 receive the report of the **Leader** setting out the size and membership of his/her **Cabinet** and how he/she intends executive powers to be exercised over the ensuing municipal year;
- 1.4.9 allocate seats on **Committees** and **Sub-Committees** in accordance with the principles of **Political Balance** where required;
- 1.4.10 receive nominations and appoint **Councillors** to serve on all relevant **Committees** as the Council considers appropriate to deal with matters which are neither reserved to the Council nor are **Executive Functions** as set out in this **Constitution**;
- 1.4.11 appoint at least one **Scrutiny Committee**, an **Audit and Governance Committee** and such other **Committees** as the **Council** considers appropriate to deal with matters which are neither reserved to the Council nor are **Executive Functions** (as set out in **Part 3** of this **Constitution**);
- 1.4.12 decide the size and terms of reference for those **Committees**;
- 1.4.13 receive nominations and appoint **Councillors** to serve as representatives to outside bodies for **Non-Executive Functions**;
- 1.4.14 receive nominations of **Councillors** to serve on each board or **Committee** and outside body and appoint to those boards, Committees and outside bodies except where appointment to those bodies has been delegated by the Council or is exercisable only by the **Cabinet** (provided always that this is without prejudice to the right of the Council at any time to establish or dissolve any board or Committee or to review its size and terms of reference);
- 1.4.15 agree the Scheme of Delegation set out in **Part 3** of this **Constitution**;
- 1.4.16 approve a programme of ordinary meetings of the Council for the year;

1.4.17 conduct items 2.4.1 to 2.4.12 of the business of an ordinary meeting of Council; and

1.4.18 consider any business set out in the notice convening the meeting.

2. **Ordinary Meetings of the Full Council**

2.1 Ordinary meetings of the Council will take place in accordance with a programme decided by **Full Council**.

2.2 The **Chief Executive** is responsible for convening all **Committee** meetings in accordance with the programme set under Rule 2.1.

2.3 A meeting of the **Full Council** will take place each year in order to calculate the budget requirement and set the council tax. This is known as the **Budget Council meeting**.

2.4 Ordinary meetings will:

2.4.1 select a person to preside if the **Chair of the Council** and Deputy Chair are not present;

2.4.2 approve the minutes of the last meeting of **Full Council** as a correct record;

2.4.3 receive any declarations of interest (the **Councillor** must comply with the **Councillor's Code of Conduct** in relation to whether they are able to remain in the room and/or vote);

2.4.4 receive any announcements from the Chair, the **Leader**, **Cabinet Members** or the **Chief Executive**;

2.4.5 receive any petitions in accordance with the Council's petition scheme or deputations;

2.4.6 receive any questions from, and provide answers to, the public;

2.4.7 receive any questions from Councillors;

2.4.8 deal with any business from the last Council meeting;

2.4.9 receive reports from the **Cabinet** and the **Council's** boards or **Committees** and receive questions and answers on any of those reports as required by law or specifically referred by those bodies;

2.4.10 receive reports about, and receive questions and answers on, the business of joint arrangements and external organisations;

2.4.11 consider motions; and

2.4.12 consider any business specified in the summons to the meeting.

2.5 In making any announcements from the **Leader** and **Cabinet Members** under paragraph 2.4.4 above, the Leader and not more than 2 Cabinet Members may indicate to the Chair and then address the Council for not more than 5 minutes each on a topic of current importance to the Council, its area or the inhabitants of its area.

3. **Extraordinary Meetings of the Full Council**

Calling extraordinary meetings

3.1 Those listed below may request the **Chief Executive** to call meetings of the **Full Council** in addition to ordinary meetings:

3.1.1 the **Full Council** by resolution;

3.1.2 the **Chair of the Council**;

3.1.3 the **Monitoring Officer**; and/or

3.1.4 any five **Councillors** if they have signed a requisition presented to the **Chair of the Council** and he/she has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

3.2 When requested, the **Chief Executive** shall call a meeting of the Council unless he/she is of the opinion that the business to be discussed at the proposed meeting can conveniently wait until the next ordinary meeting of the Council.

3.3 The only item which may be considered at an extraordinary meeting is the matter for which the meeting has been called. No questions or notices on motion in addition to this item will be permitted.

3.4 The requisition to which rule 3.1.4 above applies shall set out the nature of the item to be considered at the proposed meeting and why this is urgent.

4. **Chair of the Council and Deputy Chair of the Council**

4.1 The **Chair of the Council** and the **Deputy Chair of the Council** will be appointed by the **Annual Meeting of Full Council**.

4.2 If the office of **Chair of the Council** becomes vacant during a civic year it will be filled at the next **Full Council** meeting, or, if a vacancy arises within 14 days before that meeting, it will be filled at the next but one meeting.

4.3 If the office of **Deputy Chair of the Council** becomes vacant during a civic year it will be filled at the next **Full Council** meeting, or, if a vacancy arises within 14 days before that meeting, it will be filled at the next but one meeting.

4.4 The **Chair of the Council** will chair meetings of the **Full Council**. In the Chair of the Council's absence the **Deputy Chair of the Council** will chair the meeting. In the absence of both the Chair of the Council and the Deputy Chair of the Council, the Full Council will appoint another Councillor to chair the meeting.

5. Time and Place of Meetings

5.1 The time and place of meetings will be determined by the **Chief Executive** and notified in the summons.

5.2 All Council meetings will begin at 6:30pm, unless the Council or the Chair decides otherwise. The Council will normally meet at the Council Offices.

6. Notice and Summons to Meetings

6.1 The **Chief Executive** or other authorised Officer will give notice to the public of the time and place of any meeting in accordance with the **Access to Information Procedure Rules** in **Part 3**. At least five clear working days before a meeting, the **Agenda** will be sent via email to all Councillors with the date, time and place of each meeting and with links to access the reports via the Council's website. Clear days excludes the day of the meeting, the day on which the meeting is called, weekends and bank holidays.

6.2 No report shall appear as an item on the summons for a meeting unless the opportunity has been afforded to the **Monitoring Officer** and the **S151 Officer** to consider the legal and financial implications of the report and the impact, if any, on the **Budget and Policy Framework**.

6.3 In the event of an urgent matter requiring consideration, the report will be included on the summons or be considered as an urgent item, in accordance with the **Access to Information Procedure Rules** in **Part 3**, and with the agreement of the **Monitoring Officer** and the **S151 Officer**.

7. Chair and Deputy Chair of Meetings

7.1 The person presiding at the meeting may exercise any power or duty of the Chair in relation to the conduct of a meeting. Where these rules apply to meetings of boards or **Committees**, reference to the Chair also include the Chairs of boards or Committees.

7.2 The **Annual Meeting of Full Council** will appoint Chairs and (where required) Deputy Chairs of all Committees.

7.3 The **Full Council** may at any time remove a Chair or Deputy Chair of a Committee.

7.4 Where there is a Committee vacancy for Chair, the Deputy Chair will act as Chair until the **Full Council** fills the vacancy.

7.5 Where **Full Council** has appointed the Chair and Deputy Chair and there are vacancies for both Chair and Deputy Chair, the Committee or **Sub-Committee** will appoint one of its members to be temporary Chair until the vacancy is filled by the Full Council.

7.6 Written notice of the resignation of a Chair or Deputy Chair will be effective on receipt by the **Chief Executive**.

7.7 If the Chair and Deputy Chair are disqualified from acting, are absent, or decline to act as chair, the meeting will appoint another member to chair the meeting. If that **Councillor** has to leave, another Councillor should be appointed.

8. **Quorum**

8.1 Subject to any specific statutory requirement, the **Quorum** of a meeting will be one quarter of the whole number of members or three voting members, whichever is the greater.

8.2 There must be a **Quorum** within 15 minutes of the scheduled start time of a meeting, otherwise the meeting will stand adjourned.

8.3 If, during the course of a meeting, the number of **Councillors** present falls below the **Quorum**, the meeting cannot continue. The meeting will be adjourned and any outstanding business will be considered at a time and date fixed by the Chair. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting or extraordinary meeting convened for that purpose.

9. **Duration of Meetings**

9.1 All meetings of the Council will end after it has sat for three hours, except that an extension may be agreed by resolution to extend the meeting for no more than half an hour.

10. **Questions by the Public**

General

10.1 A member of the public may ask a question including one of the Leader or a **Cabinet Member** at any meeting of the Council.

Order of questions

10.2 Questions will be asked in the order in which notice of them was received, except that the Chair may group together similar questions. A maximum of thirty minutes will be allowed for the questions and answers. The Chair will decide the time allocated to each question.

Notice of questions

- 10.3 A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the **Monitoring Officer** no later than 12 noon three clear days before the date of the meeting. Each question must give the name and address of the questioner and must name the Cabinet Member to whom it is to be put.

Number of questions

- 10.4 At any one meeting no person may submit more than one question and no more than one question may be asked on behalf of one organisation.

Scope of questions

- 10.5 The **Monitoring Officer** may reject a question if it:
- 10.5.1 is not about a matter for which the Council has a responsibility or which affects the **District**;
 - 10.5.2 is vexatious, derogatory, defamatory, frivolous or offensive;
 - 10.5.3 concerns a Council employment or staffing matter or sensitive personal information about a Councillor;
 - 10.5.4 is unrelated to functions of the Committee;
 - 10.5.5 would require the disclosure of confidential or exempt information;
 - 10.5.6 is substantially the same as a question which has been put at a meeting of the Council in the past 6 months;
 - 10.5.7 relates to a planning application.
- 10.6 If a question is rejected, the person who submitted it will be notified in writing before the meeting and given the reasons for the rejection.

Record of questions

- 10.7 The **Monitoring Officer** will immediately send a copy of the question to the Cabinet Member to whom it is to be put if applicable. The Democratic Services Team will maintain a table of questions received and this can be made available on request. The details of all accepted questions are available within the minutes of the meeting, which are available and searchable on the Council's [website](#). Rejected questions will include reasons for rejection.
- 10.8 Copies of all questions will be circulated to all **Councillors** and will be made available to the public attending the meeting.

Asking the question at the meeting

- 10.9 The Chair will invite the questioner to put the question to the **Cabinet Member** named in the notice. If a questioner who has submitted a written question is unable to be present, the question will not be dealt with.

Supplemental question

- 10.10 A questioner who has put a question in person may also put one brief supplementary question without notice to the **Cabinet Member** who has replied to his/her original question. A supplementary question must arise directly out of the original request or reply. The **Chair** may reject a supplementary question on any of the grounds in Rule 10.5 above or if the question takes the form of a speech.

Response

- 10.11 An answer may take the form of:
- 10.11.1 a direct oral answer;
 - 10.11.2 where the desired information is contained in a publication of the Councillor or other published work, a reference to that publication; or
 - 10.11.3 where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.
- 10.12 Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the **Cabinet Member** to whom it was put, will be dealt with by a written answer.

Reference of question to a Committee

- 10.13 Unless the Chair decides otherwise, no discussion will take place on any question but any **Councillor** may move that the matter raised by a question be referred to **Cabinet** or the appropriate board or Committee. Once seconded, such a motion will be voted on without discussion.
- 10.14 Ordinarily the Chair will invite the **Leader** or the **Cabinet Member** with responsibility for the issue concerned to respond to the question. In some circumstances, the Chair may invite a **Councillor** to respond to the question, if appropriate.

11. Questions by Councillors

On Announcements or Reports of the Leader, the Cabinet, or the Chair of a Board or Committee

- 11.1 A **Councillor** may ask the Leader or a **Cabinet Member**, or the Chair of a board or Committee questions without notice about any matter contained in any

address or report under paragraph 2.4.4 and 2.4.9 when it is being considered. Questions from Councillors and responses under this provision shall be limited to 5 minutes in total in relation to 2.4.4 and 2.4.9 respectively.

Questions on notice at Full Council

- 11.2 Subject to Rule 11.3, a **Councillor** may ask the **Leader**, a **Cabinet Member**, or the **Chair of Full Council** or a Committee, a question on any matter in relation to which the Council has powers or duties, or which affects the interests of the **District** or its residents.
- 11.3 A Councillor may only ask a question under Rule 11.2 if either:
- 11.3.1 they have submitted their question in writing or by electronic mail to the **Monitoring Officer** no later than 12 noon three clear days before the date of the meeting; or
 - 11.3.2 where the question relates to urgent matters, they have the consent of the **Councillor** to whom the question is to be put and the content of the question is given to the **Monitoring Officer** by midday on the day of the meeting.

Response

- 11.4 An answer may take the form of:
- 11.4.1 a direct oral answer;
 - 11.4.2 where the desired information is contained in a publication of the **Councillor** other published work, a reference to that publication; or
 - 11.4.3 where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

Supplementary question

- 11.5 A **Councillor** asking a question under Rule 11.2 may ask one supplementary question without notice of the Councillor to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

Number of questions

- 11.6 Questions are limited to one per **Councillor** per meeting, plus one supplementary question.

Time for Questions

- 11.7 There will be a time limit of thirty minutes on **Councillors'** questions and answers with no extension of time. Questions not dealt with in this time will be

dealt with by written responses. The **Chair** will decide the time allocated to each question.

Format of Questions

- 11.8 **Councillors** must confine their contributions to questions and answers and not make statements or attempt to debate. The **Chair** will decide whether a Councillor is contravening the rule and stop the Councillor concerned. The Chair's ruling will be final.

12. Motions on Notice

Notice

- 12.1 Except for motions which can be moved without notice under Rule 13 below and motions to remove the **Leader**, written notice of every motion, signed by at least one **Councillor**, must be delivered to the **Monitoring Officer** not later than midday seven clear days before the date of the meeting. All accepted motions are available within the minutes of the meeting and are available and searchable on the Council's [website](#).

Motion set out in Agenda

- 12.2 Motions for which notice has been given will be listed on the **Agenda** in the order in which notice was received, unless the **Councillor** giving notice states, in writing, that he/she proposes to move it to a later meeting or withdraw it.

Scope

- 12.3 Motions must be about matters for which the Council has a responsibility or which affect the area.

Exclusion of notices of motion out of order

- 12.4 The Chair, on the advice of the **Chief Executive**, may refuse a motion which may be out of order in accordance with the reasons set out in Rules 10.5.1-10.5.7 or he/she may make such corrections therein as will bring it into due form with the approval of the mover(s).
- 12.5 In accordance with Rule 14 below, if a motion seeks to vary or reverse a decision made by Council within the previous twelve months it will not be included in the summons.

Motions to remove the Leader

- 12.6 The **Leader** may be removed from office during his/her one year term of office by resolution of Council. Such a motion is required to be delivered to the **Chief Executive** seven clear days before the meeting. The motion must be in writing, signed by 20% of the total number of councillors and propose a nomination for a new Leader.

- 12.7 In the event that the **Leader** is removed by a resolution of Council under the above paragraph, the new Leader may be appointed at the same or next available meeting of the Council.

Motions not moved

- 12.8 If a motion set out in the summons is not moved by the **Councillor(s)** who gave notice, it shall be treated as withdrawn and shall not be moved without fresh notice.

Motions to be referred to Committee

- 12.9 Motions falling within the remit of a **Committee** shall, after being moved and seconded, be automatically referred to the relevant Committee, however, the **Chair** has the power to allow them to be dealt with at the Council meeting save in relation to **Executive Functions**.

13. Motions and Amendments Without Notice

- 13.1 The following motions and amendments may be moved without notice:
- 13.1.1 to appoint a **Chair** of the meeting at which the motion is moved;
 - 13.1.2 in relation to the accuracy of the minutes;
 - 13.1.3 to change the order of business in the **Agenda**;
 - 13.1.4 to refer something to an appropriate body or individual;
 - 13.1.5 to appoint a Committee or Councillor arising from an item on the summons for the meeting;
 - 13.1.6 to require a named vote to be taken in accordance with Rule 16.4 or 16.5;
 - 13.1.7 to approve or refuse recommendations of **Committees** or Officers and any resolutions following from such approval or refusal;
 - 13.1.8 to grant leave to withdraw a motion;
 - 13.1.9 to amend a motion;
 - 13.1.10 to proceed to the next business;
 - 13.1.11 that the question be now put (other than by a **Councillor** who was the last speaker);
 - 13.1.12 to **Adjourn** a debate;

13.1.13 to **Adjourn** a meeting;

13.1.14 to extend the meeting in accordance with Rule 8;

13.1.15 to suspend a particular Rule in accordance with Rule 23.1 below;

13.1.16 to exclude the public and press in accordance with the **Access to Information Procedure Rules in Part 3**;

13.1.17 to not hear further from a **Councillor** named in accordance with Rule 20.4 or to exclude them from the meeting under Rule 20.5; and

13.1.18 to give the consent of the Council where its consent is required by this **Constitution**.

14. **Previous Decisions and Motions**

Motion to rescind a previous decision

14.1 A motion or amendment to rescind a decision arising from a motion moved and adopted at a Council meeting within the past six months cannot be moved unless the Notice of Motion is signed by at least one third of the members.

Motion similar to one previously rejected

14.2 A motion or amendment in similar terms to one that has been rejected at a meeting of the **Full Council** in the past six months cannot be moved unless the notice of motion or amendment is signed by at least one third of Councillors. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

15. **Rules of Debate**

No speeches until motion seconded

15.1 No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

Motion in writing

15.2 Unless notice of the motion has already been given or the motion is set out as a recommendation, the motion or an amendment, as soon as it is seconded will be written down and agreed by the proposer and read out prior to any discussion.

Seconders' speech

15.3 When seconding a motion or amendment, a **Councillor** may reserve their speech until later in the debate.

Content and length of speeches

- 15.4 Speeches must be directed to the question under discussion or to a personal explanation or point of order. No speech may exceed five minutes without the consent of the Chair.

When a Councillor may speak again

- 15.5 A Councillor who has spoken on a motion may not speak again whilst it is the subject of debate, except:
- 15.5.1 to speak once on an amendment moved by another Councillor;
 - 15.5.2 to move a further amendment if the motion has been amended since he/she last spoke;
 - 15.5.3 if his/her first speech was on an amendment moved by another Councillor, to speak on the main issue (whether or not the amendment on which he/she spoke was carried);
 - 15.5.4 in exercise of a right of reply;
 - 15.5.5 on a point of order; and
 - 15.5.6 by way of personal explanation.

Amendments to motions

- 15.6 An amendment to a motion must be relevant to the motion and may:
- 15.6.1 refer the motion to an appropriate body or individual for consideration or reconsideration;
 - 15.6.2 leave out words;
 - 15.6.3 leave out words and insert or add others; or
 - 15.6.4 insert or add words;
- as long as the effect of 15.6.2 to 15.6.4 is not to negate the motion.
- 15.7 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. The amendment must be put to the vote.
- 15.8 If an amendment is not carried, other amendments to the original motion may be moved.
- 15.9 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.

- 15.10 After an amendment has been carried, the Chair will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

Alteration of motion

- 15.11 A **Councillor** may alter a motion of which he/she has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.
- 15.12 A Councillor 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.
- 15.13 Only alterations which could be made as an amendment may be made.

Withdrawal of motion

- 15.14 A Councillor 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 Councillor may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

Right of reply

- 15.15 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.
- 15.16 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.
- 15.17 The mover of the amendment has the penultimate right of reply to the debate on his/her amendment but has no right of reply to the mover of the original motion.

Motions which may be moved during debate

- 15.18 When a motion is under debate, no other motion may be moved except the following procedural motions:
- 15.18.1 to withdraw a motion;
 - 15.18.2 to amend a motion;
 - 15.18.3 to proceed to the next business;
 - 15.18.4 that the question be now put;

15.18.5 to **Adjourn** a debate;

15.18.6 to **Adjourn** a meeting;

15.18.7 that the meeting continue for a further half hour;

15.18.8 to exclude the public and press in accordance with the **Access to Information Procedure Rules** in **Part 3**; and

15.18.9 to not hear further a **Councillor** named under Rule 21.4 or to exclude them from the meeting under Rule 21.5.

Closure motions

15.19 A **Councillor** may move, without comment, the following motions at the end of a speech of another Councillor:

15.19.1 to proceed to the next business;

15.19.2 that the question be now put;

15.19.3 to **Adjourn** a debate; or

15.19.4 to **Adjourn** a meeting.

15.20 If a motion to proceed to next business is seconded and the **Chair** thinks the item has been sufficiently discussed, he/she will give the mover of the original motion a right of reply and then put the procedural motion to the vote.

15.21 If a motion that the question be now put is seconded and the **Chair** 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.

15.22 If a motion to **Adjourn** the debate or to Adjourn the meeting is seconded and the Chair thinks the item has not been sufficiently discussed and cannot reasonably be 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.

Point of order

15.23 A **Councillor** may raise a point of order at any time. The **Chair** will hear it immediately. A point of order may only relate to an alleged breach of these Council and Committee Procedure Rules or the law. The Councillor must indicate the rule or law and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final.

Personal explanation

- 15.24 A **Councillor** may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the Councillor which may appear to have been misunderstood in the present debate. The ruling of the **Chair** on the admissibility of a personal explanation will be final.

16. Voting

Majority

- 16.1 Unless this **Constitution** (or the law) provides otherwise, any matter will be decided by a simple majority of those Councillors voting and present in the room at the time the question was put.

Chair's casting vote

- 16.2 If there are equal numbers of votes for and against, the Chair will have a second or casting vote. There will be no restriction on how the Chair chooses to exercise a casting vote.

Show of hands

- 16.3 Unless a recorded vote is demanded under Rules 16.4 and 16.5 below, the **Chair** will take the vote by show of hands, or if there is no dissent, by the **Affirmation of the Meeting**.

Recorded vote

- 16.4 If one **Councillor** present at the meeting demands it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

- 16.5 Recorded votes must be taken at a **Budget Council Meeting** of the **Full Council** where it:

16.5.1 makes a calculation (whether originally or by way of substitute) in accordance with any of sections 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government Finance Act 1992; or

16.5.2 issues a precept under Chapter 4 of Part 1 of that Act.

- 16.6 Where any **Councillor** requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting.

Voting on appointments

- 16.7 If there are more than two people nominated for any position to be filled and

there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

17. Minutes

Signing the minutes

- 17.1 The **Chair** will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

No requirement to sign minutes of previous meeting at extraordinary meeting

- 17.2 Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of schedule 12 relating to signing of minutes.

Form of minutes

- 17.3 Minutes will contain all motions and amendments in the exact form and order the **Chair** put them.

18. Deputations

- 18.1 Deputations may be received at any meeting of the Council following three clear days' written notice to the **Monitoring Officer**. They must be about matters for which the Council has a responsibility or which affect the area. The notice must be signed by at least five persons and set out the subject which the deputation wishes to raise and how it is relates to the Council's functions or affects the area. The **Chair** may, on the advice of the **Chief Executive**, refuse a deputation which is illegal, scurrilous, improper, out of order or relates to a specific planning application or relates to a matter on which there has been a previous similar deputation within the preceding six months.
- 18.2 A person wishing to make a deputation must give written notice to the **Monitoring Officer** no later than midday three clear days before the day of the meeting.
- 18.3 A maximum of two deputations only will be permitted at any meeting and they will be selected in the order notice is received. Only one deputation will be permitted if the **Monitoring Officer** receives notice of a petition in accordance with Rule 25.
- 18.4 A deputation may consist of up to five people, of whom no more than two may

speak, except to answer **Councillors'** questions.

- 18.5 The deputation may address the meeting for no more than five minutes and Councillors may then question the deputation for a further five minutes.
- 18.6 The relevant portfolio holder or board or Committee **Chair** may, if he/she chooses, then address the meeting for up to five minutes.
- 18.7 There shall be no vote taken on any deputation. A **Councillor** may propose that the subject matter be placed on the **Agenda** of the next ordinary meeting of the relevant board or Committee, such a motion to be moved and seconded formally and put without discussion. If no such motion is moved or carried, the petition will be referred to a **Strategic Director, Head of Service or Team Manager** who will respond to the petition in writing within 28 days.

19. **Record of Attendance**

- 19.1 The Democratic Services Team will note all **Councillors** that are present during the whole or part of a meeting to assist with the record of attendance.

20. **Exclusion of Public**

- 20.1 Members of the public and press may only be excluded either in accordance with the **Access to Information Procedure Rules** in **Part 3** of this **Constitution** or Rule 23 (Disturbance by Public).

21. **Councillor Conduct**

General Conduct

- 21.1 **Councillors** are required to comply with the **Councillors' Code of Conduct** in **Part 4** at all times. Any Councillor with an interest in the matter under consideration shall comply with the provisions of the Code. Where necessary and appropriate the Chair will remind Councillors of their responsibilities under the Code during the course of the meeting.

Standing to speak

- 21.2 When a **Councillor** speaks at **Full Council** he/she must stand and address the meeting through the **Chair** except where the Councillor or Councillors may be physically unable to do so. If more than one Councillor stands, the Chair will ask one to speak and the others must sit. Other Councillors must remain seated whilst a Councillor is speaking unless they wish to make a point of order or a point of personal explanation.

Chair standing

- 21.3 When the **Chair** stands during a debate, any **Councillor** speaking at the time must stop and sit down. The meeting must be silent.

Councillor not to be heard further

- 21.4 If a **Councillor** persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, any Councillor may move that the Councillor be not heard further. If seconded, the motion will be voted on without discussion.

Councillor to leave the meeting

- 21.5 If the **Councillor** continues to behave improperly after such a motion is carried, any Councillor may move that either the Councillor leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

General disturbance

- 21.6 If there is a general disturbance making orderly business impossible, the **Chair** may **Adjourn** the meeting for as long as he/she thinks necessary.

22. Disturbance by Public

Removal of member of the public

- 22.1 If a member of the public interrupts proceedings, the **Chair** will warn the person concerned. If he/she continues to interrupt, the Chair will order the removal of that person from the meeting room.

Clearance of part of meeting room

- 22.2 If there is a general disturbance in any part of the meeting room open to the public, the Chair may call for that part to be cleared.

23. Committees and Sub-Committees

Appointment of Committees

- 23.1 The Council may establish such **Committees** as it considers necessary to carry out the work of the Council and may refer to those Committees such matters as are considered appropriate.

- 23.2 The Council shall establish the following **Committees** of the Council:

23.2.1 **Appointments Committee;**

23.2.2 **Investigatory Committee;**

23.2.3 **Planning Committee;**

23.2.4 **Local Plan Committee;**

23.2.5 **Two Scrutiny Committees;**

23.2.6 **Audit and Governance Committee;** and

23.2.7 **Licensing Committee.**

23.3 **Committees** may establish standing **Sub-Committees**, to carry out the work of the Committee and may refer to those Sub-Committees such matters as are considered appropriate. Committees may also establish ad hoc Sub-Committees to consider any specific matter referred to them.

23.4 Except in relation to those decisions which by statute must only be taken by the **Full Council**, the Council may delegate powers to **Committees** or **Sub-Committees**. Where a matter has been delegated to a Committee, the Committee may further delegate the matter to a **Sub-Committee** unless the Full Council otherwise directs.

23.5 Where a matter is delegated the decisions of the **Committee** or **Sub-Committee** do not require approval by the **Full Council** (or Committee) unless the delegation has been previously withdrawn in relation to the particular item.

Election of Chairs and Deputy-Chairs of Committees

23.6 The Appointment of Chairs and Deputy Chairs of **Committees** will be in accordance with Rule 7 and the provisions set out in **Section D** in respect of each Committee.

Membership of Committees, Sub-Committees and Joint Committees

23.7 In relation to **Committees**, the **Annual Meeting** of the **Full Council** will:

23.7.1 subject to the remainder of this Rule 23, determine the number of **Councillors** to serve on them;

23.7.2 allocate seats on them to the political groups in accordance with the principles of **Political Balance** where required; and

23.7.3 appoint named Councillors and substitutes to them giving effect to the wishes (where expressed) of each political group.

23.8 Appointments to all **Sub-Committees** will be made by their parent **Committees** in accordance with:

23.8.1 the principles of **Political Balance** as necessary (as to the allocation of numbers of seats); and

23.8.2 the wishes of the political groups (as to individual appointments).

23.9 The principles of **Political Balance** are defined in this **Constitution**.

- 23.10 Where a political group wishes to change one of its appointed **Councillors** on a **Committee** or Sub-Committee, the **Full Council** or parent Committee shall give effect to that group's wishes.
- 23.11 Where there is a change in the **Political Balance** of the Council, the allocation of seats on **Committees** and **Sub-Committees** will be reviewed and changes made as soon as practicable:
- 23.11.1 to reflect the new **Political Balance**; and
- 23.11.2 the wishes of the political groups.

Business to be Conducted

- 23.12 Meetings will be held on the occasions set out in the calendar of meetings agreed by the Council and at such other times as they are required to deal with matters arising.
- 23.13 At each meeting the following business will be conducted:
- 23.13.1 consideration of the minutes of the last meeting;
- 23.13.2 declarations of interest, if any; and
- 23.13.3 matters set out in the **Agenda** for the meeting.

Right to Place Items on the Committee Agenda

- 23.14 The Chair of a Committee may put on the **Agenda** of the relevant Committee any matter which he/she wishes, provided that it is relevant to the business of that Committee.
- 23.15 Any member of a Committee may request that an item is placed on the **Agenda** for a meeting. The item will be placed on the Agenda for a meeting provided the **Chair** of the Committee, in consultation with the **Chief Executive**, agrees to the item's inclusion. In the event that the Chair does not agree to the item being placed upon the Agenda any three members of the relevant Committee may require that an item be placed upon the Agenda. Any such requirement must be made either at the meeting or to the Chief Executive in writing and signed by the three members.
- 23.16 Any **Chief Officer** may place an item on the **Agenda** that he/she considers the Committee needs to consider or take a decision on.
- 23.17 The **Chief Executive**, **Monitoring Officer** and/or **S151 Officer** may require that a meeting is convened in pursuance of their statutory duties.

24. **Suspension of the Council and Committee Procedure Rules**

24.1 Rules 9 to 15, 18 and 25 may be suspended by motion on notice or without notice, if at least one half of the whole number of **Councillors** are present. Suspension shall only be for the duration of the meeting.

25. **Petitions**

25.1 Petitions may be brought by people who live, work or study in the **District**, on any matter on which the Council has power to act, in accordance with the Council's rules on [petitions](#).

25.2 The Council has formally adopted a petition scheme.

25.3 The scheme sets out the process, the signature threshold for receipt of ordinary petitions, a petition to hold an Officer to account and a petition for debate. It also sets out how the petition will be dealt with at the **Scrutiny Committees** or Council.

25.4 A copy of the petition scheme is available from the **Monitoring Officer**. It is also available on the Council's [website](#).

SECTION B – CABINET (EXECUTIVE) PROCEDURE RULES

Rule

1. Procedures General
2. Form and Content of the Meeting
3. Speaking Rights
4. Questions by Councillors
5. Questions by the Public
6. Minutes
7. Record of Attendance
8. Councillors Conduct
9. Disturbance by Public
10. Disclosure of Personal Interests
11. Effect of Disclosable Pecuniary Interests on Participation

SECTION B – CABINET (EXECUTIVE) PROCEDURE RULES

1. Procedures General

1.1 Who May Make Executive Decisions

The **Leader** may discharge any **Executive Functions** of the Council or he/she may provide for any Executive Functions to be discharged by:

- 1.1.1 the **Cabinet** as a whole;
- 1.1.2 a **Committee** of the Cabinet;
- 1.1.3 an individual **Cabinet Member**;
- 1.1.4 an **Officer** of the Council;
- 1.1.5 an area committee;
- 1.1.6 joint arrangements; or
- 1.1.7 another local authority.

1.2 The arrangements for the discharge of **Executive Functions** determined by the **Leader** are set out in the executive arrangements of the **Constitution** (see **Part 2** of this Constitution).

1.3 Delegation by the Leader

1.3.1 At the **Annual Meeting** of the **Full Council**, the **Leader** will present the names of the **Councillors** appointed to the **Cabinet** by the Leader (including the **Cabinet Member** who is appointed as the Deputy Leader) and their portfolios.

1.3.2 Either at the **Annual Meeting** of the **Full Council** or as soon as practicable thereafter, the Leader will present to the **Monitoring Officer** a written record of:

- (a) the detailed remits of the **portfolios** of the **Cabinet Members**;
- (b) any delegations made by the **Leader** in respect of the discharge of the Council's **Executive Functions**. The document presented by the Leader to the **Monitoring Officer** will contain the following information about the discharge of the Council's Executive Functions in relation to the coming year:
 - (i) the extent of authority of the **Cabinet** as a whole;
 - (ii) the extent of any authority delegated to individual **Cabinet Members**, including details of any limitation on

their authority;

- (iii) the terms of reference and **Constitution** of such **Committees** of the **Cabinet** as the **Leader** appoints and the names of **Cabinet Members** appointed to them;
- (iv) the nature and extent of any delegation of **Executive Functions** to area **Committees**, or any other authority or any joint arrangements and the names of those **Cabinet Members** appointed to any **Joint Committee** for the coming year; and
- (v) the nature and extent of any delegation of **Executive Functions** to Council Officers with details of any limitation on that delegation, and the title of the Officer to whom the delegation is made.

1.4 Sub-delegation of Cabinet Functions

- 1.4.1 Where the **Leader** delegates an **Executive Function** to the **Cabinet** then unless the Leader directs otherwise, the Cabinet may delegate further to a Committee of the Cabinet or to a Council Officer;
- 1.4.2 Where the **Leader** delegates an **Executive Function** to a Committee of the **Cabinet** or an individual **Cabinet Member** then unless the Leader directs otherwise, a Committee of the Cabinet or an individual Cabinet Member may delegate further to a Council Officer;
- 1.4.3 Even where **Executive Functions** have been delegated under 1.4.1 or 1.4.2 above, that fact does not prevent the discharge of delegated functions by the person or body who made the delegation; and
- 1.4.4 Where the **Leader** seeks to withdraw a delegation from a Committee of the **Cabinet**, notice will be deemed to be served on that Committee of the Cabinet when the Leader has served it on its **Chair**.

1.5 The Officer Scheme of Delegation and Executive Functions

The **Leader** may amend the **Officer Scheme of Delegation** set out in **Part 2** of this **Constitution** insofar as it relates to **Executive Functions** at any time during the year in accordance with the procedure set out below:

- 1.5.1 Where the Leader wishes to delegate the discharge of an **Executive Function** that has not been previously delegated, the Leader must give written notice of the new delegation to both the person or body to whom the Executive Function is to be delegated and the **Monitoring Officer**.
- 1.5.2 Where the Leader wishes to transfer the discharge of an **Executive Function** that has been previously delegated, the Leader must give

written notice to the person or body from whom the exercise of the function is to be transferred, the person or body to whom the exercise of the Executive Function is to be transferred and the Monitoring Officer.

- 1.5.3 Any transfer of delegation of an **Executive Function** under 1.5.1 or 1.5.2 above will take effect on receipt of the Leader's written notice by each of the parties listed above. The Monitoring Officer will ensure that a record of the transfer of the Executive Function is kept.
- 1.5.4 Where the Leader wishes to withdraw the delegation of an **Executive Function** that has been delegated and to discharge the Executive Function personally, the Leader must give written notice to the person or body from whom the exercise of the Executive Function is to be withdrawn and to the Monitoring Officer.
- 1.5.5 The withdrawal of the delegation of an **Executive Function** under 1.5.4 above will take effect on receipt of the Leader's written notice by both of the parties listed above. The Monitoring Officer will ensure that a record of the withdrawal of the Executive Function is kept.
- 1.6 The **Monitoring Officer** will ensure that the **Constitution** is updated accordingly where the delegation is to be extended beyond six months.
- 1.7 **Key Decisions and Urgency**
- 1.7.1 **Key decisions** may only be taken by the **Leader**, the **Cabinet**, a Committee of the Cabinet, an individual **Cabinet Member** or the **Chief Executive** as described below.
- 1.7.2 **Key Decisions** will ordinarily be taken by the **Cabinet** unless the **Leader** decides to discharge them personally or allocate them to an individual Cabinet Member or a Committee of the Cabinet. The Leader may do this at any time.
- 1.7.3 The **Leader** may take any **Key Decision** in place of, or between meetings of, the **Cabinet**, including decisions that have become urgent, in accordance with the **Access to Information Procedure Rules** in **Part 3** of this **Constitution**.
- 1.7.4 When a **Key Decision**, which would otherwise have been taken by the **Cabinet**, has become genuinely urgent and unavoidable, and:
- (i) it is not practicable to call a meeting of the Cabinet, and/or
 - (ii) the **Leader** is not available or not able to act for any reason,
- then the **Deputy Leader** shall be authorised to take the decision or to allocate the decision to the **Cabinet Member** having the relevant portfolio responsibilities, or to a Committee of the Cabinet.

- 1.7.5 If the **Deputy Leader** is not available, or not able to act for any reason, in the circumstances stated in 1.7.4, then the **Chief Executive** shall be authorised to take the decision.
- 1.7.6 The decision taker will comply with the “General Exception” and/or “Special Urgency” procedures as set out in the **Access to Information Procedure Rules** in **Part 3** of this **Constitution**, as appropriate, before taking the decision. The decision taker will also:
- (i) consult with the relevant **Cabinet Member(s)**, so far as practicable, before taking the decision;
 - (ii) inform the **Leader** as soon as possible after the decision is taken; and
 - (iii) report the decision to the next **Cabinet** meeting.
- 1.7.7 In the event that no Cabinet Members remain in office then all functions of the **Leader** and **Cabinet** shall be exercised by the **Chief Executive** acting so far as is practicable in consultation with the **Chair of the Council**, or **Deputy Chair** if the Chair of the Council is unable to act, until such time as a new **Leader** is elected by the **Full Council**.

1.8 Place and Time of Cabinet Meetings

The **Cabinet** will meet in accordance with the agreed published [Calendar of Meetings](#). Arrangements for an additional extraordinary meeting required in light of circumstances will be agreed by the **Leader** with the Democratic Services Team. The Cabinet shall meet at the Council’s offices or another location to be agreed by the Leader.

1.9 Public or Private Meetings of the Executive

The **Executive** (the **Leader**, the **Cabinet**, individual **Cabinet Members** or a Committee of the Cabinet) will meet in public, subject to the consideration of exempt or confidential information as provided for in the **Access to Information Procedure Rules** in **Part 3**.

1.10 Decisions Taken by the Executive

The **Executive** will take decisions in accordance with the **Access to Information Procedure Rules** in **Part 3**.

1.11 Declaration of Interests

Where the **Leader** or a **Cabinet Member** has an interest in the matter under consideration, this shall be dealt with in accordance with the **Councillors’ Code of Conduct** in **Part 4**.

2. Form and Content of the Meeting

2.1 Chair of Meeting

2.1.1 If the **Leader** is present, he/she will chair the meeting. In his/her absence, the Deputy Leader will chair the meeting. In the absence of both, another **Cabinet Member** appointed to do so by those Cabinet Members present will chair the meeting.

2.2 Attendance Rights

2.2.1 All **Cabinet Members** shall be entitled to attend meetings of the **Cabinet** unless the Cabinet determine otherwise. Attendance by other **Councillors** or the public shall be in accordance with the **Access to Information Procedure Rules in Part 3**, by invitation, or as set out in Rule 2.3 below.

2.2.2 The **Chief Executive**, the **S151 Officer** and the **Monitoring Officer**, and their nominees, are entitled to attend any meeting of the Cabinet where a decision is to be made.

2.3 Business to be Conducted

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

2.3.1 consideration of the minutes of the last meeting;

2.3.2 declarations of interest, if any;

2.3.3 matters referred to the **Cabinet** (whether by a **Scrutiny Committee** or by the **Full Council**) for reconsideration by the Cabinet in accordance with the provisions contained in the **Scrutiny Procedure Rules in Part 3** or the **Budget and Policy Framework Procedure Rules in Part 3**;

2.3.4 consideration of any reports from the **Scrutiny Committees**;

2.3.5 matters set out in the **Agenda** for the meeting, and which shall indicate which are key decisions and which are not, in accordance with the **Access to Information Procedure Rules in Part 3**; and

2.3.6 dealing with any petitions referred to Cabinet in accordance with the Council's adopted petition scheme.

2.4 Right to Place Items on the Cabinet Agenda

2.4.1 The **Leader** will decide upon the **Agenda** for the meetings of the **Cabinet**. He/she may put on the Agenda of any Cabinet meeting any matter which he/she wishes, whether or not authority has been

delegated to the Cabinet, a Committee of it or any **Cabinet Member** or **Officer** in respect of that matter. The **Chief Executive** will comply with the Leader's requests in this respect.

- 2.4.2 A **Councillor** may ask the **Chief Executive** to put an item on the **Agenda** of **Cabinet** for consideration. The item will be considered at the next available meeting of the Cabinet. The notice of the meeting will give the name of the Councillor who asked for the item to be considered.
- 2.4.3 The **Monitoring Officer** and/or the **S151 Officer** may include an item for consideration on the **Agenda** of a **Cabinet** meeting and may require the **Chief Executive** to call such a meeting in pursuance of their statutory duties. In other circumstances, where any two of the Chief Executive, S151 Officer and Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision, they may jointly call a meeting and include an item on the Agenda of that Cabinet meeting or a Cabinet meeting that has already been called. If there is no meeting of the Cabinet soon enough to deal with the issue in question, then the person(s) entitled to include an item on the Agenda may also require that a meeting be convened at which the matter will be considered.

2.5 Consultation

All reports to the **Cabinet** from any **Cabinet Member** or an Officer on proposals relating to the **Budget and Policy Framework** must contain details of the nature and extent of consultation with stakeholders (if any) and the **Scrutiny Committees**, and the outcome of that consultation. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

3. Speaking Rights

- 3.1 The Chair and spokesperson(s) of the **Scrutiny Committees** shall be entitled, at any formal public meeting of the **Cabinet**, to speak on any matter on the **Agenda** for that meeting.
- 3.2 Other **Councillors** not previously described above may also speak at such meetings with the permission of the **Leader** or person presiding in his/her absence.

4. Questions by the Public

- 4.1 At every formal public meeting of the **Cabinet** there shall be a period of time for questions to be put to **Cabinet Members** by the public. The following rules shall apply:
- 4.1.1 questions will be asked in the order in which notice of them was

received, except that the Leader may group together similar questions and will determine how Cabinet question time should be allocated where there are a number of members of the public wishing to ask questions;

- 4.1.2 questions will be brief, clear and focussed;
- 4.1.3 no person may submit more than one question and no more than one such question may be asked on behalf of one organisation;
- 4.1.4 questions may only be asked if notice has been given by delivering it in writing or by electronic mail to the **Monitoring Officer** no later than 12 noon three clear working days (that is, not counting the day of the meeting or the day of delivery) before the date of the meeting;
- 4.1.5 each question must give the name and address of the questioner;
- 4.1.6 the **Monitoring Officer** may reject a question if it:
 - (i) is not about a matter relating to the powers, duties or responsibilities of the **Cabinet**;
 - (ii) is vexatious, derogatory, defamatory, frivolous or offensive;
 - (iii) relates to a Council employment or staffing matter or sensitive personal information about a **Councillor**;
 - (iv) would require the disclosure of confidential or exempt information; or
 - (v) is substantially the same as a question which has been previously put to the **Cabinet** in the last 6 months.
- 4.1.7 Copies of all questions will be circulated to all **Cabinet Members** and will be made available to the public attending the meeting.

4.2 **Asking the Question at the Meeting**

The **Leader** will invite the questioner to put the question to the **Cabinet Member** named in the notice. If a questioner who has submitted a written question is unable to be present, the question will not be dealt with.

4.3 **Asking a Supplemental Question**

A questioner who has put a question in person may also put one supplementary question to the **Cabinet Member** who has replied to his/her original question. A supplementary question must arise directly out of the original question or the reply. The **Leader** may reject a supplementary question on any of the grounds set out in 4.1.6 above.

4.4 **Response**

An answer may take the form of:

- 4.4.1 a direct oral answer;
- 4.4.2 where the desired information is contained in a publication of the **Councillor** other published work, a reference to that publication; or
- 4.4.3 where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

5. **Minutes**

- 5.1 The Leader will sign the minutes of the proceedings at the next suitable meeting. The Leader will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.
- 5.2 Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of schedule 12 to the Local Government Act 1972 (an Extraordinary Meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of schedule 12 relating to signing of minutes.

6. **Deputations**

- 6.1 Deputations may be received at any meeting of the Cabinet following three clear days' written notice to the **Monitoring Officer**. They must be about matters for which the Council has a responsibility or which affect the area. The notice must be signed by at least five persons and set out the subject which the deputation wishes to raise and how it relates to the Council's functions or affects the area. The **Chair** may, on the advice of the **Chief Executive**, refuse a deputation which is illegal, scurrilous, improper, out of order or relates to a specific planning application or relates to a matter on which there has been a previous similar deputation within the preceding six months.
- 6.2 A person wishing to make a deputation must give written notice to the **Monitoring Officer** no later than midday three clear days before the day of the meeting.
- 6.3 A maximum of two deputations only will be permitted at any meeting and they will be selected in the order notice is received. Only one deputation will be permitted if the **Monitoring Officer** receives notice of a petition in accordance with Rule 11.
- 6.4 A deputation may consist of up to five people, of whom no more than two may speak, except to answer **Councillors'** questions.

- 6.5 The deputation may address the meeting for no more than five minutes and Councillors may then question the deputation for a further five minutes.
- 6.6 The relevant portfolio holder or board or Committee **Chair** may, if he/she chooses, then address the meeting for up to five minutes.
- 6.7 There shall be no vote taken on any deputation. A **Councillor** may propose that the subject matter be placed on the **Agenda** of the next ordinary meeting of the relevant board or Committee, such a motion to be moved and seconded formally and put without discussion. If no such motion is moved or carried, the petition will be referred to a **Strategic Director, Head of Service or Team Manager** who will respond to the petition in writing within 28 days.

7. **Record of Attendance**

- 7.1 All **Cabinet Members** present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

8. **Councillor Conduct**

8.1 **General Conduct**

Councillors are required to comply with the **Councillors' Code of Conduct in Part 4** at all times. Where necessary and appropriate the **Leader** will remind Councillors of their responsibilities under the Code during the course of the meeting.

8.2 **Chair standing**

When the **Chair** stands during a debate, any Councillor speaking at the time must stop and sit down. The meeting must be silent.

8.3 **Councillor not to be heard further**

If a **Councillor** persistently disregards the ruling of the **Leader** by behaving improperly or offensively or deliberately obstructs business, the **Leader** may move that the Councillor be not heard further. If seconded, the motion will be voted on without discussion.

8.4 **Councillor to leave the meeting**

If the **Councillor** continues to behave improperly after such a motion is carried, the **Leader** may move that either the Councillor leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

8.5 **General disturbance**

If there is a general disturbance making orderly business impossible, the

Leader may **Adjourn** the meeting for as long as he/she thinks necessary.

9. **Disturbance by Public**

9.1 **Removal of member of the public**

If a member of the public interrupts proceedings, the **Leader** will warn the person concerned. If he/she continues to interrupt, the Leader will order the removal of that person from the meeting room.

9.2 **Clearance of part of meeting room**

If there is a general disturbance in any part of the meeting room open to the public, the **Leader** may call for that part to be cleared.

10. **Suspension and Amendment of the Executive Procedure Rules**

Rules 4, 6 and 11 may be suspended by motion on notice or without notice, if at least one half of the whole number of **Councillors** are present. Suspension shall only be for the duration of the meeting.

11. **Petitions**

11.1 Petitions may be brought by people who live, work or study in the District, on any matter on which the Council has power to act, in accordance with the Council's rules on [petitions](#).

11.2 The Council has formally adopted a petition scheme.

11.3 The scheme sets out the process, the signature threshold for receipt of ordinary petitions, a petition to hold an Officer to account and a petition for debate. It also sets out how the petition will be dealt with at the Scrutiny Committees or Council.

11.4 A copy of the petition scheme is available from the Monitoring Officer. It is also available on the Council's [website](#).

SECTION C – ACCESS TO INFORMATION PROCEDURE RULES

Rule

1. Scope
2. Additional Rights to Information
3. Rights to Attend Meetings
4. Notices of Meeting
5. Public Access to Agenda and Reports Before the Meeting
6. Supply of Copies
7. Public Access to Minutes After the Meeting
8. Public Access to Background Papers
9. Exclusion of Access by the Press and Public to Meetings
10. Exclusion of Access by the Public to Reports
11. Application of these Procedure Rules to the Executive
12. The Executive Decision Notice
13. Publicity
14. General Exception
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16. Private Meetings
17. Reports to Council
18. Decisions by Individual Cabinet Members
19. Records of Decisions
20. Scrutiny Committees' Access to Documents
21. Additional Rights of Access for Councillors
22. Material Relating to Executive Decisions
23. Nature of Rights
24. Rights of Councillors – “Need to Know”
25. Reporting of Meetings by the Press and Public

SECTION C – ACCESS TO INFORMATION PROCEDURE RULES

1. Scope

- 1.1 These rules apply to all meetings of the **Full Council** and its Non-Executive Committees and **Sub-Committees** and the **Cabinet** (together called meetings) and (where specified) executive decisions made by **Cabinet Members** and key decisions made by Officers. These rules also cover **Councillors'** rights of **Access to Information**.

2. Additional Rights to Information

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

3. Rights to Attend Meetings

Members of the public may attend any of the meetings subject only to the exceptions contained in these Rules.

4. Notices of Meeting

- 4.1 The Council will give at least five clear working days' notice of any meeting, except that where a meeting is convened at shorter notice, notice shall be given at the time the meeting is convened. Notice shall be given by posting details of the meeting at the Council Offices ("the Designated Office").

- 4.2 **Councillors** entitled to attend a meeting, will receive a summons giving five clear working days' notice to attend and specifying the business proposed to be transacted at the meeting. Except in the case of business required by law to be transacted at the **Annual Meeting** of the **Full Council**, or other business brought before the meeting as a matter of urgency in accordance with the **Constitution**, no business shall be transacted at a meeting other than that specified in the summons.

- 4.3 Where a meeting will include the taking of a confidential executive decision or a key decision, the Council will give at least 28 clear days' notice of the intention to take the decision together with details of the meeting at which such a decision will be made.

5. Public 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 online and at the Designated Office and on its [website](#) at least five clear working days before the meeting, except that where a meeting is convened at shorter notice, the copies of the Agenda and reports shall be open to inspection from the time the meeting

is convened. If an item is added to the Agenda later, the revised Agenda will be open to inspection and published on the Council's website from the time the item was added to the Agenda. Where reports are prepared after the summons has been sent out, the Democratic Services Team shall make each such report available to the public as soon as the report is completed and sent to **Councillors**.

- 5.2 An item may be added to an **Agenda** after it has been published provided that the **Chair** of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency and the urgency reasons are recorded in the minutes.
- 5.3 Details of late items and associated reports will be made available to **Councillors** and the public as soon as this is made available for inspection and published on the Council's [website](#).
- 5.4 This Rule 5 does not require the publication of exempt or confidential information.

6. **Supply of Copies**

- 6.1 The Council will in the first instance direct an interested person to the Council's [website](#) and offices where such information is available, but where copies are required the Council will supply copies of:
- 6.1.1 any **Agenda** and reports which are open to public inspection;
- 6.1.2 any further statements or particulars necessary to indicate the nature of the items in the **Agenda**; and
- 6.1.3 if the **Monitoring Officer** thinks fit, copies of any other documents supplied to **Councillors** in connection with an item.
- 6.2 Copies of the digital **Agendas** of **Cabinet** meetings will be circulated to all **Councillors**.
- 6.3 The Council will make available for the use of members of the public present at meetings, a reasonable number of copies of the **Agenda** and of those reports which are open to the public.

7. **Public Access to Minutes After the Meeting**

- 7.1 The Council will make available copies of the following for six years after a meeting or an individual **Cabinet Member** decision:
- 7.1.1 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 (as defined in Rule 9);

- 7.1.2 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;
- 7.1.3 the **Agenda** for the meeting; and
- 7.1.4 reports relating to items when the meeting was open to the public.

8. **Public Access to Background Papers and Summary of Rights**

8.1 **List of background papers**

8.1.1 The report author 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;

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

8.2 **Public inspection of background papers**

8.2.1 The Council will make available for public inspection for six years after the date of the meeting or an individual **Cabinet Member** decision one copy of each of the documents on the list of background papers.

8.3 **Summary of Public's Rights**

8.3.1 A written summary of the public's rights to attend meetings and to inspect and copy documents will be available to the public at the Council offices.

9. **Exclusion of Access by the Press and Public to Meetings**

9.1 **Confidential information - requirement to exclude the press and public**

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

9.2 Exempt information - discretion to exclude press and public

The press and 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, provided:

- 9.2.1 the meeting resolves so to exclude the press and public, and that resolution identifies the proceedings or part of the proceedings to which it applies;
- 9.2.2 that resolution states, by reference to the descriptions in Schedule 12A to the Local Government Act 1972 (Rule 9.4 below), the description of the exempt information giving rise to the exclusion of the public; and
- 9.2.3 in all the circumstances of the case, that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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

9.3 Meaning of confidential information

Confidential information means information given to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by reason of a court order or any enactment.

9.4 Meaning of exempt information

Exempt information means information falling within the following 7 descriptions (subject to any qualifications) (as defined by Schedule 12A of the Local Government Act 1972 (as amended)):

	Description	Interpretation	Qualification
1.	Information relating to any individual.		Information within paragraph 1 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2.	Information which is likely to reveal the identity of an individual.		Information within paragraph 2 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
3.	Information relating to the financial or business affairs of any particular person (including the authority holding that information).	<p>The authority is a reference to the principal council or, as the case may be, the board, Committee or Sub-Committee in relation to whose proceedings or documents the question whether information is exempt or not falls to be determined</p> <p>Financial or business affairs includes contemplated, as well as past or current activities</p> <p>Registered in relation to information required to be registered under the Building Societies Act 1986, means recorded in the public file of any building society (within the meaning of the Act)</p>	<p>Information within paragraph 3 is not exempt information if it is required to be registered under-</p> <p>(a) the Companies Act 2006; (b) the Friendly Societies Act 1974; (c) the Friendly Societies Act 1992; (d) the Co-operative and Community Benefit Societies Act 2014; (e) the Building Societies Act 1986;or (f) the Charities Act 2011.</p> <p>Subject to the above, information within paragraph 3 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>
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	<p><u>The authority</u> is reference to the principal council or, as the case may be, the board, Committee or sub-Committee in relation to whose proceedings or documents the question whether information is exempt or not falls to be determined</p> <p><u>Employee</u> means a person employed under a contract of service</p> <p><u>Labour relations matter</u></p>	Information within paragraph 4 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

	employees of, or office holders under, the authority	<p>means:</p> <p>(a) any of the matters specified in paragraphs (a) to (g) of Section 218 of the Trade Union and Labour Relations (Consolidation) Act 1992 (matters which may be the subject of a trade dispute, within the meaning of the Act); or</p> <p>any dispute about a matter falling within paragraph (a) above (applies to trade disputes relating to office holders as well as employees)</p> <p><u>Office holder</u> in relation to the authority, means the holder of any paid office appointments to which are or may be made or confirmed by the authority or by any joint board on which the authority is represented or by any person who holds any such office or is an employee of the authority</p>	
5.	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.		Information within paragraph 5 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
6.	Information which reveals that the authority proposes – a) to give under any	<u>The authority</u> is a reference to the principal council or, as the case may be, the board, Committee or sub-Committee in relation to whose proceedings or documents the question	Information within paragraph 6 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the

	enactment a notice under or by virtue of which requirements are imposed on a person; or to make an order or direction under any enactment.	whether information is exempt or not falls to be determined	information.
7.	Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.		Information within paragraph 7 is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country Planning General Regulations 1992.

10. Exclusion of Access by the Public to Reports

If the **Monitoring Officer** thinks fit, the Council may exclude access by the public to reports which in his/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. Application of these Procedure Rules to the Executive

11.1 All decisions of the **Executive** (that is, of the **Leader**, the **Cabinet**, individual **Cabinet Members** or a Committee of the Cabinet) will be public and the press and public shall only be excluded as provided by Rule 9 where confidential or exempt information would otherwise be disclosed.

Key Decisions

11.2 Where a **Key Decision** is to be made by the **Executive** (that is, the **Leader**, the **Cabinet**, individual **Cabinet Members** or a Committee of the Cabinet) or the **Chief Executive** under urgency as set out in the **Cabinet (Executive) Procedure Rules** in **Part 3**, Rules 12 – 23 shall apply.

12. The Executive Decision Notice

12.1 Period of the Executive Decision Notice (“The Notice”)

12.1.1 The Notice will be prepared by the Leader to cover decisions that are to be taken no sooner than 28 clear days following publication of the Notice.

12.1.2 The Notice must be published at least 28 clear days before the proposed executive decision is taken. If an item is not on notice, the decision cannot be taken unless Rules 16 or 17 apply. Any outstanding matters from the previous Notice will be included in the latest Notice.

12.1.3 The most recent Notice shall be taken to have superseded any earlier Notice, or as the case may be, each earlier Notice.

12.2 Contents of Executive Decision Notice

12.2.1 The **Executive Decision Notice** will contain matters which the Leader has reason to believe will be subject of an executive or **Key Decision** to be taken by the **Cabinet**, or one of its groups, or Officers, or under joint arrangements, in the course of the discharge of an **Executive Function** during the period covered by the Notice. It will also contain notice of decisions to be taken confidentially. It will describe the following particulars in so far as the information is available or might reasonably be obtained:

- (a) the matter in respect of which a decision is to be made;
- (b) where the decision-taker is an individual, his/her name and title, if any and where the decision taker is a body, its name and details of membership;
- (c) the date on which, or the period within which, the decision is to be made;
- (d) the procedure for requesting documents connected to the decision;
- (e) that other documents can be submitted;
- (f) the steps any person might take who wishes to make representations to the **Cabinet** or decision-taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken;
- (g) a list of the documents submitted to the decision-taker for consideration in relation to the matter about which the decision

is to be made; and

- (h) the address where documents are available.

12.2.2 Additional Requirements for Key Decisions

- (a) The **Executive Decision Notice** must specify if a decision to be taken is a **Key Decision**
- (b) Where a decision-maker intends to make a Key Decision, that decision must not be made until a notice of the Key Decision has been published on the Executive Decision Notice which contains:
- i. that a Key Decision is to be made;
 - ii. the matter in respect of which the decision is to be made;
 - iii. where the decision-maker is an individual, the name of the individual;
 - iv. where the decision-maker is a body, its name and a list of its members;
 - v. a list of the documents submitted for consideration;
 - vi. the address from which copies or extracts of documents are available;
 - vii. that other documents may be submitted for consideration; and
 - viii. the procedure for requesting documents.
- (c) The Notice specifying what Key Decisions are to be taken must be published at least 28 clear days before the decision is to be taken. The public may be excluded from the meeting at which a key decision is to be taken if information is likely to be disclosed which is confidential or exempt under Schedule 12A.

12.2.3 Additional Requirements for Private Meetings

- (a) The **Executive Decision Notice** must specify if a meeting or any part of the meeting at which an executive decision is to be taken will be in private.
- (b) The steps any person might take who wishes to make representations to the decision-making body or decision-taker about whether the matter should be held in public and the date

by which those steps must be taken.

- (c) At least five clear days before a private meeting, the decision-making body must:
- i. confirm the decision to hold the meeting in private or not;
 - ii. make available at the Council Offices a further notice of its intention to hold the meeting in private or public if appropriate; and
 - iii. publish that notice on the Council's [website](#).
- (d) The notice must include:
- i. a statement of reasons for the meeting to be held in private;
 - ii. details of any representations received by the decision-making body about why the meeting should be open to the public; and
 - iii. a statement of its response to any such representations.
- (e) Where the date by which a meeting must be held makes compliance with section (d) impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from:
- i. the chair of one of the **Scrutiny Committees**;
 - ii. if the Chair of one of the **Scrutiny Committees** are unable to act, the **Chair of the Council**; or
 - iii. where there is no **Chair** of either of the **Scrutiny Committees** or of the Council, the **Deputy Chair of the Council**, that the meeting is urgent and cannot reasonably be deferred.
- (f) As soon as reasonably practicable after the decision-making body has obtained agreement to hold a private meeting, it must:
- i. make available at the Council Offices a notice setting out the reasons why the meeting is urgent and cannot reasonably be deferred; and
 - ii. publish that notice on the Council's [website](#).

- (g) Cabinet Members will be entitled to receive five clear working days' notice of a meeting to which they are summoned, unless the meeting is convened at shorter notice as a matter of urgency.

13. **Publicity**

13.1 The **Monitoring Officer** will make available a copy of the Executive Decision Notice ("the Notice") and publish the Notice on the Council's [website](#). The Notice will state:

- (a) that **Key Decisions** are to be taken on behalf of the Council;
- (b) the particulars of the matters on which decisions are to be taken;
- (c) the Notice will contain details of the key decisions to be made by or on behalf of the Executive, no sooner than 28 clear days after publication;
- (d) that each Notice will be available for inspection at reasonable hours free of charge at the Council Offices;
- (e) that each Notice will contain a list of the documents submitted to the decision takers for consideration in relation to the Key Decisions on the Notice;
- (f) the address from which, subject to any prohibition or restriction on their disclosure, copies of, or extracts from, any document listed in the Notice is available;
- (g) that other documents may be submitted to decision-takers; and
- (h) the procedure for requesting details of documents (if any) as they become available.

13.2 Exempt information need not be included in the Executive Decision Notice and confidential information cannot be included.

14. **General Exception**

14.1 If a matter which is likely to be a **Key Decision** has not been included in the Executive Decision Notice, then subject to Rule 15 (Special Urgency), the decision may still be taken if:

- 14.1.1 the decision must be taken by such a date that it is impracticable to defer the decision;
- 14.1.2 the **Monitoring Officer** has informed the Chair of a relevant **Scrutiny Committee**, or if there is no such person, each

member of that Committee in writing, by notice, of the matter to which the decision is to be made;

- 14.1.3 The Monitoring Officer has made copies of that notice available to the public at the offices of the Council and on the [website](#) for inspection; and
- 14.1.4 at least 5 clear working days have elapsed since the Monitoring Officer complied with 14.1.2 and 14.1.3.
- 14.2 Subject to Rule 9, where such a decision is taken collectively, it must be taken in public unless it involves consideration of exempt or confidential information.
- 14.3 As soon as reasonably practicable, the Monitoring Officer must:
- (a) make available at the Council Offices a notice setting out the reasons why it was impracticable to defer the decision until it has been included on the next **Executive Decision Notice**; and
 - (b) publish that notice on the Council's [website](#).

15. **Special Urgency**

- 15.1 If by virtue of the date by which a decision must be taken Rule 14 (General Exception) cannot be followed, then the decision can only be taken if the decision-taker (if an individual) or the **Chair** of the body making the decision, obtains the agreement of the Chair of a relevant **Scrutiny Committee** that the taking of the decision is urgent and cannot be reasonably deferred.
- 15.2 If there is no Chair of a relevant **Scrutiny Committee**, or if the Chair of the relevant Scrutiny Committee is unable to act, then the agreement of the **Chair of the Council**, or in his/her absence the Deputy Chair will suffice.
- 15.3 As soon as reasonably practicable after agreement has been given, the Monitoring Officer shall make available a notice setting out the reasons for urgency and why the decision cannot be reasonably deferred and publish that notice on the Council's [website](#).
- 15.4 The Leader will submit a quarterly report to the Council on the executive decisions taken under this Rule in the preceding three months. The report will include the number of decisions taken and a summary of the matter about which each decision was made.

16. Private Meetings

- 16.1 Subject to Rule 16.2, a **private meeting** may not take place unless:
- 16.1.1 At least 28 clear working days before the scheduled meeting a notice (the **Executive Decision Notice**) has been made available for inspection by the public at the designated office and on the [website](#) of the intention to hold the **Cabinet** or Cabinet Committee meeting in private; and
- 16.1.2 At least five clear working days before the scheduled meeting, a further notice has been made available for inspection by the public at the Designated Office and on the website which shall include any representations made as to why any item specified in the notice given under Rule 16.1.1 above should be open to the public together with the Council's response.
- 16.2 Where the date by which a meeting must be held makes compliance with Rule 16.1 impracticable, the meeting may only be held where the decision-making body has obtained agreement from the Chair of a relevant **Scrutiny Committee** that the meeting is urgent and cannot reasonably be deferred. If there is no Chair of a relevant Scrutiny Committee, or if the Chair of each relevant Scrutiny Committee is unable to act, then the agreement of the **Chair of the Council**, or in his/her absence the Deputy Chair will suffice.
- 16.3 As soon as reasonably practicable after the decision-making body has obtained agreement under Rule 16.2 to hold a private meeting, the Monitoring Officer shall publish a notice setting out why the meeting is urgent and cannot reasonably be deferred and shall make that notice available to the public at the designated office and on the [website](#).
- 16.4 All **Cabinet Members** are entitled to attend a private meeting of any group of the Cabinet and be allowed to speak with the consent of the **Chair** of that group.
- 16.5 Notice of private meetings of the **Cabinet** and its groups will be served on all **Non-Executive Members**, at the same time as notice is served on **Cabinet Members**.
- 16.6 Where a matter under consideration at a private meeting of the **Cabinet**, or a group of it, is within the remit of a monitoring body any Councillor may attend that private meeting and speak with the consent of the person presiding.
- 16.7 A private meeting of the **Cabinet** may not take any decisions unless the **Head of Paid Service**, the **S151 Officer** or the **Monitoring Officer**, or their nominees, are present or have waived their entitlement to attend. A private Cabinet meeting may only take a decision if there is an Officer present with responsibility for recording and publicising the decisions.

17. Reports to Council

When a Scrutiny Committee can require a report

- 17.1 If the **Scrutiny Committee** thinks that a key decision has been taken which was not included in the **Executive Decision Notice** and has not been the subject of:
- (a) the general exception procedure under Rule 14; or
 - (b) the special urgency procedure under Rule 15;

the **Scrutiny Committee** can require a report.

- 17.2 The power to require a report rests with the **Scrutiny Committee** but is also delegated to the **Chief Executive** who shall require such a report on behalf of the Scrutiny Committee when so requested by the **Chair** of the Scrutiny Committee or any five **Councillors**. Alternatively, the requirement may be raised by resolution passed at a meeting of the Scrutiny Committee.

The Cabinet's report to Full Council

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

Quarterly reports on special urgency decisions

- 17.4 The Leader will submit quarterly reports to the **Full Council** on the **executive decisions** taken in the circumstances set out in Rule 15 (Special Urgency) in the preceding three months. The report will include the number of decisions so taken and a summary of the matters in respect of which those decisions were taken.

18. Decisions by Individual Cabinet Members

- 18.1 The **Cabinet** currently takes all decisions collectively but if decisions are delegated to individual **Cabinet Members** the following rules will apply.
- 18.2 All decisions taken individually by **Cabinet Members** must be based on written reports setting out key legal, financial, service and corporate implications and may not be taken unless the **Chief Executive** (or an Officer nominated by him/her) is present.
- 18.3 When an Officer prepares a report which is to be given to a **Cabinet Member** for decision, he/she must first give a copy of that report to the

Chief Executive (or an Officer nominated by him/her).

- 18.4 The **Chief Executive** will publish the report to the monitoring bodies, the **S151 Officer** and the **Monitoring Officer**. The report will be made publicly available as soon as reasonably practicable.
- 18.5 Individual decisions may only be made by **Cabinet Members** in the presence of the **Chief Executive**, **S151 Officer** or **Monitoring Officer** or their nominee (unless they waive that requirement) and the Officer (or an Officer nominated by him/her) whose responsibility it is to record the decision.
- 18.6 As soon as is reasonably practicable after an individual **Cabinet Member** or Officer has made an executive decision he/she shall produce, or cause to be produced, a written statement including:
- (a) a record of the decision including the date it was made;
 - (b) a record of the reasons for the decision;
 - (c) details of any alternative options considered and rejected at the time by the **Councillor**;
 - (d) when he/she made the decision;
 - (e) a record of any interest declared by any **Cabinet Member** who was consulted by the Councillor about the decision; and
 - (f) a note of any relevant dispensation granted by the **Chief Executive**.
- 18.7 A copy of the written statement setting out the decision must be sent to the **Monitoring Officer**. All decisions of the **Cabinet** must be published and will be subject to Call-in as set out in **Part 4** (Section 4.5).

19. **Record of Decisions**

- 19.1 After an executive decision is taken by the **Cabinet**, an individual **Cabinet Member** or a Committee of the Cabinet, the **Monitoring Officer** or, where no Officer was present, the person presiding at the meeting, will produce a record of every decision taken at that meeting as soon as reasonably practicable and make it available for inspection by the public. The record will include:
- 19.1.1 the date of the decision;
 - 19.1.2 a statement of the reasons for each decision and any alternative options considered and rejected at that meeting;
 - 19.1.3 details of any interest relating to the matter decided which is declared by any member of the decision-making body which made the decision; and
 - 19.1.4 in respect of any declared interest, a note of dispensation granted.

19.2 This Rule 19 applies to all **Executive** decisions, which may or may not be **Key Decisions**.

19.3 The minutes of the meeting will be regarded as the record of these decisions.

19.4 Decisions taken at a meeting may only be taken on the basis of a written report, setting out key legal, financial, service and corporate implications and may not be taken unless the **Chief Executive** or his/her nominee is present.

20. **Scrutiny Committees' Access to Documents**

20.1 Subject to Rule 20.2, members of the **Scrutiny Committees** (including any Sub-Committee) will be entitled, on request as soon as reasonably practicable and in any case no later than ten clear working days after a request has been received, to copies of any document which is in the possession or control of the **Executive** and which contains material relating to:

20.1.1 any business transacted at a meeting of the **Cabinet** or its **Committees** or:

20.1.2 any decision taken by an individual **Cabinet Member**.

Limit on rights

20.2 A member of a **Scrutiny Committee** (or Sub-Committee) will not be entitled to:

- (a) any document that is in draft form;
- (b) any document containing advice provided by a political advisor; or
- (c) any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision they are reviewing or intend to review.

20.3 Where the **Executive** determine that any member of a **Scrutiny Committee** is not entitled to copy documents in accordance with paragraph 20.1 it must provide a written statement setting out its reasons.

21. **Additional Rights of Access for Councillors**

21.1 Members of a Committee or decision-making body of the Council or of the **Cabinet** are automatically provided with, and entitled to receive, copies of confidential or exempt reports of that body.

22. **Material Relating to Executive Decisions**

- 22.1 All **Councillors** will be entitled to inspect any document (except those available only in draft form) in the possession or under the control of the **Cabinet** or one of its groups which relates to any executive decision at least 5 clear days before a public meeting at which the decision is to be taken. If it contains exempt information falling within paragraphs 1 to 6 of the categories of exempt information the Councillors will be required to sign a register kept for the purpose of such requests.
- 22.2 All **Councillors** will be entitled to inspect any document in the possession or under the control of the **Cabinet** or one of its groups which relates to any executive decision taken in private when the meeting concludes or immediately after the decision is taken.
23. **Nature of Rights**
- 23.1 These rights of a Councillor are additional to any other rights of **Access to Information** a Councillor may have.
24. **Rights of Councillors – “Need to Know”**
- 24.1 **Councillors** will be entitled to access documents and to attend the confidential part of meetings of **Committees** and **Sub-Committees** and public meetings of the **Cabinet** (even though they are not a member of those bodies) where they can demonstrate a “need to know” in order to perform their duties as Councillors.
- 24.2 Subject to Rule 25.3 below, the circumstances where a “need to know” may be treated as arising will include:
- 24.2.1 Where the matter relates to a **Sub-Committee** of a Committee of which the Councillor is a member;
- 24.2.2 Where the matter relates to a Committee of the Cabinet where the Councillor is a Cabinet Member;
- 24.2.3 Where the matter is within the remit of the **Audit and Governance Committee** or **Scrutiny Committee** of which the Councillor is a member;
- 24.2.4 Where the **Full Council** is required to approve the decisions or recommendations of **Committees**, **Sub-Committees** or the **Cabinet**;
- 24.2.5 Where the matter has been delegated to a Committee or Sub-Committee, but significantly affects the reputation of the whole Council;
- 24.2.6 Where the matter relates specifically to a Councillor’s own ward;
and

- 24.2.7 In relation to exempt material within a report on a decision that has been called in for consideration by **Scrutiny Committee** and a Councillor has signed a Call-in notice and that Councillor has indicated that they wish to address the Scrutiny Committee as part of the Call-in process.
- 24.3 There will not be a “need to know” if a **Councillor** is acting in bad faith or in pursuance of a personal interest or merely out of curiosity.
- 24.4 A **Councillor** wishing to see confidential or exempt Council, Committee, Sub-Committee or Cabinet documents or to attend the confidential part of a meeting should make a written application to the **Monitoring Officer**, setting out the reasons and information in support of their claim to have a “need to know”, and why the document and/or attendance at the meeting is necessary in order to enable the Councillor properly to perform his/her duties.
- 24.5 The determination as to whether or not a “need to know” has been demonstrated will be based on Officer advice and may include legal advice.
- 24.6 Once a determination has been made, this will be communicated to the **Councillor** who has made the claim.
25. **Reporting of Meetings by the Press and Public**
- 25.1 Any member of the press or public attending a public meeting of the Council may record the proceedings and report them to others. ‘Reporting’ means filming, photographing, making an audio recording or some other such method of recording proceedings and then reporting or providing a commentary on those proceedings, orally or in writing. A person attending the meeting may use any appropriate communication method, including the Internet, to publish or share the recorded material. This would include the use of social media.
- 25.2 Any person wishing to record a public meeting is not required to give the Council prior notice although they are encouraged to do so in order that reasonable facilities can be provided.
- 25.3 No one is entitled to record or report the proceedings of a meeting if the meeting has moved into private session to consider confidential or exempt business. In such circumstances, the public and press are required to leave the meeting and to deactivate and/or remove any recording or communications equipment.
- 25.4 Any person recording or reporting a meeting may not use flash photography or intrusive lighting, or move around the room, or ask any of the participants at the meeting to repeat something they have said. They may not cause excessive noise when installing or moving equipment. They may not give an oral commentary during the meeting.

All of these activities would serve to disrupt proceedings and anyone acting in a disruptive manner may be excluded from the meeting.

25.5 Any person recording or reporting a meeting may not film any member of the public who remains in the public gallery.

25.6 Anyone wishing to record or report on meetings shall be reminded at the start of the meeting that the law of defamation will apply, as well as the law relating to public order offences. They shall also be reminded that freedom of speech should be exercised with personal and social responsibility, showing respect and tolerance towards the views of others. The Chair or person presiding at the meeting shall give this advice with the support of Officers.

SECTION D – SCRUTINY PROCEDURE RULES

Rule

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SECTION D – SCRUTINY PROCEDURE RULES

1. Establishment and Membership

The **Council** will establish the **Scrutiny Committees** set out in **Part 2** of this **Constitution** and will appoint to them as it considers appropriate, subject to political proportionality. Where there is any doubt as to which Scrutiny Committee is the “relevant Scrutiny Committee” (as referred to in this Constitution), the decision of the **Monitoring Officer** shall be final.

2. Terms of Reference

The general and specific role of the **Scrutiny Committees** will be as set out in **Part 2** of this **Constitution**.

3. Meetings of the Scrutiny Committees

3.1 Each **Scrutiny Committee** will meet five times per year.

3.2 The Corporate Scrutiny Committee will meet an additional sixth time during the Council’s budget setting process to consider budget proposals.

3.3 In addition, meetings of either **Scrutiny Committee** may be convened from time to time:

3.3.1 to consider matters called in;

3.3.2 on the instruction of the **Chief Executive** in consultation with the Chair of the relevant **Scrutiny Committee** where consideration of an urgent matter is required;

but only if timescales do not permit the called in or urgent matter to be considered at the next scheduled meeting of the relevant **Scrutiny Committee**.

4. Work Plan

4.1 The **Scrutiny Committees** will be responsible for setting their own work plan and in doing so they shall take into account the wishes of members on the **Committee** who are not members of the largest political group on the **Full Council**.

4.2 The **Scrutiny Committees** shall also respond, as soon as their work plans permit, to requests from the **Full Council** and the **Cabinet** to review particular areas of Council activity. Where they do, the Scrutiny Committees shall report their findings and any recommendations back to the Cabinet and/or Full Council. The Full Council and/or the Cabinet shall consider the report of the relevant Scrutiny Committee at the next available meeting.

5. **Agenda for the Scrutiny Committees**

- 5.1 Any member of the **Scrutiny Committees** shall be entitled to request, in writing, that an item be included on the **Agenda**, provided that the item is within the remit of the Committee in question. The Committee will decide how the item should be considered and whether or not it can be included in its work programme.
- 5.2 Similarly, the **Leader** of the **Council** or a **Cabinet Member** with specific portfolio responsibilities may give notice in writing requiring an item to appear on an **Agenda** of a **Scrutiny Committee**, relating to its area of responsibilities. The Committee will decide how the item should be considered and whether or not it can be included in its work programme.
- 5.3 Subject to the **Council and Committee Procedure Rules** in **Part 3**, any other five **Councillors** may give notice in writing to the **Chief Executive**, requesting an item to appear on an **Agenda** of a **Scrutiny Committee**. The item shall be included after consulting the Chair of the Committee.
- 5.4 On receipt of a notice under Rule 5.1, 5.2 or 5.3, the matter will be included on the **Agenda** for, and discussed at, a meeting of the Committee. Notices under Rule 5.2 must be served no later than 28 days before the meeting at which the matter is to be discussed.
- 5.5 In considering whether or not to exercise any of its powers in relation to the matter referred under Rule 5.3 the Committee may have regard to any representations made by the **Councillors** as to why it would be appropriate to exercise any of its powers. If the Committee decides not to exercise any of those powers in relation to the matter, it must notify the Councillors of the decision and the reasons for it.
- 5.6 Where a **Scrutiny Committee** exercises its power to make a report or recommendation to the **Full Council** or the **Cabinet** on any matter referred to it by **Councillors** under Rule 5.3 the Committee must provide the Councillors with a copy of the report or recommendation (subject to Rule 9).

6. **Policy Review and Budget Development**

- 6.1 The Corporate Scrutiny Committee has a key role in budget development and the Community Scrutiny Committee has a key role in policy development. The **Budget and Policy Framework Procedure Rules** in **Part 3** contains details of the process by which the Scrutiny Committees may perform that role.
- 6.2 In relation to the development of the Council's approach to other matters not forming part of its **Budget and Policy Framework**, the **Scrutiny Committees** may make proposals to the **Cabinet** for developments in so far as they relate to matters within their terms of reference.
- 6.3 **Scrutiny Committees** may hold enquiries in relation to policy review and may appoint advisors and specialists to assist them in this process. They may visit sites, conduct public surveys, hold public meetings, commission research and undertake such other things they consider reasonable and necessary to inform their

deliberations. They may call witnesses on any matter under consideration and may pay to any specialists and witnesses a reasonable fee and expenses for doing so within budgetary provision.

7. Reports and Recommendations of the Scrutiny Committees

7.1 This Rule 7 applies where either **Scrutiny Committee** makes a report or recommendation to the **Full Council** or the **Cabinet**, except in relation to a crime and disorder matter. The Committee will prepare a formal report and submit it to the Proper Officer for consideration by the Cabinet (if the proposals are consistent with the existing budgetary and policy framework), or to the Council as appropriate (e.g. if the recommendation would require a departure from or a change to the agreed **Budget and Policy Framework**).

7.2 The **Scrutiny Committees** may publish the report or recommendations. Any confidential information must be excluded and any relevant exempt information may be excluded in line with the provisions of the **Access to Information Procedure Rules** in **Part 3**.

7.3 If the **Scrutiny Committees** cannot agree on one single final report to the **Council** or the **Cabinet** as appropriate, then up to one minority report may be prepared and submitted for consideration by the Council or Cabinet with the majority report.

7.4 The **Scrutiny Committees** must by notice in writing require the **Full Council** or **Cabinet**:

7.4.1 to consider the report or recommendation;

7.4.2 to respond to the Committee indicating what (if any) action the **Full Council** or Cabinet proposes to take;

7.4.3 if the Committee has published the report or recommendation to publish the response;

7.4.4 if the Committee provided a copy of the report or recommendation to a Councillor under Rule 5.6, to provide the Councillor with the response; and

7.4.5 to do all of the above within two months of receiving the report or recommendations or (if later) the notice.

7.5 It is the duty of the **Full Council** or **Cabinet** to which a notice is given under Rule 7.4 to comply with the requirements specified in the notice.

7.6 The **Council** or the **Cabinet** shall consider the report of the **Scrutiny Committee** after being submitted to the Proper Officer.

7.7 The **Chair** or other appropriate member of the relevant **Scrutiny Committee** shall attend the meeting of the **Cabinet** or **Council** to present the Committee's report.

8. Making sure that Scrutiny Reports are considered by the Cabinet

8.1 The **Agenda** for **Cabinet** meetings shall include an item for matters referred to it by the **Scrutiny Committees**. Reports referred to the Cabinet shall be included at this point in the Agenda unless either they have been considered in the context of the Cabinet's deliberations on a substantive item on the Agenda or the Cabinet gives reasons why they cannot be included and states when they will be considered.

9. **Rights of Scrutiny Committee Members to Documents**

9.1 In addition to their rights as **Councillors**, members of the **Scrutiny Committees** have the additional right to documents, and to notice of meetings as set out in the **Access to Information Procedure Rules** in **Part 3** of this **Constitution**.

9.2 Nothing in this Rule 9 prevents more detailed liaison between the **Cabinet** and the **Scrutiny Committees** as appropriate depending on the particular matter under consideration.

10. **Rights of Cabinet Members**

10.1 Subject to the provisions of the **Access to Information Procedure Rules** in **Part 3** and without prejudice to the rights of **Cabinet Members**, Cabinet Members may attend meetings of the **Scrutiny Committees** including parts of the meeting where exempt items are being discussed and shall be entitled to receive the **Agenda** for the meeting (including exempt matters) and to speak, give evidence and answer questions at the invitation of the Committee.

11. **Councillors and Officers Giving Account**

11.1 The **Scrutiny Committee** may scrutinise and review decisions made or actions taken in connection with the discharge of any **executive function**. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any **Cabinet Member**, the **Chief Executive** and/or any **Chief Officer** to attend before it to explain in relation to matters within their remit:

11.1.1 any particular decision or series of decisions;

11.1.2 the extent to which the actions taken implement **Council** policy; and/or

11.1.3 their performance;

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

11.2 Where any **Councillor** or **Officer** is required to attend the **Scrutiny Committees** under this provision, the **Chair** of the relevant Scrutiny Committee will inform the Proper Officer. The Proper Officer shall inform the Councillor or Officer in writing giving at least 7 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. Where the account to be given will require the production of a report, then the Councillor or

Officer concerned will be given sufficient notice to allow for preparation of that documentation.

- 11.3 Where, in exceptional circumstances, the Councillor or Officer is unable to attend on the required date, then the **Scrutiny Committee** shall in consultation with the Councillor or Officer arrange an alternative date for attendance.
- 11.4 The **Scrutiny Committees** may require a Strategic Director, **Head of Service** or **Team Manager** to interview any member of staff and to record such interview and provide a copy of the interview record to the Committee. A member of the relevant Scrutiny Committee shall be present at any interview but only in an observer capacity.
- 11.5 Under the **Council's** petition scheme the **Chief Executive** and **Strategic Directors** may be called to account at the **Scrutiny Committees** by a public petition received in accordance with the Council's adopted petition scheme.

12. Attendance by Others

The **Scrutiny Committee** may invite people other than those people referred to in Rule 11 above to address it, discuss issues of local concern and/or answer questions. It may, for example, wish to hear from residents, stakeholders and **Councillors** and Officers in other parts of the public sector and may invite such people to attend.

13. Call-in

Call-in should only be used in exceptional circumstances. These are where members of the **Scrutiny Committees** have evidence which suggests that the **Cabinet** did not take the decision in accordance with the principles set out in **Part 2**, Section A (Introduction to Decision Making) of this **Constitution**.

- (a) When a decision is made by the **Cabinet** or a group of the Cabinet or a key decision is made by an Officer with delegated authority, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the **Council** normally within 7 days of being made. The **Chair** of each **Scrutiny Committee** will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision.
- (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 5 working days after the publication of the decision, unless any two Councillors (or more) object to it and require in writing that the decision be called in.
- (c) As soon as reasonably practicable, the **Monitoring Officer** shall Call-in a decision for scrutiny by a **Scrutiny Committee** if so requested and shall then notify the decision taker of the Call-in. A meeting of the relevant Scrutiny Committee shall be convened to consider the Call-in or it could be considered at the next appropriate scheduled meeting of either Scrutiny Committee, if timescales permit. The Monitoring Officer, in consultation with the **Chief Executive** and **S151 Officer**, may reject a request for Call-in if, in their

opinion, it is repetitious, vexatious or fails to set out any grounds which might reasonably cause **Cabinet** to change its decision.

- (d) If, having considered the decision, the relevant **Scrutiny Committee** is still concerned about it, then it may refer it back to the decision-making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to the **Council**. If referred to the decision maker they shall then reconsider, amending the decision or not, before adopting a final decision.
- (e) If the matter was referred to the **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 in accordance with the provision below. However, if the Council does object, it has no locus to make decisions in respect of an executive decision unless it is contrary to the policy framework, or contrary to or not wholly consistent with the budget. Unless that is the case, the Council will refer any decision to which it objects back to the decision-making person or body, together with the Council's views on the decision. That decision-making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the **Cabinet** the matter will be referred to the next scheduled meeting. Where the decision was made by an individual, the individual will reconsider the decision within 10 working days of the Council request.
- (f) If the Council does not meet, or if it does but does not refer the decision back to the decision-making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier.

14. **Exceptions**

14.1 In order to ensure that Call-in is not abused, nor causes unreasonable delay, certain limitations are to be placed on its use. These are:

14.1.1 that the **Scrutiny Committees** may, in total, only Call-in 4 decisions per year; and

14.1.2 once a **Councillor** has signed a request for Call-in under paragraph 13 (Call-in) above, he/she may not do so again until a period of 3 months has expired.

15. **Call-in and Urgency**

15.1 The **Call-in** procedure set out above shall not apply where the decision being taken by the **Cabinet** is urgent. A decision will be urgent if any delay likely to be caused by the Call-in process would seriously prejudice the Council's or the public's interests. The record of the decision, and notice by which it is made public shall state whether in the opinion of the decision-making person or body, the decision is an urgent one, and therefore not subject to Call-in. The **Chair of the Council** must agree both that the decision proposed is reasonable in all the circumstances and to it being treated

as a matter of urgency. In the absence of the **Chair**, the **Deputy Chairs** consent shall be required. In the absence of both, the **Chief Executive** or his/her nominee's consent shall be required. Decisions taken as a matter of urgency must be recorded in the minutes and be reported to the next available meeting of the Council, together with the reasons for urgency.

- 15.2 The operation of the provisions relating to **Call-in** and urgency shall be monitored annually, and a report submitted to **Council** with proposals for review if necessary.

16. **The Party Whip**

- 16.1 When considering any matter in respect of which a member of a **Scrutiny Committee** is subject to a party whip, the member must declare the existence of the whip, and the nature of it before the commencement of the Committee's deliberations on the matter. The declaration, and the detail of the whipping arrangements, shall be recorded in the minutes of the meeting.

17. **Procedure at the Scrutiny Committees' Meetings**

- 17.1 The **Scrutiny Committees'** meetings shall consider the following business:

17.1.1 minutes of the last meeting;

17.1.2 declarations of interest (including party **whip** declarations);

17.1.3 consideration of any matter referred to the Committee for a decision in relation to **Call-in** of a decision;

17.1.4 responses of the **Cabinet** to reports of the relevant Scrutiny Committee;

17.1.5 the business otherwise set out on the **Agenda** for the meeting; and

17.1.6 dealing with any petitions to hold an Officer to account received under the Council's adopted petition scheme.

- 17.2 Where a **Scrutiny Committee** conducts investigations (e.g. with a view to policy development), the Committee may also ask people to attend to give evidence at Committee meetings which are to be conducted in accordance with the following principles:

17.2.1 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;

17.2.2 that those assisting the Committee by giving evidence be treated with respect and courtesy; and

17.2.3 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 **Cabinet** and/or **Full Council** as appropriate and shall make its report and findings public.

18. **Crime and Disorder Matters**

18.1 The Community Scrutiny Committee will exercise the functions of a Crime and Disorder Panel. Any **Councillor** who is not a member of Community Scrutiny Committee may refer a local Crime and Disorder matter to that Committee, which shall sit as a Crime and Disorder Committee.

18.2 A local Crime and Disorder matter means a matter which concerns:

18.2.1 Crime and Disorder including anti-social behaviour or behaviour which adversely affects the local environment; or

18.2.2 the misuse of drugs, alcohol or other substances which affect all or part of the ward for which the Councillor is elected or any person who lives or works in that ward.

18.3 A **Councillor** who wishes to refer a matter to the Crime and Disorder Committee may request that that matter is included on the **Agenda** for and is discussed at a meeting of the Community Scrutiny Committee. The Committee will consider whether or not to make a report or a recommendation to the **Council** on the matter. If the Committee decides not to make a report or make a recommendation it will notify the Councillor of this decision and the reasons for it. If the Committee makes a report or recommendation to Council it will provide a copy of that report or recommendation to the Councillor who referred the matter in question to the Committee and provide a copy of the report or the recommendation to the responsible authorities and the corporation persons and bodies as it considers appropriate.

18.4 The **Council** upon receipt of the report or recommendation must consider it and respond to the Community Scrutiny Committee indicating what action, if any, it proposes to take and have regard to the report or recommendation in exercising its functions.

SECTION E – BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

Rules

1. The Framework for Executive Decisions
2. Process for Developing the Framework
3. Decisions Outside the Budget or Policy Framework
4. Urgent Decisions Outside the Budget or Policy Framework
5. Virement
6. In-Year Changes to Budget and Policy Framework
7. Call-in of Decisions Outside the Budget or Policy Framework
8. Suspension

SECTION E – BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. The Framework for Executive Decisions

- 1.1 The Council will be responsible for the adoption of its **Budget and Policy Framework** as set out in **Part 2**. Once a budget or a policy framework document has been agreed, it is the responsibility of the Cabinet and Officers to implement it.

2. Process for Developing the Framework

- 2.1 The process by which the **Budget and Policy Framework** shall be developed is:
- 2.1.1 Two months before a plan/strategy/budget needs to be adopted, the Cabinet will publish initial proposals for inclusion in the **Budget and Policy Framework**.
- 2.1.2 Details of the Cabinet's consultation process shall be included in the Executive Decision Notice, published at the Council's main offices and made available on the Council's web site.
- 2.1.3 Any representations made to the Cabinet shall be taken into account in formulating the initial proposals and shall be reflected in any report dealing with them. If the matter is one where a **Scrutiny Committee** has carried out a review of policy, then the outcome of that review will be reported to the Cabinet and considered in the preparation of initial proposals.
- 2.1.4 The Cabinet's initial proposals shall be referred to the relevant **Scrutiny Committee** for advice and consideration.
- 2.1.5 The proposals will be referred by sending a copy to the **Monitoring Officer** who will forward them to the **Chair** of the relevant **Scrutiny Committee**. If there is no such **Chair**, a copy must be sent to every member of that Committee.
- 2.1.6 The relevant **Scrutiny Committee** shall canvass the views of local stakeholders if it considers it appropriate in accordance with the matter under consideration, having particular regard not to duplicate any consultation carried out by the Cabinet.
- 2.1.7 The relevant **Scrutiny Committee** shall report to the **Cabinet** on the outcome of its deliberations. The relevant Scrutiny Committee shall have four weeks to respond to the initial proposals of the Cabinet unless the Cabinet considers that there are special factors that make this timescale inappropriate. If it does, it will inform the relevant Scrutiny Committee of the time for response when the proposals are referred to it.
- 2.1.8 Having considered the report of the relevant **Scrutiny Committee**, the **Cabinet**, if it considers it appropriate, may amend its proposals before submitting them to the Council meeting for consideration. It will also report to Council on how it has taken into account any recommendations from the

relevant Scrutiny Committee.

2.1.9 **Council** will consider the proposals of the **Cabinet** and may adopt them, amend them, refer them back to the Cabinet for further consideration or substitute its own proposals in their place. However, if, having considered a draft plan or strategy, it has any objections to it, Council must take the action set out in 2.1.10 below.

2.1.10 Before **Council**:

- (a) amends the draft plan or strategy;
- (b) approves, for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be so submitted; or
- (c) adopts (with or without modification) the plan or strategy

it must inform the **Leader** of any objections which it has to the draft plan or strategy and must give to him/her instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

2.1.11 Where **Council** gives instructions in accordance with 2.1.10, it must specify a period of at least five working days beginning on the day after the date on which the **Leader** receives the instructions on behalf of the **Cabinet** within which the Leader may:

- (a) submit a revision of the draft plan or strategy as amended by the Cabinet (the “revised draft plan or strategy”) with the Cabinet’s reasons for any amendments made to the draft plan or strategy to Council for Council’s consideration; or
- (b) inform Council of any disagreement that the Cabinet has with any of Council’s objections and the Cabinet’s reasons for any such disagreement.

2.1.12 When the period specified by **Council**, referred to in Rule 2.1.11, has expired Council must, when:

- (a) amending the draft plan or strategy or, if there is one, the revised plan or strategy;
- (b) approving for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft or a revised draft) of which any part is required to be so submitted; or
- (c) adopting (with or without modification) the plan or strategy;

take into account any amendments made to the draft plan or strategy that

are included in any revised draft plan or strategy, the **Cabinet's** reasons for those amendments, any disagreement that the Cabinet has with any of Council's objections and the Cabinet's reasons for that disagreement, which the Leader submitted to Council, or informed Council of, within the period specified.

2.1.13 Subject to rule 2.1.17, where, before 8 February in any financial year, the **Cabinet** submits to **Council** for its consideration in relation to the following financial year:

- (a) estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any of Sections 34 to 36A or 46 to 49B of the Local Government Finance Act 1992 (calculation of budget requirement, etc.) and Part 5 of Chapter 1 of the Localism Act 2011;
- (b) estimates of other amounts to be used for the purposes of such a calculation;
- (c) estimates of such a calculation; or
- (d) amounts required to be stated as a precept under Chapter IV of Part I of the Local Government Finance Act 1992 (precepts);

and following consideration of those estimates or amounts Council has any objections to them, it must take the action set out in Rule 2.1.14.

2.1.14 Before **Council** makes a calculation (whether originally or by way of a substitute) in accordance with any of the sections referred to in Rule 2.1.13 above or issues a precept under Chapter IV of Part I of the Local Government Finance Act 1992, it must inform the **Leader** of any objections which it has to the Cabinet's estimates or amounts and must give him/her instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with Council's requirements.

2.1.15 Where **Council** gives instructions in accordance with Rule 2.1.14 above, it must specify a period of at least five working days beginning on the day after the date on which the **Leader** receives the instructions on behalf of the **Cabinet** within which the Leader may:

- (a) submit a revision of the estimates or amounts as amended by the Cabinet ("revised estimates or amounts") which have been reconsidered in accordance with the Council's requirements, with the Cabinet's reasons for any amendments made to the estimates or amounts to Council for its consideration; or
- (b) inform the Council of any disagreement that the Cabinet has with any of Council's objections and the Cabinet's reasons for any such disagreement.

2.1.16 When the period specified by **Council** referred to in paragraph 2.1.15 has expired, Council must, when making calculations (whether originally or by way of a substitute) in accordance with any of the Sections referred to in Rule 2.1.14 above or issuing a precept under Chapter IV of Part I of the Local Government Finance Act 1992, take into account:

- (a) any amendments to the estimates or amounts that are included in any revised estimates or amounts;
- (b) the **Cabinet's** reasons for those amendments;
- (c) any disagreement that the Cabinet has with any of the Council's objections; and
- (d) the Cabinet's reasons for that disagreement which the Leader submitted to the Council, or informed the Council of, within the period specified.

2.1.17 Rules to 2.1.13 to 2.1.16 shall not apply in relation to:

- (a) calculations or substitute calculations which the Council is required to make in accordance with Sections 52I, 52J, 52T or 52U of the Local Government Finance Act 1992 (limitation of council tax and precept); and
- (b) amounts stated in the precept issued to give effect to calculations or substitute calculations made in accordance with Section 52J or 52U of that Act.

3. **Decisions Outside the Budget or Policy Framework**

3.1 Subject to the provisions of Rule 5 (virement) the **Cabinet**, **Cabinet Members**, groups of the Cabinet and any **Officers** or joint arrangements may only take decisions which are in line with the **Budget and Policy Framework**. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by **Full Council**, then that decision may only be taken by Council, subject to Rule 4 below.

3.2 If the **Cabinet**, a **Cabinet Member**, groups of the Cabinet, any **Officers**, or joint arrangements want to make such a decision, they shall take advice from the Monitoring Officer and/or the S151 Officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of either of those Officers is that the decision would not be in line with the existing budget and/or policy framework, then the decision must be referred by that body or person to Council for decision, unless the decision is a matter of urgency, in which case the provisions in Rule 4 (urgent decisions outside the budget or policy framework) shall apply.

4. **Urgent Decisions Outside the Budget or Policy Framework**

- 4.1 The **Cabinet**, a **Cabinet Member**, a group of the Cabinet, or **Officers** (in particular the **Chief Executive** and/or the **Strategic Directors**, or joint arrangements) may take a decision which is contrary to the **Council's** policy framework or contrary to or not wholly in accordance with the budget approved by **Full Council** if the decision is a matter of urgency. However, the decision may only be taken:
- 4.1.1 If it is not practicable to convene a quorate meeting of the **Full Council**; and
- 4.1.2 If the **Chair** of the relevant **Scrutiny Committee** agrees in writing that the decision is a matter of urgency.
- 4.2 The reasons why it is not practicable to convene a quorate meeting of **Full Council** and the **Chair** of the relevant **Scrutiny Committee's** consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the **Chair** of the relevant Scrutiny Committee, the consent of the **Chair** of the Council, and in the absence of both, the **Deputy Chair of the Council**, will be sufficient.
- 4.3 Following the decision, the decision taker will provide a full report to the next available **Council** meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

5. **Virement**

- 5.1 Steps taken by the **Cabinet**, a **Cabinet Member**, a group of the Cabinet, or **Officers**, or joint arrangements to implement Council policy shall not exceed the budgets allocated to each relevant budget head. However, such bodies or individuals shall be entitled to vire across budget heads within such limits as shall be laid down in the **Financial Procedure Rules** in **Part 3**. Beyond those limits, approval to any virement across budget heads shall require the approval of the **Full Council**.
- 5.2 A virement is defined as where one or more budget(s) are reduced to fund an increase in another budget(s). There is no net change in the total budget agreed by Council arising from a virement.

6. **In-Year Changes to Budget and Policy Framework**

- 6.1 The responsibility for agreeing the **Budget and Policy Framework** lies with the **Council**, and decisions by the **Cabinet**, a **Cabinet Member**, a group of the Cabinet, **Officers**, or joint arrangements must be in line with it. No changes to any budget, policy and/or strategy which make up the Budget and Policy Framework may be made by those bodies or individuals except those changes:
- 6.1.1 Which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
- 6.1.2 Necessary to ensure compliance with the law, ministerial direction or government guidance;

6.1.3 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;

6.1.4 When changes are made in accordance with the Supplementary Estimate thresholds set out in the **Financial Procedure Rules in Part 3**.

7. **Call-in of Decisions Outside the Budget or Policy Framework**

7.1 Where a **Scrutiny Committee** is of the opinion that an executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the **Monitoring Officer** and/or **S151 Officer**.

7.2 In respect of functions which are the responsibility of the **Cabinet**, the report of the **Monitoring Officer** and/or **S151 Officer** shall be to the Cabinet with a copy to every Councillor. Regardless of whether the decision is delegated or not, the Cabinet must meet within 21 days of receiving the report to decide what action to take in respect of the Monitoring Officer's or S151 Officer's report and to prepare a report to Council in the event that the Monitoring Officer or the S151 Officer conclude that the decision was a departure, and to the relevant **Scrutiny Committee** if the Monitoring Officer or the S151 Officer conclude that the decision was not a departure.

7.3 If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the S151 Officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the relevant **Scrutiny Committee** may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. **Council** shall meet as soon as practicable on the request from the relevant Scrutiny Committee (or within 28 days if a meeting of the Council is scheduled within that period). At the meeting Council will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the S151 Officer.

7.4 **Council** may either:

7.4.1 Endorse a decision or proposal of the decision taker as falling within the existing **Budget and Policy Framework**. In this case no further action is required, save that the decision of Council be minuted and circulated to all councillors in the normal way;

7.4.2 Amend the budget, financial rule or policy concerned to encompass the decision or proposal of the body or individual responsible for that function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of Council be minuted and circulated to all councillors in the normal way; or

7.4.3 Where Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does

not amend the existing framework to accommodate it, require the **Cabinet** to reconsider the matter in accordance with the advice of the **Monitoring Officer** and/or the **S151 Officer**.

- 7.5 If **Council** does not meet, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier providing that the **Monitoring Officer** and/or the **S151 Officer** is/are satisfied that the decision is within the **Budget and Policy Framework** or falls within Rules 6.1.1-6.1.3.
8. **Suspension**
- 8.1 Any part of these rules may be suspended provided such suspension is not contrary to law.
- 8.2 Every contract made by the Council will comply with the Contracts Procedure Rules set out in **Part 4** of this **Constitution**.

SECTION F – FINANCIAL PROCEDURE RULES

Rules

1. Introduction
2. Financial Regulation A - Financial Management
3. Financial Regulation B - Financial Planning
4. Financial Regulation C - Risk Management and Control of Resources
5. Financial Regulation D - Systems and Procedures
6. Financial Regulation E - External Arrangements
7. Call-in of Decisions Outside the Budget or Policy Framework
8. Suspension

SECTION F – FINANCIAL PROCEDURE RULES

1. Introduction

1.1 What are the Financial Procedure Rules?

- 1.1.1 Section 151 of the Local Government Act 1972 states that “every authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their Officers has responsibility for the administration of those affairs”.
- 1.1.2 Financial Procedure Rules provide the framework for managing the Council’s financial affairs and are supported by more detailed Financial Management Standards which set out how the procedures will be implemented.
- 1.1.3 The procedures identify the financial responsibilities of **Full Council**, the **Cabinet** and **Officers**.
- 1.1.4 To avoid the need for regular amendment due to changes in post titles generic terms are included for Officers as follows:
- a) The term, “**S151 Officer**,” refers to the Section 151 Officer who is currently the Council’s Head of Finance.
 - b) The term, “**Chief Officers**”, refers to the Council’s **Chief Executive** and **Strategic Directors**.
 - c) The term, “**Monitoring Officer**”, refers to the Head of Legal and Commercial Services.
 - d) The term, “Chief Internal Auditor”, refers to the Audit Manager.
 - e) The term “Budgetholder” refers to any Officer with designated responsibility for a revenue and/or capital cost centre in the annually agreed revenue budget and capital programme. The Budgetholder is responsible for financial management and compliance with these rules. This might include **Chief Executive**, **Strategic Directors**, Heads of Service and **Team Managers**.

1.2 Why are they important?

- 1.2.1 To conduct its business effectively, the Council needs to ensure that sound financial management arrangements are in place and that they are strictly adhered to in practice. Part of this process is the establishment of Financial Procedure Rules which set out the financial responsibilities of the Council. These rules have been devised as a control to help the Council manage its financial matters properly in compliance with all necessary requirements.

- 1.1.2 Good, sound financial management is a key element of corporate governance which helps to ensure that the Council is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.
- 1.1.3 Good financial management secures value for money, controls spending, ensures due probity of transactions and allows decisions to be informed by accurate accounting information.
- 1.1.4 Good financial management requires secure and reliable records and systems to process transactions and information and substantiate the effective use of public money.
- 1.1.5 These Financial Procedure Rules should not be seen in isolation but rather as part of the overall regulatory framework of the Council as set out in this **Constitution**.

1.3 **Who do Financial Procedure Rules apply to?**

- 1.3.1 These Financial Procedure Rules apply to every **Councillor** and **Officer** of the Council and anyone acting on its behalf. Councillors and Officers have a general responsibility for taking reasonable action to provide for the security and use of the resources and assets under their control and for ensuring that the use of such resources and assets is legal, is consistent with Council policies and priorities, is properly authorised, provides value for money and achieves best value.
- 1.3.2 These Financial Procedure Rules shall apply in relation to any partnership for which the Council is the accountable body, unless the Council expressly agrees otherwise.
- 1.3.3 Failure to observe these Financial Procedure Rules may result in action under the Council's disciplinary procedures.

1.4 **Who is responsible for ensuring that they are applied?**

- 1.4.1 **Chief Officers** and Heads of Service are ultimately responsible to the Council for ensuring that these Financial Procedure Rules are applied and observed by his/her staff and contractors providing services on the Council's behalf and for reporting to the **S151 Officer** any known or suspected breaches of the procedures.
- 1.4.2 The **S151 Officer** is responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to the Council for approval. The S151 Officer is also responsible for reporting, where appropriate, breaches of the Financial Procedure Rules to the Council and/or to the **Cabinet Members**.

- 1.4.3 The **S151 Officer** is responsible for issuing advice and guidance to underpin the Financial Procedure Rules which **Councillors, Chief Officers** and others acting on behalf of the Council are required to follow.
- 1.4.4 Any person charged with the use or care of the **Council's** resources and assets should inform him/herself of the Council's requirements under these Financial Procedure Rules. If anyone is in any doubt as to their obligations, then they should seek advice.
- 1.4.5 Where any **Chief Officer** considers that complying with these Financial Procedure Rules in a particular situation might conflict with the achievement of value for money or the principles of Best Value or the best interests of the Council, he/she shall raise the issue with the **S151 Officer** who will, if he/she considers necessary and appropriate, seek formal approval from the Council for a specific waiver of the procedures, or an amendment to the procedures themselves.

2. **Financial Regulation A: Financial Management**

Introduction

- A.1 Financial management covers all financial accountabilities in relation to the running of the Council, including the policy framework and budget.

The Full Council

- A.2 **Full Council** is responsible for adopting the **Constitution** and the **Councillors' Code of Conduct** in **Part 4** and for approving the policy framework and budget within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control. The framework is set out in its Constitution. Full Council is also responsible for monitoring compliance with the agreed policy and related Cabinet decisions.
- A.3 **Full Council** is responsible for approving procedures for recording and reporting decisions taken. This includes those key decisions delegated by and decisions taken by the Council and its Boards. These delegations and details of who has responsibility for which decisions are set out in the **Constitution**.

The Cabinet

- A.4 The Cabinet is responsible for proposing the policy framework and budget to the **Full Council** and for discharging **Executive Functions** in accordance with the policy framework and budget.

A.5 Cabinet decisions can be delegated to a **Sub-Committee** of the Cabinet, an individual **Cabinet Member** or an **Officer**.

A.6 Where A.5 occurs, the **Cabinet** is responsible for establishing protocols to ensure that individual **Cabinet Members** consult with relevant Officers before taking a decision within his, her or their delegated authority. In doing so, the individual Cabinet Member must take account of legal and financial liabilities and risk management issues that may arise from the decision.

Scrutiny Committees

A.7 The **Scrutiny Committees** are responsible for scrutinising executive decisions before or after they have been implemented and for holding the **Cabinet** to account. The Scrutiny Committees are also responsible for making recommendations on future policy options and for reviewing the general policy and service delivery of the Council.

Audit and Governance Committee

A.8 The **Audit and Governance Committee** is established by the **Full Council** and is responsible for promoting and maintaining high standards of conduct amongst **Councillors**. In particular, it is responsible for advising the **Council** on the adoption and revision of the **Councillors' Code of Conduct** in **Part 4**, and for monitoring the operation of the code. It may also make recommendations to the Full Council on the **Constitution**.

Other Regulatory Committees

A.9 Planning and licensing are not **Executive Functions** but are exercised through the multiparty **Planning** and **Licensing Committees** under powers delegated by the **Full Council**. The Planning and Licensing Committees report to the Full Council.

The Statutory Officers

Head of Paid Service (Chief Executive)

A.10 The Head of Paid Service is responsible for the corporate and overall strategic management of the Council as a whole. He/she must report to and provide information for the Cabinet, the **Full Council**, the **Scrutiny Committees** and other **Committees**. He/she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Head of Paid Service is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the Full Council's decisions (see below).

Monitoring Officer

- A.11 The Monitoring Officer is responsible for promoting and maintaining high standards of financial conduct and therefore provides support to the **Audit and Governance Committee**. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the **Full Council** and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- A.12 The **Monitoring Officer** must ensure that executive decisions and the reasons for them are made public. He/she must also ensure that **Councillors** are aware of decisions made by the Cabinet and of those made by **Officers** who have delegated executive responsibility.
- A.13 The **Monitoring Officer** is responsible for advising all councillors and Officers about who has authority to take a particular decision.
- A.14 The **Monitoring Officer** is responsible for advising the Cabinet or **Full Council** about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- A.15 The **Monitoring Officer**, together with the **Chief Executive**, is responsible for advising the **Cabinet** or **Full Council** about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:

initiating a new policy

committing expenditure in future years to above the budget

level incurring transfers contrary to virement rules and limits

causing the total expenditure financed from council tax, grants and corporately held reserves to increase, or to increase by more than a specified amount.

- A.16 The **Monitoring Officer** is responsible for maintaining an up-to-date **Constitution**.

S151 Officer (See A Statement on the Role of the Finance Director in Local Government (CIPFA))

- A.17 The **S151 Officer** has statutory duties in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from:

Section 151 of the Local Government Act 1972

The Local Government Finance Act 1988

The Local Government and Housing Act 1989

The Accounts and Audit Regulations 2003 and 2015.

A.18 The **S151 Officer** is responsible for:

the proper administration of the Council's financial affairs;

setting and monitoring compliance with financial management standards;

advising on the corporate financial position and on the key financial controls necessary to secure sound financial management;

providing financial information;

preparing the revenue budget and capital programme;

Treasury Management and prudential indicators.

A.19 The **S151 Officer** shall:

- i. report to the **Cabinet** with respect to the level of financial resources estimated to be available in each financial year;
- ii. report to the Cabinet quarterly with an annual outturn on the Council's financial position and performance;
- iii. report to the Cabinet in respect of the Medium Term Financial Strategy.

A.20 Section 114 of the Local Government Finance Act 1988 requires the **S151 Officer** to report to **Full Council**, Cabinet and the External Auditor if the Council or one of its Officers:

has made, or is about to make, a decision which involves incurring unlawful expenditure;

has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Council;

is about to make an unlawful entry in the Council's

accounts. Section 114 of the 1988 Act also requires:

the S151 Officer to nominate a properly qualified member of staff to deputise should he/she be unable to perform the duties under Section 114 personally;

the Council to provide the S151 Officer with sufficient staff, accommodation and other resources - including legal advice where this is necessary - to carry out the duties under Section 114.

Other Officers

Budget holders

- A.21 The Budget holders are responsible for ensuring that Heads of Service and the relevant **Strategic Director** are advised of the financial implications of all proposals and that the financial implications have been agreed by the S151 Officer. The Strategic Director shall then in turn advise **Cabinet**.
- A.22 It is the responsibility of the Budget holder to consult with the **S151 Officer** and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.
- A.23 Budget holders are responsible for the control and accountability of resources consumed and generated by their service areas.

Other Financial Accountabilities

Virement

- A.24 **Full Council** is responsible for agreeing procedures for virement of expenditure between budget headings. The definition of a virement is set out in Section 5 of the Policy & Budget Framework as follows:

*Steps taken by the Cabinet, a Cabinet Member, a group of the Cabinet, or Officers, or joint arrangements to implement Council policy shall not exceed the budgets allocated to each relevant budget head. However, such bodies or individuals shall be entitled to vire across budget heads within such limits as shall be laid down in the Financial Procedure Rules. Beyond those limits, approval to any virement across budget heads shall require the approval of the **Full Council**.*

A virement is defined as where one or more budget(s) are reduced to fund an increase in another budget(s). There is no net change in the total budget agreed by Council arising from a virement.

- A.25 The table below sets out the approval level required based on the value of the virement.

Value	Approval Level Required		
	Within a Budget Head	Between Budget Heads in same Directorate	Between Directorates
Between £0 - £4,999	Heads of Service	Heads of Service	Heads of Service
Between £5,000 and £24,999	Heads of Service and Chief Executive/Strategic Directors	Chief Executive/Strategic Directors and Portfolio Holder(s)	Chief Executive/Strategic Directors and Portfolio Holder(s)

Between £25,000 and £99,999	Chief Executive/Strategic Directors and Portfolio Holder(s)	Chief Executive/Strategic Directors and Portfolio Holder(s)	Chief Executive/Strategic Directors and Portfolio Holder(s)
Between £100,000 and £249,999	Cabinet	Cabinet	Cabinet
£250,000 and over	Full Council	Full Council	Full Council
Notes:			
<ol style="list-style-type: none"> 1. In all circumstances virements require approval by the S151 Officer. 2. All relevant parties listed above must be in agreement. 3. Virements should not be artificially disaggregated. 4. Virement rules apply to capital and revenue. 			

Supplementary Estimates

A.26 A supplementary estimate is an addition to the Council's agreed budget. Supplementary estimates can be one-offs, or recurring. In either case, supplementary estimates should only be considered after all other options, such as virements, or savings, have been considered. Supplementary estimates include budgets fully funded by external grant or contribution.

A.27 The table below sets out the approval level required based on the value of the supplementary estimates.

Value	Approval Level Required	
	Fully Externally Funded	Requires Council Funding
Between £0 and £99,999	Head of Service and Chief Executive/Strategic Directors [then reported to Cabinet at next meeting]	Cabinet
Between £100,000 and £249,999	Cabinet	Cabinet
£250,000 and over	Full Council	Full Council
Notes:		
<ol style="list-style-type: none"> 1. In all circumstances Supplementary Estimates require approval by the S151 Officer. 2. Council funding includes (but is not limited to) revenue budget, reserves, Section 106, capital receipts and borrowing. S151 Officer decision will undertaken an assessment. 3. Supplementary Estimates should not be artificially disaggregated. 4. Supplementary Estimates rules apply to capital and revenue. 		

A.28 Where in exceptional or unexpected circumstances a Directorate is faced with a material increase in its net expenditure, which cannot reasonably

be contained within its resource allocation figure for the year, the **Chief Executive** or **Strategic Directors** must (wherever possible, prior to incurring the expenditure) submit a request to **Cabinet** or **Council** for a supplementary estimate to cover the additional expenditure. The Cabinet or Council will also decide how the expenditure will be funded, e.g. from grant, revenue, reserve, loan or otherwise.

Monitoring of Expenditure

- A.29 The **Chief Executive, Strategic Directors** and Heads of Service shall monitor revenue expenditure and the Capital Strategy Group shall monitor Capital expenditure on a regular basis. Significant matters will be reported to the Cabinet as necessary.

Treatment of Year-end Balances

- A.30 **Full Council** is responsible for agreeing procedures for carrying forward under and overspendings on budget headings.

Accounting Policies

- A.31 The **S151 Officer** is responsible for selecting accounting policies and ensuring that they are applied consistently.

Accounting Records and Returns

- A.32 The **S151 Officer** is responsible for determining the accounting procedures and records for the Council.

The Annual Statement of Accounts

- A.33 The **S151 Officer** is responsible for ensuring that the annual statement of accounts is prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (CIPFA/LASAAC). Approving the annual statement of accounts is a **Council** function that has been delegated to the **Audit and Governance Committee**.

3. Financial Regulation B: Financial Planning

Introduction

- B.1 **Full Council** is responsible for agreeing the Council's **Budget and Policy Framework**, which will be proposed by the Cabinet. In terms of financial planning, the key elements are:

the corporate

plan; the

budget;

the capital programme; and

the medium term financial strategy.

Policy Framework

B.2 **Full Council** is responsible for approving the **Budget and Policy Framework** (which is detailed in **Section C** of **Part 2**).

B.3 **Full Council** is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. Decisions should be referred to the Full Council by the Monitoring Officer.

B.4 **Full Council** is responsible for setting the level at which the Cabinet may reallocate budget funds from one service to another. The Cabinet is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.

Preparation of the Council's Corporate Plan

B.5 The **Head of Paid Service** is responsible for proposing the Corporate Plan to the Cabinet for consideration before its submission to the **Full Council** for approval.

Budgeting

B.6 The **S151 Officer** shall report annually to the **Cabinet** on the details of capital and revenue estimates for all the council's functions. He/she shall prepare and update annually a five-year rolling revenue budget forecast. Each year the Cabinet shall consider and recommend, based on corporate priorities, the strategic allocation of resources to services and submit a report to Council.

B.7 The format and timescale of the estimates shall be determined by the S151 Officer. It is the responsibility of the **Strategic Directors**, Heads of Service and **Team Managers** to ensure that budget estimates reflecting agreed service plans are submitted to the **S151 Officer** and that these are prepared and submitted as directed by the S151 Officer.

Budget Monitoring and Control

B.8 The **Chief Executive**, **S151 Officer**, **Strategic Directors**, Heads of Service and Team Managers shall:

- a) only incur revenue expenditure where there is an approved budget

provision in that financial year;

- b) only incur capital expenditure where that project is in the Council's capital programme as applied to that financial year;

The S151 Officer is responsible for providing appropriate financial information to enable budgets to be monitored effectively. He/she must monitor and control expenditure against budget allocations and report to the Cabinet on the overall position on a regular basis.

It is the responsibility of Team Managers to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the S151 Officer. They should report on variances within their own areas. They should also take any action necessary to avoid exceeding their budget allocation and alert the S151 Officer to any problems.

Budgetary Control - Capital

B.9 In addition to B8 above, the following Financial Regulations shall apply:

- a) whenever a new capital project is considered desirable, the **Chief Executive** or **Strategic Directors** shall (after submitting the project (with a Project Benefit Analysis) to the Capital Strategy Group and Corporate Leadership Team) submit the project to the Cabinet which shall, after considering advice from the **S151 Officer** (to include the implications of the Prudential Code if applicable and any current and future revenue implications) and other appropriate Officers, make recommendations to the Council as to its acceptance or otherwise, indicating where appropriate its inclusion on the Long Term Capital Projects List and the level of priority for its implementation;
- b) subject to (c) below, approval by **Council** of the Capital Programme shall be a prerequisite for the commencement of a project and to enter into a contract;
- c) notwithstanding approval in the Capital Programme, if the proposed or actual expenditure (excluding supervision costs) exceed the approved estimate, the **Team Manager** shall, before proceeding, refer the proposal, with the comments of the S151 Officer, to the Cabinet;
- d) any re-phasing of capital expenditure between years shall be subject to approval by the S151 Officer;
- e) the S151 Officer is empowered to authorise spending in an emergency on any unforeseen health and safety work relating to a project.

Emergencies or Disasters

B.10 In the event of an emergency or disaster, these Financial Regulations shall be suspended and the **Chief Executive, Strategic Directors** and/or the **S151 Officer** be given delegated powers to take any action deemed necessary in respect of the financial matters of the Council, subject to such action being reported to the Cabinet.

Maintenance of Reserves

B.11 It is the responsibility of the **S151 Officer** to advise the **Cabinet** and/or **Full Council** on prudent levels of reserves for the Council.

4. Financial Regulation C: Risk Management and Control of Resources

Introduction

C.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.

Risk Management

C.2 The **Cabinet** is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management. The Cabinet is responsible for ensuring that proper insurance exists where appropriate.

C.3 The **S151 Officer** is responsible for preparing the Council's risk management policy statement, for promoting it throughout the Council and for advising the Cabinet on proper insurance cover where appropriate.

Internal Control

C.4 Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.

C.5 The **S151 Officer** 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.

C.6 It is the responsibility of the **Chief Executive, Strategic Directors, Heads**

of Service and Team Managers 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.

- C.7 The duties of providing information regarding any sums of money due to or from the Council and of calculating, checking and recording such amounts, shall be separated as completely as possible from the duty of collecting or disbursing them.

Audit requirements

- C.8 The Audit Manager and the **S151 Officer** have a responsibility for ensuring that the Council has an adequate and effective internal audit service in operation in accordance with Section 151 of the Local Government Act 1972 and the Accounts and Audit Regulations 2015.
- C.9. The work of the Internal Audit Section will be performed with due professional care and in accordance with the Accounts and Audit Regulations 2015 and the **Public Sector Internal Audit Standards (PSIAS)** and any subsequent guidance which updates or replaces these.
- C.10 Internal Audit is an assurance function which primarily provides an independent and objective opinion to the Council on its governance arrangements and internal controls.
- C.11 The Audit Manager will fulfil the role and responsibilities of the “Chief Audit Executive” as set-out in the PSIAS. In order to perform their duties, the Audit Manager or their nominated representatives have authority to:
- a) enter at all reasonable times, any Council premises or land;
 - b) have access to all records, documents, correspondence and computer systems relating to the Council and its activities;
 - c) require and receive such explanations as necessary concerning any matter under examination;
 - d) require any employee of the Council to produce records, cash, stores or any other Council property under their control, necessary to carry out their duties.

Where necessary such rights of access may be called upon and should be granted to Internal Auditors on demand and not subject to prior notice or approval. All employees are required to assist Internal Audit in fulfilling its roles and responsibilities.

- C.12 Managers, and not Internal Audit, have ultimate responsibility for ensuring that internal controls throughout the Council are adequate and effective. This responsibility includes the duty to continuously review internal

controls and ensure that they remain suitable in design and effective in operation. The existence of Internal Audit does not diminish the responsibility of management to establish and maintain systems of internal control to ensure that activities are conducted in a secure, efficient and effective manner.

Stores and Inventories

- C.13 Each Team Manager shall be responsible for the custody and physical control of the stocks and stores in his/her service area and the records kept by the storekeepers shall be prescribed by the **S151 Officer**. Wherever possible, stocks and stores should be marked as the property of the Council.
- C.14 Each Team Manager, in conjunction with the **S151 Officer**, shall make arrangements for continual stock-taking covering all items at least once per year. Stock-taking procedures shall be conducted by Officers independent of the day to day activities within the system. Any surpluses or deficiencies revealed shall be reported to the S151 Officer who shall, in conjunction with the appropriate Team Manager, agree any action required/recommend to the Cabinet any action considered necessary.
- C.15 Stocks shall be maintained within the minimum and maximum levels determined by the appropriate Team Manager, and the maximum level shall not be exceeded, except in special circumstances with the approval of the S151 Officer.
- C.16 Each Team Manager shall prepare and maintain an inventory in a form approved by the **S151 Officer**. The inventory shall include movable plant and machinery, rolling stock, furniture, fittings and equipment. The only exception is office stationery equipment (for example; calculators, hole punches, staplers, waste bins).
- In addition to the divisional inventory, equipment purchased by the Information Technology Section, including that purchased on behalf of other Services, shall be recorded on the Information Technology inventory.
- C.17 All inventories shall be checked annually by Team Managers. Individual surpluses or deficiencies over £50 shall be dealt with in the manner prescribed for stores in paragraph C.14 (above). Where individual inventory items with an estimated value below £50 become surplus to requirements, the Council has a procedure for dealing with such items, which shall be adhered to.
- C.18 The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the relevant Team Manager.

C.19 All items appearing on the Inventory shall be indelibly marked as property of the Council.

Security

C.20 Each Team Manager shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc. under his/her control. He/she shall consult the **S151 Officer** in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

C.21 The maximum limit for cash holdings shall be agreed with the S151 Officer and shall not be exceeded without his/her express permission.

C.22 Keys to safes and similar receptacles are to be carried on the person of those responsible at all times. The loss of such keys must be reported to the S151 Officer immediately the loss is discovered.

C.23 The **S151 Officer** shall be responsible for maintaining proper security and privacy as respects information held on computer for its use, in accordance with the Data Protection Acts 1984 and 1998, the Computer Misuse Act 1990 and the Freedom of Information Act 2000.

Banking Arrangements

C.24 All arrangements with the Council's Bankers shall be made by or under arrangements approved by the **S151 Officer**, who shall be authorised to operate such banking accounts as he/she may consider necessary. Such arrangements shall be reported to the Cabinet from time-to-time.

C.25 Transfers from accounts (but not between accounts) shall not be made unless authorised by one of the Financial Signatories to the Council.

C.26 The **S151 Officer** shall be responsible for the ordering and custody of cheques to meet payments by him/her on behalf of the Council. Cheques shall be prepared, verified and accounted for under the direction of the S151 Officer and signed by him/her or one of the Financial Signatories to the Council provided that, for the purpose of this regulation only, 'signature' shall include the printed/facsimile signature of the S151 Officer.

Petty Cash and Float Accounts

C.27 The **S151 Officer** shall issue guidance as to the operation and management of these accounts.

C.28 **Team Managers** shall ensure that:

- (a) disbursements (other than renewal of imprest) shall be limited to expenses which are unavoidable and urgent. No single item exceeding

£50 in amount (unless specifically authorised by the S151 Officer) shall be paid out of the petty cash account. All payments shall be supported by a receipted voucher to the extent that the S151 Officer may require and in particular to enable the recovery of Value Added Tax.

- (b) each account is accurately maintained on an imprest system;
- (c) such accounts are not used for depositing income nor for employees personal expenditure;
- (d) an Officer responsible for an account shall make adequate arrangements for the security of cash and accounting records;
- (e) On leaving the employment of the Council or otherwise ceasing to hold an imprest advance, an Officer shall account to the S151 Officer for the amounts advanced to him/her and payments made.

Treasury Management

C.29 The Council has adopted CIPFA's Code of Practice for Treasury Management in the Public Services.

C.30 The **Full Council** is responsible for approving the **Treasury Management** Policy Statement setting out the matters detailed in paragraph 15 of CIPFA's Code of Practice for Treasury Management in the Public Services. The policy statement is proposed to the Full Council by the Cabinet. The **S151 Officer** has delegated responsibility for implementing and monitoring the statement.

C.31 All money in the hands of the Council shall be aggregated for the purpose of **Treasury Management** and shall be under the control of the **S151 Officer**.

C.32 The S151 Officer is responsible for reporting to the Cabinet a proposed **Treasury Management** Strategy for the coming financial year at or before the start of each financial year.

C.33 All Cabinet decisions on borrowing, investment or financing shall be delegated to the **S151 Officer**, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in the Public Services.

C.34 The **S151 Officer** is responsible for reporting annually to the Cabinet on the activities of the **Treasury Management** operation and on the exercise of his/her delegated Treasury Management powers.

Staffing

- C.35 The **Full Council** is responsible for determining how Officer support for Cabinet and non-executive roles within the Council will be organised.
- C.36 The **Chief Executive, Strategic Directors**, Heads of Service and Team Managers are responsible for providing overall management to staff. The Human Resources Team Manager is responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration of a job.
- C.37 The **Chief Executive, Strategic Directors**, Heads of Service and Team Managers are responsible for controlling total staff numbers by:
- (a) advising the **Cabinet** on the budget necessary in any given year to cover estimated staffing levels;
 - (b) adjusting the staffing to a level that can be funded within approved budget provision;
 - (c) varying the provision as necessary within that constraint in order to meet changing operational needs; and
 - (d) the proper use of appointment procedures.

Insurances

- C.38 The **S151 Officer** shall effect all insurance cover and register all claims in consultation with other Officers where necessary.
- C.39 Team Managers shall give prompt notification to the **S151 Officer** in writing of all new risks, properties, vehicles or other assets which require to be insured and of any alterations affecting existing insurances.
- C.40 Team Managers shall immediately notify the **S151 Officer** in writing of any loss, liability or damage or any event likely to lead to a claim and inform the police where necessary unless otherwise decided by the **Chief Executive**.
- C.41 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.
- C.42 The S151 Officer shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Team Managers as appropriate.
- C.43 Team Managers shall consult the **S151 Officer** respecting the terms of any indemnity which the Council is requested to give.
- C.44 Team Managers shall ensure that their employees are aware of any limitation of cover, e.g. motor insurance covering official duty only.

C.45 Where a claim arises which is less than or equal to the value of the excess on any policy, the Team Manager shall submit a written request to the S151 Officer to make a specific financial offer. The request must be supported by reasons in favour of settlement and can only be signed by the **Chief Executive, S151 Officer** or Team Manager.

Contracts

C.46 The **S151 Officer** shall advise upon the financial aspects of all contracts before acceptance and shall keep a contracts register showing particulars of all contracts entered into by the Council for the execution of work and of payment made under such contracts. The S151 Officer shall retain copies of all contract documents and keep an appropriate register.

C.47 The appointed Supervising Officer in control of the works shall give written orders in respect of all variations from the specification of the works included in the contracts and copies of these orders shall be forwarded to the S151 Officer with the estimated variations in cost noted thereon. Any such extra variation, where the estimated additional cost of which exceeds 5%, shall be reported to the appropriate Board as soon as practicable with details of the reason for the additional cost and the proposed method of funding the extra cost.

C.48 Payments to contractors on account of contracts shall be made only on a certificate issued by the Supervising Officer in control of the works which shall show the total amount of the contract, the value of work executed to date, retention money, amount paid to date and amount certified as due. Details, variations and fluctuations included in the value of work to date shall accompany the certificate.

C.49 On completion of a contract and before the issue of the certificate for final payment thereunder, the appointed Supervising Officer shall produce to the Audit Manager a detailed statement of the work under the contract, with all vouchers and documents relating to prime cost and provisional sums and any other particulars required showing full measurements, additions, deductions and omissions. The Final Certificate shall not be issued nor shall the contractor be informed that the final account is agreed and the balance under the contract paid until:

- (a) the Audit Manager has examined the accounts, vouchers and documents, and approved the final account.
- (b)
- (c) If any question of propriety of payment arises, the Cabinet shall have directed payment.

C.50 Claims from contractors in respect of matters not clearly within the terms of an existing contract shall be referred to the **Chief Executive/Monitoring Officer** for consideration of the Council's legal liability and where necessary, to the **S151 Officer** for financial

consideration before a settlement is reached.

- C.51 Where completion of a contract is delayed beyond the completion date or any properly authorised extension thereof, it shall be the duty of the Supervising Officer to take appropriate action in respect of any claim for liquidated damages.
- C.52 In any case where the total cost of any work carried out under a contract exceeds by more than 10%, or £10,000, whichever is the lesser amount, the approved contract sum, a report of such cost shall, after agreement of the final account, be submitted to the **S151 Officer** by the appropriate **Head of Service** detailing any additional cost and proposed method of funding not previously reported under Regulation C.47.
- C.53 Subject to the expenditure on such matters being included in approved estimates, all orders or contracts for the supply of goods or materials or for the execution of work shall comply with the **Contract Procedure Rules** in **Part 3**.
- C.54 When, in exceptional circumstances authority is sought to waive **Financial Procedure Rules**, the report to the appropriate Board must give adequate reasons and specify precisely the procedures to be waived.

Salaries

- C.55 The payment of all salaries, wages and other emoluments to all employees of the Council shall be made by the **S151 Officer** and under arrangements approved and controlled by him/her.
- C.56 The **S151 Officer** shall be responsible for all records relating to National Insurance, Income Tax, Superannuation and Statutory Sick Pay. The Human Resources **Team Manager** shall be responsible for the issue of statements under the Contracts of Employment Acts.
- C.57 Each **Head of Service** shall be responsible for the completion of timesheets by employees, other than Officers, under his/her control and for their evaluation and certification. Timesheets shall be forwarded to the S151 Officer in accordance with his/her directions, who shall be responsible for the preparation of salaries or wages. The Head of Service concerned, under the directions of the S151 Officer shall be responsible for the provision of transport and staff for the payment of salaries or wages.
- C.58 Each **Head of Service** shall notify the **S151 Officer**, as soon as possible, and in a form prescribed by him/her, of all matters affecting payment of salaries and wages and in particular:
- (a) appointments, resignations, dismissals, suspensions, secondment and transfers.

- (b) Absences from duty for sickness or other reason, apart from approved leave with pay.
- (c) Changes in remuneration, other than normal increments, pay awards and agreements of general application.
- (d) Information necessary to maintain records of service for superannuation, income tax, national insurance, etc.

C.59 Each **Head of Service**, in conjunction with the Human Resources Team Manager, shall make arrangements to annually confirm the authenticity of those employees appearing on the payroll for his/her Service. Such arrangements shall include the verification of individual rates of pay.

Leasing

C.60 All items proposed to be leased shall be approved by the Council prior to arrangements being made.

C.61 All leasing agreements will be arranged and agreed by the **S151 Officer**. An agreement can only be signed on behalf of the Council, by the **Chief Executive** or the S151 Officer, providing that the revenue estimate is not exceeded.

C.62 The **Head of Service** responsible for the goods to be leased shall provide the S151 Officer with such information as is required by him/her in order to obtain the best and most appropriate type of lease possible.

5. Financial Regulation D: Systems and Procedures

Introduction

D.1 Sound systems and procedures are essential to an effective framework of accountability and control.

General

D.2 The **S151 Officer** is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. Any changes proposed by the **Chief Executive, Strategic Directors**, Heads of Service and Team Managers to the existing financial systems or the establishment of new systems must be approved by the S151 Officer. However, the Chief Executive, Strategic Directors, Heads of Service and Team Managers are responsible for the proper operation of financial processes in their own Services.

D.3 The **Chief Executive, Strategic Directors**, Heads of Service and Team Managers should ensure that their staff receive relevant financial training that has been approved by the **S151 Officer**.

D.4. The **Chief Executive, Strategic Directors**, Heads of Service and Team Managers must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. Team Managers must ensure that staff are aware of their responsibilities under freedom of information legislation.

Authorised Signatories

D.5 It is the responsibility of the **Chief Executive, Strategic Directors** and Heads of Service to ensure that a proper Officer Scheme of Delegation has been established within their area and is operating effectively. The Officer Scheme of Delegation should identify staff authorised to act on their behalf in respect of payments, income collection and placing orders, together with the financial limits of their authority. The financial limits will be determined by the Council's Corporate Leadership Team. Team Managers shall ensure that specimen signatures and initials of such authorised staff are sent to the **S151 Officer** and such records shall be amended by the Team Manager on the occasion of any change therein.

Control of Expenditure

D.6 Orders for goods and services shall not be issued unless the expenditure is included in an approved estimate or other specified financial provision.

D.7 All orders shall be in writing, signed by the appropriate Team Manager or such other Officer as nominated by him/her and notified to the **S151 Officer**.

D.8 Official orders shall be issued for all work, goods or services to be supplied to the Council except for supplies of public utility service; and for periodical payments such as rent or rates/local tax, for petty cash purchases or such other exceptions as the **S151 Officer** may approve.

D.9 Each order shall conform to the directions of the Council with respect to central purchasing, use of contracts and the standardisation of supplies and materials and be in a form approved by the **S151 Officer** in accordance with Regulation D.2 above.

D.10 Monied invoices and/or delivery notes should, where appropriate, accompany the delivery of goods and the receiving Officer must certify thereon, at the time of delivery, receipt of the goods. Where ordered and delivered by weight or volume the receiving Officer shall make such periodical tests as are necessary to ensure that the quantities charged have actually been delivered.

D.11 All invoices, accounts and claims relating to amounts due from the Council shall be checked in the Service concerned and such checking being indicated by the initials of the examining Officer and certified by the appropriate Team Managers or such other Officer as nominated by

him/her. The number of the official order and the head of expenditure to which it relates must be indicated thereon. Expenditure/income should be coded in accordance with instructions issued by the **S151 Officer**, with VAT appropriately identified in order that the S151 Officer may recover output tax (VAT). A VAT invoice/receipt must be obtained in all appropriate cases.

D.12 The Team Managers concerned shall be responsible for the accuracy of accounts submitted for payment which shall be signed by the Team Managers or authorised Officer in accordance with regulation D.5. The passing of an account for payment by or on behalf of the Team Managers shall mean:

- (a) that the materials have been supplied, the work performed or the services rendered and that they are satisfactory as to quality and correct as to quantity;
- (b) that the price is in accordance with quotations, contract agreement or current market rate whichever is applicable;
- (c) that the account is allocated to the correct expenditure heading;
- (d) that all trade and cash discounts and other proper allowances have been deducted;
- (e) that the account has not been previously paid and that the copy of the official order has been marked off to prevent duplicate payment;
- (f) that the account is arithmetically correct unless a variation has been agreed by the **S151 Officer**;
- (g) that the expenditure is within the Council's legal powers.

NOTE: The passing of an account for payment by a Team Manager or authorised Officer confirms that he/she is satisfied that all necessary steps in the certification procedure have been satisfactorily carried out.

Accordingly, it is for the Team Manager or authorised Officer to recognise the initials of Officers carrying out this preliminary certification procedure as those of Officers who are in a position to satisfactorily perform the work responsibly. It is essential that a minimum of two Officers at least should be involved in the preliminary certifications in order that the Officer certifying that the goods have been supplied or the work done is different from the Officer certifying the remaining items. It is also desirable that the making out of official orders and the entering of goods received records are undertaken by different Officers and that this should be divorced from the certification of invoices although it is appreciated that this is not always possible in smaller Services. A Team Manager who delegates the certification of accounts should satisfy him/herself that the procedure is

operating satisfactorily by signing all accounts personally from time-to-time).

- D.13 Before authorising payments to a sub-contractor, as defined by the Inland Revenue, for construction work carried out, the certifying Officer of the Service concerned shall satisfy him/herself that the sub-contractor to whom payment is due is the holder of a valid Sub-Contractors Tax Certificate issued by the Inland Revenue, otherwise tax at the appropriate rate must be deducted as required by any statutory provisions in being at that time.
- D.14 Invoices made out by an Officer of the ordering Service and statements unaccompanied by the relative invoices and delivery notes, copy invoices or reminders shall not be accepted as a basis for payment.
- D.15 In all cases of purchase of property, the S151 Officer shall be the authorising Officer. When requesting payment he/she shall provide full particulars of the property, the name of the vendor/purchaser, the amount of purchase money, expenses and Minute authorisation. Full particulars of the property purchased shall be entered in the official Register of Properties kept by the S151 Officer.
- D.16 Duly certified accounts shall be passed without delay to the S151 Officer who shall examine them to the extent that he/she considers necessary, for which purpose he/she shall be entitled to make such enquiries and to receive such information and explanation as he/she may require.
- D.17 The S151 Officer shall be authorised to pay all accounts duly certified in accordance with these regulations. The normal method of payment shall be by cheque, BACS or other instrument drawn on the Council's banking account.
- D.18 Each Head of Service/Team Manager shall, as soon as possible after 31 March and no later than detailed in the final accounts timetable each year, notify the S151 Officer of outstanding expenditure relating to the previous financial year.

Control of Income

- D.19 All arrangements for the collection of monies due to the Council shall be subject to approval by the **S151 Officer** in conjunction with the appropriate Team Manager and the S151 Officer shall set up debits for all items of income due. No such items over £10,000 shall be written off as irrecoverable unless approved by the Cabinet. Any request to forego income shall be subject to written approval of the S151 Officer.
- D.20 The Team Managers shall promptly furnish the **S151 Officer** with such particulars in such form as he/she may require in connection with work done, goods supplied or service rendered and all other amounts due to the Council as may be required by him/her to record correctly all sums due

to the Council and to ensure the prompt rendering of accounts for the recovery of income due.

- D.21 The S151 Officer shall be notified promptly of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council and the S151 Officer shall have the right to inspect any documents or other evidence in this connection as he/she may decide.
- D.22 All receipt forms, books, tickets and other such items shall be ordered and supplied to Team Managers by the **S151 Officer**, who shall satisfy him/herself as to the arrangements for their control.
- D.23 Each employee who receives monies on behalf of the Council or in the normal course of their duty shall give such acknowledgment and enter up punctually such records as may be approved by the **S151 Officer**. Such income shall be paid to the S151 Officer or direct to the Council's account, either daily or when there is a sum of £100 in hand. Any variation from this procedure shall be subject to the written approval of the S151 Officer. On no account should such monies be paid into the personal account of an employee. No deduction may be made from such money save to the extent that the S151 Officer may specifically authorise. Each Officer who so banks money shall enter on the paying-in slip a reference to the related debt or otherwise indicate the origin of the cheque on the reverse of each cheque, the Officer shall enter the name of his/her Service, office or establishment.
- D.24 Personal cheques shall not be cashed out of money held on behalf of the Council.
- D.25 Every transfer of official money from one member of staff to another will be evidenced in the records of the Services concerned by the signature of the receiving Officer.
- D.26 Post-dated cheques will not normally be accepted. The only formal exception to this rule will be acceptance of a cheque, by the Assistant Senior Exchequer Services Officer, which shall not be dated more than 7 working days in advance*. This will only be allowed where the debtor has no previous history of dishonoured cheques. The Assistant Senior Exchequer Services Officer will only accept one cheque per debtor on each occasion. Such cheques will be recorded and retained by the Assistant Senior Exchequer Services Officer.

In exceptional circumstances, any other requests to accept a post-dated cheque must have the approval of the S151 Officer.

*(This is to allow provision where a debtor is expecting funds to be credited to a bank account during the period it is likely to take to return a cheque and receive replacement.)

D.27 The **Chief Executive, Strategic Directors**, Heads of Service or Team Managers may in conjunction with the **S151 Officer** write-off as irrecoverable sundry and other debts not exceeding £10,000. The Chief Executive or Heads of Service may write-off as irrecoverable sundry and other debts not exceeding £25 where these are deemed uneconomical to pursue and cannot be added to a future account. No debts over £10,000 shall be written off as irrecoverable without the approval of Cabinet.

NOTE: Outstanding debts will still be pursued after write-off should information be received which indicates that there is a possibility that the debt can be recovered.

D.28 The **Chief Executive, Strategic Directors** or Heads of Service may, in conjunction with the **S151 Officer**, write-off as non-refundable credits on accounts not exceeding £10,000. The Chief Executive or Heads of Service may write-off as non-refundable credits on accounts not exceeding £25 where these are deemed uneconomical to pursue and cannot be deducted from a future account. No such items over £10,000 shall be written off as non-refundable without the approval of the Cabinet.

6. **Financial Regulation E: External Arrangements**

Introduction

E.1 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

Partnerships, Joint Ventures and Companies in which the Council is a Guarantor or has a Share Holding Interest

E.2 The Cabinet is responsible for approving delegations, including frameworks for partnerships. The Cabinet is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.

E.3 The **Cabinet** can delegate functions - including those relating to partnerships - to Officers. These are set out in the **Officer Scheme of Delegation** that forms part of the **Constitution**. Where functions are delegated, the Cabinet remains accountable for them to the **Full Council**.

E.4 The **Monitoring Officer** is responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.

E.5 The **S151 Officer** must ensure that the accounting arrangements to be adopted relating to partnerships, joint ventures and companies are satisfactory. He/she must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external

bodies. He/she must ensure that the risks have been fully appraised before agreements are entered into with external bodies.

- E.6 Team Managers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies. Where it is proposed that the Council be involved in an arrangement of this nature the appropriate Officer will first consult with the S151 Officer and the **Monitoring Officer** on the proposals.
- E.7 The S151 Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- E.8 Further to Regulation E.7 unless secure arrangements are put in place to the contrary, any such arrangements will comply with the Council's Financial Regulations and this shall be stated in any such contracts.

SECTION G – CONTRACT PROCEDURE RULES

Rule

1. Introduction
2. Value for Money
3. Special Circumstances (Waiver and Exemption)
4. Framework Agreements
5. Selecting a Procurement Route
6. Conducting a Procurement Exercise
7. Contracts to which the Public Procurement Regulations Apply (Band D – FTS)
8. Types of Tender for Band C Contracts
9. Specifications
10. Submission of Tenders and Evaluation Criteria
11. Opening and Acceptance of Tenders
12. Tender Evaluation and Award of Contracts Contract
13. Conditions
14. Contract and Performance Management

SECTION G – CONTRACT PROCEDURE RULES

1. Introduction

Purpose of these Contract Procedure Rules

- 1.1. These Contract Procedure Rules are made pursuant to s135 of the Local Government Act 1972. They have been prepared in accordance with the Public Contracts Regulations 2015, the Council's policies and to facilitate small and medium enterprises in the local area the opportunity to enter the Council's supply chain.
- 1.2. These Contract Procedure Rules set out how the Council will invite tenders, obtain quotations and award contracts for supplies, services or works. Their role is to ensure that contracts are appropriate for their purpose, provide the right balance between price and quality and are procured in an open way that demonstrates probity and compliance with the Council's policies and the law. It is important that they are viewed as an aid to good management and compliance and not as a hindrance.

Contracts outside the scope of these Contract Procedure Rules

- 1.3. Where the Council is disposing of goods, Officers shall seek advice from the S151 Officer and have regard to the provisions of the **Financial Procedure Rules** in **Part 3**.
- 1.4. These rules do not apply to:
 - 1.4.1. contracts with local authorities for the joint delivery of services or discharge of functions, save the obligation to secure value for money for the Council;
 - 1.4.2. transactions for the sale, purchase or lease of land or property;
 - 1.4.3. contracts which benefit from any exemption to the Public Contracts Regulations 2015 contained in Regulation 10 and/or 12 of those regulations.

Probity and Compliance

- 1.5. Responsibility for compliance with these Contract Procedure Rules remains at all time with **Officers**. It shall be the responsibility of the **Strategic Director** to ensure that staff within his/her directorate comply with these Contract Procedure Rules.
- 1.6. No contract shall be entered into unless adequate budgetary provision has been made for the award of that contract.
- 1.7. Any Officer, whether a direct employee of the Council or engaged through an

external organisation or supplier who is engaged to work on behalf of the Council shall, if they become aware of any relationship (current or past), whether pecuniary or not, with any supplier or potential supplier, make a Declaration of Interest to the relevant **Head of Service** at the earliest opportunity. Where the relevant Officer is the Head of Service, a **Strategic Director** or the **Chief Executive**, the declaration shall be made to another Strategic Director or the Chief Executive.

- 1.8. An Officer with an interest in a contract shall take no part in advising on the Council's dealing with that contract without the authorisation of the **Head of Service, Strategic Director** or **Chief Executive** (as the case may be). Unless such authorisation is obtained, if the Officer is present at a meeting when the contract is discussed, he/she shall forthwith declare that interest and withdraw from the meeting while it is under discussion.
- 1.9. The **Chief Executive** shall record in a book, to be kept for the purposes of recording any notice given by an Officer of the Council, under 1.7 above and/or Section 117 of the Local Government Act 1972 and the book shall be open during office hours to the inspection of any **Councillor**.

2. Value for Money

Value of the Contract Opportunity and Aggregation

- 2.1. The Council is under a duty to ensure that funds are spent in a way that achieves "value for money" for the Council. Officers involved in procuring supplies, services or works should be mindful of this duty.
- 2.2. When an **Officer** has identified the need to procure supplies, services or works, the relevant **Head of Service** or their nominated Officer shall assess the value of the proposed arrangement. The value is the total amount that the Council expects to pay for the contract over a rolling period, either in a single sum or periodically over time. Unless the exact duration of a contract is known, Officers should use a four year period as the nominal duration of a contract when considering aggregating spend.
- 2.3. Purchases should be aggregated to make the best use of the Council's purchasing power. Where a recurring pattern of purchases can be identified for similar supplies, services or works across the Council, consideration shall be given to whether one contract would represent better value in terms of price, service, invoicing or other administrative costs. It is the **Head of Services'** responsibility to have due regard to the aggregation of contract values.
- 2.4. The principles of aggregation in procurement law are designed to ensure that authorities do not deliberately split contracts which have similar characteristics into separate contracts so that they fall below the relevant thresholds (unlawful disaggregation).

- 2.5. Notwithstanding this, procuring Officers shall consider the sub-division of procuring supplies, services or works into lots, facilitating access for small and medium enterprises. Where the decision is taken not to sub-divide a procurement into lots, the reasons shall be recorded.

The Procurement Hierarchy

- 2.6. When an **Officer** has identified a need to procure new supplies, services or works, they shall first consider these options in turn (the Procurement Hierarchy):
- 2.6.1. any current arrangements in existence in-house;
 - 2.6.2. any existing contracts entered into by the Council; and
 - 2.6.3. any provision available through other third party contracts or framework agreements, including those provided by public sector buying consortia, where they can be shown to offer value for money for the Council.
- 2.7. Where the Officer determines that no provision is available from the sources in the Procurement Hierarchy or that in the circumstances they do not represent value for money, they shall have regard to these Contract Procedure Rules in determining which procurement option is the appropriate one to follow.
- 2.8. The S151 Officer is responsible for maintaining a schedule of the Council's planned procurements. Heads of Service shall be responsible for ensuring that all contracts proposed to be entered into by the Council in the coming financial year are notified to the Procurement Team for inclusion in the procurement plan.

3. Special Circumstances (Exemption and Waiver)

Exemption

- 3.1. Notwithstanding the provisions of these Contract Procedure Rules and subject only to the requirements of law:
- 3.1.1. an exemption from any of the other provisions of these Contract Procedure Rules may be granted by the **Council** acting through the **Chief Executive** (or where appropriate, a **Strategic Director**), in consultation with the **S151 Officer** and the **Monitoring Officer**, upon it being shown to their satisfaction that there are special circumstances justifying such exemption. Such **special circumstances** shall fall under at least one of the following two categories:
 - 3.1.1.1. only one supplier is available for technical or artistic reasons and no reasonable alternative or substitute exists and the

absence of competition is not the result of an artificial narrowing of the parameters of the procurement;

3.1.1.2. extreme urgency exists for unforeseen reasons which are not attributable to the Council and the various time limits cannot be met. Inadequate forward planning would not constitute special circumstances and an exemption shall not be permitted in such circumstances,

3.1.2. any request under 3.1.1 above shall be made in writing on the approved form which shall be certified by the Officers specified in 3.1.1 above; and

3.1.3. the Cabinet shall be informed of the exercise of any authority pursuant to this Standing Order by the **Strategic Directors** or **Chief Executive** and any such report will include confirmation that the Officers specified in 3.1.1 have been consulted and such exemption granted

Waiver

3.2. If, in exceptional circumstances, authority is sought from **Cabinet** to waive these Contract Procedure Rules, the report to Cabinet must give adequate reasons and specify precisely the procedures to be waived and must first be approved by the Monitoring Officer.

3.3. Where specific legislation requires the Council to let a contract differently from as set out in these Contract Procedure Rules, these Contract Procedure Rules shall be deemed waived without recourse to Cabinet, Council or the Statutory Officers.

4. Framework Agreements

4.1. Where it is determined to use a framework agreement to meet the identified need of the Council, the Officer shall seek the advice of the Procurement Team and Legal Services in relation to the use of such framework and the contractual arrangements.

4.2. When calling-off supplies, services or works under a framework agreement, the selection procedure, including award criteria, from within the framework agreement shall be used. Officers must comply with all rules and regulations set out within a framework agreement in relation to direct call-off of contracts (direct award) and re-opening of competition between providers appointed on to that framework (mini-competition).

5. Selecting a Procurement Route

Initial Considerations

5.1. In relation to any contract for the supply of supplies, services or works to the Council the functions described in Section 17(4) of the Local Government

Finance Act 1988 shall be exercised without any reference to any of those matters set out in Section 17(5) of that Act. (Section 17(4) describes the functions to which this legislation applies and Section 17.5 details what is regarded as non commercial issues that must be ignored when entering into a contract for the supply of supplies, services or works). This shall at all times be subject to the provisions of 5.2 below.

- 5.2. In relation to any contract for the supply of services not through an existing framework or existing arrangement, the Officer shall have regard to the considerations set out in the Public Services (Social Value) Act 2012. Specifically, the Officer must consider how the services might (in addition to the service requirement) improve the economic, social and environmental well-being of the **District** and how the procurement itself might be conducted to secure that improvement.
- 5.3. All procurement documents (including business questionnaires, specifications and contracts) shall be completed prior to advertising the contract opportunity.

Procedures for Determining Which Procurement Option to Follow

- 5.4. Where an Officer has reasonably determined not to use any available options in the Procurement Hierarchy, the following provisions shall apply.
- 5.5. When the Officer has assessed the value of the proposed arrangement (see above), the appropriate procurement route shall be determined in accordance with the Threshold Table (below).
- 5.6. Notwithstanding the provisions in the Threshold Table, lower value procurements can be conducted using a more sophisticated process as long as it remains objectively reasonable and proportionate to do so and secures open, transparent and fair competition.

Threshold Table

Contract Value		Process	Award Procedure based on	Advertise Contract Opportunity	Documentation
From	To				
Minor Purchases					
£0	£999	No prescribed process	Officer's discretion	N/A	Purchase Order
Band A					
£999	£24,999	Quotation	Seeking a minimum of three written quotations	N/A	Purchase Order Budget holder to record details when authorising order

Band B					
£25K	£49,999	Quotation	Seeking a minimum of three written quotations using Invitation to Quote documentation	Contracts Finder for contracts £25k plus only	Purchase Order Budget holder to record details when authorising order
Band C					
£50K	FTS	Formal Tender	Full Tender Process	NWL Web site Contracts Finder	ITT documentation using NWL E- tendering portal
NOTE: the FTS threshold is a figure set out by the Government and the World Trade Organisation's (WTO) Government Procurement Agreement (GPA). These vary from time to time. Please seek advice from the Procurement Team.					
Band D					
FTS	Above	Formal Tender	Full Tender Process	Find a Tender Service (FTS) NWL Web site Contracts Finder	ITT documentation using NWL E- tendering portal

Authority to award contracts

- 5.7. Officers may only enter into a contract if they have sufficient authority to do so. Legal advice in respect of authority to award contracts can only be given to the extent that such authority is set out in the **Constitution**. Officers are responsible for knowing the extent of any delegated authority they may have and ensuring they do not exceed that.
- 5.8. The **Constitution** contains a scheme of delegation, which sets out what decisions can be made by which body, individual or group of individuals. For the purposes of awarding contracts, the following authorisation table provides an initial indication of where those decisions sit. However, Officers should take advice from Legal Services as to the appropriate source of authority to award where they are unsure.
- 5.9. Contracts under which the Council will not incur any costs (such as Information Sharing Agreements or grant documents where the Council is receiving the grant) and contracts for the provision of goods or services in return for a revenue payment may be authorised by any **Team Manager, Head of Service, Strategic Director** or the **Chief Executive**.

Authorisation Table and Signatories

- 5.10. It is for individual **Officers** to ascertain the limits of their authority to award contracts and orders. An Officer may award a contract provided that the value of that contract does not exceed their level of financial authorisation (see paragraph D.5 of the **Financial Procedure Rules in Part 3**). The below table provides a guide for Officers in salary bands A-I, who should check with their line managers and/or the finance department as to what they are and are not authorised to commit the Council to.
- 5.11. The authority to award a contract (i.e. decide that the contract should be given to a particular supplier) is separate from authority to sign the contract. Contracts under which the Council will be liable for sums up to £50,000 may be signed by any Officer (or awarded by issuing a purchase order) provided that the contract value does not exceed their financial authorisation. All contracts above £50,000 must be signed by the Head of Legal and Commercial Services or their appointed nominee.

Authorisation Table

	Approval
Contracts that are: 1. More than £250,000 in total; 2. more than £100,000 in any one contract year; OR 3. more than five years long	Cabinet (Financial Key Decision)
Contracts that are: (a) less than £250,000 in total; (b) Less than £100,000 in any one contract year; AND (c) less than five years long	Chief Executive or Strategic Director
Up to £99,999	Chief Executive or Strategic Director
Up to £49,999	Heads of Service
Up to £24,999	Team Managers
Up to £9,999	Officers in salary bands G, H and I, at the request of their Strategic Director or Head of Service
Up to £4,999	Officers in salary bands D, E and F, at the request of their Strategic Director or Head of Service

Up to £2,000	Officers in salary bands A, B & C, at the request of their Strategic Director or Head of Service
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6. Conducting a Procurement Exercise

Band A Contracts

- 6.1. For any single contract, not related to or part of any larger procurement, whose value is between £1,000 and £24,999, three written quotations shall be obtained.
- 6.2. Where Officers are seeking written quotations:
 - 6.2.1. Heads of Service shall ensure that the selection process used is fair and equitable and in accordance with these Contract Procedure Rules;
 - 6.2.2. Officers must select the quotation which offers value for money for the Council. In Band A contracts, value for money will normally be shown by choosing the most economically advantageous quotation and in assessing this Officers should be mindful of price, quality and the added economic, social and environmental benefits that could be obtained by procuring supplies, services or works in a particular way;
 - 6.2.3. The **Head of Service** shall be responsible for keeping a record for audit purposes of:
 - 6.2.3.1. all those contractors that were requested to provide a quotation;
 - 6.2.3.2. the reasons why those particular contractors were selected to provide a quotation; and
 - 6.2.3.3. the reason for selecting the winning quote;
 - 6.2.4. notwithstanding where the supplies, services or works sought are a repetition of a previous procurement, subject to the rules above in relation to aggregation, new quotations should be obtained each time, to ensure the prices paid represent value for money for the Council.
- 6.3. Subject always to the Council's duty to obtain value for money, where the relevant **Head of Service** is satisfied that there are sufficient reasons for three quotes not being obtained in respect of a Band A contract, that Head of Service may authorise the award of a Band A contract even though fewer

than three quotes have been obtained.

Band B Contracts

- 6.4. For any single contract, not related to or part of any larger procurement, whose value is between £25,000 and £49,999, three written quotations sought using a formal Invitation to Quote and provided using a Response to Invitation to Quote, shall be obtained. Template Invitation and Responses shall be provided by the Procurement Team.
- 6.5. Where Officers are seeking formal Responses to Invitation Quotes:
- 6.5.1. the opportunity shall be advertised on the Source Leicestershire website, Contracts Finder and the Council's website, by the Procurement Team;
- 6.5.2. Heads of Service shall ensure that the selection process used is fair and equitable and in accordance with these Contract Procedure Rules;
- 6.5.3. Officers must select the quote which offers value for money for the Council. In Band B contracts, value for money will normally be shown by choosing the most economically advantageous quotation and in assessing this Officers should be mindful of price, quality and the added economic, social and environmental benefits that could be obtained by procuring supplies, services or works in a particular way;
- 6.5.4. The **Head of Service** shall be responsible for keeping a record for audit purposes of:
- 6.5.4.1. all those contractors that were requested to provide a quotation;
- 6.5.4.2. the reasons why those particular contractors were selected to provide a quotation; and
- 6.5.4.3. the reason for selecting the winning quote.
- 6.5.5. Notwithstanding where the supplies, services or works sought are a repetition of a previous procurement, subject to the rules above in relation to aggregation, new tenders should be obtained each time, to ensure the prices paid represent value for money for the Council.
- 6.6. Subject always to the Council's duty to obtain value for money, where the relevant **Head of Service** is satisfied that there are sufficient reasons for three formal Responses to Invitation to Quotes having not been obtained in

respect of a Band B contract, that **Head of Service** may authorise the award of a Band B contract even though fewer than three formal Responses to Invitation to Quotes have been obtained.

- 6.7. All Band B contract awards shall be published on Contracts Finder.

Band C Contracts

- 6.8. For any single contract, not related to or part of any larger procurement, whose value is between £50,000 or more, but less than the relevant FTS threshold, the Officer shall conduct a formal tender using a template to be provided by the Procurement Team and accompanied by terms and conditions prepared with advice from Legal Services.

- 6.9. Where Officers conduct a formal tender:

6.9.1. the opportunity shall be advertised on the Source Leicestershire website, Contracts Finder and the Council's website, by the Procurement Team;

6.9.2. Heads of Service shall ensure that the selection process used is fair and equitable and in accordance with these Contract Procedure Rules;

6.9.3. Officers must select the quote which offers value for money for the Council. In Band C contracts, value for money will normally be shown by choosing the most economically advantageous quotation and in assessing this Officers should be mindful of price, quality and the added economic, social and environmental benefits that could be obtained by procuring supplies, services or works in a particular way;

6.9.4. Notwithstanding where the supplies, services or works sought are a repetition of a previous procurement, subject to the rules above in relation to aggregation, new tenders should be obtained each time, to ensure the prices paid represent value for money for the Council.

- 6.10. The FTS threshold is an amount set out by the Government and the World Trade Organisation's (WTO) Government Procurement Agreement (GPA) and can vary year to year. The cabinet office confirms the amounts in Sterling. Please seek advice from the Procurement Team as to the current FTS thresholds.

7. Contracts to which the Public Procurement Regulations Apply (Band D – FTS)

- 7.1. For any contract whose value is more than the threshold amounts set out the Public Contracts Regulations 2015 (as amended from time to time), tenders

shall be sought in accordance with those regulations.

- 7.2. The procuring Officer must note that the Public Contracts Regulations 2015 contain minimum timescales for a procurement exercise and therefore it is imperative that advice is sought from both the Procurement Team and Legal Services well in advance of the commencement of the procurement exercise.
- 7.3. The provisions of these Contract Procedure Rules shall continue to apply to such a contract only to the extent that they do not conflict with the provisions of the Public Contracts Regulations 2015.

8. Types of Tender for Band C Contracts

Open Tendering

- 8.1. This is a procedure by which a contract is let following publication of an advertisement inviting all those expressing an interest in the contract to submit a bid at the same time. This is a one stage procedure.
- 8.2. The advertisement shall:
 - 8.2.1. specify details of the supplies, services or works the Council is procuring;
 - 8.2.2. specify the contract duration and proposed commencement date;
 - 8.2.3. specify any other requirements for participating in the procurement;
 - 8.2.4. specify a contract reference number;
 - 8.2.5. specify a reasonable (in the circumstances of the contract opportunity) date and time, being not less than 21 days from the date of the advertisement, by which such expressions of interest are to be received by the Council;
 - 8.2.6. specify the criteria against which submissions are to be evaluated; and
 - 8.2.7. specify the appropriate electronic tender box code and details of how to access documentation.

Restricted Tendering

- 8.3. This is a two stage procedure by which a contract is let following publication of an advertisement seeking expressions of interest from tenderers to participate. Following evaluation of the pre-qualifying submissions, no fewer than three qualified bidders shall be invited to tender for the contract. This route to the market is particularly suitable where a large response is anticipated. In relation to works, this procedure may only be used for where

the value of the works exceeds the threshold in the Public Contracts Regulations 2015 for services. This procedure may not be used for procuring services or supplies save to the extent that such services fall within the scope of Schedule 3 (Social and Other Specific Services) of the Public Contracts Regulations 2015.

8.4. The advertisement shall:

8.4.1. specify details of the supplies, services or works the Council is procuring;

8.4.2. specify the contract duration and proposed commencement date;

8.4.3. specify any other requirements for participating in the procurement;

8.4.4. specify a contact reference number;

8.4.5. specify a time limit, being not less than 21 days from the date of the advertisement within which such expressions of interest are to be received by the Council;

8.4.6. specify a time limit, being not less than 21 days from the date of inviting shortlisted bidders to submit their tender, within which such tenders are to be received by the Council;

8.4.7. specify the criteria against which submissions are to be evaluated; and

8.4.8. specify the appropriate electronic tender box code and details of how to access documentation.

8.5. After the expiry of the period specified in the advertisement and following proper evaluation of the returned Standard Selection Questionnaire (SSQ), in accordance with the criteria specified, invitations to tender for the contract shall be sent to:

8.5.1. not less than three of the persons or bodies who returned a satisfactorily completed SSQ and has been shortlisted, selected by the Council; or

8.5.2. where fewer than three persons or bodies have applied or have satisfactorily completed the SSQ, those persons or bodies which the Council consider suitable.

9. Specifications

9.1. Full tenders shall be accompanied by an appropriate specification, clearly

setting out the Council's requirements for the goods, works or services to be supplied.

- 9.2. Specifications should incorporate measurable and, so far as is possible, objective quality and performance criteria to enable the contract to be monitored and managed.
- 9.3. Where appropriate, Officers shall take all necessary professional advice to ensure the specification sufficiently expresses the Council's requirements and ensure the output of the contract represents value for money. Any third party engaged to support the preparation of the specification shall not be invited to bid for the substantive contract.

10. Submission of Tenders and Evaluation Criteria

Submission of Tenders for Band C Contracts

- 10.1. Where in pursuance of these Contract Procedure Rules invitation to tender is made, every invitation shall state the process for registering and submitting tenders and the signed Form of Tender using the NWL E-tendering portal.
- 10.2. No tender received after the time and date specified in the invitation shall be considered, unless the relevant **Head of Service** thinks it is reasonable to do so in the circumstances.
- 10.3. Every invitation to tender shall state:
 - 10.3.1. that the Council is not bound to accept any tender, including the lowest;
 - 10.3.2. the tender evaluation criteria, with full explanation;
 - 10.3.3. a statement that the Council is obliged to comply with the Freedom of Information regime;
 - 10.3.4. closing date and time for receipt of tenders and the web address to which tenders should be sent; and
 - 10.3.5. a requirement that the tenderers accept full responsibility for ensuring compliance with the terms of these Contract Procedure Rules and that any failure to do so may render that tender liable to disqualification.

Evaluation Criteria

- 10.4. Evaluation criteria must be designed to secure an outcome providing value for money for the Council on the basis of the Most Economically Advantageous Tender, expressed as the price/quality balance in percentage terms. Appropriate sub-criteria should also be included referring to relevant

considerations and guidance should be given to tenderers on how their responses will be scored. Further advice can be provided by the Procurement Team.

10.5. Evaluation criteria must not include:

10.5.1. non-commercial considerations, save as expressly set out in these Contract Procedure Rules;

10.5.2. matters which discriminate against suppliers from the European Economic Area; and

10.5.3. a general provision allowing for the highest mark to be awarded for tenders which exceed the specification.

10.6. Within every invitation to tender there shall be reference made to the requirements on public bodies with regard to the Freedom of Information Act 2000. Such a reference shall include notice to the tenderer that:

10.6.1. the Council has a duty of 'openness' under the act;

10.6.2. it is the Council and not the tenderer who makes the decision on the release of information within a tender;

10.6.3. any claim by the tenderer that information within a tender is exempt under the act will be considered by the Council. However, a simple assertion that any disclosure would prejudice commercial interests is not sufficient. The assertion must be supported by reasoned argument and where practical, by empirical evidence. Any decision to treat all or some information within a tender as exempt may be reviewed if any further requests are received over time;

10.6.4. the Council will consult with them before making any disclosure; and

10.6.5. the Council has a system for dealing with any appeals under the act.

Submission of Tenders for Band D (FTS) Contracts

10.7. Tendering processes shall comply with the Public Contracts Regulations 2015. In the event of a conflict between these Contract Procedure Rules and the Public Contracts Regulations 2015, the latter shall take precedence.

11. Opening and Acceptance of Tenders

11.1. This Rule shall apply to Band C and Band D (FTS) contracts

11.2. Tenders received under these Contract Procedure Rules shall be opened at one time and only following the date on which the receipt of tenders closed.

11.3. Tenderers shall be notified of the acceptance or rejection of their tenders.

11.4. Detailed feedback shall be provided to all unsuccessful bidders.

12. Tender Evaluation and Award of Contracts

12.1. All tenders shall be properly evaluated by a **Strategic Director** or their nominated Officer in accordance with the published award criteria and in accordance with any specific requirements of any relevant legislation. The Procurement Team shall be notified of any evaluations being conducted by procuring Officers and a member of the Procurement Team may participate in the evaluation process if they consider it appropriate.

12.2. A tenderer's error in the computation of the pricing of their tender will be corrected and the tenderer asked to stand by the corrected tender or to withdraw the tender.

12.3. Post tender negotiations shall only be by exception and in accordance with the Public Contracts Regulations 2015. Authority to enter into post tender negotiations may only be granted by the **Chief Executive** or a **Strategic Director**. Officers who are authorised to carry out post-tender negotiations shall ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.

12.4. Where award is based on lowest or highest price, a tender other than the lowest tender if payment is to be made by the Council or the highest tender if payment is to be received by the Council shall not be accepted except where there are justifiable reasons for doing so, for instance:

12.4.1. the procurement of a named product required to be compatible with an existing product, i.e. computer software;

12.4.2. an alternative pre-tender evaluation criteria has been determined;

in such circumstances the Statutory Officers shall be consulted and written confirmation of their agreement retained for audit purposes.

12.5. If a **Strategic Director** considers the lowest priced tender, highest priced tender or most economically advantageous tender (as appropriate) to be abnormal given the nature of the contract, the tenderer shall be asked to clarify in writing the reasons for its tender and the Strategic Director shall take that explanation into account in deciding whether the tender will be accepted.

12.6. All contract awards shall be notified promptly to the Procurement Team in order that the details can be recorded in the Contracts Register and inform the Procurement Plan.

13. Contract Conditions

13.1. Every procurement which exceeds £50,000 in value shall be a formal contract in writing and signed by the **Head of Legal and Commercial**

Services or his/her nominee. The procuring Officer should seek the advice of Legal Services at the earliest opportunity in this regard.

- 13.2. Such contract shall, unless the Head of Legal and Commercial Services deems it disproportionate:
- 13.2.1. specify the supplies, services or works to be supplied or executed; the price to be paid together with a statement as to the amount of any discount(s) or other deduction(s); the period(s) within which the contract is to be performed and such other conditions and terms as may be agreed between the parties or specified in these Contract Procedure Rules;
 - 13.2.2. where a contract exceeds £200,000 and the S151 Officer deems appropriate, contain a requirement that a contractor give sufficient security for the due performance of the contract provided that this shall not apply where the goods and materials are supplied and payment is not made until completion of works;
 - 13.2.3. include provisions for the termination and recovery of any sums paid where there has been evidence of bribery or corruption or any breach of the Bribery Act 2010 or section 117(2) Local Government Act 1972;
 - 13.2.4. include provisions entitling the Council to terminate part or all of the contract or to obtain substituted provision of the supplies, services or works to be supplied under the contract in the event of a breach of contract by or the insolvency of the contractor;
 - 13.2.5. include prohibitions on the contractor from sub-contracting, assigning or otherwise transferring the contract without the prior written consent of the Council and providing that the contractor shall remain liable to the Council for any part of the contract that may be sub-contracted;
 - 13.2.6. include provisions securing the contractor's compliance with relevant legislative requirements, including as a minimum in relation to:
 - (a) Health and Safety;
 - (b) Human Rights;
 - (c) Freedom of Information;
 - (d) Data Protection;
 - (e) Confidentiality;
 - (f) Bribery and corruption;
 - (g) Modern Slavery; and
 - (h) Equalities and discrimination.
 - 13.2.7. provide for indemnities in favour of the Council for any breach of the above and for the acts and omissions of the contractor in carrying out the contract;

- 13.2.8. provide for compliance with those of the Council's policies relevant to the provision of the supplies, services or works;
- 13.2.9. provide for the protection of the Council's intellectual property rights, where appropriate;
- 13.2.10. provide for, where the supplies, services or works require it, appropriate restrictions or conditions precedent in relation to the protection of vulnerable persons, including requiring Disclosure and Barring Service checks;
- 13.2.11. provide for the Council's right to monitor and audit the supplies, services or works under the contract and for the contractor's provision of assistance in such monitoring and in securing improvements in economy, efficiency and effectiveness, as specified in Section 3 of the Local Government Act 1999, where appropriate. Such assistance may include setting performance indicators, benchmarking implementing performance plans and/or periodically reviewing the services;
- 13.2.12. be governed by the laws of England and subject to the exclusive jurisdiction of the Courts of England;
- 13.2.13. comply with the laws of England.
- 13.3. Where an appropriate British Standard Specification or British Standard Code of Practice issued by the British Standards Institution is current at the date of the tender, every contract shall require that all goods and materials used or supplied, and all the workmanship shall be at least of the standard required by the appropriate British Standard Specification or Code of Practice.
- 13.4. Every contract which exceeds £250,000 shall be in writing and under the Common Seal of the Council and executed as a Deed.
- 13.5. Where a contract exceeds £50,000 in amount or value, provide for the payment of liquidated damages by the contractor where he fails to complete the contract within the time specified, where the appropriate **Head of Service** considers appropriate.
- 13.6. The provisions of these Contract Procedure Rules do not prevent the use of a formal contract for a procurement less than £50,000 where on receipt of advice from Legal Services the relevant **Head of Service** considers it appropriate.
- 13.7. It shall be a condition of any agreement between the Council and any person (not being an Officer of the Council) who is required to supervise a contract between the Council and a third party on the Council's behalf that, in relation to such contract, he/she shall comply

with the requirements of these Contract Procedure Rules as if he/she were an Officer of the Council.

- 13.8. In all areas of tendering, negotiating, letting or renewing, performing, reviewing, amending, discharging or terminating any contract to which the Council is either a party or of which it is a beneficiary, regard shall be had to the requirements of economy, efficiency and effectiveness specified in Section 3 of the Local Government Act 1999.
- 13.9. Ensure compliance with Risk Management Guidelines on insurance levels and require such insurances as the relevant **Head of Services** determines appropriate in consultation with the **S151 Officer**.
- 13.10. Where a main contractor indicates in their tender submission the use of sub- contractors, the Officer will ensure that:
 - 13.10.1. the main contractor verifies they have vetted the sub-contractor to ensure that they meet the standards in all areas that the main contractor has undertaken to meet in their submission;
 - 13.10.2. the supplies, services or works they have been sub-contracted by the main contractor to provide, remains the responsibility of the main contractor.
- 13.11. Where a framework agreement is used to meet the Council's need for supplies, services or works, this Standing Order shall only apply to the extent that the framework's call-off terms do not include these provisions and the framework agreement provides for a variation to such terms.

14. Contract and Performance Management

- 14.1. Contract management arrangements shall be set out in any invitation to tender and incorporated into any subsequent contract.
- 14.2. An identified contract manager shall be appointed for each Band C and D contract.
- 14.3. The Head of Legal and Commercial Services may agree the variation or novation of any contract originally awarded under delegated authority. The variation or novation of a contract originally awarded by the Cabinet shall only be agreed by the Cabinet, save to the extent that such variation is of a minor nature or accounted for in the contract.
- 14.4. No contract entered into by the Council may be extended by duration or value unless:
 - 14.4.1. where the contract is a Band D (FTS) contract, such extension was

- provided for in the original FTS notice and contract documentation;
- 14.4.2. where the contract is a Band C contract or of lesser value, such extension would not mean that, had it been included in the original contract, the overall value would have exceeded the FTS threshold; and
 - 14.4.3. alternative options have been considered and the relevant **Head of Service** is satisfied that this option represents value for money and is in the best interests of the Council in light of the contractor's performance.
- 14.5. All extensions to Band C and Band D (FTS) contracts shall be promptly notified to the Procurement Team.
- 14.6. A contract is a live document. Contract managers and Officers shall have regard to the provisions of the contract in observing and monitoring performance of the contract, handling disputes and terminating a contract. Where Officers are unclear of the provisions or operation of a contract they should promptly seek advice from Legal Services.

SECTION H – OFFICER EMPLOYMENT PROCEDURE RULES

Rule

1. Recruitment and Appointment
2. Recruitment of Head of Paid Service and Chief Officers
3. Appointment of Head of Paid Service
4. Dismissal of Head of Paid Service, the Monitoring Officer and the S151 Officer
5. Appointment and Dismissal of Chief Officers
6. Other Officers
7. Consultation with Cabinet Members
8. Procedure for Dismissal of Head of Paid Service, the Monitoring Officer and the S151 Officer
9. Disciplinary Action – Head of Paid Service and Chief Officers
10. No Directions to be given to Persons Making Appointments of Taking Disciplinary Action

SECTION H – OFFICER EMPLOYMENT PROCEDURE RULES

1. **Recruitment and Appointment**
- 1.1 Subject to Rule 1.2 below, the function of appointment and dismissal of, and taking disciplinary action against, a member of staff of the Council must be discharged, on behalf of the Council by the **Head of Paid Service** or by an Officer nominated by him/her.
- 1.2 Rule 1.1 shall not apply to the appointment or dismissal of
 - (a) The **Head of Paid Service**;
 - (b) A statutory **Chief Officer**;
 - (c) A non-statutory Chief Officer;
 - (d) A deputy Chief Officer;
 - (e) A political assistant.
- 1.3 Permanent appointment shall be upon a contract which, unless terminated earlier by either party, would continue for a period of more than 18 months. Interim appointment shall be upon terms which will terminate before the expiry of a period of no more than 18 months, unless extended with the approval of the **Appointments Committee**(for chief and deputy **Chief Officers**) or the Chief Executive (for all other Officers).
- 1.4 Appointment shall include designation as **Head of Paid Service, S151 Officer and Monitoring Officer**.

Declarations

- 1.5 Any candidate for any designation or appointment with the Council who knows that he/she is related to a **Councillor** or employee of the Council shall, when making an application, disclose, in writing, that relationship to the Head of Human Resources and Organisation Development. A person who deliberately fails to disclose such a relationship shall be disqualified from designation or appointment and, if designated or appointed, shall be liable to dismissal.
- 1.6 Every **Councillor** and employee of the Council shall disclose to the Head of Human Resources and Organisation Development any relationship known to him/her to exist between him/herself and any person he/she knows is a candidate for a designation or appointment by the Council.
- 1.7 Persons shall be deemed to be related to a candidate or Officer if they are a spouse, civil partner, partner (i.e. member of a couple living together) parent, parent-in-law, grandparent, child, step-parent stepchild, adopted child, grandchild, child of partner, brother, sister, uncle, aunt, nephew or niece or the spouse or partner of any of the preceding persons. This list is indicative, and a judgement will be made

based on the closeness of the relationship.

Seeking support for appointment

- 1.3 Any candidate for designation or appointment who directly or indirectly seeks the support of a **Councillor** or Officer of the Council in any designation or appointment shall be disqualified and, if designated or appointed, shall be liable to dismissal. A Councillor shall not solicit for any person in respect of any designation or appointment with the Council and shall not give a reference (oral or written) for a candidate for employment by the Council.
- 1.4 No candidate so related to a Councillor or **Senior Officer** will be appointed without the authority of the relevant **Chief Officer** or an Officer nominated by him/her.
- 1.5 No Councillor will seek or canvass support for any person for any appointment with the Council.

2. Recruitment of Head of Paid Service and Chief Officers

- 2.1 Where the Council proposes to appoint a **Chief Officer** (other than on an acting basis) the **Head of Paid Service** will:
- 2.1.1 draw up a statement specifying the duties of the post concerned and a specification of the qualifications or qualities to be sought in the person to be appointed;
- 2.1.2 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
- 2.1.3 make arrangements for a copy of the statement mentioned in 2.2.1 to be sent to any person on request.

Where the Council proposes to appoint the **Head of Paid Service**, the Head of Human Resources and Organisational Development will carry out the above tasks.

- 2.2 The **Appointments Committee** will interview all shortlisted qualified applicants for the post.
- 2.3 Where following the interviews the **Head of Paid Service** or Head of Human Resources and Organisational Development (as applicable) is of the view that there is no suitable candidate, it will re-advertise the post.
- 2.4 Where the Council proposes to appoint a **Chief Officer** (other than on an acting basis) the **Head of Paid Service** will make arrangements in connection with the appointment.

2.5 Where the Council proposes to appoint the **Head of Paid Service** (other than on an acting basis) the Head of Human Resources and Organisational Development will make arrangements in connection with the appointment.

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

3.1 Where the Council proposes to appoint to the **Head of Paid Service**, the **Appointments Committee** will oversee the arrangements for filling the vacancy.

3.2 The **Full Council** will approve the appointment of the **Head of Paid Service** following the recommendation of the **Appointments Committee**, and the Full Council must approve the appointment before an offer of appointment is made.

3.3 The **Full Council** may only make or approve the appointment of the **Head of Paid Service** where no well-founded objection has been made by any Cabinet Member.

3.4 Where the **Full Council** does not approve the recommendation of the Committee, it shall indicate how it wishes to proceed.

4. **Dismissal of Chief Executive, the Monitoring Officer and the S151 Officer**

4.1 Dismissal of the Designated **Statutory Officers** of the Council (the **Head of Paid Service**, the **Monitoring Officer** and the **S151 Officer** (the 'DSOs') will be dealt with in accordance with the [Council's agreed policy](#). The requirements of the Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) and the Model Disciplinary Procedure and Guidance as set out in the JNC Conditions of Service Handbook have been followed in this regard.

4.2 The dismissal of a DSO must be approved by the **Full Council**, following the recommendation of such dismissal by the Investigations Committee.

4.3 The **Full Council** must approve the dismissal before notice of dismissal is given.

5. **Appointment and Dismissal of Chief Officers**

5.1 The appointment of a **Chief Officer** will be determined by the **Appointments Committee**.

5.2 Subject to Rule 4.2, the dismissal of a **Chief Officer** is the responsibility of the Investigations Committee.

6. Other Officers

- 6.1 The function of appointment and dismissal of, and taking disciplinary action against any Officer other than the **Head of Paid Service** or a **Chief Officer** is the responsibility of the **Head of Paid Service** or his/her nominee, and, (save in respect of deputy Chief Officers as defined in Section 2(8) of the Local Government and Housing Act 1989), may not be discharged by **Councillors**. This is a requirement of the Local Authorities (Standing Orders) (England) Regulations 2001.
- 6.2 Any disciplinary action will be taken in accordance with the Council's Disciplinary Policy and Procedure, as amended by local agreement as adopted from time to time.
- 6.3 Nothing in Rule 6.1 shall prevent a person from serving as a member of any Committee or **Sub-Committee** established by the Council to consider an appeal by an Officer against any decision relating to the dismissal of, or taking disciplinary action against that Officer.

7. Consultation with Cabinet Members

- 7.1 No offer of an appointment or notice of dismissal in relation to the **Head of Paid Service**, a **Chief Officer** (as defined in Section 2(8) of the Local Government and Housing Act 1989) shall be given by the appointor or dismissor until:
- 7.1.1 the appointor or dismissor has notified the Head of Human Resources and Organisational Development of the name of the person to be appointed or dismissed and any other particulars relevant to the appointment or dismissal;
- 7.1.2 the Head of Human Resources and Organisational Development has notified each **Cabinet Member** of:
- (a) the name of the person to be appointed or dismissed;
 - (b) any other particulars relevant to the appointment or dismissal which the appointor or dismissor has notified to the Head of Human Resources and Organisational Development; and
 - (c) the period within which any objection to the making of the offer is to be made by the **Leader** on behalf of the **Cabinet** to the Head of Human Resources and Organisational Development; and
- 7.1.3 either:
- (a) the **Leader** has, within the period specified in the notice

under Rule 7.1.2 (c)) above notified the Head of Human Resources and Organisational Development that neither s/he nor any other **Cabinet Member** has any objection to the appointment or dismissal;

- (b) the Head of Human Resources and Organisational Development has notified the appointor or dismissor that no objection was received within that period from the **Leader**; or
- (c) the appointor or dismissor is satisfied that any objection received from the **Leader** within that period is not material or is not well- founded.

8. **Procedure for Dismissal of Head of Paid Service, the Monitoring Officer and the S151 Officer**

- 8.1 A Designated **Statutory Officer** of the Council (the **Head of Paid Service**, the **Monitoring Officer** and the **S151 Officer**) (a 'DSO') may not be dismissed by the Council unless the procedures set out in this Rule 8 are complied with.
 - 8.2 The Council will consult with **Independent Persons** throughout the process.
 - 8.3 Before the taking of a vote at the relevant meeting on whether or not to approve such a dismissal, the **Full Council** must take into account, in particular:
 - 8.3.1 any advice, views or recommendations of the **Independent Persons**;
 - 8.3.2 the conclusions of any investigation into the proposed dismissal; and
 - 8.3.3 any representations from the relevant Officer.
 - 8.4 Any remuneration allowances or fees paid by the Council to an **Independent Person** must not exceed the level of remuneration, allowance or fees payable to that Independent Person in respect of that person's role as an Independent Person under the Localism Act 2011.
- ## 9. **Disciplinary Action - Head of Paid Service and Chief Officers**
- 9.1 Subject to Rule 8 above, the Investigations Committee has delegated authority to take disciplinary action against the **Head of Paid Service** and **Chief Officers**, and to dismiss Chief Officers on disciplinary grounds
 - 9.1.1 Any proposal to dismiss the **Head of Paid Service**, the

Monitoring Officer or the **S151 Officer** must be approved by **Full Council**.

9.1.2 In accordance with the Model Disciplinary Procedure in the JNC Handbook for **Head of Paid Service, Investigations Committee** meetings shall be convened by the **Monitoring Officer** (in consultation with the Chair of the Investigations Committee) and the Monitoring Officer shall, in consultation with the Chair of the Investigations Committee, filter out and deal with allegations that are clearly unfounded, trivial or can best be dealt with under some other procedure. Where allegations involve the Monitoring Officer, this role shall be fulfilled by the Head of Paid Service.

10. **No Directions to be Given to Persons Making Appointments or Taking Disciplinary Action**

10.1 Save as specifically provided for elsewhere in these Procedure Rules, neither the **Full Council** nor the **Cabinet** or its **Committees** meeting, or an individual **Councillor**, nor any other person shall directly or indirectly:

10.1.1 give directions to any person taking any step in relation to an appointment to a post in the paid service of the Council as to the identity of the person to be appointed;

10.1.2 give directions about the taking of any disciplinary action in relation to a person in the paid service of the Council; or

10.1.3 otherwise interfere with the making of such an appointment or the taking of disciplinary action.

SECTION I - COUNCILLORS' SUBSTITUTE SCHEME PROCEDURE RULES

Rule

1. Introduction
2. Application
3. Nomination and Appointment
4. Attendance
5. Voting

SECTION I - COUNCILLORS' SUBSTITUTE SCHEME PROCEDURE RULES

1. Introduction

1.1. The Council recognises that the purpose of the Local Government (Committees and Political Groups) Regulations is to ensure that, in the decision-making process, the **Political Balance** of and representation on **Committees** and **Sub-Committees** of the Council is maintained. This Scheme for the use of substitutes has been adopted to ensure this principle is maintained.

2. Application

2.1. The scheme will apply to all **Committees**, **Sub-Committees** and working groups of the Council except:

2.1.1. the Cabinet and any **Sub-Committee** established by the Cabinet;

2.1.2. the **Audit and Governance Committee** and any **Sub-Committee** established by the Audit and Governance Committee;

2.1.3. **Licensing Sub-Committees** and **Hackney Carriage and Private Hire Sub-Committees**

3. Nomination and Appointment

3.1. The **Council**, when establishing appointments to **Committees** and working groups of the Council, will also appoint substitutes for **Councillors** to those bodies on the nomination of the political group leaders. Substitutes to other working groups will be appointed by the establishing body, as appropriate. The substitutes themselves must also be Councillors.

3.2. The number of substitutes appointed will relate to the number of seats that each political group or grouping has on the body concerned as follows:

3.2.1. more than five seats – six substitutes

3.2.2. Two to five seats - four substitutes

3.2.3. One seat – two substitutes.

3.3. On appointment, it shall be the responsibility of a substitute Councillor to keep up to date with the business of the body to which he/she has been appointed to ensure effective decision making.

3.4. Cabinet Members may not substitute for **Scrutiny Committee** Members.

4. Attendance

- 4.1. It is the responsibility of the **Councillor** who cannot attend the relevant meeting or take part in the relevant part of the **Planning Committee** (“the Appointor”) to arrange for an appointed substitute to attend when he/she is unable to do so, and inform their party Group Leader, Chair and officers of the substitute Councillor and date of the meeting.
- 4.2. Only the appointed substitute **Councillor** of a body may serve as a member of that body.
- 4.3. A **Councillor** who is acting as a substitute for a usual Councillor who is the **Chair** or **Deputy Chair** of the Committee will not, by virtue of that substitution, be entitled to act in that capacity.
- 4.4. A substitute may only serve as a **Councillor** at any meeting at which the appointor has nominated them, and (with the exception of the **Planning Committee**) where the appointor intends to be absent for the entire meeting. A substitute may not be appointed for specific items and no substitutions may be made during the course of the meeting, except at Planning Committee.
- 4.5. In the case of Boards, **Committees** and **Sub-Committees**, written notice of the substitution must be received by the Democratic and Support Services Team Manager no later than 5pm before the last clear working day before the meeting. (For example, if a meeting is held on a Thursday, notice must be given by 5pm on Tuesday, thus allowing one clear day between.) In the case of other bodies, e.g. working groups, similar notice is helpful but not obligatory. A form is available from Democratic Services for this purpose.
- 4.6. In the event of illness or other circumstances beyond the Councillor’s control, he/she may appoint a substitute at short notice at the discretion of the Chair of the relevant Committee. It is the responsibility of the appointing Councillor to seek the Chair’s approval in such an instance.
- 4.7. Notice of the substitution must include the name of the appointer, the substitute, details of the meeting and, where the substitution is only occurring for specific items at **Planning Committee**, details of those items.
- 4.8. Where there is sufficient time, a copy of the **Agenda** and papers for the meeting concerned, and details of any pre-briefs and site visit arrangements, will be sent to the substitute Councillor upon receipt of the notice, otherwise they will be passed over on the day of the meeting. Councillors are reminded that where they are able to pass on their own papers to the substitute, it is preferable to do so in the case of short notice.

- 4.9. At the commencement of a meeting, the relevant item at **Planning Committee** or, if appropriate, on his/her arrival if the meeting has started, the appointed substitute will advise the **Chair** and those present that he/she is attending as a substitute **Councillor**.
- 4.10. If the appointor attends a meeting after arranging for a substitute **Councillor** to attend, the substitute Councillor will continue as the voting Councillor of the Committee. If a substitute, however, has not arrived by the commencement of the meeting and the original appointed Councillor is present, then the appointed Councillor will continue as the voting Councillor of the Committee unless otherwise prohibited from taking part in a meeting or an item at **Planning Committee**. Both parties must not vote at the same meeting.
- 4.11. Where a substitute **Councillor** has attended a meeting which is adjourned to a subsequent date, the appointor may attend the reconvened meeting as the voting Councillor, provided that
- 4.11.1. the meeting is not part way through the consideration of an item or issue; and
 - 4.11.2. The appointor is not otherwise prohibited from taking part in the meeting or an item at **Planning Committee**.
- 4.12. Any **Councillor** attending as the appointed substitute will be entitled to travelling and subsistence allowance in accordance with the scheme approved by the Council.
- 4.13. When a **Councillor** attends a meeting as a substitute for a usual Councillor, the minutes and any report of that meeting will include the name of the substitute, in alphabetical order, amongst those attending the meeting, followed by "(substitute for)" indicating the name of the usual Councillor.

5. Voting

- 5.1. The substitute **Councillor** will be entitled to speak and vote in his/her own capacity and is not constrained by the views of the Councillor for whom he/she is substituting.
- 5.2. No substitute **Councillor** for the **Licensing Committee**, **Planning Committee** or the Appeals Committee may vote unless he/she has been present for the entire consideration of the item under discussion at that meeting.
- 5.3. The substitute Councillor of the **Licensing Committee** and **Planning Committee** must comply with the Local Licensing and Planning codes of conduct and the substitute Councillors of these Committees must have had the necessary training before first acting as a substitute.

Part 4

Codes and Protocols

Section A - Councillors' Code of Conduct

Section B - Officers' Code of Conduct

Section C - Protocol on Councillor / Officer Relations

Section D - Procedure on the Resolution of Dispute/Conflict Between Officers and Councillors

Section E - Roles and Responsibilities for Councillors

Section F - Monitoring Officer Protocol

Section G - Planning Code of Conduct

Section H - Licensing Code of Conduct

SECTION A – COUNCILLORS’ CODE OF CONDUCT

BACKGROUND TO THIS CODE OF CONDUCT

This section sets out general interpretation and background to the Code of Conduct, including definitions used within the code, the purpose of the code, the principles the code is based on and when the code applies. It does not form part of the Code of Conduct itself and consequently does not contain any obligations for you to follow, as these are contained in the ‘Code of Conduct’ section below.

All councils are required to have a local **Councillors’ Code of Conduct**.

Definitions

For the purposes of this Code of Conduct, a “Councillor” means a person elected to represent their Ward on the Council or a co-opted member of the Council.

A “co-opted member” is defined in the Localism Act 2011 Section 27(4) as “a person who is not a member of the authority but who

- a) is a member of any Committee or **Sub-Committee** of the authority, or;
- b) is a member of, and represents the authority on, any **Joint Committee** or joint Sub-Committee of the authority;

and who is entitled to vote on any question that falls to be decided at any meeting of that Committee or Sub-Committee”.

Purpose of the Code of Conduct

The purpose of this Code of Conduct is to assist you, as a Councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow Councillors, Officers and the reputation of the council and local government. It sets out general principles of conduct expected of all Councillors and your specific obligations in relation to standards of conduct. The fundamental aim of the Code is to create and maintain public confidence in the role of Councillors and local government.

General principles of Councillor conduct

Everyone in public office at all levels; i.e. all who serve the public or deliver public services, including ministers, civil servants, Councillors and Officers; should uphold the [Seven Principles of Public Life](#), also known as the Nolan Principles, which are set out in Appendix A.

Building on these principles, the following general principles have been developed specifically for the role of Councillor and these principles underpin the obligations in the Code of Conduct that follows.

In accordance with the public trust placed in you, you should:

- act with integrity and honesty
- act lawfully
- treat all persons fairly and with respect; and
- lead by example and act in a way that secures public confidence in the role of Councillor.

In undertaking your role you should:

- impartially exercise your responsibilities in the interests of the local community
- do not improperly seek to confer an advantage, or disadvantage, on any person
- avoid conflicts of interest
- exercise reasonable care and diligence;
- ensure that public resources are used prudently in accordance with your Council's requirements and in the public interest; and
- uphold high standards of conduct, show leadership at all times and not misuse your position when acting as a Councillor.

Application of the Code of Conduct

This Code of Conduct applies to you as a Councillor. It applies as soon as you sign your declaration of acceptance of the office of Councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a Councillor.

This Code of Conduct applies to you when you:

- act in your capacity as a Councillor; and
- conduct the business of the Council (which, in this Code, includes the business of the office to which you are elected or appointed).

Where you act as a representative of the Council:

- on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or
- on any other body, you must, when acting for that other body, comply with this Code of Conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication

- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct. It is your responsibility to comply with the provisions of this Code and to ensure all its obligations are met. You are encouraged to seek advice from the Monitoring Officer on any matters that may relate to the Code of Conduct which you are unsure of.

THE CODE OF CONDUCT

Standards of Councillor conduct

This section sets out your obligations, which are the minimum standards of conduct required of you as a Councillor. Should your conduct be perceived to fall short of these standards or the Nolan Principles, a complaint may be made against you, which may result in action being taken.

Guidance is included to help explain the reasons for the obligations and how they should be followed.

General Conduct

1. Respect

As a Councillor:

1.1 I will treat others Councillor with respect.

1.2 I will treat council Officers, employees and representatives of partner organisations and those volunteering for the council with respect and respect the role they play.

Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a Councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in Councillors.

In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and notify them to the Council, the relevant social media provider or the police. This also applies to fellow Councillors, where action could then be taken under the **Councillors' Code of Conduct**, and Officers where concerns should be raised in line with the Council's **Protocol on Councillor / Officer Relations**.

2. Bullying, harassment and discrimination

As a Councillor:

2.1 I will not bully any person.

2.2 I will not harass any person.

2.3 I will promote equalities and do not discriminate unlawfully against any person.

The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the Council's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

3. Impartiality of Officers of the Council

As a Councillor:

3.1 I will not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the council.

Officers work for the council as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question Officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

4. Confidentiality and Access to Information

As a Councillor:

4.1 I will not disclose information:

- a. given to me in confidence by anyone**
- b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless**
 - i. I have received the consent of a person authorised to give it;**
 - ii. I am required by law to do so;**

- iii. **the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or**
- iv. **the disclosure is:**
 - 1. **reasonable and in the public interest; and**
 - 2. **made in good faith and in compliance with the reasonable requirements of the Council; and**
 - 3. **I have consulted the Monitoring Officer prior to its release.**

4.2 I will not improperly use knowledge gained solely as a result of my role as a Councillor for the advancement of myself, my friends, my family members, my employer or my business interests.

4.3 I will not prevent anyone from getting information that they are entitled to by law.

Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the council must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

5. Disrepute

As a Councillor:

5.1 I will not bring my role or Council into disrepute or conduct myself in a manner which could reasonably be regarded as bringing my role or Council into disrepute.

As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other Councillors and/or the Council and may lower the public's confidence in you or the Council's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring the Council into disrepute.

You are able to hold the Council and fellow Councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the Council whilst continuing to adhere to other aspects of this Code of Conduct.

6. Use of position

As a Councillor:

6.1 I will not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

6.2 I will not place myself under a financial or other obligation to outside individuals or organisations that might seek to influence me in the performance of my official duties.

Your position as a Councillor provides you with certain opportunities, responsibilities and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

As a Councillor you need to be able to act impartially in the exercise of your responsibilities and ensure that you make decisions in the interests of the local community. You should therefore avoid any financial or other obligations to outside individuals or organisations whose influence may prevent you from acting impartially..

7. Use of Council resources and facilities

As a Councillor:

7.1 I will not misuse Council resources.

7.2 I will, when using the resources of the Council or authorising their use by others:

- a. **act in accordance with the Council's requirements; and**
- b. **ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the Council or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by the Council to assist you in carrying out your duties as a Councillor.

Examples include:

- office support
- stationery
- equipment such as phones, ipads, dongles computers etc.
- transport
- access and use of council buildings and rooms.

These are given to you to help you carry out your role as a Councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the council's own policies regarding their use.

8. Making Decisions

As a Councillor:

8.1 When reaching decisions on any matter I will have regard to any relevant advice provided to me by Officers and professional third parties.

8.2 I will give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed.

8.3 I will make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on individual and independent merit

8.4 I will be as open as possible about my decisions and actions and the decisions and actions of the authority and will be prepared to give reasons for those decisions and actions, notwithstanding my other obligations under this Code.

To assist Councillors in acting lawfully, Officers may give advice from time to time. It is important that as a Councillor you have due regard to any such advice given and consider it fully, even if (for good reason) you may choose not to follow that advice.

In making any decisions, giving reasons helps instil public confidence in the role of the Councillor and can be a legal requirement in certain situations. You should ensure that you always give reasons in accordance with any specific requirements and having regard to the benefits of transparency generally.

As a Councillor you must act impartially and not improperly seek to confer an advantage, or disadvantage, on any person. It is therefore important that when you are making decisions that involve choosing one party over another, that you do so based on independent merit. You should be open and transparent about the decisions that you have made and the actions of the authority.

9. Complying with the Code of Conduct

As a Councillor:

9.1 I will undertake Code of Conduct training provided by my Council.

9.2 I will cooperate with any Code of Conduct investigation and/or determination.

9.3 I will not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.

9.4 I will comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.

It is extremely important for you as a Councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the Council or its governance. If you do not understand or are concerned about the council's processes in handling a complaint you should raise this with the Monitoring Officer.

Protecting Your reputation and the Reputation of the Council

10. Interests

As a Councillor:

10.1 I will register and disclose my interests in accordance with the provisions set out in Appendix B

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of Councillors.

You need to register your interests so that the public, Council employees and fellow Councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other Councillors when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

You should note that failure to register or disclose a disclosable pecuniary interest as defined in Appendix B, is a criminal offence under the Localism Act 2011.

The provisions of this paragraph 10.1 shall be applied in such a manner as to recognise that this Code of Conduct should not obstruct a Councillor's service on more than one local authority. For the avoidance of doubt, participation in discussion and decision-making at one local authority will not by itself normally prevent you from taking part in discussion and decision-making on the same matter at another local authority. This is on the basis that a reasonable member of the public will see no objection in principle to such service or regard it as prejudicing a Councillor's judgement of the public interest and will only regard a matter as giving rise to an interest which might lead to bias in exceptional circumstances.

Appendix B sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from the Monitoring Officer, or from the clerk in the case of town and parish councils.

11. Gifts and Hospitality

As a Councillor:

- 11.1 I will not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the Council or from persons who may apply to the Council for any permission, licence or other significant advantage.**
- 11.2 I will register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.**
- 11.3 I will register with the Monitoring Officer any significant gift or hospitality with an estimated value of at least £50 that I have been offered but have refused to accept.**

In order to protect your position and the reputation of the Council, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a Councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a Councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a Councillor. If you are unsure, do contact the Monitoring Officer or Clerk for guidance.

12. Dispensations

As a Councillor:

- 12.1 I may request a dispensation from the Monitoring Officer for one meeting only.**
- 12.2 I must make the request in writing detailing what my interest is, why the dispensation is required and for what meeting.**
- 12.3 I must make my request 5 days prior to the meeting at which the Dispensation is required.**
- 12.4 If I wish to make a further request for dispensation, this must be made to the Audit and Governance Committee.**
- 12.5 I will only be granted a Dispensation where there are reasonable grounds for doing so and where such grounds are in the public interest.**

Appendix B sets out the situations where a Councillor's personal interest in a matter may prevent them from participating in the decision-making process. In certain circumstances, however, there may be reasonable grounds to allow a Councillor to participate in decision-making on that matter where it would be in the public interest to do so. Where you consider that there may be good grounds for you to continue to participate you should request a dispensation from the Monitoring Officer.

Appendices

Appendix A – The Seven Principles of Public Life The principles are:

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must disclose and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Appendix B – Interests

1. Definitions

“**Disclosable Pecuniary Interest**” means any interest described as such in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#) and includes an interest of yourself, or of your Partner (if you are aware of your Partner's interest) that falls within the descriptions set out in the following table. A Disclosable Pecuniary Interest is a Registerable Interest.

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made to the Councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as Councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the Councillor or his/her spouse or civil partner or the person with whom the Councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and Property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the Councillor or his/her spouse or civil partner or the person with whom the Councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licenses	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer

Corporate tenancies	Any tenancy where (to the Councillor's knowledge) – (a) the landlord is the council; and (b) the tenant is a body that the Councillor, or his/her spouse or civil partner or the person with whom the Councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the Councillor's knowledge) has a place of business or land in the area of the Council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the Councillor, or his/her spouse or civil partner or the person with whom the Councillor is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the Committee of management of an industrial and provident society.

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

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

"Other Registerable Interest" is a personal interest in any business of your authority which relates to or is likely to affect:

- a) any unpaid directorships;
- b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority; or
- c) any body
 - (i) exercising functions of a public nature
 - (ii) any body directed to charitable purposes or

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

“Registrable Interests” are interests that you are required to register in accordance with this Code of Conduct and include both Disclosable Pecuniary Interests and Other Registerable Interests.

“Non-Registrable Interests” are interests that you are not required to register but need to be disclosed in accordance with section 3.3.

A **“Dispensation”** is agreement that you may continue to participate in the decision-making process notwithstanding your interest as detailed at section 12 of the Code of the Conduct and this Appendix B.

A **“Sensitive Interest”** is as an interest which, if disclosed, could lead to the Councillor, or a person connected with the Councillor, being subject to violence or intimidation. In any case where this Code of Conduct requires to you to disclose an interest (subject to the agreement of the Monitoring Officer in accordance with paragraph 2.2 of this Appendix regarding registration of interests), you do not have to disclose the nature of the interest, if it is a Sensitive Interest. In such circumstances you just have to disclose that you have an interest.

A matter **“directly relates”** to one of your interests where the matter is directly about that interest. For example the matter being discussed is an application about a particular property in which you or somebody associated with you has a financial interest.

A matter **“affects”** your interest where the matter is not directly about that interest but would still have clear implications for the interest. For example, the matter concerns a neighbouring property.

2. Registering Interests

- 2.1. Within 28 days of becoming a Councillor or your re-election or reappointment to office you must register with the Monitoring Officer any Disclosable Pecuniary Interests and any Other Registerable Interests.
- 2.2. Where you have a Sensitive Interest you must notify the Monitoring Officer with the reasons why you believe it is a Sensitive Interest. If the Monitoring Officer agrees they will withhold the interest from the public register.
- 2.3. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.

3. Declaration at and Participation in Meetings

If you are present at a meeting and you have either a Registerable or Non-Registerable Interest in any matter to be considered or being considered, and the interest is not a Sensitive Interest, you must disclose that interest to the meeting (whether or not it is registered).

To determine whether your interest affects your ability to participate in a meeting, you must first determine what type of interest you have and, if necessary, go on to apply the tests as set out below.

3.1. Disclosable Pecuniary Interests

3.1.1. Where a matter arises at a meeting which **directly relates** to one of your Disclosable Pecuniary Interests:

- a. you must disclose the interest;
- b. not participate in any discussion or vote on the matter; and
- c. must not remain in the room unless you have been granted a Dispensation.

3.2. Other Registerable Interests

3.2.1. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests:

- a. you must disclose the interest;
- b. may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter; and
- c. must not remain in the room unless you have been granted a Dispensation.

3.2.2. The provisions of paragraph 3.1.1 and 3.2.1 shall be applied in such a manner as to recognise that this Code should not obstruct a Councillor's service on more than one local authority. For the avoidance of doubt, participation in discussion and decision making at one local authority will not by itself normally prevent you from taking part in discussion and decision making on the same matter at another local authority. This is on the basis that a reasonable member of the public will see no objection in principle to such service or regard it as prejudicing a Councillor's judgement of the public interest and will only regard a matter as giving rise to a Personal Interest which might lead to bias in exceptional circumstances

3.3. Non-Registerable Interests

3.3.1. Where a matter arises at a meeting which **directly relates** to a financial interest or the well-being of yourself or of a friend, relative or close associate (and is not a Registerable Interest):

- a. you must disclose the interest;
- b. may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter; and
- c. must not remain in the room unless you have been granted a Dispensation.

3.3.2. Where a matter arises at a meeting which does not directly relate to but **affects**

- a. a financial interest or the well-being of yourself or of a friend, relative or close associate; or
- b. a financial interest or wellbeing of a body included in those you need to disclose under Other Registerable Interests

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test in paragraphs 3.3.3 and 3.3.4 should be applied.

3.3.3. Where a matter under paragraph 3.3.2 **affects** the financial interest or wellbeing or body:

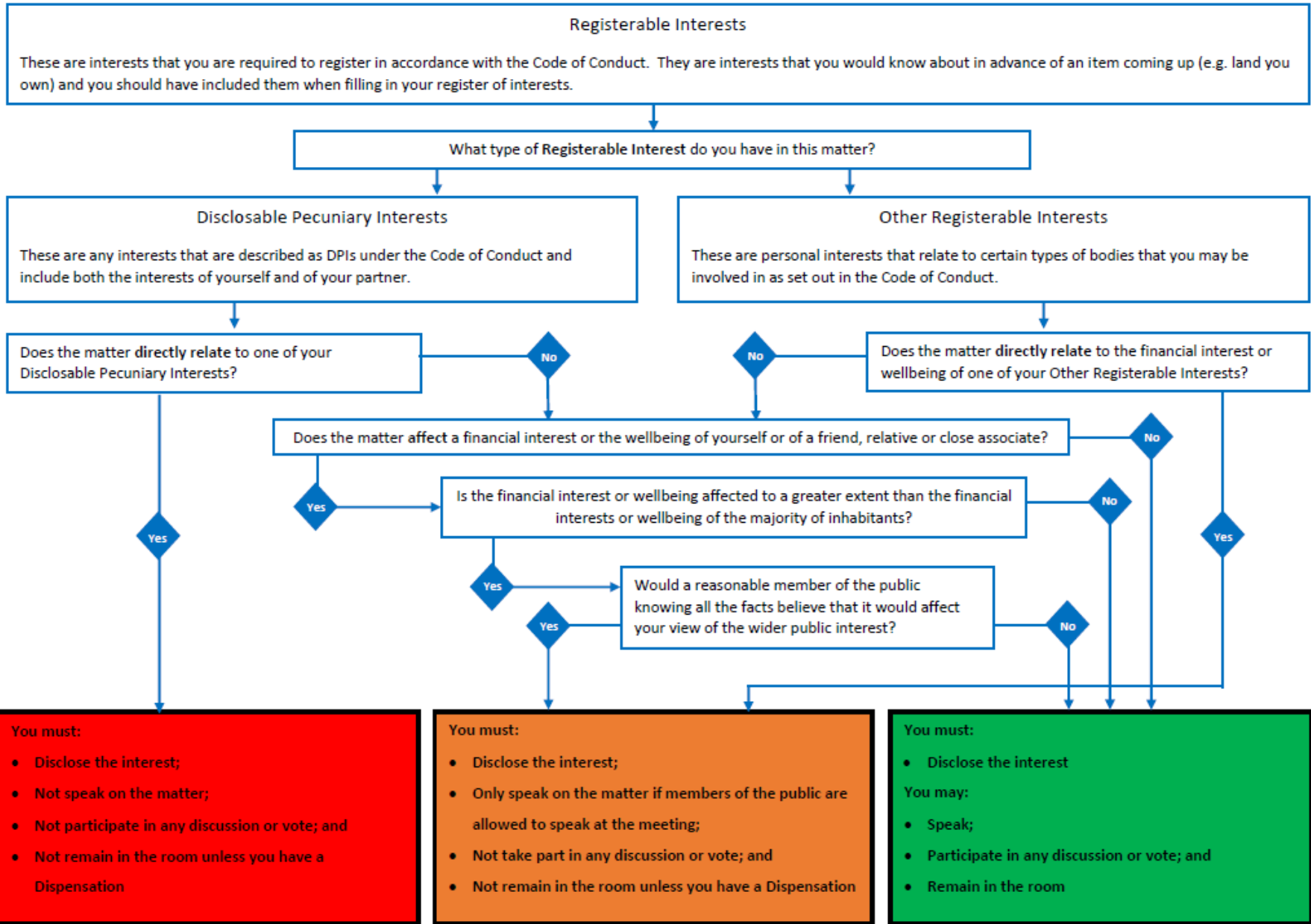
- a. to a greater extent than it affects the financial interests or wellbeing of the majority of inhabitants of the ward affected by the decision; and
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest;

you may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a Dispensation.

3.3.4. Where a matter under paragraph 3.3.2 does not **affect** the financial interest or wellbeing or body:

- a. to a greater extent than it affects the financial interests or wellbeing of the majority of inhabitants of the ward affected by the decision; and/or
- b. a reasonable member of the public knowing all the facts would not believe that it would affect your view of the wider public interest;

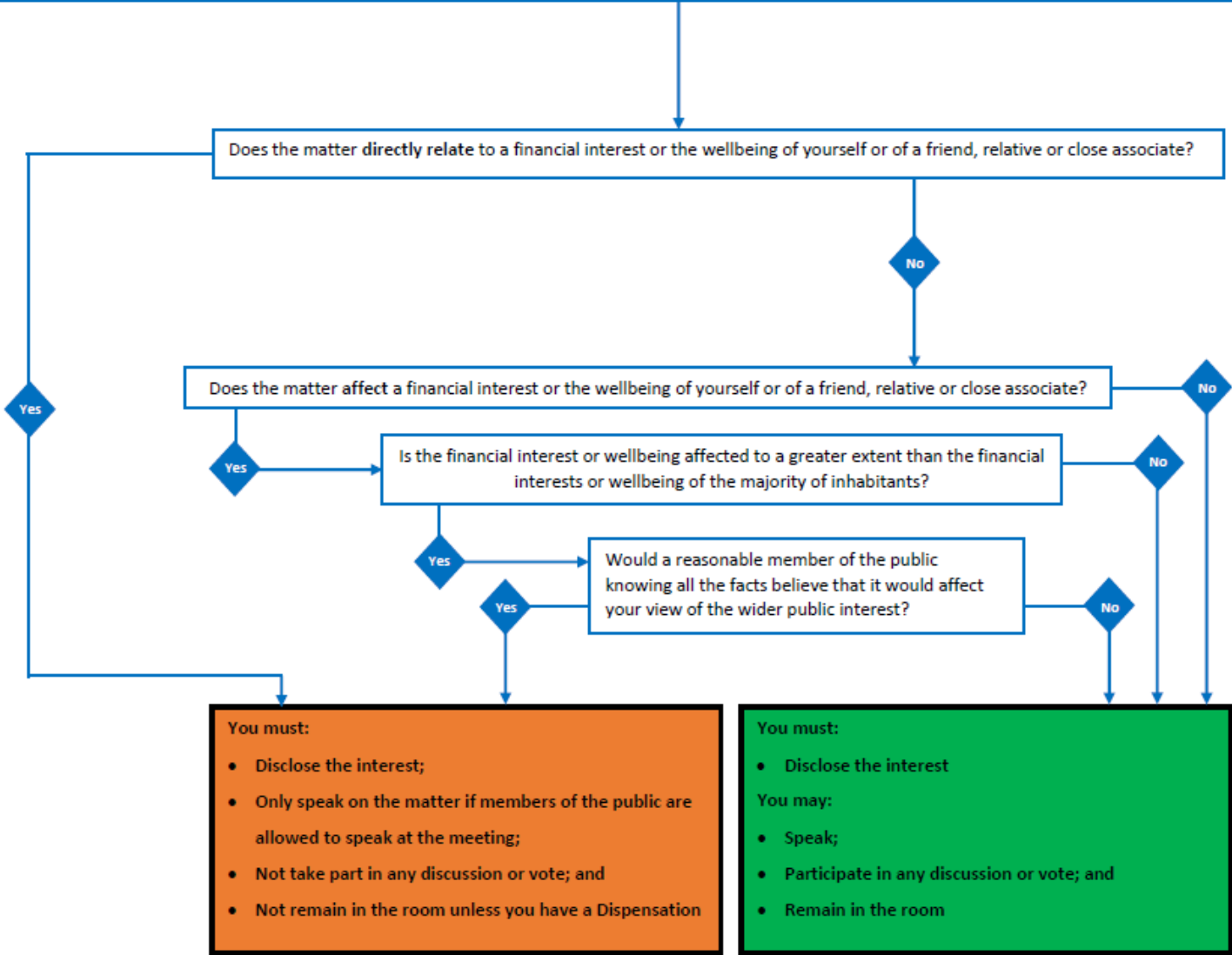
you may remain in the room, speak if you wish to and take part in any discussion or vote on the matter, provided you have disclosed your interest under paragraph 3.3.2.



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Non-Registerable Interests

These are interests that you are not required to register but may become relevant when a particular item arises. These are usually interests that relate to other people you are connected with (e.g. friends, relatives or close associates) but can include your own interests where you would not have been expected to register them.



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Appendix C – the Committee on Standards in Public Life

The LGA has undertaken this review whilst the Government continues to consider the recommendations made by the Committee on Standards in Public Life in their report on [Local Government Ethical Standards](#). If the Government chooses to implement any of the recommendations, this could require a change to this Code.

The recommendations cover:

- Recommendations for changes to the Localism Act 2011 to clarify in law when the Code of Conduct applies
- The introduction of sanctions
- An appeals process through the Local Government Ombudsman
- Changes to the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012
- Updates to the Local Government Transparency Code
- Changes to the role and responsibilities of the **Independent Person**
- That the criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished

The Local Government Ethical Standards report also includes Best Practice recommendations. These are:

Best practice 1: Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition.

Best practice 2: Councils should include provisions in their code of conduct requiring Councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by Councillors.

Best practice 3: Principal authorities should review their code of conduct each year and regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.

Best practice 4: An authority's code should be readily accessible to both Councillors and the public, in a prominent position on a council's website and available in council premises.

Best practice 5: Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.

Best practice 6: Councils should publish a clear and straightforward public interest test against which allegations are filtered.

Best practice 7: Local authorities should have access to at least two **Independent Persons**.

Best practice 8: An **Independent Person** should be consulted as to whether to undertake a formal investigation on an allegation, and should be given the option to

review and comment on allegations which the responsible Officer is minded to dismiss as being without merit, vexatious, or trivial.

Best practice 9: Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the **Independent Person**, the reasoning of the decision-maker, and any sanction applied.

Best practice 10: A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.

Best practice 11: Formal standards complaints about the conduct of a parish member towards a clerk should be made by the chair or by the parish council, rather than the clerk in all but exceptional circumstances.

Best practice 12: Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.

Best practice 13: A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring Officer from a different authority to undertake the investigation.

Best practice 14: Councils should report on separate bodies they have set up or which they own as part of their **Annual Governance Statement** and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness and publish their board **Agendas** and minutes and annual reports in an accessible place.

Best practice 15: **Senior Officers** should meet regularly with political **Group Leaders** or group whips to discuss standards issues.

The LGA has committed to reviewing its Model Code on an annual basis to ensure it is still fit for purpose.

SECTION B – OFFICERS’ CODE OF CONDUCT

Section 1 - General Provisions

Section 2 - Principles

Section 3 - Standards

Section 4 - Adherence to Council Constitution, Policies, Procedures, Operating Guidelines and Service Standards

Section 5 - Public and Social Media

Section 6 - Relationships

Section 7 - Personal, Business, Financial or Other Interests

Section 8 - Bribery, Fraud and Corruption

Section 9 - Protecting the Councils Business Interests

Section 10 - Whistleblowing

Section 11 - Disclosure of Information

SECTION B – OFFICERS’ CODE OF CONDUCT

1. GENERAL PROVISIONS

Purpose

- 1.1. This Code of Conduct defines the responsibilities, standards and behaviour required of you as a North West Leicestershire District Council employee. It reflects the fact that members of the public expect you, as a public servant, to demonstrate the highest levels of integrity and professionalism at all times. This is necessary to enable the Council to deliver services of high quality which are value for money and reflect the Council’s organisational values.
- 1.2. It is your responsibility to read this Code and to make sure your conduct meets its provisions at all times.
- 1.3. Breaches of this Code will be investigated and may result in disciplinary action being taken which could lead to dismissal. You must engage in any investigations about actual or potential breaches of this Code.

Scope

- 1.4. This Code of Conduct applies to all Council employees, apprentices and casual workers. Volunteers, agency workers and others who work, whether paid or unpaid, for and on behalf of the Council are expected to comply with this Code.
- 1.5. You are required to comply with this Code when carrying out your duties as an employee or representative of the Council.
- 1.6. This Code of Conduct is not an exhaustive account of all the expectations upon you and should be read in conjunction with the Council's Disciplinary Policies and Procedures.

2. PRINCIPLES

- 2.1. The Code of Conduct reflects the key principles of public life recommended by the Committee on Standards in Public Life (the Nolan Committee). You must act in accordance with these principles, as set out below, and observe the following rules of behaviour:-

Principle 1 - Selflessness

You should act solely in terms of the public interest.

Principle 2 - Integrity

You must avoid placing yourself under any obligation to people or organisations that might try inappropriately to influence you in their work. You

should not act or take decisions in order to gain financial or other material benefits for yourself, your family, or your friends. You must declare and resolve any interests and relationships.

Principle 3 - Objectivity

You must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Principle 4 - Accountability

You are accountable to the public for your decisions and actions and must submit yourself to the scrutiny necessary to ensure this.

Principle 5 - Openness

You should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Principle 6 - Honesty

You should be truthful.

Principle 7 - Leadership

You should exhibit these principles in your own behaviour. You should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

3. STANDARDS

3.1. You are required to:-

3.1.1. Always act in the interests of the Council;

3.1.2. Behave at work in line with this Code of Conduct and the Council's Values;

3.1.3. Attend work in accordance with your contractual requirements, carry out all of the requirements of your job and any reasonable instructions given by your manager or supervisor effectively and to the standard that is needed;

3.1.4. Conduct yourself, in your official or private capacity, in a way which could not reasonably be regarded as bringing the Council into disrepute or engage in any conduct that is harmful to the Council or its interests;

3.1.5. Be aware that actions in your off-duty hours can impact on your employment with the Council as it may result in disciplinary action being taken against you. Examples include, but are not limited to, involvement in racist incidents, criminal actions and acts of violence; and

3.1.6. Whilst at work and/or on official Council business, dress appropriately for the role you are undertaking and be recognisable as a representative of the council.

4. ADHERENCE TO COUNCIL CONSTITUTION, POLICIES, PROCEDURES, OPERATING GUIDELINES AND SERVICE STANDARDS

4.1. You have an individual responsibility to work within the **Constitution**, service requirements, policies, procedures, operational guidelines and standards, legislation and other professional standards which may apply to your role from time to time and to be aware of and keep up to date with those requirements and standards. Adherence to these ensures that:

- The Council meets its statutory requirements;
- Service standards are maintained; and
- Proper monitoring and auditing processes can be applied.

4.2. If you do not follow these (whether intentionally or inadvertently) it will be regarded as a disciplinary matter. Whilst managers will assist you, you have a personal responsibility to make sure that you are familiar with your responsibilities under the **Constitution** and other policies, procedures and guidelines, in particular:

- HR Policies;
- Equalities Policies;
- **Financial Procedure Rules**;
- **Contract Procedure Rules**;
- ICT and Cyber Security Policy; and
- Departmental operational policies, procedures and codes.

4.3. When using facilities and equipment, provided as part of your work, belonging to the Council you must:

- Take care of Council property or equipment, keeping it secure and reporting any breakages or breaches in security;
- Use equipment and facilities for authorised purposes only.

4.4. If your job involves use of computers, you must make sure that you only use properly licensed computer software in accordance with the Council's IT policy.

4.5. You must act in accordance with the Council's Smoke Free policy.

4.6. You have a responsibility to present yourself fit for work and be capable of

carrying out your duties fully in a competent and safe manner. In addition you have a duty to take care of your own health and safety and that of others who may be affected by your actions and to co-operate with the Council and co-workers to help everyone meet their legal requirements. If you have a specific query or concerns about health and safety in your workplace you should in the first instance talk to your line manager.

5. PUBLIC AND SOCIAL MEDIA

5.1. Unless you are acting as a spokesperson for the Council as part of your duties, or you are authorised to act as a spokesperson about a particular situation, or are acting as spokesperson for one of the Council's recognised trade unions in pursuit of legitimate industrial relations activities, you must not:

- Speak, write or give interviews about the business of the Council to the media; or
- Make a public statement which concerns the business of the Council.

To do so may result in reputational damage to the Council.

5.2. You should be aware of the risks you could potentially face when sharing information about your working and personal life through Social Media and the potential for disciplinary action being taken against you.

6. RELATIONSHIPS

6.1. The Council expects that you:

6.1.1. Treat all co-workers (whether paid or unpaid) equally, fairly and with dignity and respect regardless of their circumstances or personal characteristics;

6.1.2 Are supportive, co-operative and maintain good working relationships;

6.1.3 Assist the Council achieve its aim of making the work environment free of harassment and/or bullying, discrimination or other unacceptable behaviours;

6.1.4 Always remember your responsibilities to the community the Council serves and make sure you are polite, efficient and provide impartial service delivery to all groups and individuals within that community, regardless of their circumstances or personal characteristics and as defined by the policies of the Council; and

6.1.5 Develop effective co-operative and professional working relationships with organisations (including in a voluntary capacity with the local community), agencies, contractors, suppliers, and service partners, without offering or inferring any advantage to any external suppliers or contractors.

- 6.2. Mutual confidence and trust between employees and Councillors is essential to the effective operation of the Council. Any close personal relationships which develop between you and a Councillor should be declared in the same way as a relationship with another employee.

More information is contained within the **Protocol on Councillor / Officer Relations**.

7. PERSONAL, BUSINESS, FINANCIAL OR OTHER INTERESTS

- 7.1. For the most part, your off-duty hours are your personal concern; however you should not subordinate your employment relationship with the Council to your private interest or put yourself in a position where there is a conflict of interests.
- 7.2. You must be clear about your contractual obligations to the Council and must not involve yourself in outside employment which might conflict with the Council's interests. If you are graded at spinal point 28 or above, you must have the Council's specific consent before you take up any additional employment and the Head of Human Resources and Organisational Development must be notified.
- 7.3. The Council and the public must be confident that decisions of whatever nature you make are made for good and proper reasons and are not influenced by your interests or the interests of your family, relatives or friends.
- 7.4. You are required to declare and register any potential or actual personal, financial, business, other employment or interest which may impact on your work, conflict with the impartial performance of your duties, put you under suspicion of improper behaviour or that would cause damage to the Council's reputation or services.
- 7.5. Applicants for any Council post are asked to declare any relationship with a Councillor or employee of the Council. In order to avoid any possible accusation of bias, you should not be involved in an appointment where you are related to an applicant, or have a close personal relationship outside work with them.
- 7.6. In the same way, you must not be involved in decisions about discipline, promotion or pay for any employee you have a close personal relationship with.
- 7.7. You are responsible for declaring, in writing to your line manager, any personal relationships that develop with another Council employee, which may conflict with the impartial performance of your duties.

8. BRIBERY, FRAUD AND CORRUPTION

8.1. Bribery

8.1.1. Bribery is defined as “an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage”.

8.1.2. Under the Bribery Act 2010, both individuals and organisations are liable for conviction in court, imprisonment and/or fines if found guilty of an offence.

8.1.3. It is useful for all employees to remember that it is unacceptable to:

- Give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- Give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to ‘facilitate’ a routine procedure;
- Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- Take any action against or threaten a person who has refused to commit a bribery offence or who raises any concerns.

8.1.4. The responsibility to control the risk of bribery occurring should reside at all levels. If you have a concern regarding a suspected instance of bribery please speak up.

8.2. Fraud and Corruption

8.2.1 Fraud is defined as “deliberate deception intended to provide a direct or indirect personal gain”.

8.2.2 Corruption is defined as the “deliberate use of one’s position for direct or indirect illegitimate personal gain”.

8.2.3 The Council’s general belief and expectation is that all those associated with it will act with honesty and integrity. In particular, Officers will lead by example and be accountable for their actions.

8.2.4 As an employee of the Council you are expected to:

- Take the risk of fraud seriously;
- Secure all passwords, information, documents, money and equipment in your control which can be stolen or used to perpetrate fraud;

- Make yourself aware of corporate and departmental documented procedures, regulations or other instructions and ensure, where possible, that they are adhered to;
- Strive to achieve value for money in your use of the Council's financial resources;
- Only incur costs to the Council in accordance with your authorised limits;
- Declare any conflicts of interest that arise;
- Only accept gifts and hospitality in accordance with the Council's policy; and
- Bring any concern you have on the adequacy of control measures to the attention of your line manager.

8.2.5 Concerns raised will be treated in accordance with the Council's Whistleblowing policy.

9. PROTECTING THE COUNCIL'S BUSINESS INTERESTS

9.1. The Council retains the intellectual property rights for work created in the course of your normal duties e.g. research, reports, designs, drawings, software developments or similar work. No property of the Council should be removed from Council premises or passed on by you or another person acting on your behalf to a third party, without the express consent of the Council.

9.2. Similarly, you are not permitted to use any work which you or others have created, whilst in the employment of Council, for personal or financial gain without the express consent of the Council.

10. WHISTLEBLOWING

10.1. The Council is committed to achieving high standards of integrity and accountability and expects the same commitment from those working for the Council. Experience shows that employees are often the first to realise that there may be something seriously wrong within the Council or often have worries or suspicions and could, by reporting their concerns at an early stage, help put things right and stop potential wrongdoing.

10.2. The Council's Whistleblowing Policy provides a framework for you to raise concerns which you believe are in the public interest and may relate to illegal, improper or unethical conduct. You are encouraged to bring to the attention of management, knowledge of any such activity. You should be able to do so without fear of victimisation.

11. DISCLOSURE OF INFORMATION

11.1. You have a contractual responsibility to maintain confidentiality and to comply with the Council's guidance on Data Protection and Information Security and Acceptable Use Policy.

11.2. Confidential information includes, but is not limited to, any information

regarding: staff, service users, financial information, information regarding business plans or other commercially sensitive information and any information or matter which relates to the affairs and/or services of the Council that should not be in the public domain.

11.3. You must:

- 11.3.1. Not disclose information (oral, written or electronic) given to you in confidence by anyone, or information acquired which you believe is of a confidential nature, without the consent of a person authorised to give it, or unless you are needed to do so by law, or until it becomes public in the course of the Council's business;
 - 11.3.2. Not prevent another person from gaining **Access to Information** to which that person is entitled by law;
 - 11.3.3. Not use any information received during your employment for personal gain or benefit, or pass it on to others who might use it in a way other than might reasonably be expected in the normal course of their duties;
 - 11.3.4. Where applicable, be aware of the guidance on when you make confidential information available to Councillors. Part 21.1 of the **Access to Information Procedure Rules** in **Part 3**.
 - 11.3.5. Respect political confidences as provided for in the **Protocol on Councillor / Officer Relations**.
- 11.4. If you are unsure if an individual has the right to receive the information they have asked for, you must seek advice from your line manager.

12. POLITICAL NEUTRALITY

- 12.1. Employees serve the whole Council as a single, statutory corporate body and not simply the political administration in power. It follows, therefore, that you must provide support to all Councillors, regardless of the political party they represent. This is particularly important in relation to their local or representational role.

This is explained in more detail in the **Protocol on Councillor / Officer Relations**.

- 12.2. Some employees hold posts that have been designated as **Politically Restricted**. If you hold this type of post you are prevented from taking an active political role either in or outside work. You must not stand as a candidate, or hold, elected office (other than to a parish council), canvass at elections, speak, or write publicly demonstrating support for a political party.

13. GIFTS AND HOSPITALITY

- 13.1. If you are offered any gifts or hospitality, you must not accept these without the

prior authorisation of your manager. There is a presumption that gifts and hospitality will not be accepted. Any which are authorised/declined must be recorded on the Gifts and Hospitality Register online form.

- 13.2. Insignificant items of a token value only, such as pens or diaries, are excluded from these provisions. Significant items comprise gifts or hospitality with more than a token value. If in doubt, consult your manager.
- 13.3. You must only accept offers of hospitality if there is a genuine need for you to be present to give or receive information or to represent the Council. You must not accept offers to attend purely social or sporting functions, unless these are part of the life of our local community or where the Council should be seen to be represented. All acceptances must have the prior authorisation of your manager and recorded in the Employee Gifts and Hospitality Register.
- 13.4. If you have to decline an offer of hospitality, you must do so courteously but firmly, informing those making the offer of the procedures and standards operated by the council.
- 13.5. You must not accept significant gifts or hospitality from contractors or outside suppliers. If in doubt, consult your manager.
- 13.6. If you are authorised to receive hospitality, you must nevertheless still be particularly sensitive about its timings in relation to any decisions which the Council may be taking which involve those providing the hospitality.
- 13.7. Hospitality provided for attendance at relevant conferences and courses is acceptable providing:
 - 13.7.1. It is clear that the hospitality is corporate rather than personal;
 - 13.7.2. The Council's consent has been obtained in advance (where possible) through your manager; and
 - 13.7.3. The Council is satisfied that any purchasing decisions you may be involved in are not being compromised.
- 13.8. If you are involved in visits to inspect equipment, etc., you must ensure that the Council meets the cost of such visits to avoid any question of the integrity of subsequent purchasing decisions being jeopardised.
- 13.9. Any queries on the interpretation of the code and the procedure to be followed should be directed to the Monitoring Officer.

14. SPONSORSHIP

- 14.1. You must apply the basic conventions concerning acceptance of gifts or hospitality, any involvement you may have with an outside organisation which wishes to sponsor, or is seeking to sponsor, a local government activity, whether by invitation, tender, negotiation or voluntarily. You must take particular care when dealing with contractors or potential contractors.

- 14.2. Where the Council wishes to sponsor an event or service, you must make full disclosure to your manager if either yourself, partner, spouse or close relative stands to benefit from such sponsorship. In the same way, you must make sure that you give impartial advice and that you have no conflict of interest where the Council gives support to community groups through sponsorship, grant aid, financial or other means.

SECTION C – PROTOCOL ON COUNCILLOR / OFFICER RELATIONS

1 - Introduction

2 - Role of Councillors

3 - Role of Officers

4 - Respect and Courtesy

5 - Provision of Advice and Information

6 - Confidentiality

7 - Provision of Support Services to Councillors

8 - The Council's Role as Employer

9 - Political Activity

10 - Conclusion

11 - Unresolved Issues and Amendments to Protocol

1. INTRODUCTION

- 1.1 The purpose of this Protocol is to guide **Councillors** and **Officers** of North West Leicestershire District Council (“the Council”) in their relations with one another.
- 1.2 Given the variety and complexity of such relations, the Protocol does not seek to be prescriptive and it may not cover all situations. However, it does seek to provide guidance on some of the issues that most commonly arise. The approach to these issues will serve as a guide to dealing with other issues.
- 1.3 The Protocol is a written statement of current practice and convention. In some respects, however, it seeks to promote greater clarity and certainty.
- 1.4 It also seeks to reflect the principles underlying the respective rules of conduct that apply to **Councillors** and **Officers**. Its purpose, therefore, is to enhance and maintain the integrity (real and perceived) of the Council by demanding very high standards of personal conduct.
- 1.5 **Councillors** and **Officers** are servants of the public and they depend on each other in carrying out the work of the Council. Councillors are responsible to the electorate and serve only so long as their term of office lasts, while Officers are responsible to the Council. Their job is to give advice to the Council, as well as to individual Councillors, and to carry out the Council’s work under the direction and control of the Council and its various bodies.
- 1.6 Mutual respect between **Councillors** and **Officers** is essential to good local government. However, close personal familiarity between individual Councillors and Officers can damage this relationship and prove embarrassing to other Councillors and Officers.
- 1.7 The relationship has to function without compromising the ultimate responsibilities of **Officers** to the Council as a whole, and with due regard to such technical, financial, professional and legal advice that Officers legitimately provide to **Councillors**. The Protocol seeks to set a framework that assists the working relationships between Councillors and Officers.
- 1.8 The Protocol also sets out what should happen on the rare occasions when things go wrong. All **Councillors** and **Officers** should abide by this protocol. Political **Group Leaders** in respect of Councillors, and the **Chief Executive** and **Monitoring Officer** in respect of **Officers**, are responsible for ensuring the protocol is upheld.
- 1.9 This Protocol should be read and understood alongside relevant legislation and the respective Codes of Conduct. This would include the **Councillors’ Code of Conduct**, the **Officers’ Code of Conduct**, any social media policy etc. If any questions arise from this protocol, advice should be sought from the **Chief Executive** or **Monitoring Officer**.

1.10 The Council operates a zero tolerance policy to bullying and harassment.

2. ROLE OF COUNCILLORS

2.1 **Councillors** undertake many different roles in that they:

2.1.1 provide political leadership, expressing political values and supporting the policies of the political party to which they belong (if any);

2.1.2 represent their ward and are advocates for the residents who live in the area;

2.1.3 represent the Council externally, including being involved in active partnerships with other organisations, as community leaders;

2.1.4 contribute to the decisions taken in **Full Council** and in various bodies on which they serve, as well as **Committees**, outside bodies and organisations to which they are nominated by the Council;

2.1.5 determine and review policy and strategy;

2.1.6 monitor and review the performance of the Council in policy implementation and service quality;

2.1.7 are involved in quasi-judicial work through their membership of regulatory **Committees**.

2.2 **Councillors** are not authorised to initiate certify or negotiate financial transactions or commercial arrangements. Neither are **Councillors** authorised to give assurances or promises to people or businesses save to the extent that they are informing such people or businesses of formally agreed Council decisions.

2.3 It is not the responsibility of **Councillors** to involve themselves in the day-to-day management of the Council, its **Officers** or its services. They should not seek to give instructions outside their areas of responsibility or terms of reference of their respective Committee.

2.4 **Councillors** are elected to make decisions in the interests of the **District** and to represent their constituents. Under the Council's executive arrangements, Councillors perform roles on the Cabinet, the **Scrutiny Committees** and on other **Committees** and **Sub-Committees** in addition to being Councillors. Each **Cabinet Member** is a portfolio holder, responsible for particular areas of activity. Some Councillors represent the Council on outside bodies.

Cabinet Members and all Chairs and Deputy Chairs

2.5 **Cabinet Members** and all Chairs and Deputy Chairs have additional

responsibilities, entailing different relationships and more regular contact with Officers. They still must respect the impartiality of Officers, and must not ask them to undertake work of a party political nature or that could prejudice their impartiality.

3. ROLE OF OFFICERS

- 3.1 **Officers** are employed by and serve the whole Council. They advise the Council, its **Committees** and **Sub-Committees** and the Cabinet. They implement decisions of the Council, the Cabinet and decision making groups. Officers also make decisions under powers delegated to them.
- 3.2 **Officers** have the following main roles:
- 3.2.1 managing and providing the services for which the Council has given them responsibility and being accountable for the efficiency and effectiveness of those services;
 - 3.2.2 providing advice to the Council and its various bodies and to individual **Councillors** in respect of the services provided;
 - 3.2.3 initiating policy proposals; and
 - 3.2.4 implementing agreed policy, whilst ensuring that the Council always acts in a lawful manner.
- 3.3 Some **Officers** are authorised to initiate, certify or negotiate financial transactions or commercial arrangements, subject in certain cases to the need to obtain formal Councillor approval.
- 3.4 Certain **Officers** have responsibilities in law over and above their obligations to the Council and Councillors. These are known as **Statutory Officers** and include the **Head of Paid Service, Monitoring Officer** and **S151 Officer**. **Councillors** must respect these responsibilities and not obstruct or victimise Officers in the discharge of them.
- 3.5 **Officers** are responsible to their line manager and, ultimately their **Team Manager/Head of Service**. Heads of Service and the **Strategic Directors** are accountable to the **Chief Executive**. The Chief Executive is accountable to the **Council**.
- 3.6 The **Strategic Directors, Heads of Service** and **Team Managers** have responsibility for delivering their respective services in accordance with the Council's Policies and the provisions of the **Constitution**.

4. RESPECT AND COURTESY

- 4.1 For the effective conduct of Council business there must be mutual respect, trust and courtesy in all meetings and contacts, both formal and informal,

between **Councillors** and **Officers**. This plays a very important part in the Council's reputation and how it is seen in public. It is very important that both **Councillors** and **Officers** remember their respective obligations to enhance the Council's reputation and to do what they can to avoid criticism of other **Councillors** or other **Officers**, in public places.

4.2 A **Councillor** who is unhappy about the actions taken by, or conduct of, an **Officer** should:

- 4.2.1 avoid personal attacks on, or abuse of, the **Officer** at all times;
- 4.2.2 ensure that any criticism is well founded and constructive;
- 4.2.3 never make a criticism in public, and
- 4.2.4 take up the concern with the **Strategic Director** to whom the **Officer** ultimately reports or with the **Chief Executive** where it involves a **Strategic Director**.

4.3 **Undue Pressure**

- 4.3.1 It is important in any dealings between **Councillors** and **Officers** that neither should seek to take unfair advantage of their position.
- 4.3.2 In their dealings with **Officers** (especially junior **Officers**) **Councillors** need to be aware that it is easy for them to be overawed and feel at a disadvantage. Such feelings can be intensified where **Councillors** hold senior positions on the Council.
- 4.3.3 A **Councillors** should not apply undue pressure on an **Officer** either to do anything that he/she is not empowered to do or to undertake work outside normal duties or outside normal hours. Neither should a **Councillor** lobby an **Officer**. Particular care needs to be taken in connection with the use of Council property and services.
- 4.3.4 Similarly, an **Officer** must neither seek to use undue influence on an individual **Councillor** to make a decision in his/her favour or in favour of the service within which he/she works, nor raise personal matters to do with their job, nor make claims or allegations about other **Officers**. **Councillors** who receive any such approach from an **Officer** should advise the **Chief Executive** and/or a **Strategic Director** immediately.
- 4.3.5 The Council has formal procedures for consultation, grievance and discipline, and **Officers** have the right to report possible wrongdoing under the Council's procedures
- 4.3.6 Heads of Service are responsible for organising their staff's workloads and priorities. **Councillors** should not ask individual members of staff below **Team Manager** level to carry out work or research of a particular nature, which might involve staff spending time on matters that may not

necessarily form part of the priorities of that particular service. In addition, Councillors must not request individual members of staff to attend meetings or visit particular sites. All such requests must be made to the relevant Team Manager who will decide whether or not the work should be carried out.

- 4.3.7 Whilst **Senior Officers** endeavour to see **Councillors** without prior appointment this can cause difficulties. Generally speaking, Councillors should make appointments to speak to Officers. It can be disruptive to walk in unannounced, and this should be avoided wherever possible. Councillors should not turn up unannounced with members of the public and must not use their position to secure priority treatment for someone.

4.4 Familiarity

- 4.4.1 Close personal familiarity between individual **Councillors** and **Officers** can damage the principle of mutual respect. It could also, intentionally or accidentally, lead to the passing of confidential information or information which should not properly be passed between them, such as personal details.
- 4.4.2 Such familiarity could also cause embarrassment to other **Councillors** and/or other Officers and even give rise to suspicions of favouritism.
- 4.4.3 For these reasons close personal familiarity must be avoided.
- 4.4.4 Nevertheless, it is recognised that there may be occasions where it is unavoidable, particularly where family relationships or common interests (e.g. a club) arise.
- 4.4.5 A **Councillor** must declare to the **Chief Executive** and his/her respective **Group Leader** any relationship with an Officer that might be seen as influencing his/her work as a Councillor. This includes a family or close personal relationship. Similarly, the Officer concerned should notify his/her **Team Manager** and a **Strategic Director** or Chief Executive as appropriate.
- 4.4.6 The **Constitution** contains rules of procedure for the appointment of staff. **Councillors** cannot appoint staff below **Team Manager** level. Where **Councillors** are involved in making appointments, they must not take any part in the appointment of anyone to whom they are:
- Married;
 - A partner;
 - Otherwise related;
 - A close friend;
 - A business associate.
- 4.4.7 Councillors may be involved in interviewing internal candidates who

will be well known to them. On such occasions, Councillors must not allow that knowledge to influence their judgement one way or the other.

4.5 Declaration of Interest

- 4.5.1 All Councillors are required to abide by the Code of Conduct, which sets out standards governing their conduct. The Monitoring Officer will provide advice and information to Councillors on declarations of interest. It is the Councillor's responsibility to decide whether any interest should be declared. Councillors are normally expected to seek advice prior to a meeting. Raising such issues for the first time at a Council or public meeting can place **Officers** in a difficult position, and does not reflect well on the Council. Officers must, when requested to do so, respect **Councillor's** confidentiality when providing advice on declarations of interest but may otherwise draw to a Councillor's attention the need to declare a known interest.

4.6 The Officer relationship with the Leader and other Cabinet Members

- 4.6.1 The working relationship between the **Chief Executive, Strategic Directors**, Heads of Service and the **Leader/Cabinet Members** will be particularly close. Cabinet Members will have broad-ranging portfolio responsibilities. **Officers** may provide briefing notes, advice and information to the Cabinet/Cabinet Members in respect of reports or questions at formal Meetings. This relationship, however, must not:

Compromise **Officers'** duties to all **Councillors** of the Council;

Be so close as to give the appearance of partiality on the part of the Officer;

Undermine the confidentiality of any discussions with these **Senior Officers** and other **Councillors**;

Compromise **Officers'** professional responsibility to advise **Councillors** that a particular course of action should/should not be pursued;

Abrogate Officer responsibility for action taken under delegated powers.

4.7 Breach of Protocol Procedure for Councillors

- 4.7.1 If a **Councillor** considers that he/she has not been treated with proper respect or courtesy he/she may raise the issue with the **Officer's** linemanager. If direct discussion with the manager does not resolve the complaint it should be referred to the **Strategic Director** responsible for the Officer concerned. Breach of the Protocol may give rise to disciplinary proceedings against an Officer if the circumstances warrant it.

- 4.7.2 Where the Officer concerned is a **Strategic Director** the matter

should be raised with the **Chief Executive**. Where the Officer concerned is the Chief Executive the matter should be raised with the **Monitoring Officer**. If a Councillor is unsure how to proceed, or would wish to discuss the conduct of another Councillor toward Officers, they should discuss this with their **Group Leader**.

Procedure for Officers

4.7.3 If an Officer considers that a **Councillor** has contravened the protocol he/she should consult his/her line manager who will if necessary involve a **Strategic Director**. If conciliation via a senior manager is not possible, Officers can have recourse to the **Chief Executive**, as appropriate to the circumstances. **Officers** also have recourse to the Council's Whistleblowing Procedure.

4.7.4 In certain circumstances breach of the Protocol may also constitute a breach of the **Councillors' Code of Conduct**.

5. PROVISION OF ADVICE AND INFORMATION

- 5.1 **Officer** advice and support will be provided to:
Council Meetings;
 Meetings of the **Cabinet** and any Committee or **Sub-Committee** established by the Council or Cabinet;
Cabinet Members (portfolio holders);
 Meetings of the **Scrutiny Committees, Audit and Governance Committee** and other **Committees/Sub-Committees**;
 Task Groups/Working Parties, etc.;
 Groups;
Councillors of the Council on Council business.
- 5.2 **Officers** will also provide advice and assistance to individual Councillors in respect of Council Business, including issues raised by constituents, where appropriate.
- 5.3 **Councillors** should not discuss matters relating to staffing, establishment or the organisational structure of the Council or its operational services, with Officers other than **Team Managers**, Heads of Service, the **Strategic Directors** or the **Chief Executive**. **Officers** must not discuss with or advise Councillors on such matters without the prior agreement of their Team Manager, a **Strategic Director** or the Chief Executive.
- 5.4 **Councillors** should be provided with adequate information about services or functions upon which they may be called upon to make or scrutinise decisions, or which affect their constituents. In the normal course of events, this information will be made routinely available by **Officers** in the form of reports, departmental plans, updates etc. **Councillors** are encouraged to make use of existing sources of information wherever possible.

- 5.5 It is important to note that these rights only apply where **Councillors** are clearly carrying out their role as elected representatives. Where any **Councillor** has a disclosable pecuniary interest or a personal and prejudicial interest in a matter the Councillor will only be entitled to the same access as would be the case for a private individual, i.e. to inspect the reports, minutes and background papers relating to the public part of the Cabinet, Committee or **Sub-Committee Agenda**. In these circumstances, the **Councillor** must make it clear that s/he is acting in his/her private capacity and not as a Councillor. More information can be found in the **Access to Information Procedure Rules** in **Part 3** of the **Constitution**.
- 5.6 The exercise of the common law right depends upon a **Councillor's** ability to demonstrate a "need to know". In this respect a Councillor has no right to "a roving commission" to examine any documents of the Council. Mere curiosity is not sufficient. Requests made for information should be made in the first instance to the **Strategic Director** responsible who may be give suitable directions as to how the request shall be dealt with.
- 5.7 The information sought by a **Councillor** should only be provided if this can be done without causing undue strain on the Council's resources. For their part, Councillor should seek to act reasonably in the number and content of the requests they make.
- 5.8 It is important for **Officers** to keep **Councillors** informed both about the major issues concerning the Council and, more specifically, about issues and events affecting the area that they represent. Local Councillors should be informed about proposals that affect their ward and should also be invited to attend Council initiated events within their ward.
- 5.9 If a **Councillor** asks for specific information about Council business and it appears possible or likely that at a subsequent meeting an issue could be raised or question asked on the basis of the information provided, then the appropriate **Cabinet Member** or Committee Chair concerned should be advised about the information provided.
- 5.10 **Officers** have to advise **Councillors** from time to time that a certain course of action cannot be carried out. **Councillors** sometimes assume that this is a case of Officers deliberately obstructing the wishes of politicians. In fact this is hardly ever the case. **Officers** are employed to give unbiased professional advice even if it is not what Councillors want to hear. They do this as much for the protection of both **Councillors** and the Council as for any other reason. However, the mark of an effective Officer is that if they do have to give negative advice, this will be accompanied by suggestions as to how **Councillors** might achieve some or all of their objectives in other ways. Such Officers are invaluable to any Council.
- 5.11 **Officers** must not be requested to advise upon matters of party business or private matters.
- 5.12 **Councillors** may be entitled under the Freedom of Information Act 2000

(“FOI”) to receive information which falls outside their common law rights based on the “need to know”. **Strategic Directors** will seek to enable the supply documents to **Councillors** without the need for a formal FOI request if it is apparent from the **Councillor’s** enquiry that any individual would be entitled to receive such documentation. The Council’s **Head of Legal and Commercial Services** will be able to advise on whether any request would fall within FOI.

Cabinet Members, Chairs and Deputy Chairs

- 5.13 **Cabinet Members**, Chairs and Deputy Chairs have additional responsibilities, entailing different relationships and more regular contact with Officers
- 5.14 In order for them to discharge their responsibilities as **Cabinet Members, portfolio holders** will be briefed by **Strategic Directors** on service issues, proposals and policy development. Strategic Directors may from time to time nominate other Officers to attend these meetings. Strategic Directors may also brief Committee Chairs on matters relevant to the terms of reference of the Committee. These informal meetings may be on a one off or regular basis, in accordance with the requirements of the **Councillor** concerned.

Briefings to political groups

- 5.15 Political Group meetings fall outside the Council’s decision making process. Conclusions reached at such meetings are not formal Council decisions and so should not be relied upon as such. The Code of Conduct for **Councillors** applies to Councillors attending Political Group meetings with respect to Council related matters.
- 5.16 The **Leader** or any **Group Leader** may request the **Chief Executive** or a **Strategic Director** to prepare a briefing or written report on any matter relating to the Council for consideration by the group. Such requests must be reasonable and should not seek confidential or personal information. In considering such a request, Officers should be mindful of the need to support Councillors by providing factual information. However if an Officer deems the nature of the request to be unreasonable the request will be referred to the Chief Executive for determination, were necessary in consultation with the Leader(s) of the political group(s).
- 5.17 **Officer** reports to political groups will be limited to a statement of material facts and identification of options and the merits and demerits of such options for the Council. Reports will not deal with any political implications of the matter or any option and Officers will not make any recommendation to a political group.
- 5.18 Any briefing offered to or requested by a party group will be offered to any other party groups. Where possible such briefings should be to all or a combination of party groups.

Officer attendance at political group meetings

- 5.19 The **Leader** or any **Group Leader** may request the **Chief Executive** or a **Strategic Director** to attend a meeting of the group to advise on any matter relating to the **Council**. Where such an invitation is accepted, the same opportunity will be afforded to all other political groups.
- 5.20 Attendance at a meeting of a political group should be on the basis of equality of access, and Councillors and Officers should avoid Officers being exposed to political discussions when delivering a briefing. **Officers** may decline to attend or provide a representative where they are of the opinion that the particular issue is of such a political nature that it would be inappropriate to attend.
- 5.21 Any briefing offered to or requested by a party group will be offered to any other party groups. Where possible such briefings should be to all or a combination of party groups. No **Officer** of the Council shall attend any political group meeting which includes non- **Councillors**.
- 5.22 **Officers'** advice to political groups will be limited to a statement of material facts and identification of options and the merits and demerits of such options for the Council. Advice will not deal with any political implications of the matter or any option and Officers will not make any recommendation to a political group.
- 5.23 **Officers** will request the confidentiality of any matter which they are privy to in the course of attending a political group meeting.

6 CONFIDENTIALITY

- 6.1 In accordance with the **Councillors' Code of Conduct** and the provisions of this **Constitution**, a Councillor must not disclose information given to him/her as Councillor in breach of any confidence.
- 6.2 Confidential information is information:
- 6.2.1 furnished to the Council by a Government Department on terms which forbid the disclosure of the information to the public, or
 - 6.2.2 which may not be disclosed by or under any enactment or by a court order.
- 6.3 Exempt information is information to which the public may be excluded subject to certain qualifications. The categories of exempt information are set out in Schedule 12A to the Local Government Act 1972 and are reproduced in the **Access to Information Procedure Rules** in **Part 3**.
- 6.2 Confidential Part II Committee papers are to be treated as confidential information unless the **Cabinet**, Committee or **Sub-Committee** has resolved not

to exclude press and public. **Councillors** are reminded that the author of the report makes the initial decision as to whether or not the papers are to be treated as confidential or exempt. The decision as to whether they remain confidential is for the **Cabinet**, Committee or Sub-Committee. Other information may be confidential because to disclose it would be against the Council's or the public interest. Information may also be confidential because of the circumstances in which it was obtained.

- 6.3 Information and correspondence about an individual's private or business affairs will normally be confidential.
- 6.4 **Officers** should make it clear to **Councillors** if they are giving them confidential information. If a **Councillor** is not sure whether information is confidential, he/she should ask the relevant **Officer**, but treat the information as confidential in the meantime.
- 6.5 Any Council information provided to a **Councillor** must only be used by the **Councillor** in connection with the proper performance of the **Councillor's** duties.
- 6.6 Confidential or exempt information provided to **Councillors** may be discussed in the private session of Committee meetings or in private meetings of appropriate Councillors and Officers. However, it should not be discussed with, or released to, any other persons. Any information that is provided should be clearly marked as confidential before it is released to Councillors.
- 6.7 Information disclosed privately or private discussions held during exempt Committee sessions, informal briefings or group meetings should not be disclosed by Councillors or Officers to any person not already privy to that information.
- 6.8 If a Councillor requires any advice regarding confidential information he/she should consult the **Head of Legal and Commercial Services**.

7. PROVISION OF SUPPORT SERVICES TO COUNCILLORS

- 7.1 The only basis on which the Council can lawfully provide support services (e.g. stationery, word processing, printing, photocopying, transport, etc.) to **Councillors** is to assist them in discharging their role as Councillors. Such support services must therefore only be used on Council business. They should never be used in connection with party political or campaigning activity or for private purposes.
- 7.2 Official letters on behalf of the Council should in the vast majority of cases be sent in the name of the appropriate **Officer**, rather than over the name of a **Councillor**. There are very limited circumstances where a letter sent in the name of a Councillor is perfectly appropriate, for example, representations to a government minister in which case it is acceptable for letters to appear in the name of the **Chair of the Council**, **Leader** the **Deputy Leader** or other **Cabinet Member**. Letters which, for example, create obligations or give instructions on

behalf of the Council should never be sent out in the name of a Councillor.

- 7.3 Communication with the media can be an important part of a **Councillor's** workload. In general, **Councillors** provide comment and views while Officers provide factual information. If a Councillor is unsure about the circumstances of a particular issue he should contact the **Strategic Director** responsible. **Officers** can only assist in relation to a communications issue if it relates to a legitimate Council activity. The Council cannot assist in terms of communications issues in relation to ward activity of a **Councillor** or a party political matter.

8. CORRESPONDENCE

- 8.1 Unless a **Councillor** or **Officer** requests confidentiality, it may be assumed that correspondence (including e-mail) between a Councillor and an Officer is not confidential and may be shown to others. Where confidentiality is not requested, Councillors and Officers will exercise discretion in determining whether it is appropriate to disclose correspondence to others. The originator of the correspondence must accept that it may be disclosed to others unless confidentiality has been requested. However, both Officers and Councillors have a personal responsibility to maintain confidentiality in any matter which appears to be of a personal or confidential nature, whether or not this has been specifically stated. If, in an Officer's view, correspondence on a non-confidential matter between an individual Councillor and an Officer is of interest to other Councillors, to keep them fully informed, the original Councillor should be informed when copies are provided to other Councillors.
- 8.2 Where issues are raised by, or with, individual Councillors relating to a matter of general interest in a Council ward, copies of correspondence may be sent to all Councillors for the particular area and the appropriate Cabinet Member/Committee/Board **Chair** at the discretion of the relevant **Team Manager**. An exception will be made where the Councillor specifically requests that correspondence is not copied to other Councillors, or there is a political, or other reason, why this is not appropriate.
- 8.3 **Councillors** should ensure that any letters they send out in their own name, for example as individual ward members to members of the public, do not purport to be or give the impression that they are 'official' letters setting out the Council's position. Nor should Councillors say anything which appears to commit the Council to a course of action or a position without authority to do so.

9. THE COUNCIL'S ROLE AS EMPLOYER

- 9.1 In their dealings with Officers, **Councillors** should recognise and have regard to the Council's role as employer. **Councillors** should be aware that **Officers** could rely on inappropriate behaviour of a Councillor in an employment case against the Council.

10. POLITICAL ACTIVITY

- 10.1 **Officers** are employed by the Council as a whole. They serve the Council and are responsible to the **Chief Executive** and the **Strategic Directors** and not to individual **Councillors** whatever office they might hold. It is important that the political neutrality of Officers is preserved.
- 10.2 The importance of political neutrality is particularly the case with regard to **Officers** who occupy posts that are designated as “**Politically Restricted**” under the terms of the Local Government and Housing Act 1989.

11. CONCLUSION

- 11.1 Following good practice and securing sensible and practical working relationships between **Councillors** and **Officers** will enhance the delivery of high value quality services to the people of North West Leicestershire. Mutual understanding, openness and respect are the greatest safeguard of the integrity of the Council and its **Councillors**.

12. UNRESOLVED ISSUES AND AMENDMENTS TO THE PROTOCOL

- 12.1 If there are any issues of concern, which are not dealt with by this protocol, then the relevant Councillor or Officer may discuss the matter with the **Chief Executive**, **Strategic Directors**, Head of Legal and Commercial Services or the Head of Human Resources and Organisational Development, as appropriate, with a view to advice being provided.
- 12.2 This protocol will be reviewed periodically by the **Audit and Governance Committee**, who will make recommendations to the **Council** on proposed amendments.

SECTION D – PROCEDURE ON THE RESOLUTION OF DISPUTE/CONFLICT BETWEEN OFFICERS AND COUNCILLORS

1 - Introduction

2 - The Procedure

SECTION D – PROCEDURE ON THE RESOLUTION OF DISPUTE/CONFLICT BETWEEN OFFICERS AND COUNCILLORS

1. Introduction

1.1. This procedure has been developed as a quick and largely informal way of resolving disputes or conflict between Officers and Councillors. This procedure does not preclude the existing rights of the parties to initiate the Council's grievance or disciplinary procedures. It aims to foster mutual respect and courtesy and to develop good working relationships between Officers and Councillors. It will be conducted in private and will examine under performance or mistakes in a developmental way without attributing blame.

2. The Procedure

2.1. Both Councillors and Officers shall have regard to the existing codes of conduct as setting clear ground rules on behaviour.

2.2. This procedure should be seen as additional to rather than as a substitute for the Council's existing grievance or disciplinary procedures. Any party may wish to be accompanied during part or the whole of the process.

2.3. In addition it does not preclude the involvement of external agencies in appropriate circumstances.

2.4. It will be expected that before the procedure is implemented that the parties to the dispute/conflict will have met to identify in writing specifically what the difference is and to discuss the matter in a meaningful way with a view to resolving the difference (where this is reasonably practical).

2.5. In the event that a difference cannot be resolved the Chief Executive shall be informed as soon as possible.

2.6. The Chief Executive shall notify the Leader and the appropriate **Head of Service** or **Team Manager** without delay.

2.7. The **Head of Service** or **Team Manager** shall convene a meeting ideally within 2 days between the two parties to the dispute and him/herself.

2.8. Where the dispute is between a **Head of Service** and a Councillor the meeting shall take place between the two parties together with a Strategic Director or the Chief Executive and the Leader.

2.9. Where there is a conflict between the Chief Executive and a Councillor, the Leader shall be involved.

- 2.10. Any meetings shall encourage a full and frank exchange of views in a professional manner in an endeavour to resolve the conflict.
- 2.11. In the unlikely event of the matter not being resolved as above it will be referred to the Chief Executive and the Leader to try and break the deadlock. Should the matter remain unresolved it shall be open to the parties to initiate the Council's formal grievance or disciplinary procedures as appropriate.

SECTION E - ROLES AND RESPONSIBILITIES FOR COUNCILLORS**Part A - All Councillors****Part B - The Executive Councillor****Part C - The Non-Executive Councillor****Part D - The Chair of the Council****Part E - The Deputy Chair of the Council****Part F - The Leader of the Council****Part G - Deputy Leader of the Council****Part H - Chair of the Cabinet****Part J - Chair of the Scrutiny Committees****Part K - Deputy Chair of the Scrutiny Committees****Part L - Chair of Committees****Part M - Deputy Chair of Committee**

SECTION E - ROLES AND RESPONSIBILITIES FOR COUNCILLORS

Part A - All Councillors

Standards of Behaviour

1. To adhere to the Nolan principles of Standards in Public Life and the Council's Code of Conduct for Councillors.
2. To respond to communications from or on behalf of your constituents within a reasonable time. To complete and return any questionnaires you may receive from the Council.
3. To uphold the Council's reputation by promoting its policies, values and achievements and to refrain from making comment to the media or other audiences which would be damaging to the image of the Council as a whole.
4. To uphold the office of Councillor and to do nothing which would bring such into disrepute.
5. To treat members of staff with respect and to develop sound, professional relationships with them.
6. To respect the political impartiality of members of staff.
7. To uphold the right of other Councillors who do not necessarily share your views, the right to express their own views and to have the courtesy to listen to those views.
8. To comply with the Council's Standing Orders and to do nothing as an individual which would commit the Council to a particular course of action or leave the Council open to a charge of maladministration.
9. To observe confidentiality.

Commitment to the Council

10. To demonstrate commitment to and work towards achieving the Council's corporate objectives.
11. To demonstrate commitment to the local government modernisation **Agenda** and the principles of Best Value.

Training – Developing

12. Subject to personal circumstances, to set aside time to undergo appropriate training and development.

Seeking Support and Advice

13. To take advice from Officers on any matter of Council business.
14. To seek support from Officers where necessary to develop your representational role.
15. To seek appropriate advice concerning your dealings with the press and public in your representational role.

Communications

16. To develop effective channels of communication with Officers and other Councillors.

Representational Role

17. To bring forward constituents' views and concerns and grievances and to have in place appropriate methods to be available to local constituents and organisations e.g. via holding surgeries, canvassing (other than at election time), making oneself available.

To have contact with constituents and community groups and to represent the people to the Council rather than defending the Council's actions.

To actively reviews steps taken to listen to all the different communities within the ward and to bring forward improvements to ensure that you reach socially excluded groups and minorities.

To actively review steps taken to listen to all the different communities within the ward and to bring forward improvements to ensure that you reach the parts previously missed.

To help and assist local communities and groups in accessing services provided by the Council.

Meetings

18. Upon appointment as a representative of the Council on a community or other body, to regularly attend meetings of that body and to report back to the Council the deliberations of that outside body and to distribute relevant written information.

To regularly attend any internal meetings as required and to participate effectively representing the views of the people at those meetings.

Scrutiny Function

19. To accept that the scrutiny process means that the Council recognises that you have to allow colleagues to publicly question each other.

To co-operate and take part in the scrutiny process of the Council when required.

Part B - The Executive Councillor

To actively build partnerships with outside bodies.

To actively represent the Council at a strategic level where appropriate.

In dealing with resource allocation priorities and the preparation of policy plans, to do such in an impartial and proper manner.

Part C - The Non-Executive Councillor

To carry out the scrutiny function in a proper manner having regard to approved protocols and to seek and take advice from Officers as appropriate.

In formulating proposed changes and in submitting proposals to the Cabinet to do so in a constructive way.

To actively channel grievances, needs and aspirations of your constituents and community bodies into the scrutiny process.

To adhere to the protocols and processes agreed by the Council for operation of the scrutiny function.

Part D - The Chair of the Council

To provide the civic leadership for the Council.

To preside at all meetings of the Council.

To represent the Council in the community at major civic and ceremonial functions.

Part E - The Deputy Chair of the Council

To assist the **Chair** in providing the civic leadership for the Council.

To deputise for the **Chair** in fulfilling the duties set out above in the key tasks for the **Chair**.

Part F - The Leader of the Council

To provide the political leadership for the Council and to take the lead in ensuring that the Council's policies and strategies are progressed.

To ensure that the work of the executive and non-executive Councillor is co-ordinated and progressed effectively.

To take the lead for overseeing the implementation of the changes to the political management and Officer structures.

To represent the Council in discussions and negotiations with county, regional and national organisations and others as appropriate in pursuing the interest of the Council and its communities.

To act as the Council's principal political spokesman.

To have regular meetings and communication with the Chief Executive and the Management Team and to work with the Chief Executive to fulfil the Council's objectives.

Where appropriate to act in the case of disputes between Councillors and Officers.

Part G - Deputy Leader of the Council

To assist the Leader in providing the political leadership for the Council.

To deputise for the Leader in fulfilling the responsibilities set out above.

Part H - Chair of the Cabinet

To respond to questions at Council meetings during the public question and answer session when required.

To chair meetings of the Cabinet.

To attend **Agenda** briefing meetings.

To lead Board consideration of the budget for approval by the Council.

To report as required on the work of the Board in implementing the Council's policy programme.

Part J - Chair of the Scrutiny Committees

To respond to questions at Council meetings during the public question and answer session when required.

To chair meetings of the relevant **Scrutiny Committee**.

To attend **Agenda** briefing meetings.

To lead consideration of the Council's scrutiny function in so far as the relevant **Scrutiny Committee** is concerned.

To report, as required, on the work of the relevant **Scrutiny Committee** in

implementing the Council's scrutiny function.

Part K - Deputy Chair of the Scrutiny Committees

To deputise for the relevant **Chair** and to assist him/her in carrying out the specified responsibilities.

Part L - Chair of Committees

To chair meetings of the Committee.

To attend **Agenda** briefing meetings as required.

Part M - Deputy Chair of Committee

To deputise for the **Chair** and to assist him/her in carrying out the specified responsibilities.

SECTION F - MONITORING OFFICER PROTOCOL

1 - General Introduction to Statutory Responsibilities and Functions

2 - Working Arrangements

3 - Monitoring Officer's Rights

4 - Proper Officer

5 - Conflicts of Interest

6 - Insurance and Indemnity Arrangements

7 - Breach of This Protocol

8 - Post of Monitoring Officer

Schedule - Summary of Monitoring Officer Functions

SECTION F - MONITORING OFFICER PROTOCOL

1. General Introduction to Statutory Responsibilities and Functions

1.1. The Monitoring Officer is a statutory appointment pursuant to Section 5 of the Local Government and Housing Act 1989 (LGHA 1989) and is accountable to the Council. That Act, the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007 place personal obligations on the appointee in respect of the Council, which are summarised as a schedule annexed to this document.

1.2. This protocol provides some general information on how those statutory requirements will be discharged at this Council.

1.3. The duties of the Monitoring Officer under Section 5 of the LGHA 1989 are to report to the Council on any proposal, decision or omission by the Council (or a Committee or Sub-Committee, or a **Joint Committee** on which the Council is represented) or an Officer, which has given rise to, or is likely or would give rise to:

1.3.1. a contravention of law or any code of practice made or approved by or under any enactment; or

1.3.2. such maladministration or injustice as is mentioned in Part III of the Local Government Act 1974, i.e. in connection with action taken by or on behalf of the Council, in exercise of the Council's administrative functions.

It is the Monitoring Officer's duty to consult with both the Head of Paid Service and the S151 Officer during the preparation of a report and as soon as practicable after its preparation to arrange for a copy of it to be sent to each Councillor. The Monitoring Officer is bound to perform all of his/her duties personally, save that during absence or illness, a deputy nominated by him/her may undertake them.

1.4. Where there are town and parish councils within unitary and district authorities, other obligations are placed upon the Monitoring Officer. This protocol does not focus on these aspects.

1.5. In general terms, the Monitoring Officer's ability to discharge his/her duties and responsibilities will depend, to a large extent, on Councillors and Officers:

1.5.1. complying with the law (including any relevant Codes of Conduct);

1.5.2. complying with any general guidance issued, from time to time, by the **Audit and Governance Committee** and the **Monitoring Officer**; making lawful and proportionate decisions; and generally, not taking action that would bring the Council, their Officers or professions into disrepute.

2. Working Arrangements

- 2.1. Having excellent working relations with Councillors and Officers will assist in the discharge of the statutory responsibilities of the Monitoring Officer and maintaining high standards of conduct, governance and legal compliance. Equally, a speedy flow of relevant information and access to debate (particularly at the early stages of any decision making by the Council) will assist in fulfilling those responsibilities. Councillors and Officers must, therefore, work with the Monitoring Officer (and his/her staff) to discharge the Council's statutory and discretionary responsibilities.
- 2.2. Having effective working liaison and relationships with the **Audit and Governance Committee** (and its members), the External Auditor and the Local Government Ombudsman will also assist in the discharge of those statutory responsibilities. This will include having the authority to complain to the same, refer any breaches to the same or give and receive any relevant information, whether confidential or otherwise, through appropriate protocols, if necessary.

3. Monitoring Officer's Rights

- 3.1. The following arrangements and understandings between the Monitoring Officer, Councillors and Officers are designed to ensure the effective discharge of the Council's business and functions. The Monitoring Officer will have the right to:
- 3.1.1. be advised by Councillors and Officers of any issue(s) that may become of concern to the Council, including, in particular issues around legal powers to do something or not, ethical standards, probity, policy, procedural or other constitutional issues that are likely to (or do) arise;
 - 3.1.2. access to any meetings of Officers or Councillors (or both) of the Council, whether or not such meetings include any other persons (for the purpose of clarification, this right does not extend to any meetings held by or on behalf of any political party represented on the Council);
 - 3.1.3. receive advance notice (including receiving **Agendas**, minutes, reports and related papers) of all relevant meetings of the Council at which a decision of the Council may be made formulated or briefed upon (including a failure to take a decision where one should have been taken) at or before the Council, Cabinet, Cabinet Member, Committee meetings and/or Corporate Leadership Team (or equivalent arrangements);
 - 3.1.4. require when carrying out any investigation(s):

- 3.1.4.1. such advice and assistance from the Council that he/she considers is reasonably needed to assist him/her,
- 3.1.4.2. unqualified access to any Officer or Councillor who the Monitoring Officer wishes to make inquiries of or who he/she believes can assist in the discharge of his/her functions, and
- 3.1.4.3. any information and documents held by the Council;
- 3.1.5. disclose information and documents to the appropriate and relevant authority (even where such disclosure would otherwise be in breach of the Monitoring Officer's duty of confidentiality to the Council);
- 3.1.6. ensure or facilitate that the other statutory Officers (Head of Paid Service and S151 Officer) are kept up-to-date with relevant information regarding any legal, ethical standards, probity, procedural or other constitutional issues that are likely to (or do) arise;
- 3.1.7. meet with the Head of Paid Service and the S151 Officer to consider and recommend action in connection with corporate governance issues and other matters of concern regarding any legal, ethical standards, probity, procedural or other constitutional issues that are likely to (or do) arise;
- 3.1.8. report on ethical governance issues and on the **Constitution** following consultation, where appropriate, with the Head of Paid Service and S151 Officer;
- 3.1.9. report to the Council as necessary on the staff accommodation and resources he/she requires to discharge his/her statutory functions and to be provided with the same;
- 3.1.10. obtain legal advice on any matter which he/she believes may be a reportable incident, at the Council's expense;
- 3.1.11. defer the making of a formal report under Section 5 of the Local Government and Housing Act 1989 where another investigative body is involved, subject to any necessary consultation with all or any of Head of Paid Service, S151 Officer, the **Chair of the Council**, Leader, Deputy Leader and the **Audit and Governance Committee**;
- 3.1.12. notify (after consultation with the Head of Paid Service and the S151 Officer) the police, the Council's auditors and other regulatory agencies of his/her concerns in respect of any matter and to provide them with information and documents in order to assist them with their statutory functions;

- 3.1.13. seek to resolve potential reportable incidents by avoiding or rectifying the illegality, failure of process or breach of code, or by identifying alternative and legitimate methods to proceed whilst retaining the right to make a statutory report where, after consultation with the Head of Paid Service and the S151 Officer, he/she is of the opinion that such is necessary in order to respond properly to such an incident;
- 3.1.14. prepare any training programme for Councillors or Officers on ethical standards and Code of Conduct issues.
- 3.1.15. To make reports to and receive reports from the **Audit and Governance Committee**, subject (where appropriate) to consultation with the Head of Paid Service and the S151 Officer.

4. Proper Officer

- 4.1. Councils may place “Proper Officer” and other obligations on the Monitoring Officer, through the **Constitution** and elsewhere, but these are delegated functions of the Council rather than personal duties under statute. Whilst the exercise of these functions equally require good working arrangements, they differ slightly from authority to authority. For the sake of commonality and clarity of the protocol, they are not directly addressed here.
- 4.2. The Proper Officer list is contained at Part 3, Section 8 of the **Constitution**.

5. Conflicts of Interest

- 5.1. Where the Monitoring Officer is aware he/she has a potential conflict of interest he/she shall refer the matter to the Deputy Monitoring Officer or another appropriate party (and report to the Head of Paid Service and/or the Council as appropriate).

6. Insurance and Indemnity Arrangements

- 6.1. The S151 Officer will ensure adequate insurance and indemnity arrangements are in place to protect and safeguard the interests of the Council and the proper discharge of the Monitoring Officer role.

7. Breach of this Protocol

- 7.1. Complaints against any breach of this protocol by a Councillor may be:
 - 7.1.1. dealt with informally by the Monitoring Officer or

7.1.2. referred to the **Audit and Governance Committee** as appropriate by the Monitoring Officer (or if the Monitoring Officer so requests, referred to the Head of Paid Service) or

7.1.3. referred to the relevant Leader and/or whip of the political group.

7.2. Complaints against any breach of this protocol by an Officer may be referred to the Head of Paid Service for assessment.

8. Post of Monitoring Officer

8.1. For the purposes of this protocol, the term “Monitoring Officer” includes:

8.1.1. any person nominated by the Monitoring Officer as a Deputy Monitoring Officer for the purposes of Section 5(7) of the Local Government and Housing Act 1989; and

8.1.2. any person nominated under the provisions of Section 82A(2) or (3) of that Local Government Act 2000 to perform any function.

Schedule - Summary of Monitoring Officer Functions

	Description	Source
1	Report on contraventions or likely contraventions of any enactment or rule of law.	Section 5 Local Government and Housing Act 1989.
2	Report of any maladministration or injustice where Ombudsman has carried out an investigation.	Section 5 Local Government and Housing Act 1989.
3	Appointment of Deputy.	Section 5 Local Government and Housing Act 1989.
4	Report on resources.	Section 5 Local Government and Housing Act 1989.
5	Investigate allegations of misconduct of Councillors under the Council's Councillors' Code of Conduct in compliance with the Council's adopted arrangements.	Localism Act 2011 Section 28 and associated regulations and guidance.
6	Establish and maintain registers of Councillors' interests and gifts and hospitality.	Section 29 of the Localism Act 2011 and Councillors' Code of Conduct .
7	Advice to Councillors on interpretation of the Councillors' Code of Conduct .	Councillors' Code of Conduct .
8	Key role in promoting and maintaining high standards of conduct through support to the Audit and Governance Committee .	New Council Constitutions Guidance paragraph 8.20.

9	Advising on appropriateness of compensation for maladministration.	Section 92 Local Government Act 2000.
10	Advice on vires issues, maladministration, financial impropriety, probity and policy framework and budget issues to all Councillors.	New Council Constitutions Guidance paragraph 8.21.
11	Refer relevant matters to the Audit and Governance Committee (or its Sub-Committees) for initial assessment, review and hearing.	Council's adopted arrangements under Section 28 of Localism Act 2011.
12	Advise on any indemnities and insurance issues for Councillors/Officers.	Regulations under Local Government Act 2000.
13	Advise on the introduction of Local Assessment arrangements.	Local Government and Public Involvement in Health Act 2007 (including amendments to the Local Government Act 2000).
14	Act as the qualified person.	S36 Freedom of Information Act 2000 and Information Commissioner's Office Awareness Guidance No. 25.

The Officer holding the designation Monitoring Officer also holds certain Proper Officer appointments as detailed in the **Constitution**.

SECTION G - PLANNING CODE OF CONDUCT

Rule

1. Introduction
2. The Role and Conduct of Councillors and Officers
3. Interests of Councillors
4. Dual-Hatted Councillors and Councillors on Other Bodies
5. Councillors Who Are Not Members of the Committee
6. Development Proposed by the Council or a Council Owned Company
7. Development Proposals Submitted by or Involving Councillors and Officials in their Private Capacity
8. Statutory Duties
9. Lobbying Of and By Councillors
10. Pre and Post Application Discussions and Negotiations
11. Officer Reports to Committee Planning Considerations
12. The Decision Making Process Site Visits By the Committee
13. Representations on Planning Applications
15. Review of Decisions
16. Training

SECTION G - PLANNING CODE OF CONDUCT

This Code of Practice supplements the **Council's Councillors' Code of Conduct** and where appropriate Councillors should refer to the Councillors' Code of Conduct. The Council's Monitoring Officer's advice may be sought on the interpretation of the Councillors' Code of Conduct or this Code.

1. INTRODUCTION

- 1.1 Planning affects land and property interests, including the financial value of land and the quality of their settings. It is not an exact science. It is often highly contentious because decisions affect the daily lives of everyone and the private interests of members of the public, landowners and developers. Opposing views are often strongly held by those involved. A key role of the planning process is balancing the needs and interests of individuals and the community.
- 1.2 The planning system can only function effectively if there is trust among those involved. There must be trust between Councillors and Officers and between the public and the Council. The Third report of the Committee on Standards in Public Life (the Nolan Committee) (1997) recommended that each local authority's practices and procedures were set out in a local code of planning conduct to avoid allegations of malpractice in the operation of the planning system.
- 1.3 The general principles that underlie the Council's **Councillors' Code of Conduct** and apply to this Code of Practice are:
 - 1.3.1 Councillors should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.
 - 1.3.2 Councillors should not place themselves in situations where their honesty or integrity may be questioned.
 - 1.3.3 Councillors should make decisions on merit.
 - 1.3.4 Councillors should be as open as possible about their actions and those of their authority, and should be prepared to give reasons for those actions.
 - 1.3.5 Councillors may take account of the views of others but should reach their own conclusions on the issues before them and act in accordance with those conclusions.
 - 1.3.6 Councillors should respect the impartiality and integrity of Officers.

- 1.4 The Council is committed to open, fair and transparent decision-making. Planning decisions should be made impartially, with sound judgement and for justifiable reasons.
- 1.5 This Code of Practice sets out practices and procedures that Councillors and Officers of the Council shall follow when involved in planning matters. Planning matters include the consideration of planning applications, the preparation of development plans and other planning policy and the enforcement of planning control.
- 1.6 Failure to follow this Code without good reason, could be taken into account in investigations into possible maladministration against the Council, or have implications for the position of individual Councillors and Officers. Breaches of this Code may also amount to breaches of the Council's **Councillors' Code of Conduct**. If in doubt about what course of action to take, a Councillor or Officer should seek the advice of the Council's Monitoring Officer.
- 1.7 This Code of Practice sets out principles to guide Councillors and Officers in determining planning applications and making other decisions within the terms of reference of **Planning Committee**. Although of particular relevance to members of Planning Committee it applies to all **Councillors** who may become involved in planning and development matters.
- 1.8 Members of **Planning Committee** are required to be impartial at all times and should refrain from wearing any item that indicates a political affiliation, stance, lobby or similar influence (such as clothing in party colours party, party emblems etc) in the course of site visits conducted by the Planning Committee. Similarly, Councillors shall not make political statements whilst on any business concerned with the functions of Planning Committee.

2. THE ROLE AND CONDUCT OF COUNCILLORS AND OFFICERS

- 2.1 Councillors and Officers have different, but complementary roles. Both serve the public but Councillors are responsible to the electorate, while Officers are responsible to the Council as a whole.
- 2.2 The role of a member of the **Planning Committee** is to make planning decisions openly, impartially, with sound judgement and for justifiable reasons.
- 2.3 Whilst Councillors have a special duty to their ward constituents, including those who did not vote for them, their overriding duty is to the whole community. This is particularly pertinent to Councillors involved in making a planning decision. A key role of the planning system is the consideration of development proposals in the wider public interest.
- 2.4 Councillors' decisions shall not discriminate in favour of any individuals or groups and they alone have the responsibility to decide what view to take. Councillors must, therefore, consider all of the material issues in the light of

Development Plan policies, Government advice and their own individual judgement and make a decision in the interests of the area as a whole.

- 2.5 Whilst Councillors should take account of all views expressed, they shall not favour any person, company, group or locality, nor put themselves in a position where they appear to do so.
- 2.6 Officers who are Chartered Town Planners are guided by the Royal Town Planning Institute's (RTPI) Code of Professional Conduct. Breaches of that code may be subject to disciplinary action by the Institute.
- 2.7 Officers in their role of advising Councillors shall provide:
 - 2.7.1 Impartial and professional advice;
 - 2.7.2 Consistency of interpretation of planning policy; and
 - 2.7.3 Complete written reports covering all necessary information for a decision to be made.
- 2.8 The Council endorses the statement in the RTPI code that, 'RTPI members shall not make or subscribe to any statements or reports which are contrary to their own professional opinions', and extends it to apply to all Officers in the authority advising on planning matters.
- 2.9 That the Council may not always follow the advice of their professional planning Officers is perfectly proper. The professional Officer too, may have a change of opinion, but this must be on the basis of professional judgement, and not because an authority, it's Councillors or other Officers, have prevailed upon the Officer to put forward his/her professional view as something other than it really is. If the **Planning Committee** is minded to refuse or grant an application contrary to Officer recommendation, it should consider whether to defer the application to the next available Committee, before making the final decision. This will allow Councillors to obtain further legal advice on the proposed reasons for acting contrary to the recommendation based on material planning considerations. If such a decision is made it must be clearly minuted, expressed clearly and be based upon sound planning reasons supported by evidence.
- 2.10 The Council shall have a designated head of the planning service, who is qualified for election to membership of the RTPI and who has direct access to Councillors as their professional adviser on planning matters. Officers shall follow the guidance on their standards of conduct as set out in the Code of Conduct for Employees in the **Constitution** and any National Code of Conduct for Local Government Officers issued by the Secretary of State under Section 82 of the Local Government Act 2000.
- 2.11 Councillors shall follow the advice in the **Councillors' Code of Conduct** about accepting gifts and hospitality. Councillors should treat with extreme caution

any offer which is made to them personally; the normal presumption should be that such offers must be courteously declined. Similarly, Officers shall politely decline offers of hospitality from people with an interest in a planning proposal. If receipt of hospitality is unavoidable, Officers shall ensure it is of a minimal level and declare it in the hospitality book as soon as possible.

3. INTERESTS OF COUNCILLORS

3.1 Where Councillors have interests which may be thought likely to influence their decision, the fact should be declared at the meeting.

3.2 Where the interest is such that Councillors of the public may feel that the Councillor will not be able to approach matters with an open mind and consider the application on its planning merits, Councillors should consider withdrawing from the Committee for that item.

3.3 These principles apply equally to Councillors who are not members of **Planning Committee**. Councillors who have such interests should consider whether it is appropriate for them to participate in the planning process, and in any event, should declare such interest at any meeting which they may attend or in any letter which they may write.

3.4 In all cases Councillors shall not sit on **Planning Committee** to determine applications that relate to land:

3.4.1 that is in their ward; or

3.4.2 that is in the ward neighbouring their ward where the application materially impacts their ward,

and Councillors in such cases shall be replaced on **Planning Committee** by a substitute for the duration of that application.

3.5 Councillors should seek guidance from Officers.

3.6 Members of **Planning Committee** and Officers who attend Planning Committee regularly must complete the Annual Return required for this purpose.

3.7 The **Councillors' Code of Conduct** provides guidance as to personal and prejudicial interests which may affect a Councillor's ability to take part in the decision-making process. However, Councillors may have other interests which may influence their decision which will not amount to personal or prejudicial interests for the purposes of the Code. In order to maintain the integrity of the planning system, Councillors should be careful to ensure that such interests do not unduly influence their decisions. Examples of such interests are:-

3.7.1 from ward concerns;

3.7.2 from membership of other **Committees** of the **Council**;

- 3.7.3 from membership of other public or community bodies;
 - 3.7.4 from membership of voluntary associations and trusts (including where appointed by the Council);
 - 3.7.5 from a connection with a particular policy initiative of the Council;
 - 3.7.6 from membership of clubs, societies and groups; and
 - 3.7.7 from hobbies and other leisure interests.
- 3.8 Such interests may mean that a Councillor is involved with a planning application before the matter comes before the **Planning Committee**. Such involvement need not on its own debar a Councillor from participating in making the planning decision when the matter is considered by Planning Committee provided that the Councillor has not already decided how they will vote on the matter before the Committee. Councillors should, however, always consider carefully whether in any particular case they could reasonably be seen to approach the planning merits of the application with an open mind. If the Councillor considers that this is not possible, the Councillor should withdraw from consideration of that item.
- 3.9 As a minimum, the integrity of the planning system requires openness on the part of Councillors; it must operate fairly and be seen to operate fairly.
4. **DUAL-HATTED COUNCILLORS AND COUNCILLORS ON OTHER BODIES**
- 4.1 **Planning Committee** members who are members of parish or town councils may find they are expected to express a view at a parish or town council meeting, or vote on whether or not the parish or town council should object or comment on a proposal from that parish or town council's point of view.
- 4.2 They may then have to consider the same matter as a District Council Councillor if it is determined by the Planning Committee.
- 4.3 Councillors are also appointed to outside public bodies or internal boards or groups, who may then act as consultees or interested parties and are of course permitted to join interest groups which reflect areas of interest such as a local civic society, CPRE, etc.
- 4.4 Where Councillors have dual parish/town and District Council membership, or are members of other consultee bodies or interested parties, they may find themselves having to vote differently on a matter when they consider it at District level, having heard the technical and legal background from Officers.
- 4.5 This is not inconsistency, but the consequence of having to fulfil totally separate and different roles.
- 4.6 Where Councillors have dual parish/town council/District Council membership

or sit on consultee bodies and issues come up for discussion at different levels, Councillors can take part at the lower/consultee level provided that they have not already made up their mind on the matter and are not biased, and they:

- (a) make it clear at the lower level that their views are expressed on the limited information before them;
- (b) they will reserve their judgement and independence to make up their own mind on the separate proposal, based on their overriding duty to the whole community and not just to the people in that area ward or parish, as and when it comes before the District and when they have heard all of the relevant information; and
- (c) they will not in any way commit themselves as to how they or others may vote when the proposal comes before the **Planning Committee** at District level.

4.7 Membership of a parish or town council, consultee body or pressure group (and participation in its debates and votes) will not constitute a Disclosable Interest in a matter within its area or upon which it may or may not have commented on when it is considered at District level unless:

- (a) The business being considered substantially affects the wellbeing or financial standing or purpose of the relevant body.
- (b) The Councillor or the body has taken a leading role in supporting or opposing the matter, within the area or elsewhere.

4.8 In (a) or (b) above a Councillor is likely to have a Disclosable Pecuniary Interest where the business relates to the financial position of the body or a planning application or matter made by or relating to it.

4.9 However, Councillor must give the above careful consideration, and remain bound by the other parts of the **Councillors' Code of Conduct** and this Code in relation to the matter.

4.10 Councillors who are a trustee or company director of a body whose matter is under consideration and where appointed by the Council should always disclose this as a Disclosable Pecuniary Interest where any financial benefit may accrue.

Note: The above advice represents a pragmatic approach to the participation of dual-hatted Councillors in planning matters. As Councillors are aware, the risk under the Code of Conduct and declaration of interests rests with the individual Councillor. For that reason, Councillors are further advised to consider the facts of each case before making a decision on their level of participation. This is particularly important in controversial/high profile matters and/or where the Councillor may play a prominent role in the determination at District level. If a Councillor is in doubt they are reminded to seek advice from

the Monitoring Officer at an early stage.

5. **COUNCILLORS WHO ARE NOT MEMBERS OF THE COMMITTEE**

- 5.1 **Councillors** who are not on the **Planning Committee** may make written representations to the **Strategic Director** about a planning application in the same way that any other interested person may do so and may address the Planning Committee provided that they do not have a Disclosable Pecuniary Interest in the application being considered and that their involvement would not amount to a breach of any other obligations of the Code i.e., seeking to unduly influence the outcome of a planning application. For the avoidance of doubt where that interest is a Disclosable Pecuniary Interest, they are not permitted to participate in the planning process in their official capacity as a Councillor.
- 5.2 When a **Councillor** who is not a member of the **Planning Committee** speaks at a meeting they shall disclose at the earliest opportunity any Disclosable Interest, the fact that they have been in contact with the applicant, agent, advisor or an interested party if this is the case, and make it clear whether they are speaking on behalf of such persons or any other particular interest. A councillor who has a Disclosable Non-Pecuniary Interest in a matter may attend a meeting of the Planning Committee at which that application is considered in order to speak, make representations, answer questions or give evidence in accordance with the Code of Conduct.
- 5.3 Any councillor who is not on the **Planning Committee** but who is at one of its meetings should sit separately from the Committee, so as to demonstrate clearly that they are not taking part in the discussion, consideration or vote.
- 5.4 They should not communicate in any way with members of the **Planning Committee** or pass papers or documents to them before or during the meeting.

6. **DEVELOPMENT PROPOSED BY THE COUNCIL OR A COUNCIL OWNED COMPANY**

- 6.1 Planning legislation allows the Council to submit and determine proposals for development that it proposes to carry out itself. Council-owned companies can also submit proposals that are decided by the Council.
- 6.2 Proposals submitted by the Council or a Council-owned company shall be considered in the same way as those by private developers.
- 6.3 Members of the **Planning Committee** who sit on the board of a Council-owned company which has submitted a planning proposal shall declare a personal and prejudicial interest and take no part in the discussion and determination of that proposal, except where they are the local member when they may speak on matters of local concern but shall not vote.

6.4 Officers who are involved in the preparation of development proposals shall not advise on, or take any part in the consideration of, planning applications in respect of such proposals.

7. **DEVELOPMENT PROPOSALS SUBMITTED BY OR INVOLVING COUNCILLORS AND OFFICIALS IN THEIR PRIVATE CAPACITY**

7.1 Planning proposals submitted to their own authority by councillors and officials in their private capacity or in which they are involved can give rise to suspicions of impropriety. Such proposals can take a variety of forms including planning applications and development plan proposals. It is, of course, perfectly legitimate for such proposals to be submitted. However, it is vital that they are handled in a way, which gives no grounds for accusations of favouritism, bias, or maladministration.

7.2 Officers whether or not they are members of the Royal Town Planning Institute (RTPI), should also have regard to and be guided by the RTPI's Code of Professional Conduct.

7.3 Should a Councillor or Officer submit their own proposal to the Authority in their private capacity they serve they must take no part in its processing. While they may properly seek pre-application advice from Officers in exactly the same way as any other application, they must avoid all contact, whether direct or indirect, with members of the **Planning Committee** concerning the application. They can still represent their views to the Council, and seek to influence the decision in ways that are not improper. This could include:

- (a) making written representations in the Councillor's or Officer's private capacity;
- (b) using a professional representative on their behalf;
- (c) arranging for another Councillor to present the views of a Councillor's constituent subject to that Councillor's Code of Conduct obligations.

7.4 For the sake of transparency in decision making, all planning applications that are recommended for approval by Officers and are submitted by:

- (a) a Councillor or Officer of the Council; or
- (b) the close relative of a Councillor or Officer of the Council

shall be determined by the **Planning Committee** except for the approval of an application which in the opinion of the **Strategic Director** (or his nominated Officer) is unlikely to have any major impacts and to which no objections have been received.

The relevant Strategic Director will notify the **Monitoring Officer** as soon as such an application is received.

- 7.5 Members of the **Planning Committee** must consider whether the nature of any relationship with the Councillor (and/or Officer) submitting the planning application requires that they make a declaration of interest and if necessary also withdraw from taking part in the determination of the application where the interest is a Disclosable Pecuniary Interest or is likely to breach some other obligation under the Code of Conduct.
- 7.6 No planning Officer of the Council shall engage, other than on behalf of the Council, in any work on any town planning or related matter for which the Council is the local planning authority.
- 7.7 Members of **Planning Committee** should not act as agents or submit planning applications for other parties or voluntary bodies. To do so would give rise to the suspicion that the Councillor was not impartial or may influence other Councillor in the decision making process.
- 7.8 Any Councillor who is a planning or similar agent will not be appointed to the **Planning Committee**.
- 7.9 Non **Planning Committee** members who act as agents (or advisors) for people pursuing a planning matter within the Authority must play no part in the decision making process for that proposal and must not seek to otherwise improperly influence the decision making process.
- 7.10 There may be occasions where the Council is the applicant for planning permission. Any councillor who was a party to the decision to apply for planning permission or who has previously expressed a view on the application shall not participate in the determination of the application by the **Planning Committee**

8. **STATUTORY DUTIES**

The Council is also subject to a number of statutory duties which it must comply with when carrying out its statutory functions. These will apply to the planning function except when such matters are clearly immaterial because they are not capable of relating to the use of development land. Examples of these duties include:

8.1 **Equality Act 2010**

Section 149 provides that:

8.1.1 A council must, in the exercise of its functions, have due regard to the need to:-

- (a) eliminate discrimination, harassment, victimisation and any other conduct which is prohibited by or under the Equality Act 2010;

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a protected characteristic and persons who do not share it.

8.1.2 The above powers relate to the following protected characteristics:-

- (a) Age;
- (b) Disability;
- (c) Gender reassignment;
- (d) Marriage and civil partnership;
- (e) Pregnancy and maternity;
- (f) Race (including colour, nationality and ethnic or national origins);
- (g) Religion or belief;
- (h) Sex; or
- (i) Sexual orientation.

8.2 **Human Rights**

Section 6(1) of the Human Rights Act 1998 provides that:

“It is unlawful for a public authority to act [or fail to act] in a way which is incompatible with a Convention right.”

8.3 **Best Value**

Section 3(1) of the Local Government Act 1999 provides that:

“A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.”

8.4 **Crime and Order**

Section 17(1) of the Crime and Disorder Act 1998 provides that:

“Without prejudice to any other obligation imposed on it, it shall be the duty of a [local authority] to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it

reasonably can to prevent, crime and disorder in its area.”

9. LOBBYING OF AND BY COUNCILLORS

- 9.1 Lobbying is a normal and proper part of the political process. The applicant, supporters or those who may be affected by a proposal will often seek to influence the decision by an approach to their local member or members of a **Planning Committee**. However, reacting to lobbying can lead to the impartiality of a Councillor being called into question and require that Councillor to declare an interest.
- 9.2 The information provided by lobbyists is likely to represent an incomplete picture of the relevant considerations in respect of a planning matter. The views of consultees, neighbours and the assessment of the case by the planning Officer all need to be considered before a Councillor is in a position to make a balanced judgement on the merits of the case. Councillors should provide Officers with copies of any lobbying material they may have received, whether in favour or against a proposal.
- 9.3 The time for individual Members of the **Planning Committee** to make a decision on a proposal is at the Committee meeting when all available information is to hand and has been duly considered.
- 9.4 A **Planning Committee** member shall be free to listen to a point of view about a planning proposal and to provide procedural advice (in particular referring the person to Officers). Planning Committee members should take care about expressing an opinion indicating they have made up their mind before the decision-making meeting. To do so, without all the relevant information and views, would be unfair and prejudicial. A decision is at risk of being challenged if Councillors do not retain open minds and are not genuinely susceptible to persuasion at the decision-making meeting. Councillors who are lobbied should:
- 9.4.1 make clear that they reserve their final decision on a proposal until the Committee meeting;
 - 9.4.2 only give procedural advice;
 - 9.4.3 consider referring those lobbying to the relevant Officer who can provide further advice; and
 - 9.4.4 not seek to meet an applicant or potential applicant alone.
- 9.5 Members of the **Planning Committee** shall not, in general, organise support or opposition for a proposal, or lobby other Councillors (other than when addressing the Planning Committee). Councillors shall not put pressure on Officers for a particular recommendation.
- 9.6 The local Councillor who is not a member of the **Planning Committee** will be allowed to attend and speak at the decision-making meeting (either

presenting their own views if they are an affected party or representing the views of their ward members) but not vote. The member of an adjacent ward substantially affected by the proposal shall, at the discretion of the Chair of the Planning Committee, be allowed to attend and speak but not vote. A local member who has a personal or prejudicial interest in an application, within the meaning of the **Councillors' Code of Conduct** should seek prior advice from the **Monitoring Officer** about his/her position.

- 9.7 If a member of the **Planning Committee** identifies him/herself with group or individual campaigning for or against an application, he/she shall declare a personal and prejudicial interest and not vote or decide on the matter. However, subject to the rules of Committee that Councillor shall be given the opportunity to address the Committee and must leave the meeting as soon as they have spoken and not return until a decision has been made by Committee.
- 9.8 Members of a **Planning Committee** must be free to vote as they consider appropriate on planning matters. A Councillor cannot be instructed how to exercise their vote on a planning matter.
- 9.9 Councillors should inform the Monitoring Officer where they feel they have been exposed to undue or excessive lobbying or approaches (including inappropriate offers of gifts or hospitality), who will in turn advise the appropriate Officers.

10. **PRE- AND POST- APPLICATION DISCUSSION AND NEGOTIATIONS**

- 10.1 Discussions between an applicant and a planning authority, prior to the submission of an application can be of considerable benefit to both parties and is encouraged. Continued discussions and negotiations between these parties, after the submission of proposals, is a common and important facet of the planning process. However, they should take place within clear guidelines, as follows.
- 10.2 It should always be made clear at the outset that the discussions will not bind the Council to making a particular decision and that any views expressed are those of the Officer only, and are provisional.
- 10.3 Advice should be consistent and based upon the Development Plan and material considerations. There should be no significant difference of interpretation of planning policies by individual planning Officers.
- 10.4 A written note should be made of all potentially contentious meetings. Two or more Officers should attend potentially contentious meetings. A note should also be taken of potentially contentious telephone discussions.
- 10.5 Councillors need to preserve their role as impartial decision makers and should not take part in pre- or post- submission discussions and negotiations with applicants regarding development proposals. Should there be occasions

when Councillors are involved, it should be part of a structured arrangement with Officers, including a senior planning Officer. Councillors must avoid indicating the likely decision on an application or otherwise committing the authority during contact with applicants.

- 10.6 Councillors may receive information from applicants and give information to applicants and members of the public but, to safeguard their impartiality, they should maintain a clear distinction between receiving information and negotiating. Any information received by Councillors should be provided to the Officers dealing with the application. Councillors who are approached for planning, procedural or technical advice should refer the applicant to the relevant Officer.

11. OFFICER REPORTS TO COMMITTEE

- 11.1 The Head of Planning and Regeneration will submit written reports to the appropriate **Planning Committee** on planning applications to be determined by the Council. The reports will give the background to the application including any relevant planning history of the site, a description of the proposals and their likely effects, and the relevant Development Plan and Government policy considerations, together with any other material considerations. Where a planning application requires an environmental impact assessment the Head of Planning and Regeneration shall include in his/her report a summary of the environmental statement, comments by bodies consulted and representations from members of the public together with his/her own comments. The reports will include a summary of representations made about the application. The Head of Planning and Regeneration in his/her report will give a reasoned assessment of the proposals and a justified recommendation.

- 11.2 Oral reports (except to present and update a report) should be extremely rare and fully minuted when they do occur.

- 11.3 The Head of Planning and Regeneration will have available for inspection by Councillors the full planning application, environmental statement (where required) and representations from bodies consulted and members of the public.

12. PLANNING CONSIDERATIONS

- 12.1 Planning decisions should be made on planning considerations and should not be based on immaterial considerations.

- 12.2 Members of **Planning Committee** and any substitutes shall attend training sessions which may be organised from time to time. Councillors who have not attended all such training sessions shall not be allowed to sit on Planning Committee and a substitute who has attended the required training shall take their place. All other Councillors are encouraged to attend training sessions.

- 12.3 Planning legislation, as expanded by Government Guidance and decided cases, defines which matters are material considerations for the determination of planning decisions. There is much case law on what are material planning considerations. The consideration must relate to the use and development of land.
- 12.4 Briefly, material planning considerations may include:-
- 12.4.1 Government Guidance (contained in such documents as Circulars, National Planning Policy Framework , National Planning Policy Guidance , Mineral Policy Guidance Notes, Planning Policy Statements and Ministerial announcements);
 - 12.4.2 Supplementary Planning Documents adopted by any related Committee;
 - 12.4.3 non-statutory planning policies adopted by the Council;
 - 12.4.4 the statutory duty to pay special attention to the desirability of preserving or enhancing the character or appearance of conservation areas;
 - 12.4.5 the statutory duty to pay special attention to the desirability of preserving a listed building or its setting or any features of special architectural or historic interest which it possesses;
 - 12.4.6 representations made by statutory consultees and other persons making representations in response to the publicity given to applications, to the extent that they relate to planning matters;
 - 12.4.7 planning obligations (given unilaterally or by way of agreement) under section 106 of the Town and Country Planning Act 1990;
 - 12.4.8 if deliberate unauthorised development has taken place.
- 12.5 It should, however, be noted that the risk of costs being awarded against the Council on appeal is not itself a material planning consideration.
- 12.6 It is the responsibility of Officers in preparing reports and recommendations to Councillors to identify the material planning considerations and warn Councillors about those matters which are immaterial planning considerations.
- 12.7 Personal considerations and purely financial considerations are not on their own material; they can only be material in exceptional situations and only in so far as they relate to the use and development of land – such as, the need to raise income to preserve a listed building which cannot otherwise be achieved.

- 12.8 The planning system does not exist to protect private interests of one person against the activities of another or the commercial interests of one business against the activities of another. The basic question is not whether owners and occupiers of neighbouring properties or trade competitors would experience financial or other loss from a particular development, but whether the proposal would unacceptably affect amenities and the existing use of land and buildings which ought to be protected in the public interest.
- 12.9 Local opposition or support for a proposal is not in itself a ground for refusing or granting planning permission, unless that opposition or support is founded upon valid planning reasons which can be substantiated.
- 12.10 It will be inevitable that all the considerations will not point whether to grant or refuse. Having identified all the material planning considerations and put to one side all the immaterial considerations, Councillors must come to a carefully balanced decision which can be substantiated, if challenged on appeal.

13. THE DECISION MAKING PROCESS

- 13.1 Councillors shall recognise that the law requires that where the Development Plan is relevant, decisions should be taken in accordance with it, unless material considerations indicate otherwise.
- 13.2 Where an environmental impact assessment is required, the **Planning Committee** shall take the information provided in the report into consideration when determining the application.
- 13.3 If the report's recommendation is contrary to the provisions of the Development Plan, the material considerations which justify this must be clearly stated.
- 13.4 Where the **Planning Committee** decide to adopt the recommendation of the Head of Planning and Regeneration, the reasons contained in his/her report will be minuted, together with any additional reasons determined by the Committee.
- 13.5 Where the **Planning Committee** is minded to approve or to refuse a planning application, contrary to the recommendation of the Head of Planning and Regeneration, (having first considered whether to defer the application), agreement shall be reached at the meeting on the planning reasons for that decision. They shall be fully minuted by the Head of Legal and Commercial Services.
- 13.6 The reasons for Committee's decision to defer any proposal should also be recorded.

14. SITE VISITS BY THE COMMITTEE

- 14.1 A site visit may be held if the Head of Planning and Regeneration in consultation with the Chair of the relevant Committee considers it will assist Councillors in reaching their decision. This would be, for example, where the impact of the proposed development is difficult to visualise from plans and supporting material. Councillors should try to attend site visits organised by the Council where possible.
- 14.2 Site visits will be organised in accordance with the following procedures:
- 14.2.1 The Head of Legal and Commercial Services will invite the local member to site visits. Where a proposal would have significant direct impact upon an adjacent electoral division, at the discretion of the Chair of the relevant **Planning Committee** the local member for the adjacent division will also be invited.
 - 14.2.2 The role of the applicant during a site visit shall only be to secure access to the site in accordance with health and safety provisions. The applicant shall not participate in any discussions on site but may be asked to provide factual information.
 - 14.2.3 Objectors will not normally be invited to attend a site visit or participate in any discussions on site.
 - 14.2.4 On assembling at the site, at the time specified, the Chair will explain the purpose and procedures of the site visit so that all are aware that it is a fact finding exercise only and that no decision will be taken until the Committee meeting. The Head of Planning and Regeneration or his/her representative, will explain the application as it relates to the site and relevant viewpoints. Following any questions to the Head of Planning and Regeneration, or clarification sought on matters which are relevant to the site inspection, the Chair will bring the site visit to a close.
 - 14.2.5 When a site visit is held prior to the meeting of the **Planning Committee** it is desirable that all Councillors attending the Planning Committee should also attend the site visit. Councillors voting on a planning application without having attended the visit to the particular site may give the impression that they have not taken the opportunity to be fully informed about the application. Information gained from the site visit should be reported back to Committee so that all Councillors have the same information.
- 14.3 Councillors should not enter a site which is subject to a proposal other than as part of an official site visit, even in response to an invitation, as this may give the impression of bias unless you feel it is essential for you to visit the site other than through attending the official site visit and you have first spoken to

the Head of Planning and Regeneration about your intention to do so and why (which will be recorded on file) and you can ensure you will comply with these good practice rules on site visits.

15. **PLANNING APPLICATION DEBATES AND REPRESENTATIONS**

15.1 At **Planning Committee**, each application shall be debated as follows:

- 15.1.1 At the meeting the Head of Planning and Regeneration (or his nominated Officer) will present his/her report first.
- 15.1.2 Subject to paragraph 15.3, the objectors will make their representations, subject to a time limit of 3 minutes (except at the discretion of the Chair)
- 15.1.3 Subject to paragraph 15.3, the applicant will then make his/her representations, subject to a time limit of 3 minutes (except at the discretion of the Chair)
- 15.1.4 Subject to paragraph 15.3, the ward member (and any neighbouring ward members whose wards are materially impacted by the application) may make their representations, subject to a time limit of 5 minutes. If the relevant ward member or neighbouring ward member has a Disclosable Pecuniary Interest that is affected by an application, they may not speak but may nominate an alternate Councillor to speak on behalf of their constituents.
- 15.1.5 Where the Chair exercises their discretion to extend the time limit for either the objectors or the applicant, then similar provision shall be made for the other parties (should they so wish) to ensure that all parties receive a fair hearing.
- 15.1.6 Members of the **Planning Committee** may seek points of factual clarification from applicants (or their agents), statutory consultees or people making representations to the Planning Committee on matters relating to the application or any representations that have been made. In such exceptional circumstances, questions should be raised through the Chair and in the event that the Chair feels a point of clarification is not appropriate then they will have the discretion not to allow the question to be put to the speaker.
- 15.1.7 Officers may comment on the representations and the merits of the application and any points of clarification as necessary during the debate.
- 15.1.8 The Committee will proceed to debate the application. The Rules of Debate set out in Rule 16 (Rules of Debate) of Section B of the **Council and Committee Procedure Rules** in **Part 3** of this **Constitution**

shall apply except that Rule 16.1 shall not apply meaning that the debate can proceed without a motion being moved and seconded.

- 15.1.9 Following the Committee's debate, Officers may comment on the content and themes emerging from the debate in order to assist in framing the debate in a planning context.
- 15.1.10 The Chair will then ask for a motion in respect of the application to be moved and seconded and, subject to any of the motions listed in paragraphs 16.18.1 to 16.18.9 of Rule 16 (Rules of Debate) of Section B of the **Council and Committee Procedure Rules** in **Part 3** of this **Constitution** being moved, the **Committee** shall make a decision by simple majority. All votes of the **Planning Committee** shall be recorded votes. The minute will include the reasons for the decision.
- 15.2 Wherever possible, objections or representations to planning applications should be made in writing. Written representations received will be made available for public inspection and objections summarised and reported to the **Planning Committee**. Members will be given the opportunity to inspect all letters received before the decision on the application is made.
- 15.3 There will be occasions when applicants, objectors and/or ward members whose ward is affected by the application, may wish to make representations in person to the **Planning Committee**. In such circumstances the following procedure will apply:
- 15.3.1 The applicant will be informed that the application and all supporting documents will be taken into account. The objectors will be informed that their written representations will be taken into account. The ward members, applicant and the objectors will be informed that they have the right to attend the Committee and make representations in person. They will be asked to indicate whether they wish to do this and, if so, they will be invited to the meeting at which the decision is to be made. They must register to speak at the meeting by 12.00 noon on the last working day prior to the meeting and if they fail to do so they will not be allowed to speak unless the Chair exercises his discretion to permit them to do so. People wishing to speak at **Planning Committee** cannot hand out documentation to members of the Committee. Photographs may be handed out provided that a minimum of 15 copies have been delivered to the Council by 12.00 noon on the last working day prior to the meeting. Speakers can also use the Council's IT system to make electronic submissions to the Committee provided that the submission is delivered to the Council by 12.00 noon at the latest on the last working day prior to the meeting.
- 15.3.2 Each group of speakers (objectors and supporters) will be allowed a maximum of three minutes to address the Committee. In the event that more than one person wishes to speak for or against a proposal the time will be divided. Groups of speakers will be encouraged to appoint a spokesperson.

16. REVIEW OF DECISIONS

- 16.1 The Audit Commission's Report, 'Building in Quality', recommended that Councillors should visit a sample of implemented planning permissions to assess the quality of decisions. This can improve the quality and consistency of decision-making and help with reviews of planning policy.
- 16.2 Visits to application sites previously considered by the Council shall be organised by the Head of Planning and Regeneration and shall be open to all Councillors to attend.

17. TRAINING

- 17.1 Councillors shall not participate in decision-making at meetings dealing with planning matters if they have not attended the mandatory planning training prescribed by the Council. Councillors so prevented from taking part shall be replaced by a substitute who has attended the mandatory training.
- 17.2 Councillors should endeavour to attend any other specialised training sessions provided since these will be designed to extend Councillors' knowledge of planning law, regulations, procedures, Codes of Practice and the Development Plans beyond the minimum referred to above and thus assist you in carrying out your role properly and effectively.

SECTION H – LICENSING CODE OF CONDUCT

Rule

1. Introduction
2. Relationship with the Councillors' Code of Conduct
3. Legal Background
4. Training of Councillors
5. Licensing Applications by Councillors, Officers and the Council
6. Lobbying
7. Discussions Before the Hearing
8. Declaration of Disclosable Non-Pecuniary and Pecuniary Interests
9. Pre-determination and Bias
10. Membership of a Parish/Town Council
11. Conduct at the Hearing
12. Councillors as Interested Parties under Licensing Act 2003

SECTION H – LICENSING CODE OF CONDUCT

1. Introduction

1.1. This Code of Conduct (the Licensing Code) gives advice to Councillors who:

- 1.1.1. Are members of the **Licensing Committee** and who sit on **Licensing Sub-Committee**.
- 1.1.2. Wish to address the Committee or a hearing panel on any licensing issue.
- 1.1.3. Are involved outside the Committee on licensing applications or other licensing matters - including informal occasions such as meetings with officers or public and consultative meetings.
- 1.1.4. Are involved in applications for licences under the Licensing Act 2003 and the Gambling Act 2005.

1.2. Most decisions taken by Councillors are administrative in nature. The work of the **Licensing Committee** and **Sub-Committees** are different in that its proceedings are quasi judicial and the rules of natural justice apply. This imposes a new and higher set of standards on those Councillors who are involved in the decision making process. Failure to abide by these standards may render the Council or individual Councillors open to challenge either through the courts or the **Audit and Governance Committee**.

1.3. This Code provides a set of guidelines for Councillors. It is part of the Council's ethical framework and should be read in conjunction with the **Councillors' Code of Conduct** and the **Protocol on Councillor / Officer Relations**.

1.4. A key aim of the Licensing Code is to ensure that there are no grounds for suggesting that a licensing decision has been biased, partial or is not well founded in any way. Councillors must make these decisions openly, impartially with sound judgement and for justifiable reasons.

1.5. The Human Rights Act 1998 has implications for the licensing system and has created enhanced requirements for procedural fairness, transparency and accountability in decision making.

1.6. The Licensing Code is intended to minimise the prospect of legal or other challenge to decisions. Non-compliance without good reason could be taken into account in investigations into possible maladministration or may have implications for the standing of Councillors and the Council as a whole.

2. Relationship with the Councillors' Code of Conduct

2.1. Councillors must comply with the **Councillors' Code of Conduct** and the rules in that Code must be applied before considering the Licensing Code.

2.2. The Licensing Code is not intended to form a part of the adopted **Councillors' Code of Conduct** but is a separate document, which is complimentary and supportive of

the **Councillors' Code of Conduct** and also the source of expanded guidance in the particular area of licensing.

3. Legal Background

3.1. Human Rights Act

3.1.1. The Human Rights Act 1998, which came into full effect on 2 October 2000, incorporated the key articles of the European Convention on Human Rights into domestic law. The Convention guarantees certain basic human rights. As far as possible legislation (including the licensing laws) must be interpreted in such a way as to conform with Convention rights. Decisions on licensing issues are actions of a public authority and so must be compatible with Convention rights.

3.1.2. Members of the **Sub-Committee** need to be aware of the rights contained in the Convention when making decisions and in particular:

3.1.2.1. Article 6: Right to a fair trial

In the determination of a person's civil rights and obligations ... everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.

3.1.2.2. Article 8: Right to respect for family and private life

Everyone has a right to respect for his/her private life, and his/her home and correspondence.

3.1.2.3. Article 1 of the First Protocol: Protection of property

Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his/her possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.

3.1.2.4. Article 14: Prohibition of discrimination

The enjoyment of the rights and freedoms in the Convention shall be secured without discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status.

3.1.3. Most Convention rights are not absolute and there are circumstances when an interference with a person's rights is permitted although any interference with the rights must be proportionate and go no further than is necessary.

3.2. Quasi-Judicial Hearings

3.2.1. A quasi-judicial hearing is one:

- 3.2.1.1. which affects a person's livelihood
- 3.2.1.2. which involves disciplinary action
- 3.2.1.3. which affects property.

- 3.2.2. These hearings are subject to the rules of natural justice. Properly applied, the rules of natural justice will ensure that the requirements of the Convention, that a hearing is both “fair” and presided over by an “independent and impartial tribunal”, are met.
- 3.2.3. There are two principles underlying the rules of natural justice. First, all parties must be given a chance to put their case under conditions which do not put one party at a substantial disadvantage to the other party. All parties should be given sufficient notice of the hearing, the applicant should have disclosure of the nature of the objections/representations as well as knowing who is objecting/making a representation and there should be a right to question witnesses.
- 3.2.4. Second, a person who has an interest in an application must be disqualified from considering it. The **Licensing Sub-Committee** must be impartial - not only must there be no actual bias but there must be no perception of bias.
- 3.2.5. The procedure rules which govern hearings of the **Licensing Sub-Committee** reflect the requirements of the Human Rights Act and the rules of natural justice. To avoid any allegations of bias or perceived bias, Councillors sitting on the Licensing Sub-Committee must strictly observe those procedure rules.

4. Training of Councillors

- 4.1. Because the technical and propriety issues associated with licensing are not straightforward, it is the Council’s policy to arrange training on the work of the **Licensing Sub-Committee** for all Councillors who sit on the Sub-Committee. Councillors must undertake the training before participating in a meeting of the Sub-Committee. Other Councillors are free to attend the training in order to gain an understanding of licensing issues.

5. Licensing Applications by Councillors, Officers and the Council

- 5.1. Proposals to the Council by serving and former Councillors and officers and their close friends and relatives can easily give rise to suspicions of impropriety. So can proposals for a Council’s own applications.
- 5.2. It is perfectly legitimate for such proposals to be submitted. However, it is vital to ensure that they are handled in such a way that gives no grounds for accusations of favouritism.
- 5.3. Recent decisions by the adjudication panel on standards issues make it very difficult for Councillors who have a professional qualification to act in presenting cases in that capacity for applicants or to act as professional witnesses in hearings.
- 5.4. Councillors and officers who submit their own proposal should notify the Monitoring Officer of the proposal and play no part in its processing or determination and avoid contact, whether direct or indirect with members of the **Sub-Committee** concerning the application.

6. Lobbying

- 6.1. Councillors may be approached or lobbied by an applicant, Councillor, agent or objector about a particular licensing application. Lobbying is a normal and perfectly proper part of the political process but it does not sit well with the quasi judicial nature of the **Licensing Sub-Committee** when a Councillor must enter the meeting with an open mind and make an impartial determination on the relative merits of all the evidence presented at the hearing. Being lobbied in advance of the meeting is incompatible with this high standard.
- 6.2. If a Councillor is approached, he/she should advise the lobbyist to address any comments or concerns to the relevant Strategic Director. In no circumstances should a Councillor give an indication of voting intentions or otherwise enter into an unconditional commitment to oppose or support the application. To do so without all relevant information and views would be unfair. A Councillor who feels that he/she has been exposed to undue or persistent lobbying should advise the Monitoring Officer.
- 6.3. Other Councillors should not lobby members of the **Licensing Sub-Committee**, directly or indirectly, about issues which are due to be determined by the Licensing Sub-Committee.
- 6.4. When attending a public meeting at which a licensing issue is raised, a member of the **Licensing Sub-Committee** should take great care to maintain an impartial role and not express a conclusive view on any pre-application proposals or submitted application.
- 6.5. Correspondence received by any Councillor (whether on the **Licensing Sub-Committee** or not), should be passed without delay to the Chief Executive so that all relevant views can be made available to those Councillors or officers responsible for determining the application. A reply by a Councillor should, as a rule, simply note the contents of the correspondence and advise that it has been passed to officers.

7. Discussions Before the Hearing

- 7.1. Pre-application discussions - discussion between a potential applicant and representatives of the Council may be of considerable benefit to both parties. Similarly, a meeting between the Council and potential objectors may also be beneficial. However, it would be easy for such discussions to become or be seen (especially by objectors/persons making representations) to become part of a lobbying process. In the circumstances, pre-application discussions should be avoided by members of the **Licensing Sub-Committee**.
- 7.2. Post-application discussions - a Councillor should not approach an applicant for a licence in an effort to securing changes to the application. Such an approach would inevitably give rise to allegations of partiality or bias.

7.3. Generally, any contact with applicants should be conducted with and through officers and should always be reported to the **Licensing Sub-Committee**. Requests to a Councillor for a meeting should be passed to the Chief Executive.

8. Declaration of Disclosable Non-Pecuniary and Pecuniary Interests

8.1. The **Councillors' Code of Conduct** and the Council's **Protocol on Councillor / Officer Relations** gives advice on the declaration of interests.

8.2. Where interests arise, the Councillor must declare these in accordance with this Code of Conduct.

8.3. It is important that all Councillors are familiar with the **Councillors' Code of Conduct**. Where in relation to any item any Councillor has a Disclosable Pecuniary Interest in an application (as defined in the Code), this must be declared at the earliest opportunity in the declaration of interests section of the **Agenda**, or at any time subsequently, or as soon as practicable when the interest becomes apparent. This is important as the **Quorum** of a **Licensing Sub-Committee** is its full complement of 3 Councillors and a late declaration of a Disclosable Pecuniary Interest may leave the meeting inquorate and unable to proceed.

8.4. Where a Councillor is in any doubt about whether they have an interest, they may always seek the advice of the Council's Monitoring Officer or legal advisor at the meeting, disclosing all material facts. Whenever possible, advice should be taken before meetings. Ultimately however, the duty to declare and the decision as to whether an interest should be disclosed rests with the Councillor concerned.

9. Pre-Determination and Bias

9.1. The right to a fair and unbiased hearing (particularly in the light of the Human Rights Act 1998) is a general legal requirement and applies to licensing decision making in addition to the **Councillors' Code of Conduct**.

9.2. Whilst the Localism Act 2011 provides for Councillors to take a more proactive stance in relation to local issues, Councillors must attend **Sub-Committee** meetings with an open mind and only determine applications on the basis of the evidence and representations made to them at the hearing. If a Councillor fails to determine an application on this basis it may amount to bias and to a breach of their obligations under the Code of Conduct.

9.3. The suggestion of any bias may put the Council at risk of a finding of maladministration and it could also lead to legal proceedings for bias or a failure to take into account all factors enabling the proposal to be considered on its merits.

9.4. There is a general acceptance that a Councillor may consider matters in several capacities as different factors may apply to different decisions. However, given the size of **Licensing Sub-Committee** and the proportionately greater influence an individual Councillor will have, Councillors should exercise caution in such situations, as it may preclude them from taking part in a licensing hearing.

10. Membership of a Parish/Town Council

- 10.1. Where a parish/town council makes representations on a licensing application they are an “interested party” under the Acts. A District Councillor who is also a Councillor of that parish/town council may have a Disclosable Interest and are advised to seek advice from the Council’s Monitoring Officer before sitting on the **Licensing Committee**.
- 10.2. Councillors are also advised that in the interests of transparency they should not become involved at a District level in applications made by a parish council on which they serve. If they wish to do so they must make clear that they are acting in the capacity of parish councillor and not District.

11. Conduct at the Hearing

- 11.1. The essence of the rules of natural justice are that Councillors not only act fairly but are also seen to act fairly. Councillors must follow the agreed procedure at all times and should only ask questions at the appropriate points in the procedure. At no time should a Councillor express a view which could be seen as pre-judging the outcome. During the course of the hearing Councillors should not discuss (or appear to discuss) aspects of the case with the applicant, an objector, their respective advisors or any member of the public nor should they accept letters or documents from anyone other than the clerk.
- 11.2. Again, to ensure compliance with the rules of natural justice, Councillors on the **Sub-Committee** must ensure that they hear the evidence and arguments for and against the application and must be present for the entire hearing.

12. Councillors as Interested Parties Under the Licensing Act 2003

- 12.1. Since January 2010 Councillors are regarded as interested parties in their own right. They are entitled to make representations or call for reviews in respect of any premises in any Ward licensed within the Councils area.
- 12.2. They do not have to await instructions from residents or other organisations, but can act on their own initiative. The representation must be relevant. That is, it is made within the timescales allowed, relates to one or more of the Licensing Objectives and is not malicious or vexatious.
- 12.3. A Councillor can still represent another interested party/parties (provided that interested party is not a family member or close associate) who has made a representation. The Councillor will still be subject to the Code of Conduct when representing interested parties. The Councillor must demonstrate to the licensing authority that they have been requested to represent the interested party and only put forward the views of the interested party.

- 12.4. A member of the **Licensing Committee** can make representations, call for a review and address the Committee as an interested party, but would not be able to sit as a member of the **Sub-Committee** when the application is considered.
- 12.5. The representation made by the Councillor carries no less nor any more weight than the representations made by other interested parties.
- 12.6. The Act and Hearing regulations govern the procedure and specify the rights for applicants, responsible authorities and interested parties. The Councillor will be bound by these procedure rules.
- 12.7. Councillors addressing the **Sub-Committee** should disclose any interests they may have and their standing at the hearing.
- 12.8. The **Councillors' Code of Conduct** states that a Councillor with a Disclosable Pecuniary Interest cannot act as a representor where that interest relates to him/herself, a member of his/her family or a close associate. A Councillor may, however, act in a private capacity in such circumstances provided that it is made clear to the Committee that the Councillor is exercising his/her private rights.
- 12.9. A Councillor who is not on the Committee but who is at one of its meetings in his/her professional capacity should sit apart from the Committee or Sub-Committee to demonstrate that he/she is not taking part in the discussion or determination unless his/her presence in that capacity would be a breach of the obligations of the Code of Conduct, for example, influencing a decision by presence. If the Councillor is attending in his/her private capacity as a member of the public, this should be made clear to the Committee and his/her rights are the same as those afforded to any member of the public.
- 12.10. Councillors who are opposed in principle to any category of application or alcoholic liquor, form of entertainment or gambling, either in their own Ward or District wide should not seek nomination to the Committee.

Part 5

Councillors' Allowance Scheme

COUNCILLORS' ALLOWANCES SCHEME

Section 1 - NWLDC Councillors' Allowance Scheme

Citation

Interpretation

Basic Allowance

Special Responsibility Allowance

Renunciation

Part-Year Entitlements

Withdrawal of Allowances

Co-optees Allowance

Payments shall be made

Annual Review of the Level of Allowances

Section 2 - NWLDC Carers' Allowance Scheme

Section 3 - Guidance for Councillors and the Allowance Scheme

Section 4 - Examples of Forms

SECTION 1 - NWLDC COUNCILLORS' ALLOWANCES SCHEME

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

The North West Leicestershire District Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 hereby makes the following scheme (a full copy can be made available on request):

1. Citation

This scheme may be cited as the North West Leicestershire District Council **Councillors' Allowances Scheme**.

2. Interpretation

In this scheme

"**Councillor**" means a member of the North West Leicestershire District Council who is a Councillor.

"**Year**" means the 12 months ending with 31 March.

3. Basic Allowance

Subject to paragraphs 6 and 7, for each **Year** a basic allowance (2022/2023 £5,415.32) shall be paid to each Councillor.

4. Special Responsibility Allowances

- a. For each **Year** a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the Council that are specified in Schedule 1 to this scheme.
- b. Subject to paragraphs 6 and 7, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.

5. Renunciation

A **Councillor** may by notice in writing given to the **Head of Legal and Commercial Services**, elect to forego any part of his/her entitlement to an allowance under this scheme.

6. Part-Year Entitlements

- a. The provisions of this paragraph shall have effect to regulate the entitlements of a **Councillor** to basic and special responsibility allowances where, in the course of a **Year**, this scheme is amended or that Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.
- b. If an amendment to this scheme changes the amount to which a **Councillor** is entitled, by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:

- i. Beginning with the Year and ending with the day before that on which the first amendment in that Year takes effect, or
- ii. Beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the Year,

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the Year.

- c. Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a Year, the entitlement of that Councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his/her term of office subsists bears to the number of days in that Year.
- d. Where this scheme is amended as mentioned in sub paragraph (b), and the term of office of a Councillor does not subsist throughout the period mentioned in sub paragraph (b)(i), the entitlement of any such Councillor to a basic allowance referable to each such period (ascertained in accordance with that sub paragraph) as bears to the whole the same proportion as the number of days during which his/her term of office as a Councillor subsists bears to the number of days in that period.
- e. Where a Councillor has during part of, but not throughout, a Year such special responsibilities as entitle him/her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he/she has such special responsibilities bears to the number of days in that Year.
- f. Where this scheme is amended as mentioned in sub paragraph (b), and a Councillor has during part, but does not have throughout the whole, of any period mentioned in sub paragraph (b)(i) of that paragraph any such special responsibilities as entitle him/her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub paragraph) as bears to the whole the same proportion as the number of days

in that period during which he/she has such special responsibilities bears to the number of days in that period.

7. **Withdrawing of allowances**

Where a **Councillor** is suspended or partially suspended from his/her responsibilities in accordance with Part 3 of the Local Government Act 2000 or regulations made thereunder, the part of the basic, special responsibility or co-optees allowance payable to him/her in respect of responsibilities or duties which he/she is suspended or partially suspended may be withheld by the **Council**.

8. **Co-optees Allowance**

An annual co-optees allowance of £200 per annum is available to co-opted members serving on the **Audit and Governance Committee** and those individuals serving as members of the **Independent Remuneration Panel**.

9. **Payments shall be made**

- a. In respect of basic allowances and special responsibility allowance, subject to sub paragraph (b), in instalments of one twelfth of the amount specified in this scheme on the 25th day of each month.
- b. Where a payment of one twelfth of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the Councillor receiving more than the amount to which, by virtue of paragraph 7, he/she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he/she is entitled.

10. **Annual Review of the Level of Allowances**

All allowances will be increased annually on 1 April by the same percentage as the National Joint Council staff pay award (scp 28).

SCHEDULE 326 - SPECIAL RESPONSIBILITY ALLOWANCES

The following are specified as the special responsibilities in respect of which special responsibility allowances are payable, and the amounts of those allowances:

	Multiple	Amount payable 2022/23 (£)
Chair of the Council	1	5,415.32
Deputy Chair of the Council	1/8 (12.5%)	676.91
Leader of the Council	4	21,661.28
Deputy Leader of the Council	2.5	13,538.30
Portfolio Holder	1.5	8,122.98
Opposition Leader (*)	1	5,415.32
Chair (Scrutiny Committee) x2	0.5	2,707.66
Chair (Local Plan Committee)	0.5	2,707.66
Chair (Planning Committee)	1.5	8,122.98
Chair (Licensing)	0.5	2,707.66
Chair (Audit and Governance Committee)	0.5	2,707.66

* An opposition group must consist of at least five Councillors to qualify for the Special Responsibility Allowance.

Normally only one special responsibility allowance will be paid per Councillor, being the highest of the allowances available to him/her. However, where the Council requires a Councillor to undertake additional duties that attract a Special Responsibility Allowance the Councillor will receive 100% of the higher allowance and 50% of the other allowance.

SCHEDULE 2 - APPROVED DUTIES

The following are specified as approved duties for the payment of travelling and subsistence allowances.

- (a) Any meeting (not being a meeting of a board, sub-group or working party of this Council or a planning site visit) the holding of which is authorised by the Council or any of its boards, provided that it is a meeting to which Councillors of at least two political groups on the Council have been invited.
- (b) A meeting of any other body to which the Council makes appointments or nominations, or of any group or sub group of such a body.
- (c) A meeting of any association of authorities of which the Council is a member.
- (d) Carrying out by a Councillor any duty in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the Council to inspect or authorise the inspection of premises.
- (e) As an appointed representative of the Council at any visit to obtain any advice or information as a consequence of a report to, or decision of, any council, board, group, sub group, working party, etc.
- (f) Attendance at training courses funded by the Council.

Note: The bodies covered by paragraph (b) are those listed as "Outside Bodies" in the minutes of the **Annual Meeting** of the Council each Year, together with any meetings of outside bodies specified by the Council or a board from time to time. Any other meetings authorised by the Council involving Councillors of more than one political party automatically become "Approved duties" under (a).

SECTION 2 - NWLDC CARERS' ALLOWANCES SCHEME

Childcare

The scheme to provide for the reimbursement of expenditure incurred by Councillors in providing childcare arrangements to facilitate their attendance at approved duties of the Council in accordance with the following requirements:

- That payment is made to someone other than a close relation.
- That payments for the care of under 8s are restricted to payments to registered childminders and other statutory approved childcare providers.
- That payments be restricted to the care of children up to their 14th birthday who normally reside with the Councillor.
- That no payments be made in respect of the care of children of compulsory school age during school hours.

Care of Dependants

The reimbursement of expenditure on professional care for an elderly, sick or disabled dependent relative normally residing with the Councillor and requiring constant care subject to payments being restricted to agencies or persons qualified to provide the care other than close relations.

General Conditions

The following conditions will apply to both types of allowance:

- That payments are made on the basis of the reimbursement of actual expenditure incurred up to a maximum of an hourly rate of £8.34 (2022/23) per hour for each hour of absence from home and are subject to the production of satisfactory receipts by the Councillor. This hourly rate will be increased annually on 1 April by the same percentage as the National Joint Council staff pay award (SCP 28).
- That Councillors self-certify claims confirming that they have incurred expenditure in accordance with the scheme.
- That qualifying meetings be restricted to those regarded as approved duties in the Council's scheme.

SECTION 3 - GUIDANCE FOR COUNCILLORS ON THE ALLOWANCE SCHEME

COUNCILLORS' ALLOWANCES – FROM 1 APRIL 2022

Councillors' allowances are paid through the monthly payroll on the 25th day of each month (unless this falls at the weekend when payment will be made on the Friday before) by credit transfer to personal accounts in a bank or building society. A computer pay slip is provided containing details of all payments and deductions. Payments are subject to PAYE and National Insurance deductions (where applicable).

1. BASIC ALLOWANCE

This allowance is £5,322.19 per Councillor per Year. Payment is made automatically and, therefore, no claim is required.

This allowance is intended to recognise the time devoted by Councillors to their work, including such inevitable calls on their time as meetings with constituents etc. and also to cover incidental costs for which other provision is not made. The basic allowance also covers attendance at the following meetings:

Council, board meetings, groups, sub groups, strategy groups, steering groups, working parties, panels, review boards, outside bodies, etc. and site visits.

2. SPECIAL RESPONSIBILITY ALLOWANCE

The special responsibility allowances are paid to the following:

Chair of the Council	£5,415.32 per annum
Deputy Chair of the Council	£676.91 per annum
Leader of the Council	£21,661.28 per annum
Deputy Leader of the Council	£13,538.30 per annum
Cabinet Member/Portfolio Holder	£8,122.98 per annum
Opposition Leader	£5,415.32 per annum
Chair of the Corporate Scrutiny Committee	£2,707.66 per annum
Chair of the Community Scrutiny Committee	£2,707.66 per annum
Chair of the Local Plan Committee	£2,707.66 per annum

Chair of Planning Committee	£8,122.98 per annum
Chair of Licensing Committee	£2,707.66 per annum
Chair of Audit and Governance Committee	£2,707.66 per annum

Normally only one special responsibility allowance will be paid per Councillor, being the highest of the allowances available to him/her. However, where the Council requires a Councillor to undertake additional duties that attract a special responsibility allowance the Councillor will receive 100% of the higher allowance and 50% of the other allowance.

3. **RENUNCIATION**

Any Councillor not wishing to claim the basic allowance or special responsibility allowance **MUST NOTIFY THE HEAD OF LEGAL AND COMMERCIAL SERVICES IN WRITING.**

4. **TRAVELLING ALLOWANCES**

Mileage rates are determined and set annually by the National Employers' Organisation for Local Government Services.

(a) Public transport

The rate for travel by public transport is limited to the amount of the ordinary fare or any available cheap fare.

(b) Motor cycles

The rates for travel by a Councillor's own solo motor cycle are as follows:

- (i) Not exceeding 150 cc 9.2p per mile
- (ii) Exceeding 150 cc but not exceeding 500 cc 13.4p per mile
- (iii) Over 500 cc 18p per mile

(c) Motor vehicles

The rate for travel by a Councillor's own private motor vehicle, or one belonging to a member of his/her family or otherwise provided for his/her use, other than a solo motor cycle shall not exceed:

For the use of a motor vehicle of cylinder capacity:

- (i) Not exceeding 999 cc 46.9p per mile

- (ii) Exceeding 999 cc but not exceeding 1199 cc..... 52.2p per mile

The cylinder capacity is that entered in the vehicle registration book or document by the Secretary of State under the Vehicles (Excise) Act 1971.

These rates may be increased in respect of the carriage of each passenger, not exceeding 4, to whom a travelling allowance would otherwise be payable under any enactment by not more than 3.0p per mile for the first passenger and 2.0p per mile for the second and subsequent passengers.

The following is also specified as an approved duty for the purposes of payment of travelling expenses and subsistence allowances:

As an appointed representative of the Council at any visit to obtain any advice or information as a consequence of a report to, or decision of, any council, board, sub group or working party etc.

(d) Taxis

The rate of travel by taxi-cab or cab shall not exceed:

- (i) in cases of urgency or where no public transport is reasonably available, as determined on an individual Councillor's needs basis, the amount of the actual fare and any reasonable gratuity paid;
- (ii) in any other case, the amount of the fare for travel by appropriate public transport.

(e) Rail

Unless a Councillor is travelling with an officer, request forms for rail tickets should be completed and at least 5 working days' notice given in order for arrangements to be made for the tickets to be obtained from the travel agents. Completed forms should be forwarded to your Democratic Services Officer.

(f) Air

The rate for travel by air shall not exceed the rate applicable to travel by appropriate alternative means of transport together with an allowance equivalent to the amount of any saving in attendance allowance and subsistence allowance consequent on travel by air.

Provided that where the body resolves, either generally or specifically, that the saving in time is so substantial as to justify payment of the fare for travel by air, there may be paid an amount not exceeding:

- (i) The ordinary fare of any available cheap fare for travel by regular air service,
or

- (ii) Where no such service is available or in case of urgency, the fare actually paid by the Councillor.

The Council has resolved that in all cases where, in the opinion of the S151 Officer, the above criteria have been met, the appropriate air travel costs be paid.

(g) Tolls, ferries, parking fees

The actual amount of any expenditure incurred on tolls, ferries or parking fees may also be claimed.

Travelling expenses are limited to the actual journey from home or one's regular place of work which are necessarily incurred for the purpose of enabling you to perform an approved duty as a Councillor.

(h) Tax implications on travelling expenses

Councillors who use their own car in the performance of their duties are paid a mileage allowance to cover the costs incurred, based on an amount per mile for the mileage covered on Council business. An element of these payments may be taxable where the amount paid per mile exceeds the Inland Revenue permitted allowance. If any tax liability arises this is likely to be very minimal (further information can be obtained from the Senior Collections Officer on 01530 454820).

Travel between home and the Council Offices (or any other place) on Council business is not taxable provided that such payment does no more than reimburse the cost of such travel.

Taxi, rail or air fares, tolls, ferries and parking expenses **are taxable** unless accompanied by a receipt or invoice. **Councillors are requested to provide the appropriate receipts in order to reduce the possibility of any tax liability.**

IT IS NECESSARY TO SUBMIT CLAIM FORMS FOR TRAVELLING EXPENSES IN RESPECT OF ALL APPROVED MEETINGS ATTENDED (INCLUDING THOSE COVERED BY THE BASIC ALLOWANCE).

6. COUNCILLORS - "IN ATTENDANCE" AT MEETINGS

A Councillor who is "in attendance" at a meeting, i.e., is not a member of the board, group or sub group, etc. is not eligible to claim travelling expenses.

Counsel's opinion was sought by the Association of District Councils, (now the Local Government Association) when the Councillors' allowances system was first introduced in 1974, regarding Councillors who attended meetings but who were not members of a particular Committee.

Counsel's opinion was that:

"A Councillor attending the Committee meeting of which he/she is not a member is not attending as a member of the Committee and his/her attendance is not an approved duty within Section 177(2)(b) of the Local Government Act 1972.

The attendance of a non-member of a Committee would not, in his opinion, be within Section 177(2)(b) unless he were there at the Committee meeting by special invitation to assist the Committee. The mere attendance and chance assistance of the Committee would not be enough to enable the attendance to be an approved duty."

7. SUBSISTENCE ALLOWANCES

The amount of subsistence payable is on a meals basis, with clarification of eligibility based on the time of day the meal is taken and time away from home.

(a) Absence from the usual place of residence:

- (i) Breakfast allowance (more than four hours away from normal place of residence before 11.00am) £4.92
- (ii) Lunch allowance (more than four hours away from normal place of residence including the lunchtime period between 12 noon and 2.00pm) £6.77
- (iii) Tea allowance (more than four hours away from normal place of residence including the period 3.00pm to 6.00pm)..... £2.67
- (iv) Evening meal allowance (more than four hours away from the normal place of residence ending after 7.00pm) £8.38

Points to remember:

You must have more than four hours before 11.00am to claim the breakfast allowance.

You must have four hours which include 12.00 noon to 2.00pm to claim the lunch allowance.

You must have four hours which include 3.00pm to 6.00pm to claim the tea allowance.

You must have four hours ending after 7.00pm to claim the dinner allowance.

i.e., if you finish your duty, including travel home, at 1.50pm, you cannot claim the lunch allowance even if you started at 8.00am.

Examples:

Day & times	Amounts to be claimed	Total
Monday 06.45 - 13.00	Breakfast allowance <u>£4.92</u>	£4.92
Tuesday 06.50 - 17.00	Breakfast allowance £4.92 Lunch allowance <u>£6.77</u>	£11.69
Wednesday 10.30 - 18.15	Lunch allowance £6.77 Tea allowance <u>£2.67</u>	£9.44
Thursday 06.00 - 21.00	Breakfast allowance £4.92 Lunch allowance £6.77 Tea allowance £2.67 Dinner allowance <u>£8.38</u>	£22.74

(b) Overnight subsistence from the usual place of residence.....£79.82

For such an absence overnight in London, or for the purposes of attendance at an annual conference (including or not including an **Annual Meeting**) of the Local Government Association - £91.04.

(For the purposes of this paragraph, London means the City of London and the London boroughs of Camden, Greenwich, Hackney, Hammersmith and Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster.) When Councillors are required to spend a night away from home or work place on Council business the normal rate for subsistence will not be taxable provided the expenses claimed are accompanied by a receipt or invoice.

(c) Meals provided free of charge

The rates specified in paragraphs (a) and (b) above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an authority or body in respect of the meal or the period to which the allowance relates.

(d) Meals on trains

Where main meals are taken on trains during a period for which there is an entitlement for a day subsistence allowance, the reasonable cost of the meals (including VAT) may be reimbursed in full, within the limits specified below. In such circumstances, reimbursement for the reasonable cost of a meal would replace the entitlement to the day subsistence allowance for the appropriate meal period.

The limitations on reimbursement are:

- (i) for breakfast, an absence of more than four hours before 11.00am;
- (ii) for lunch, an absence of more than four hours including the period between 12noon and 2.00pm;
- (iii) for dinner, an absence of more than four hours ending after 7.00pm.

(e) **Taxation of subsistence allowances**

Subsistence allowances paid in respect of expenses incurred as a consequence of travel on Council business away from the Council Offices, will not be taxable provided they merely reimburse costs incurred by the Councillor and claims for payment are accompanied by the relevant receipts. **If receipts are not submitted, income tax will have to be deducted from the expenses claimed.** Councillors are, therefore, requested to provide receipts to reduce the possibility of any tax liability.

Allowances claimed for meals taken at the Council Offices, e.g. where a Councillor comes to the Offices for a briefing meeting, at say, 4.00pm and stays at the offices for an evening meeting that ends at 9.00pm, **expenses claimed are subject to tax.**

8. **SCHOOL GOVERNORS**

The Council is not able to pay attendance allowances, travelling expenses or subsistence allowances to Councillors serving as school governors when attending meetings of school governing bodies, as education is not a function of this authority.

9. **TELEPHONE RENTALS**

The Council has agreed to pay £75 per annum towards the home telephone rental (e.g. rental of line and equipment) of any Councillor **except where the number is ex-directory.** Before payment can be made, you will need to supply an original invoice from your provider, to evidence that a telephone line is in use. Please send this to Democratic Services.

10. **BROADBAND CONNECTION**

The Council has agreed to pay £75 per annum towards the rental of a home broadband connection. Payment is made automatically, thus no claim is required. However, before payment can be made you will need to supply an original invoice from your provider, to evidence that a broadband connection is in use. Please send this to Democratic Services.

11. **NATIONAL INSURANCE CONTRIBUTIONS**

The Social Security Act 1973 provides that both the Councillor and the Council will

become liable for Class 1 national insurance contributions in respect of allowances provided the amounts involved reach the lower earnings limit in any earnings period.

Councillors who are retired for National Insurance purposes (state pension age) will not be liable to pay any contribution, and the DWP will, on application, issue a certificate of earner's non-liability. A person who has more than one job must obtain a separate certificate for each employer since each office or employment is considered separately for contribution purposes. **It is emphasised**, that unless such a certificate is obtained, should any liability for contributions arise, deductions will be made from the allowance at the full rate applicable, since any employer may be held liable for any deficiency in contributions. Contact your local tax office for further information.

12. ANNUAL PUBLICATION OF AMOUNTS OF COUNCILLORS' ALLOWANCES PAID

The Council is required by the Local Authorities (Members' Allowances) (Amendment) Regulations, 2003, "to make arrangements for the publication within the Authority's area, of the total sum paid by it in that (financial) year under the Members' Allowances Scheme, to each member in respect of the following, namely Basic, Special Responsibility and Attendance Allowances".

This requirement is made by publishing a list, of the total sums paid to each Councillor in the previous financial year, in the press around May/June each year.

13. CLAIMING PROCEDURE

To claim payment of any of the allowances you must use the standard claim form. Blank copies of the form can be obtained from Democratic Services and it is essential that these be completed **fully**.

Here are a few tips about completing the claim form:

- Make sure your writing is clear – if you have any doubts use block capitals!
- Try to avoid using abbreviations for meetings; complete the title of the meeting in full.
- Show the time and place of departure and return, and location of meetings.
- Obtain receipts (when applicable) and attach these to your claim forms.
- Submit claims on a monthly basis **by the 6th of the month**. This will ensure payment by the 25th day of the month.

COUNCILLORS ARE REQUESTED TO SUBMIT CLAIM FORMS REGULARLY EACH MONTH

If you have any further questions or concerns about completing the claim forms, or Councillors' allowances in general, please contact Democratic

Services.

SECTION 4 - EXAMPLES OF FORMS

- 1. Attendance, travel and subsistence**
- 2. Carers' allowance**
- 3. Rail ticket requests**
- 4. Vehicle information**

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCILLORS' ALLOWANCES

REQUEST FOR RAIL TICKETS

FROM: COUNCILLOR

Date of Meeting	Times of Trains (If known)	Destination	Title and Times of Meeting
Date ticket required by _____			

(It would be appreciated if 5 working days' notice could be given in order for arrangements to be made for the tickets to be obtained from the Travel Agents)

Signed Date

When completed, please return the form to your Democratic Services Officer in Member Services.

WOULD COUNCILLORS PLEASE NOTE:

IN ACCORDANCE WITH INLAND REVENUE TAX REGULATIONS, RECEIPTS ARE REQUIRED WHEN CLAIMING TRAVELLING EXPENSES, AND COUNCILLORS ARE REQUESTED TO RETURN THE RAIL TICKET WITH THEIR EXPENSES FORMS TO DEMOCRATIC SERVICES

If for any reason you are unable to attend the meeting, or the meeting is cancelled, would you please return the ticket, as soon as possible, in order for a refund to be obtained.

For Office Use Only	
Cost of Ticket £ p	Date Purchased/ Code

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCILLORS' ALLOWANCES

TRAVELLING EXPENSES
INFORMATION REQUIRED IN CONNECTION WITH COUNCILLORS' VEHICLES

COUNCILLOR

ADDRESS

.....

Make of Vehicle	
Model of Vehicle	
Cylinder Capacity (Exact c.c. as quoted on the log book)	
Registration Number	

I confirm that the above is a true record.

Signed Date

PLEASE RETURN THE FORM TO DEMOCRATIC
 SERVICES

Part 6

Glossary of Terms

Access to Information	By law the public must be given reasonable notice of matters to be discussed at a Council, Committee or Sub-Committee meeting.
Access to Information Procedure Rules	Rules which determine how the public can be given Access to Information – see Part 3 .
Adjourn	When a meeting is briefly suspended.
Affirmation of the Meeting	When something is agreed by general consensus of the Councillors present.
Agenda	A document containing reports which sets out the business to be considered at a meeting. The Agenda is published at least five clear working days before the meeting.
Amendment	A change to a motion.
Annual Meeting	The yearly ceremonial meeting of the Council at which the Leader and Chair of the Council are elected.
Annual Governance Statement	<p>The Annual Governance Statement is a statutory document which explains the processes and procedures in place to enable the Council to carry out its functions effectively.</p> <p>The statement is produced following an annual review of the Council's governance arrangements and the effectiveness of its system of internal control. The statement includes an action plan to address any significant governance issues identified.</p>
Appointments Committee	Determines matters relating to the appointment of the Councils' Statutory Officers, Chief Officers and Deputy Chief Officers – see Part 2 .
Assessment Sub-Committee	A Sub-Committee of the Audit and Governance Committee that assesses complaints in relation to breaches of the Councillors' Code of Conduct .
Audit and Governance Committee	The Committee responsible for promoting and maintaining high standards of governance by the Council and its Councillors. It considers such matters as the Council's internal governance arrangements, the financial affairs of the Council and standards of conduct by Councillors including written allegations that a Councillor has failed to comply with their Code of Conduct.

Background Papers	Documents on which reports are primarily based. The law says that report authors must list any papers used in compiling a report for decision, and these papers must be available for four years to anyone wishing to inspect them.
Best Value	The 'Best Value Duty' is a legal duty on the Council, in accordance with section 3 of the Local Government Act 1999. This general duty of Best Value requires the Council to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. When reviewing service provision the Council should consider overall value, including economic, environmental and social value.
Budget	All the financial resources allocated to different services. With regards to the Council's budget, that means the allocation of financial resources to different services and projects, proposed contingency funds, the council tax base, setting the council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and setting virement limits, as a whole.
Budget and Policy Framework	The plans and strategies adopted by the Council within which the Executive must operate – see Section C of Part 2 .
Budget and Policy Framework Procedure Rules	The rules which govern the process by which the Budget and Policy Framework is developed and how decisions can be made outside the Budget and Policy Framework – see Part 3 .
Budget Council Meeting	The meeting of the Full Council that takes place each year in order to calculate the budget requirement and set the council tax.
Cabinet	The Leader and a minimum of 2 and a maximum of 9 other Councillors appointed by the Leader who are responsible for making Executive decisions.
Cabinet (Executive) Procedure Rules	The rules which govern how meetings of the Cabinet (and any Committees of the Cabinet) are run – see Part 3 .
Cabinet Member	A member of the Cabinet , with specific responsibilities (a 'portfolio') delegated by the Leader of the Council. Also

	known as ' portfolio holders ' and Executive members .
Call-in	A mechanism which allows Scrutiny to examine and challenge an Executive decision before it is implemented.
Carried	When a motion is carried, it is agreed.
Casting Vote	The Chair has a casting vote which decides the matter when votes are equally divided.
Chair	The person appointed to oversee meetings.
Chair of the Council	The person elected annually to oversee meetings of the Full Council . They perform a civic and ceremonial role that is non-political.
Chief Executive	The most senior Officer, with overall responsibility for the management and operation of the Council. Also known as the Head of Paid Service.
Chief Officer	The most senior Council staff who are responsible for managing each of the Council's departments, as defined in section 2 of the Local Government and Housing Act 1989. It means the Council's S151 Officer, Monitoring Officer as well as any Officers whom report directly to the Chief Executive (but does not include secretarial, clerical or support staff). The Council's Strategic Directors are Chief Officers.
CIPFA	The Chartered Institute of Public Finance and Accountancy.
Clear Days	Clear days does not include the day the papers are sent out or the date of the meeting. So for example, if a meeting is taking place on a Tuesday, the Agenda must be published on the Monday in the week before the meeting.
Closure Motion	When a Councillor moves that a vote is taken to decide a question under consideration immediately, without further debate.
Code of Conduct	A set of rules to guide behaviour.
Committee	A group of people appointed for a specific function by a larger group and typically consisting of members of that larger group. Committees may be established by the Council or Cabinet to deal with specific matters.
Confidential	Information either given to the Council by the

Information	Government on terms which forbid its public disclosure or which cannot be publicly disclosed by court order. See also 'Exempt Information' below.
Constitution	A document setting out how the Council operates, how decisions are made and all the procedures which have to be followed.
Co-Optee / Co-opted Member	A person who is not elected but is appointed to serve on a Committee or Sub-Committee in a participatory capacity.
Contract Procedure Rules	The Rules which set out how the Council procures goods, works and services and enters into contracts – see Section G of Part 3 .
Corporate Governance Policies	The Corporate Governance Policies are the following policies: Anti-Fraud and Corruption Policy Anti-Money Laundering Policy Confidential Reporting (Whistleblowing Policy) Risk Management Policy RIPA policy Information Management Policy Data Protection Policy ICT & Cyber Security Policy Local Code or Corporate Governance
Council	The 38 Councillors Elected for North West Leicestershire.
Councillor	A person elected to represent their Ward on the Council.
Councillors' Code of Conduct	There is a statutory requirement under the Localism Act 2011 to have a Code of Conduct. The Code of Conduct sets out the behaviour that is expected of Councillors, the seven principles of public life and provides for the disclosure of pecuniary and non pecuniary interests - see Part 4 .
Councillors' Substitute Scheme Procedure Rules	The rules which govern how a Councillor who would normally sit on a Committee or board, can be replaced by another Councillor, if the first Councillor is unavailable – see Part 3 .
Council and Committee Procedure Rules	The rules which must be followed for all meetings of Full Council and any Committees of the Council – see Part 3 .
Council Tax	A tax charged to households by local authorities, based on the estimated value of the property and the number of

	people living in it.
Debate	A discussion on an issue in which different views are put forward.
Declarations of Interest	Councillors have to abide by a Code of Conduct, part of which requires them to declare any interests they have which could influence any decisions they make.
Defer	When an issue is put off or postponed until a future time.
Delegated Powers	Formal authorisation for a Committee, portfolio holder or Officer to take an action which is the ultimate responsibility of the Council or Executive.
Deputations	A person or group appointed to represent issues on behalf of others at Council meetings.
Deputy Chair	The person appointed to preside in the absence of the Chair.
Deputy Leader	The Councillor elected to the position of Deputy Leader of the Council.
Designated Officer	For the purposes of Officer delegated powers within this Constitution , the term “ Designated Officer ” shall include the following Officers: <ul style="list-style-type: none"> • Chief Executive • Strategic Directors • S151 Officer • Heads of Service
Determination Sub-Committee	A Sub-Committee of the Audit and Governance Committee that determines complaints regarding breaches of the Councillors’ Code of Conduct .
Development Plan	Development plan and development plan documents include the local plan, neighbourhood plans, and other information contained in section 38 Planning and Compulsory Purchase Act 2004.
Dispensation	Where Councillors have an interest in a matter, the Audit and Governance Committee may, in some circumstances, grant a Councillor a dispensation to speak, and sometimes to vote, depending upon the nature of the interest.
District	The geographical area which the Council provides services for.

Employee Joint Consultative Committee	A committee with representatives from the Council and from trade unions that meets to resolve matters that the Employee Consultation Group has been unable to resolve – see Part 2.
Exclusion of the Public	The public are excluded from meetings when exempt or confidential information is being considered.
Executive	The Leader and the Cabinet; responsible for carrying out almost all of the local authority's functions.
Executive Decisions	Decisions which can be made by the Cabinet, a Cabinet Member or Committee of the Cabinet, or an Officer.
Executive Decision Notice	A public document of executive and key decisions to be taken by the Executive or Officers no earlier than 28 days after its publication.
Executive Function(s)	Functions which can be carried out by the Cabinet, a Cabinet Member or Committee of the Cabinet, or an Officer.
Exempt Information	Information falling into one of seven categories which usually cannot be publicly disclosed – see the Access to Information Procedure Rules in Part 3 .
Extraordinary Meeting	A meeting convened for a specific purpose.
Five Clear Working Days	The period during which copies of the Agenda and reports of a meeting must normally be available for inspection under the Access to Information Procedure Rules in Part 3 . The period of five clear working days not counting; <ul style="list-style-type: none"> • the day of the meeting • the day on which the meeting is called • days which fall at the weekends, public holidays or bank holidays.
Financial Procedure Rules	The Rules which set out how the Council's financial procedures operate to safeguard public money – see Section F of Part 3 .
Full Council	The meeting of all Councillors of the Council.
General Exception	A procedure which must be followed when items which are likely to be Executive/Key decisions have not been included in the Executive Decision Notice before the

	decision will be taken.
General Fund	Used to pay for items of everyday expenditure such as salaries.
Group Leader	Leader of a political group.
Head of Legal and Commercial Services	See Monitoring Officer below.
Head of Service	An Officer with responsibility for a specific service area who reports to a Strategic Director .
Independent Member	A Councillor who is not a member of a recognised political party. In the context of the Audit and Governance Committee , this also refers to the non-elected members.
Independent Person	A person that is independent from the Council and who is appointed for the purpose of the Localism Act 2011.
Independent Remuneration Panel	A committee that makes recommendations to Council about Councillor allowances – see Part 2 .
Investigatory Committee	A committee that considers investigations into the conduct of the Head of Paid Service, S.151 Officer, Monitoring Officer, Strategic Director and Heads of Service and makes recommendations on the dismissal of statutory officers.
Joint Arrangements	Services provided in partnership with other Councils or by or on behalf of those Councils.
Joint Committee	A Committee appointed jointly by the Council and one or more other Council's to jointly oversee carrying out functions.
Key Decision	An Executive decision which involves significant expenditure or savings, or which has a significant impact on local communities.
Leader	Usually the Councillor who heads the largest political group, and is elected by the Full Council to the position of Leader of the Council. The Leader chairs the Cabinet.
Licensing Code of Conduct	The code which provides guidance to gives advice to Councillors who: <ul style="list-style-type: none"> • Are members of the Licensing Committee and

	<p>who sit on Licensing Sub-Committees;</p> <ul style="list-style-type: none"> • Wish to address the Committee or Sub-Committee on any licensing issue; • Are involved outside the Committee on licensing applications or other licensing matters - including informal occasions such as meetings with Officers or public and consultative meetings; and/or • Are involved in applications for licences under the Licensing Act 2003 and the Gambling Act 2005 – see Part 4.
Licensing Committee	The Committee that carries out the Council’s licensing responsibilities including under the Licensing Act 2003 Act and the Gambling Act 2005.
Licensing Sub-Committee	A sub-committee of the Licensing Committee that determines licensing matters as required under the Licensing Act 2003.
Local Authority	The Council.
Local Choice Functions	Activities which can be the responsibility of the Council or Cabinet.
Local Plan Committee	A committee that considers and works on Development Plan Documents (which includes the Local Plan) and Supplementary Planning Documents – see Part 2 .
Meeting	A meeting of the Council or of the Cabinet, a Committee or of a Sub-Committee.
Minister of the Crown	A government Cabinet minister.
Minutes	A public record of decisions taken at meetings of the Council, its Committees and Sub-Committees .
Monitoring Officer	The Council Officer charged with ensuring that everything that the Council does is fair and lawful. The Monitoring Officer is currently the Head of Legal and Commercial Services.
Monitoring Officer Protocol	The Monitoring Officer is a statutory position created by s.5 of the Local Government and Housing Act 1989. This Act as well as the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007 create obligations on the Monitoring Officer and the Council . The protocol in Part 4 provides general

	information about how these obligations will be discharged by the Council.
Motions	A formal proposal made by a Councillor for the consideration of the meeting.
Move (a Motion)	A motion is moved when a formal proposal is made by a Councillor.
Negate (a Motion)	A motion is negated when it is made ineffective.
Non-Executive Function(s)	Functions which cannot be carried out by the Cabinet , a Cabinet Member or Committee of the Cabinet. These functions must be carried out by the Full Council or if delegated by Full Council by a Committee , Sub-Committee or an Officer .
Non-Executive Members	All Councillors that are not members of the Cabinet.
Notice of Meeting	The public notice stating the date, time and place of a meeting.
Officer	A person employed by the Council to carry out the work of the Council. Officers cannot be Councillors.
Officer Employment Procedure Rules	Rules which govern how Officers are employed by the Council – see Part 3 .
Officer Scheme of Delegation	The way in which the Officers of the Council can make decisions and which decisions they have the power to make, as set out at Section G of Part 2 of the Constitution .
Officers' Code of Conduct	A code which defines the responsibilities, standards and behaviour required of the Council's employees – see Part 4 .
Outside Body	An external organisation which has invited the Council to nominate representative(s) to serve on its management body.
Petition	A formal written request, signed by more than fifteen people, appealing to the Council.
Planning Code of Conduct	The code which sets out the practices and procedures which must be followed by Councillors and Officers when involved in planning matters - see Part 4 .

Planning Committee	The Committee of Councillors which makes planning decisions (not delegated to Officers) on behalf of the Council.
Point of Order	A question raised to clarify whether the procedural rules are being adhered to.
Political Balance	Political balance means: (i) That not all seats on the committee, sub-committee or relevant joint authority or joint committee ("the body") are allocated to the same political group; (ii) That the majority of seats on the body are allocated to a political group holding the majority of seats on the Council; (iii) That, subject to (i) and (ii) above, the total number of seats held by each political group on all committees of the Council taken as a whole is proportionate to that group's membership of the authority; and (iv) That, subject to (i) and (iii) above, the number of seats held by each political group on individual bodies is proportionate to that group's membership of the Council.
Political Group	Two or more Councillors who have joined together and asked to be recognised as a political group.
Politically Restricted Post	Employees in politically restricted posts are prevented from having any active political role either in or outside of work.
Portfolio Holder	Responsible for ensuring the effective management and delivery of Executive Functions . Each Portfolio Holder has specific areas of responsibility.
Precept	A proportion of Council Tax which is paid to other authorities such as the County Council and Police.
Private Meeting	A 'private meeting' means a meeting or part of a meeting of the Cabinet or a Cabinet Committee during which the public are excluded.
Procedure on the Resolution of Dispute/Conflict Between Officers and Councillors	The procedure for the informal resolution of disputes or conflict between Officers and Councillors – see Part 4 .
Procedure Rules	Rules governing how the Council operates and how decisions are taken.

Proper Officer	An Officer at Team Manager level or above who is given a set of responsibilities by statute.
Proposal	Another term for a motion.
Protocol on Councillor / Officer Relations	Guidance for Councillors and Officers in their relations with one another – see Part 4 .
Protocols	Codes of Practice, which set out how, for example, various elements of the Council, are expected to interact with each other.
Public Sector Internal Audit Standards	The UK Public Sector Internal Audit Standards (PSIAS) have been developed to apply across the whole of the public sector in all sectors of government. The PSIAS are based on standards issued by the Institute of Internal Auditors (IIA), with additional requirements and interpretations that make them directly applicable to the UK public sector. The PSIAS are developed jointly by the relevant internal audit standard setters (RIASS) for central government, local government, devolved government administration bodies and the National Health Service (NHS). The PSIAS set out requirements which apply generally to all UK public sector engagements, but do not include any sector requirements or guidance for specific parts of government.
Quasi Judicial	A process of decision-making which is similar to a court of law, in that each party with an interest in the matter under consideration has an opportunity to make their case, following which a decision on the facts and representations is made.
Quorum	The minimum number of people who have to be present before a meeting can take place.
Recorded Vote	A vote in which the names of those voting for and against are recorded.
Register of Interests	The record of all interests declared by Councillors.
Regulatory Committees	The Committees of the Council that are charged with regulatory functions, such as Planning and Licensing Committee .
Representation	A statement of reasons made when appealing or protesting.

Rescind (a Decision)	When a decision is revoked or withdrawn.
Resolution	A motion/decision agreed by a meeting is subsequently referred to as a resolution.
Review Sub-Committee	A Sub-Committee of the Audit and Governance Committee that hears requests for reviews of decisions of the Assessment Sub-Committee and the Determination Sub-Committee .
Right of Reply	The mover of a motion has a right to reply at the close of debate on a motion or amendment.
Roles and Responsibilities for Councillors	The roles and responsibilities of Councillors – see Part 4 .
Scrutiny Committee(s)	Provides support and advice to the Executive by contributing to the development and review of policy; also holds the Executive to account by questioning. Challenging and monitoring performance.
Scrutiny Procedure Rules	Rules which determine how meetings of the Scrutiny Committees are run – see Part 3 .
Second	When a motion is endorsed by another Councillor, it is 'seconded', and can then be voted upon.
Secretary of State	The head of a major government department.
S151 Officer	The Officer responsible for the administration of the financial affairs of the Council (under section 151 of the Local Government Act 1972).
Senior Leadership Team	The meeting of Chief Officers – the Chief Executive and the Strategic Directors .
Senior Officer	The Chief Executive or a Strategic Director .
Special Urgency	A procedure which must be followed when an Executive/ Key Decision needs to be taken urgently.
Stakeholder	A person or group that may be affected by a matter.
Standing Order	Means a the Rules of Procedure contained in Part 3 of this Constitution .
Statutory	Required by law.

Statutory Officers	These are Officers that the Council must have in place, some of which may be combined and some of which cannot, but they all have additional personal responsibilities. In this council they are the Chief Executive , the Monitoring Officer and the S151 Officer .
Strategic Directors	The Officers in charge of the Council Directorates.
Sub-Committee	A formal decision-making body with functions referred or delegated to it by a Committee.
Substantive Motion	The term used to refer to a motion which has been amended by agreement of the meeting.
Summons to Meeting	The term used to describe the Agenda for meetings of the Council.
Task and Finish Group	Informal, small, and time-limited groups comprised of Councillors and where appropriate, co-optees brought in from outside the Council because of their specific skills and experiences, to assist the Scrutiny Committee with its work.
Hackney Carriage and Private Hire Sub-Committee	A sub-committee of the Licensing Committee that determines matters referred to it relating to the licensing of Hackney Carriages and Private Hire drivers, vehicles and operators.
Team Manager	An Officer with responsibility for a specific service area who reports to a Head of Service .
Tendering	The making of an offer by a contractor to carry out work.
Terms of Reference	The description of what a Committee, Sub-Committee or panel may concern itself with.
Treasury Management	Treasury management functions are those functions carried out in accordance with the approved Treasury Management Strategy. The S151 Officer is responsible for the Treasury Management Strategy.
Valid Planning Grounds	Valid planning grounds on which a matter may be referred to the Planning Committee for determination include: (i) Overlooking/loss of privacy; (ii) Loss of light or overshadowing; (iii) Parking; (iv) Highway safety; (v) Traffic; Noise; (vi) Effect on listed building and conservation area;

	<p>(vii) Layout and density of building;</p> <p>(viii) Design, appearance and materials;</p> <p>(ix) Government policy;</p> <p>(x) Disabled persons' access;</p> <p>(xi) Proposals in the Development Plan;</p> <p>(xii) Previous planning decisions (including appeal decisions);</p> <p>(xiii) Nature conservation.</p>
Virement	Moving budget funds from one area of expenditure to another within a financial year.
Ward	The defined area within the District which a Councillor represents. The Councillor is elected to represent the interests of the constituents in their Ward.
Whip	A member of a political party who gives instructions to Councillors regarding meetings and attendance.

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	Para. 5.01(b) – incorporated example constitution wording which has more examples of what chairing meetings involves	
Part 2, Article 6 “Scrutiny”	<p>Para. 6.01 is no longer needed as covered in new scrutiny committee section (see below)</p> <p>Para. 6.02 is a cross-reference to where Scrutiny functions were but is no longer needed as everything is in the same section now.</p> <p>Para. 6.03 is a cross-reference to the Scrutiny Procedure Rules and this will be covered in that section.</p>	Part 2, Section D6 – Scrutiny Committees
Part 2, Article 7 “The Cabinet”	<p>Para. 7.01 re Cabinet functions has been amended slightly. This paragraph refers to functions being the Executive’s by law but we have taken the example constitution wording which sets out the relevant regulations as it is a bit clearer.</p> <p>Para. 7.02 re form and composition has been retained and moved into example constitution format</p> <p>Para. 7.03 re the Leader has been retained and moved into example constitution format</p> <p>Para. 7.04 re Cabinet Members has been retained and moved into example constitution format</p> <p>Para. 7.05 re the Deputy Leader has been retained and moved into example constitution format (re-ordered to follow Leader section)</p> <p>Para. 7.06 re Cabinet Support Members was not in example constitution but we have retained it and set it out within the Cabinet Members section</p>	Part 2, Section E – The Cabinet (Executive Functions)

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	<p>Para. 7.07 re following the Executive Procedure Rules has been retained and moved into example constitution format</p> <p>Para. 7.08 is a cross-reference to where Cabinet functions were but is no longer needed as everything is in the same section now</p>	
Part 2, Article 8 “Regulatory and Other Bodies”	This article just sign-posted to part 3 of the current constitution so is no longer needed	N/A
Part 2, Article 9 “The Audit and Governance Committee”	<p>Para. 9.01 re appointing a chair is covered by new example constitution wording</p> <p>Para 9.02 re membership, independent persons and parish members has been retained</p> <p>Para 4.02 is a cross-reference to where Audit and Governance functions were but is no longer needed as everything is in the same section now.</p>	Part 2, Section D7 – Audit and Governance Committee (subsection 1)
Part 2, Article 10 “Area Committees and Forums”	Retained the text and inserted into the summary and explanation section of the new constitution	Part 1, Summary and Explanation
Part 2, Article 11 “Joint Arrangements”	<p>For the equivalent of para. 11.01 (types of joint arrangement) and 11.02 (who can establish joint arrangements) we have gone with the wording in the example constitution on this as it is clearer but the substance of what it is saying has not changed from our original constitution.</p> <p>Para. 11.03 (access to information) will be considered as part of the review of the access to information rules to see whether it is covered there or needs retaining.</p> <p>The equivalent of para 11.04 (delegation to other authorities) in the example constitution</p>	Part 2, Section F – Joint Arrangements

	Section A – Introduction to Decision Making of new constitution. Apart from clearer wording, minor changes also include: taking account of relevant considerations only, specifically referring to the Monitoring Officer and Chief Finance Officer in relation to seeking professional advice and having regard to statutory duties (including best value).	
Part 2, Article 14 “Finance, Contracts and Legal Matters”	Para 14.01 and para. 14.02 are just cross-references to the Finance Procedure Rules and Contract Procedure Rules which are no longer needed Paras. 14.03-14.05 re legal proceedings, authenticating documents and the common seal are all reflected in new constitution wording for Scheme of Delegation	N/A Part 2, Section G - Officer Scheme of Delegation
Part 2, Article 15 “Review and Revision of Constitution”	Wording updated to reflect example constitution wording, including a more fuller explanation of changes made by fact or law that the Monitoring Officer can make	Part 1, Summary and Explanation
Part 2, Article 16 “Suspension, Interpretation and Publication of the Constitution”	Para. 16.01 adopted more general suspension wording from the example constitution to say the can be suspended by law or as permitted by the rules within it Para. 16.02 re Chair’s responsibility to interpret constitution is reflected in new constitution wording in summary and explanation section Para. 16.03 re publication reflected in new constitution wording in summary and explanation section	Part 1, Summary and Explanation
Part 3, Section 1 “Introduction”	This section covers the description of Council Functions, Executive Functions and Local Choice Functions. We have gone with the	Part 2, Section A – Introduction to Decision Making

	wording in the example constitution on this as it is clearer but the substance of what it is saying has not changed from our original constitution.	
Part 3, Section 2 “Council Functions”	Table contained functions which were not Council functions (e.g. functions of planning and licensing committee). These have been deleted so section only contains Council functions. Functions are now listed in the new format of the example constitution (rather than a table) and combined with other functions – see below	Para 1 and table included in Part 2, Section C – Full Council (subsection 1)
Part 3, Section 3 - “Responsibility for local choice functions”	Para.1 has been amended to reflect wording in example constitution (clearer wording). Added “The determination of an appeal against any decision made by or on behalf of the authority” to list of Local Choice Functions as this is in the example constitution and comes from the Functions and Responsibilities Regs – suggested delegated to Chief Exec and Strategic Directors as they currently perform these functions	Para.1 and table are now in Part 2, Section B - Responsibility for Local Choice Functions
Part 3, Section 4 - “Responsibility for executive arrangements”	The section re executive arrangements has been retained but moved to the Leader section in line with example constitution layout Membership section incorporated into example constitution format Example constitution did not have quorum so have transferred that section across to it Have taken the example constitution wording for the functions and transferred in any that were not included from ours	Part 2, Section E – The Cabinet (Executive Functions)

	Removed list of portfolios as the example constitution links to the website with them listed which seemed a better way to do it Delegation wording has been retained and moved into example constitution format	
Part 3, Section 5 “Bodies exercising Council functions” para 1 “Full Council”	New constitution does not include all the functions contained within this section. Functions in current constitution will be incorporated into new constitution (pending consultation with HR, Finance and Planning). These functions have been incorporated with the functions above into a single Council functions list	Para 1 included in Part 2, Section C – Full Council (subsection 1)
Part 3, Section 5 “Bodies exercising Council functions” para 2 “Scrutiny”	Transferred into the example constitution format for all committees. Text from the annual scrutiny report has been introduced for the Scope of the Committee rather than the current constitution wording as it was felt to be clearer. Functions have been incorporated into the list that was in the example constitution which included some additional functions that the Committees currently do but weren’t reflected in our constitution. Table of areas for each committee has been retained Additional change to move number of meetings to the Scrutiny Procedure Rules as is more of a procedural matter than function.	Part 2, Section D6 – Scrutiny Committees Part 3, Section D – Scrutiny Procedure Rules
Part 3, Section 5 “Bodies exercising Council functions” para 3 “Audit and Governance Committee”	Transferred into the example constitution format for all committees. Functions have been incorporated into the list that was in the example constitution and separated into those headings	Part 2, Section D7 – Audit and Governance Committee

	Local assessment of member complaints section has also been incorporated into the new format but no substantial changes to text	
Part 3, Section 5 “Bodies exercising Council functions” para 4 “Planning Committee”	Replaced with the example constitution wording for this section as covers what is in our existing constitution but is set out more clearly	Part 2, Section D4 – Planning Committee
Part 3, Section 5 “Bodies exercising Council functions” para 5 “Licensing Committee”	Transferred into the example constitution format for all committees. Retained separate functions for the Licensing Committee and Licensing Subcommittee (example constitution had them all as functions of the Licensing Committee and delegated on an ad hoc basis but we felt separating them out was clearer) Retained separate function wording for the Taxi and Private Hire sub-committee	Part 2, Section D1 – Licensing Committee
Part 3, Section 5 “Bodies exercising Council functions” para 6 “Investigatory Committee”	Transferred into the example constitution format for all committees. Following discussion with Head of HR, have introduced more functions from the example constitution as current constitution is quite general. Additional changes made to the officers referred to following further input from Head of HR	Part 2, Section D3 – Investigatory Committee
Part 3, Section 5 “Bodies exercising Council functions” para 7 “Employee Joint Consultative Committee”	Transferred into the example constitution format for all committees. Retained existing wording as wasn’t in the example constitution. Following consultation with the Head of HR - Removed minimum meeting requirement of twice-yearly and left it say ‘as and when required’ given there has been no need for the committee to meet in recent years and it	Part 2, Section D8 – Employee Joint Consultative Committee

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	<p>only needs to meet when the Employee Consultation Group has been unable to resolve a matter</p> <p>Updated references to unions (changed name to Unite and removed CATT) – will need to consult unions on new allocation of representatives i.e. GMB now have 2 instead of 1, following removal of CATT</p>	
Part 3, Section 5 “Bodies exercising Council functions” para 8 “Independent Remuneration Panel”	<p>Transferred into the example constitution format for all committees.</p> <p>Retained existing wording as wasn’t in the example constitution but included some further detail from the Panel’s terms of reference e.g. how chair appointed.</p>	Part 2, Section D9 – Independent Remuneration Panel
Part 3, Section 5 “Bodies exercising Council functions” para 9 “Appointments Committee”	<p>Transferred into the example constitution format for all committees.</p> <p>Followed example constitution wording for functions as clearer, but no substantial changes. Additional change made to make it clear that the Chair is appointed annually by Full Council as this was already occurring in practice so now the Constitution reflects this</p> <p>Additional changes made to the matters reserved to the Committee following further input from Head of HR</p>	Part 2, Section D2 – Appointments Committee
Part 3, Section 5 “Bodies exercising Council functions” para 10 “Local Plan Committee”	<p>Transferred into the example constitution format for all committees.</p> <p>Retained existing wording as wasn’t in the example constitution.</p>	Part 2, Section D5 – Local Plan Committee
Part 3, Section 6 “Advisory Bodies and Working Parties”	Text retained and inserted into decision-making section	Part 2, Section A – Introduction to Decision Making
Part 3, Section 7 - “Scheme of Delegation” para 1 “Scope of the Scheme” and 2 “Exercise of Delegated Powers”	New cascade of delegations has been adopted. Section G1 provides an introduction to the scheme of delegation including	Part 2, Section G - Officer Scheme of Delegation

	“General Principles” and “General Limitations”.	
Part 3, Section 7 - “Scheme of Delegation” para 3 “General Functions to be Discharged by the Chief Executive and Strategic Directors”	New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 4 “Chief Executive”	New cascade of delegations has been adopted. Section G3 sets out the delegations to the Chief Executive and Statutory Officers.	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 5 “Strategic Director of Place”	New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 6 “Strategic Director of Housing and Customer Services”	New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 7 “Arising from His/Her respective functions the Chief Executive and Directors are authorised”	New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 8 “Head of Legal and Commercial Services”	New cascade of delegations has been adopted. Section G3 sets out the delegations to the Chief Executive and Statutory Officers.	Part 2, Section G - Officer Scheme of Delegation
Part 3, Section 7 - “Scheme of Delegation” para 9 “Specific Delegation to officers in consultation with others”	New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).	Part 2, Section G - Officer Scheme of Delegation

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<p>Part 3, Section 7 - “Scheme of Delegation” para 10 “Designated Authorised Officers” - “Signatories to Financial Documents”</p>	<p>New cascade of delegations has been adopted. Section G2 sets out general delegations to designated officers (“designated officers” is defined as HOS and above).</p>	<p>Part 2, Section G - Officer Scheme of Delegation</p>
<p>Part 3, Section 7 “Scheme of Delegation” para 11 “Joint Arrangements”</p>	<p>The wording has been preserved but the list of joint arrangements has moved to sit with the powers to enter into joint arrangements – see para. 1.8 of Part 2, Section F – Joint Arrangements</p>	<p>Part 2, Section F – Joint Arrangements</p>
<p>Part 3, Section 8 - “Proper Officer Designations”</p>	<p>These have been maintained, though some further statutory functions have been added. Some are noted as TBC where they new and further consideration needs to be given to the appropriate officer. These now appear in Section G4 “Proper Officer and Specified Officer Functions”</p>	<p>Part 2, Section G - Officer Scheme of Delegation</p>
<p>Part 4, Section 1 - “Council Procedure Rules”</p>	<p>Wording largely retained and moved into example constitution format. Example constitution added an “Interpretation and Chair’s Ruling” section, added section on “Chair of the Council and Deputy Chair of the Council” setting out what happens if these roles become vacant, added section on “Public/Councillor Participation at Meetings”, added section on “Committees and Sub-Committees”,</p>	<p>Part 3, Section A – Council and Committee Procedure Rules</p>
<p>Part 4, Section 2 – “Members’ Substitute Scheme Procedure Rules”</p>	<p>No changes – the example constitution did not have a separate substitute scheme. We took the view to retain it and therefore will keep it as originally drafted (and updated in the last constitution review). When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	<p>Part 3, Section I - Councillors’ Substitute Scheme Procedure Rules</p>

<p>Part 4, Section 3 - "Access to Information Procedure Rules"</p>	<p>Wording largely retained and moved into example constitution format In the table describing exempt information, the 'interpretation' column has been removed to match the example constitution format as it appeared a bit repetitive The example constitution sets out requirements for a forward plan, etc. but as the relevant regulations were replaced in 2012 and introduced Executive Decision Notices, we have retained our constitution wording on that</p>	<p>Part 3, Section C – Access to Information Procedure Rules</p>
<p>Part 4, Section 4 – "Budget and Policy Framework Procedure Rules"</p>	<p>Current version retained but amendments made by s151 Officer to make the definition of virement clear</p>	<p>Part 3, Section E - Budget and Policy Framework Procedure Rules</p>
<p>Part 4, Section 5 – "Executive Procedure Rules"</p>	<p>Wording largely retained and moved into example constitution format. Example constitution added section on "Key Decisions and Urgency", added a section on "Public or Private Meetings of the Executive", "Attendance Rights", "Speaking Rights", "Questions by Councillors", "Questions by Public", "Minutes", "Record of Attendance", "Councillor Conduct", "Disturbance by Public", "Disclosure of Personal Interests" and "Effect of Disclosable Pecuniary Interests on Participation", which have been included, as seemed sensible to do so. Quorum already included at Part 2, Section E – The Cabinet (Executive Functions) so removed from the rules to avoid duplication</p>	<p>Part 3, Section B – Cabinet (Executive) Procedure Rules</p>
<p>Part 4, Section 6 – "Scrutiny Procedure Rules"</p>	<p>Wording largely retained and moved into example constitution format.</p>	<p>Part 3, Section D – Scrutiny Procedure Rules</p>

	<p>Example constitution added sections on “Work Plan”, “Agenda for the Scrutiny Committees”, “Rights of Cabinet Members” and “Crime and Disorder Matters”, which have been included to bring it up-to-date and cover more content.</p> <p>Have removed “The Scrutiny Committees will in any event have access to the Cabinet’s Executive Decision Notice and timetable for decisions” as these are publically available, so no need to state this.</p> <p>Removed the section on Who May Sit on the Scrutiny Committees and Co-Optees as these are covered in the Functions section as set out in Part 2, Section D6 – Scrutiny Committees</p> <p>Moved Co-Optees from Scrutiny Procedure Rules to functions as fits better under that section.</p>	<p>Part 2, Section D6 – Scrutiny Committees</p> <p>Part 2, Section D6 – Scrutiny Committees</p>
<p>Part 4, Section 7 – “Contract Procedure Rules”</p>	<p>Current version retained but minor amendments made to avoid confusion over who can authorise grants and in relation to being clearer on exemptions that Heads of Service can give from seeking quotes</p>	<p>Part 3, Section G - Contract Procedure Rules</p>
<p>Part 4, Section 8 – “Financial Procedure Rules (Financial Regulations)”</p>	<p>Current version retained but amendments made by s151 Officer –</p> <p>Virements - clear authorisation levels between officers/portfolio holders, cabinet/council dependant upon value and impact of virement</p> <p>Supplementary estimates - clear definition of a supplementary estimate and clear authorisation levels between officers/portfolio holders/cabinet/council dependant upon</p>	<p>Part 3, Section F - Financial Procedure Rules</p>

	<p>value and type of funding source (external or council).</p> <p>Internal audit section updated to reflect latest guidance</p> <p>The delegations to the s151 Officer within this have been included in the Scheme of Delegation in line with the example constitution (this will be cross-checked when the rules have been reviewed)</p>	Part 2, Section G - Officer Scheme of Delegation
Part 4, Section 9 – Officer Employment Procedure Rules	Content retained and moved into example constitution wording/format.	Part 3, Section H - Officer Employment Procedure Rules
Part 5, Section 1 – Member Code of Conduct	<p>This has been updated recently as a separate document based on a Countywide agreed version so no changes have been made to this.</p> <p>When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	Part 4, Section A - Councillors' Code of Conduct
Part 5, Section 2 – Protocol Member and Officer relations	<p>Content retained and moved into example constitution wording/format.</p> <p>Rights of councillors to access documents and reporting of meetings by press and public have been moved to the Access to Information Procedure Rules as it seems more appropriate there (and is in line with how the example constitution laid it out).</p>	Part 4, Section C – Protocol on Councillor/Officer Relations
Part 5, Section 3 – Employees' Code of Conduct	New version produced based on another example. Head of HR carried out consultation with staff and unions and took into account comments in finalising the new version	Part 4, Section B - Officers' Code of Conduct
Part 5, Section 4 – Planning Code of Conduct	Following review the view has been taken that our current planning code is preferable	Part 4, Section G - Planning Code of Conduct

	<p>to the example constitution so no changes to this are being made. When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	
Part 5, Section 5 – Licensing Code of Conduct	<p>The example constitution did not have a Licensing Code of Conduct and upon general review the view has been taken that no changes are required. When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	Part 4, Section H - Licensing Code of Conduct
Part 5, Section 6 – Procedure and Resolution of Dispute/Conflict between Officers and Members	<p>The example constitution did not have a procedure for resolving disputes/conflict between officers and members and upon general review the view has been taken that no changes are required. When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	Part 4, Section D - Procedure and Resolution of Dispute/Conflict Between Officers and Councillors
Part 5, Section 7 – Roles and Responsibilities for Councillors	No changes	Part 4, Section E - Roles and responsibilities for Councillors
Part 5, Section 8 – Monitoring Officer Protocol	<p>The example constitution did not have a monitoring officer protocol and upon general review the view has been taken that no changes are required. When pulling together the final document it will be formatted to look the same as the rest of the new constitution.</p>	Part 4, Section F - Monitoring Officer Protocol
Part 6 – Members’ Allowance Scheme	<p>As there is a set process for reviewing the allowance scheme it is not appropriate to review as part of this work but in any event our current wording is driven by legislative requirements so it is unlikely that amending the wording would be necessary</p>	Part 5 - Councillors’ Allowance Scheme

Part 7 – Member Structure	This will be inserted from current constitution	To be inserted into Section A
Part 8 – Departmental Structure	This will be updated to reflect current structure in the final version	To be inserted into Section A
Part 9 – Glossary	Checked and updated and incorporated into doc	Part 6

Additions to New Constitution

Paragraph Reference	Effect of Addition
2.23, Part 2, Section D6 – Scrutiny Committees	<p>This introduces the following Scrutiny function:</p> <p>“will discharge the Council’s scrutiny functions in relation to the reduction of crime and disorder pursuant to the Crime and Disorder Act 1998:</p> <p>2.23.1 shall have power to scrutinise decisions or actions taken in connection with the discharge of its crime and disorder functions by any responsible authority and make recommendations or reports to the Council in relation to the discharge of those functions;</p> <p>2.23.2 may co-opt additional members to serve on the Committee;</p> <p>2.23.3 may require the attendance before it of any officer or employee of any responsible authority or co-operating body;</p> <p>2.23.4 may make a report or recommendation to a responsible authority or co- operating body; and</p> <p>2.23.5 shall exercise its functions in accordance with any appropriate regulations.”</p>

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	This is a legal requirement that is not currently expressly stated in our constitution
2.1.4, Part 2, Section D2 – Appointments Committee	<p>This introduces a new Advisory Committee function:</p> <p>“To hear appeals against Chief Officers for dismissal or stage 2 of the grievance procedure whilst noting the role of the Investigatory Committee for the discipline of Statutory Officers.”</p> <p>Our constitution does not currently specify where these appeals would be heard.</p>

APPENDIX C
BRIEFING NOTE TO MEMBERS OF THE AUDIT AND GOVERNANCE COMMITTEE

Background

At its meeting on 25 January 2023, the Audit and Governance Committee considered an item entitled “Review of the Council’s Constitution”. The draft constitution, states in the Responsibility for Functions - Section D7 – Non Executive Committees – Audit and Governance Committee.

*“1.5 Members of the **Committee** should not be members of **Cabinet** or **Scrutiny**.”*

A member of the Committee requested further clarification on the reason for the inclusion of this paragraph in the document.

Political Balance and the independence of Audit and Governance from the Executive and Scrutiny

The advice regarding Committee members not overlapping with Scrutiny and Cabinet functions is detailed within the [CIPFA Position Statement](#), which was updated and published in 2022 and supported by guidance for both audit committee members and those guiding the audit committee.

The position statement details the updated role of the audit committee as *“to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. The committee’s role in ensuring that there is sufficient assurance over governance risk and control gives greater confidence to all those charged with governance that those arrangements are effective.”*

It further goes on to detail that *“the audit committee should be established so that it is independent of executive decision making and able to provide objective oversight. It is an advisory committee that has sufficient importance in the authority so that its recommendations and opinions carry weight and have influence with the leadership team and those charged with governance.”*

The position statement provides details on the way in which the audit committee can ensure an independent and effective model.

“The audit committee should be established so that it is independent of executive decision making and able to provide objective oversight.

It is an advisory committee that has sufficient importance in the authority so that its recommendations and opinions carry weight and have influence with the leadership team and those charged with governance.

The committee should:

- *be directly accountable to the authority’s governing body*
- *in local authorities, be independent of both the executive and the scrutiny functions*
- *have rights of access to and constructive engagement with other committees/functions, for example scrutiny and service committees, corporate risk management boards and other strategic groups”.*

Although the position statement is not legislative, CIPFA has detailed within its statement “CIPFA expects that all local government bodies should make their best efforts to adopt the principles, aiming for effective audit committee arrangements. This will enable those bodies to meet their statutory responsibilities for governance and internal control arrangements, financial management, financial reporting and internal audit.”

Scrutiny and Audit Committee functions are distinct. Having members sat on both committees could risk conflicts of interest, losing clarity over both audit and scrutiny’s statutory functions and lose the effectiveness and independence required of the committees.

A briefing on the position statement 2022 will be provided to Audit & Governance Committee at the April meeting to highlight the work to be carried out over the next six months to ensure that the committee is meeting the expectations of the CIPFA statement.

The briefing will

- detail the changes that have been recommended since the 2018 position statement.
- propose to form a working group to assist with the implementation of the position statement.
- detail a work plan that will ensure the committee meets the requirements of the new CIPFA position statement, in particular a review of the effectiveness of the committee, the training needs of the committee and the appointment of independent persons on the committee.

Chief Finance Officer / Section 151 Officer Comment and Advice:

CIPFA has updated its Position Statement to promote best practice and provide clear guidance for local authorities to maximise the effectiveness of their Audit Committees. This follows a number of high profile cases of failings in governance within local authorities. It is the professional advice of the Chief Finance Officer that CIPFA’s updated Position Statement should be fully adopted at North West Leicestershire District Council.

Appointments to Committees

Appointments to Committees will be made at the Annual Council Meeting on 23 May 2023, following the District Election on 4 May. The appointments will be made in line with the rules on proportionality as set out in Section 15 Local Government and Housing Act 1989. It is not possible to predict how seats will be allocated until the outcome of the elections is known.

Glenn Hammons

Head of Finance/Section 151 Officer

Kerry Beavis

Internal Audit Manager

1 February 2023

Appendix D – Table of changes to the Constitution in relation to proposed structure changes

Current wording	Change
<p>Part 1 – Summary and Explanation – Council Officers</p> <p>The most senior Officer is the Chief Executive. Other senior managers lead parts of the Council’s services. Some Officers have specific duties to ensure that the Council operates within the law and use resources wisely. These are the Council’s Statutory Officers: a Head of Paid Service responsible for the Council’s Officers (in North West Leicestershire this is the Chief Executive); a Section 151 Officer, responsible for the proper administration of the Council’s financial affairs (in North West Leicestershire this is the Head of Finance); and a Monitoring Officer, responsible for reporting upon illegality and maladministration (in North West Leicestershire this is the Head of Legal and Commercial Services). The Council’s Management Structure is set out in Part 2.</p>	<p>Needs to change to Strategic Director for Resources rather than Head of Finance. Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Part 2 – Section G1 – Scheme of Delegation</p> <p>5. The way the Council structures its services and its officer arrangements changes from time to time to reflect changes in service delivery and best practice. The current arrangements include a Chief Executive/Head of Paid Service (as the most senior officer of the Council) supported by the other senior roles which are set out below and which together are referred to as the “Senior Officers”:</p> <p>5.1 Two Strategic Directors</p> <p>5.2 Head of Finance and Customer Services (Section 151 Officer)</p> <p>5.3 Head of Legal and Commercial Services (Monitoring Officer); and</p> <p>...</p> <p>10 For the purposes of officer delegated powers, both within this part and any other part of the Constitution, the term “Designated Officers” shall include the following officers:</p> <p>...</p>	<p>Needs to change to reflect that there will be three strategic directors and one of them will be the S151 Officer. Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

<p>10.2 The two Strategic Directors</p> <p>10.3 Head of Finance and Customer Services (Section 151 Officer)</p> <p>10.4 Head of Legal and Commercial Services (Monitoring Officer); and</p>	
<p>Part 2 – Section G2 – Scheme of Delegation</p> <p>4.1 To recommend to the Head of Legal and Commercial Services, where it is necessary to give effect to a decision of the Council, the need to institute, prosecute, defend, conduct, participate in, withdraw or settle any legal proceedings brought by or against the Council, to make any necessary applications and to take steps to enhance or protect the Council’s legal position or interest.</p> <p>4.2 To recommend to the Head of Legal and Commercial Services, the negotiation and settling of claims and disputes without recourse to court proceedings including the use of alternative dispute resolution.</p> <p>4.3 Subject to the agreement of the Head of Legal and Commercial Services, to authorise Officers to appear on the Council’s behalf in proceedings before any Court or Tribunal.</p> <p>4.4 To prepare, issue and serve any statutory notice, demand, certificate, order, or requisition for information in respect of functions in their area, including the authentication of such documents save that the authentication of documents necessary for any legal procedure or proceedings is reserved to the Head of Legal and Commercial Services.</p> <p>...</p> <p>4.12 To accept, hold and administer any property on trust (in consultation with the Head of Legal and Commercial Services and S151 Officer).</p> <p>...</p> <p>8.2 Powers to take any action or sign any document under the Land Registration Rules, including the release of mortgages or charges; and</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

<p>powers to give any undertaking are reserved to the Head of Legal and Commercial Services.</p> <p>...</p> <p>12.2.2 complaints that have been brought against the Council under any of its internal complaints procedures in conjunction with the Head of Legal and Commercial Services.</p> <p>...</p> <p>13.2 The Common Seal will be affixed to those documents which in the opinion of the Head of Legal and Commercial Services should be sealed or where required by the Contract Procedure Rules in Part 3.</p> <p>13.3 The affixing of the Seal on documents shall be attested by the Head of Legal and Commercial Services or any Officer authorised by him/her.</p>	
<p>Section G3 – Scheme of Delegation</p> <p>2 Functions delegated to the S151 Officer (Head of Finance)</p> <p>...</p> <p>3 Functions delegated to the Monitoring Officer (Head of Legal and Commercial Services)</p>	<p>Needs to change to Strategic Director for Resources rather than Head of Finance.</p> <p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

Part 2 – Section G3 – Scheme of Delegation

Table of designated Proper Officers

Statutory Requirement	Allocated to	Substitute	Change
<p>Local Government Act 1972 Section 151 Chief Finance Officer</p>	<p>Head of Finance (Section 151 Officer)</p>	<p>Deputy S151 Officer</p>	<p>Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add Head of Finance as the Deputy S151 Officer</p>

S5 Local Government and Housing Act 1989	Designate one of their Officers as the Monitoring Officer	Head of Legal and Commercial Services	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
S36 Freedom of Information Act 2000	Qualified person in relation to s36 of the Act	Head of Legal and Commercial Services	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.

Part 2 – Section G3 – Scheme of Delegation

Table of Specified Officers

Section of the Local Government Act 1972 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer	Change
Section 83 (1) to (4) Witness and receipt of Declarations of Acceptance of Office	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 84 Receipt of Declaration of Resignation of Office	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.

<p>Section 86 Declare any vacancy in office</p>	<p>Chief Executive</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 88 (2) Convening of meeting of Council to fill casual vacancy in the office of Chair</p>	<p>Chief Executive</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 89 (1) (b) Receipt of notice of casual vacancy from two local government electors</p>	<p>Chief Executive</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 99 Signature of summons to council meetings</p>	<p>Chief Executive</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 100B Exclusion of reports, etc. from inspection</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Legal Team Manager and Deputy Monitoring Officer</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

<p>Section 100C Written Summary where minutes would disclose exempt information</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Legal Team Manager and Deputy Monitoring Officer</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 100D Compilation of list of background papers</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Legal Team Manager and Deputy Monitoring Officer</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 100F Exclusion from production to Councillors of documents disclosing exempt information</p>	<p>Head of Legal and Commercial Services (Monitoring Officer)</p>	<p>Legal Team Manager and Deputy Monitoring Officer</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Section 115 (2) Receipt of money due from officers</p>	<p>Head of Finance (Section 151 Officer)</p>	<p>Deputy S151 Officer</p>	<p>Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add Head of Finance as the Deputy S151 Officer</p>
<p>Section 146 (1) (a) and (b) Declarations and service with regard to securities</p>	<p>Head of Finance (Section 151 Officer)</p>	<p>Deputy S151 Officer</p>	<p>Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add</p>

			Head of Finance as the Deputy S151 Officer
Section 191 Functions with respect to Ordnance Survey	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 223 Authorise Officers to appear in legal proceedings	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 225 (1) Receipt and retention of documents deposited with the Authority	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 228 (3) Making accounts open to inspection by any Councillor of the Authority	Head of Finance (Section 151 Officer)	Deputy S151 Officer	Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add Head of Finance as the Deputy S151 Officer
Section 229 (5) Certification of Photographic copies of	Head of Legal and Commercial Services	Strategic Directors	Needs to change to Head of Legal and Support

Documents	(Monitoring Officer)		Services rather than Head of Legal and Commercial Services.
Section 234 Authentication of Documents	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 236 (9) and (10) To send copies of byelaws to Parish Council	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 238 Certification of byelaws	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 248 Officer who will keep the Roll of Freemen	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Schedule 12, Para 4 (2) (b) Signature of summonses to Council Meetings	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial

			Services.
Schedule 12, Para 4 (3) Receipt of notice regarding address to which summonses to meetings are to be sent	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Schedule 14, Para 25 (7) Certifying resolutions applying or dis-applying provisions of Public Health Acts 1875-1961	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Local Government Act 1974	Proper Officer	Alternative Proper Officer	Change
Section 30(5) To give notice that copies of an Ombudsman's report are available	Chief Executive	Head of Legal and Commercial Services (Monitoring Officer)	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section of the Local Government (Access to Information) Act 1985 amending the Local Government Act 1972 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer	Change
Section 100B (2) Exclusion of whole or part of reports from public inspection	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of

			Legal and Commercial Services.
Section 100B (5) Withholding of reports containing exempt information	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 100B (7) (c) Supply of papers to press	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 100C (2) Summaries of Minutes	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 100D Inspection of background papers	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Section 100F Councillors' right to papers	Head of Legal and Commercial Services (Monitoring Officer)	Strategic Directors	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.

Section of the Local Government Finance Act 1988 and Proper Officer's Functions	Proper Officer	Alternative Proper Officer	Change
Section 114 Duty to report etc	Head of Finance (Section 151 Officer)	Deputy S151 Officer	Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add Head of Finance as the Deputy S151 Officer
Section of the Freedom of Information Act 2000 and Proper Officer Functions	Proper Officer	Alternative Proper Officer	Change
Section 36 the "qualified person"	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.
Miscellaneous: Statutory Provision and Proper Officer Functions	Proper Officer	Alternative Proper Officer	Change
Section 41 Local Government (Miscellaneous Provisions) Act 1976 Certifying true copies of minutes	Head of Legal and Commercial Services (Monitoring Officer)	Legal Team Manager and Deputy Monitoring Officer	Needs to change to Head of Legal and Support Services rather than Head of Legal and

			Commercial Services.
Proceeds of Crime Act 2002 Part 7 Nominated Officer to receive disclosures of suspected Money Laundering	Head of Finance (Section 151 Officer)	Deputy S151 Officer	Needs to change to Strategic Director for Resources rather than Head of Finance. Need to add Head of Finance as the Deputy S151 Officer

Current wording	Change
<p>Part 3 – Section F – Finance Procedure Rules 1.1.4 To avoid the need for regular amendment due to changes in post titles generic terms are included for Officers as follows:</p> <p>a) The term, “S151 Officer,” refers to the Section 151 Officer who is currently the Council’s Head of Finance.</p> <p>b) The term, “Chief Officers”, refers to the Council’s Chief Executive and Strategic Directors.</p> <p>c) The term, “Monitoring Officer”, refers to the Head of Legal and Commercial Services.</p>	<p>Needs to change to reflect that there will be three strategic directors and one of them will be the S151 Officer.</p> <p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Part 3 – Section G (Contract Procedure Rules) 5.11. The authority to award a contract (i.e. decide that the contract should be given to a particular supplier) is separate from authority to sign the contract. Contracts under which the Council will be liable for sums up to £50,000 may be signed by any Officer (or awarded by issuing a purchase order) provided that the contract value does not exceed their financial authorisation. All contracts above £50,000 must be signed by the Head of Legal and Commercial Services or their appointed nominee.</p> <p>...</p> <p>13.1. Every procurement which exceeds £50,000 in value shall be a formal contract in writing and signed by the Head of Legal and Commercial Services or his/her nominee. The procuring Officer should seek the advice of Legal Services at the earliest opportunity in this regard.</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

<p>13.2. Such contract shall, unless the Head of Legal and Commercial Services deems it disproportionate: ...</p> <p>14.3. The Head of Legal and Commercial Services may agree the variation or novation of any contract originally awarded under delegated authority. The variation or novation of a contract originally awarded by the Cabinet shall only be agreed by the Cabinet, save to the extent that such variation is of a minor nature or accounted for in the contract.</p>	
<p>Part 4 – Section C – Protocol on Councillor / Officer Relations</p> <p>5.12 Councillors may be entitled under the Freedom of Information Act 2000 (“FOI”) to receive information which falls outside their common law rights based on the “need to know”. Strategic Directors will seek to enable the supply documents to Councillors without the need for a formal FOI request if it is apparent from the Councillor’s enquiry that any individual would be entitled to receive such documentation. The Council’s Head of Legal and Commercial Services will be able to advise on whether any request would fall within FOI.</p> <p>...</p> <p>6.8 If a Councillor requires any advice regarding confidential information he/she should consult the Head of Legal and Commercial Services.</p> <p>...</p> <p>12.1 If there are any issues of concern, which are not dealt with by this protocol, then the relevant Councillor or Officer may discuss the matter with the Chief Executive, Strategic Directors, Head of Legal and Commercial Services or the Head of Human Resources and Organisational Development, as appropriate, with a view to advice being provided.</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>
<p>Part 5 – Councillors’ Allowances Scheme</p> <p>Section 1 - NWLDC Councillors’ Allowances Scheme</p> <p>5. Renunciation</p>	<p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

<p>A Councillor may by notice in writing given to the Head of Legal and Commercial Services, elect to forego any part of his/her entitlement to an allowance under this scheme.</p> <p>....</p> <p>3. RENUNCIATION</p> <p>Any Councillor not wishing to claim the basic allowance or special responsibility allowance MUST NOTIFY THE HEAD OF LEGAL AND COMMERCIAL SERVICES IN WRITING.</p>	
<p>Part 6 – Glossary of Terms</p> <p>Designated Officers – For the purposes of Officer delegated powers within this Constitution, the term “Designated Officer” shall include the following Officers:</p> <ul style="list-style-type: none"> • Chief Executive • Strategic Directors • S151 Officer • Heads of Service <p>...</p> <p>Head of Legal and Commercial Services - See Monitoring Officer below.</p> <p>...</p> <p>Monitoring Officer - The Council Officer charged with ensuring that everything that the Council does is fair and lawful. The Monitoring Officer is currently the Head of Legal and Commercial Services.</p>	<p>Remove separate reference to S151 Officer as covered under reference to Strategic Directors.</p> <p>Needs to change to Head of Legal and Support Services rather than Head of Legal and Commercial Services.</p>

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	PAY POLICY STATEMENT 2023/4	
Presented by	Councillor Richard Blunt Leader of the Council	
Background Papers	Personal files of employees (confidential) and information held on the I-Trent software system.	Public Report: Yes
Financial Implications	No direct additional financial implications.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	This report is in line with the requirements of section 38 of the Localism Act 2011.	
	Signed off by the Deputy Monitoring Officer: Yes	
Staffing and Corporate Implications		
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	The Council is required by the Localism Act 2011 to prepare and approve a pay policy statement in respect of each financial year, before the commencement of that financial year. This report has been produced to provide the relevant information	
Recommendations	THAT COUNCIL APPROVES THE COUNCIL'S PAY POLICY STATEMENT 2023/24, AS ATTACHED AT APPENDIX 1 OF THIS REPORT.	

1.0 BACKGROUND

- 1.0 Under Section 38 of the Localism Act 2011, the Council is required to produce a Pay Policy Statement for each financial year, which must be approved by full Council before the beginning of the financial year to which it relates.

- 1.1 The Statement must set out the Council's policies in relation to:
- Senior Officers
 - Its lowest paid employees; and
 - The relationship between the pay of Senior Officers and the pay of other employees
- 1.2 For the purposes of this statement 'pay' includes basic salary, bonuses and all other allowances arising from employment.
- 1.3 The proposed pay policy statement attached sets out the Council's policy and explains the processes that apply to performance management and assessment. The Policy Statement also details the other benefits payable to Senior Officers and the approach to the engagement of Interim Senior Officers who may be in receipt of a previous public sector pension.
- 1.4 In accordance with the requirements of the Localism Act 2011, the statement details the Council's pay multiple, which is the relationship between the median average pay of the Council's workforce compared to the salary of the most Senior Officer (the Chief Executive).
- 1.5 Members are advised that should the management restructuring report being considered at item 15 of this Council meetings agenda is approved then an additional Director post on the same terms and conditions will be added to this pay policy statement, the Monitoring Officer will receive an additional payment of £5,000 per annum for the statutory officer role.

APPENDIX 1.

Pay Policy Statement 2023/24

1.0 Introduction

1.1 This Statement sets out the Council's policies in relation to the pay of its workforce, particularly its Senior Officers, in line with Section 38 of the Localism Act 2011. In accordance with that Act, the Statement is required to be approved by Full Council each year. The statement will be published on the Council's website. The Council is committed to an open and transparent approach to the pay and benefits that apply to its workforce.

1.2 This Statement sets out the Council's policies relating to the payment of the workforce particularly:

- Senior Officers
- Its lowest paid employees.
- The relationship between the pay of Senior Officers and the pay of other employees

1.3 For the purposes of this statement 'pay' includes basic salary, bonuses and all other allowances arising from employment.

2.0 Objectives of this Statement

2.1 This Statement sets out the Council's key policy principles in relation to pay. The Council has employment law and contractual responsibilities in relation to the pay and benefits of its existing employees and these have been considered when formulating the Statement.

2.2 This Statement aims to ensure the Council's approach to pay and benefits attracts and retains a high performing workforce whilst ensuring value for money. It sits alongside the information on pay that the Council already publishes as part of its responsibilities under the Code of Practice for Local Authorities on Data Transparency.

3.0 Basic Salaries of Senior Officers

3.1 For the purposes of this Statement, Senior Officers are defined as those posts paid on Chief Executive or Chief Officer conditions of service.

3.2 In North West Leicestershire District Council twelve posts (see paragraph 3.5) are engaged under Chief Executive or Chief Officer terms and conditions of service. The Council has three relevant salary bandings – the Chief Executive Band, which applies to one post, a Director Band which applies to two posts, and a Head of Service Band which applies to nine posts.

- 3.3 The following posts are determined to be statutory, Chief or Deputy Chief Officer posts in the Council: - Chief Executive (Head of Paid Service and Returning Officer), Strategic Directors – (2), Head of Legal and Commercial Services (Monitoring Officer), Head of Finance (S151 Officer), Head of Human Resources and Organisation Development, Head of Housing, Head of Planning and Infrastructure, Head of Community Services, Head of Regeneration and Property, Joint Strategic Planning Manager (Jointly funded Partnership post, but an employee of North West Leicestershire District Council).
- 3.4 There have been changes to the senior team during 2022/23 – the former Chief Executive left the role in April 2022; an Interim Chief Executive was engaged for the period May to August and the permanent replacement started in August 2022. The Head of Finance commenced in April 2022 and left in September 2022. An interim Head of Finance was appointed in October 2022. The Head of Housing retired in June 2022 and an Interim Head of Housing commenced at that time. An appointment to the permanent post of Head of Housing was made by the Appointments Committee at the end of January 2023.
- 3.5 It should be noted for completeness that two other posts at Service Manager Level are Deputy Chief Officers within the definition applied to the Council's Constitution because of their functions within the Council as Deputy Monitoring Officer and Deputy Finance Officer. Their information has not been included within this statement because they are not engaged on Chief Officer terms and conditions of service.
- 3.6 The Heads of Service are all located within a salary range £60,555 to £70,248 (9 incremental points), The Director salary range is £82,522 to £92,228 (6 incremental points) and the Chief Executive Salary range is £126,662 to £135,469 (4 incremental points).

The cost-of-living increase for the 2022/23 financial year was agreed at national level for the Chief Executive, Chief Officers and all other pay bands in November and December 2022. This involved a flat rate increase lump sum (irrespective of salary banding) of £1,925 per annum. The structuring of the pay increase meant an overall “bottom loading” of the cost of living increase as the lump sum represented a higher percentage increase in gross pay for those employees on the lower salary scales.

Negotiations are currently underway at national level to determine the pay awards for the financial year 2023/24.

- 3.7 The salaries of all Senior Officers have been set previously by formal meetings of elected members. The Chief Executive's salary level was reviewed as part of the decision to recruit to the post in 2017 and again in 2022.
- 3.8 A member review of the salaries of the Heads of Service last took place in 2011. The Directors and Heads of Service are all subject to a continuous appraisal process and are required to report on their progress against the Council

Delivery Plan and performance indicators to the Corporate and Community Scrutiny Committees and Cabinet on a quarterly basis.

- 3.9 Increments for all employees including Senior Officers are paid on an annual basis until the maximum of the scale is reached. The Chief Executive, or her nominated representative, has the discretion to award and withhold increments of officers' dependant on satisfactory or unsatisfactory performance. The Council's policy is to appoint senior officers at the minimum point of the salary band unless experience or market factors and conditions necessitate an appointment at a higher incremental point on the scale. The overriding consideration is to appoint the best person for the job.

4.0 Car Allowance payments made to Senior Officers

- 4.1 It is a requirement of the contracts of all Senior Officers that they be on a call-out rota to be available for Service Emergencies or to act in the event of a civil, local, or national emergency. The rota offers 24/7 365 days a year cover.
- 4.2 Due to the need to respond to emergencies out-of-hours and being on-call, Senior Officers have either a Car Lease or car allowance.
- 4.3 The annual car leasing value to Senior Officers varies depending on the year renewal date of their vehicle and the relative value of "benchmark" vehicles in the Car Leasing scheme, which change from time to time. The actual current Council contributions range between £3,003 and £3,188 per annum (for the Senior Officers in this Statement).
- 4.4 All Officers with a lease car are tied to a 4-year contract, with penalties payable if they terminate the contract prematurely. Officers are responsible for their own car insurance and petrol / diesel costs. If Officers with a lease car use the car for business mileage, they are reimbursed at 16.6p per mile. This rate is reviewed periodically by reference to the National Conditions of Service petrol element. This mileage rate has not changed during the 2022/23 financial year.

5.0 Local Government Pension Scheme

- 5.1 All Council employees may join the Local Government Pension Scheme. The Scheme is a statutory scheme with contributions from employees and from employers. For more comprehensive details of the local government pension scheme see: <http://www.lgps.org.uk/>
- 5.2 Neither the Scheme nor the Council adopt different policies regarding benefits for any category of employee and the same terms apply to all staff. The Council policies relating to pension discretions were reviewed and updated in a report to Council in September 2018. The reviewed discretions apply to all employees (and former employees) in the workforce equally. The Council will consider each case on its merits. There is no scope for the discretions to be applied more favourably to Senior Officers.

5.3 The Local Government Pension Scheme (LGPS) is an optional benefit. If senior officers are members of the scheme the employee contribution rates range between 8.5% and 11.4%. The Council also makes a contribution to the LGPS if officers join at a rate of 21.5% of salary.

6.0 Professional Fees

6.1 The Council reimburses the cost of professional fees for Senior and other Officers where it is essential to the performance of the job role.

7.0 Election fees

7.1 In accordance with the national agreement the Chief Executive and some senior officers are entitled to receive and retain the personal fees arising from performing the duties of returning officer, acting returning officer, deputy returning officer or deputy acting returning officer or similar election support roles.

7.2 Fees for returning officer and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and other electoral processes such as referenda. As these relate to performance and delivery of specific elections duties, they are distinct from the process for the determination of pay for Senior Officers. The fees are set externally by legislation and based on a formula linked to the number of electors.

8.0 Employment Stability Policy

8.1 The Council has previously determined that its "Employment Stability Scheme" will apply to all employees of the Council including Senior Officers. The Employment Stability Policy provides that actual weekly pay will be used when calculating an employee's redundancy payment and the number of redundancy weeks payable is the statutory number of weeks redundancy multiplied by a factor of 1.5. This means that the maximum number of weeks payable, depending on age and service, is forty-five. The National Local Government Pension Scheme Regulations provide those employees aged over 55 years of age gain automatic payment of their pension if they are made redundant by the Council and there can then be an associated pension Capital cost payable by the Council.

8.2 The Employment Stability Policy also includes the potential for any employee (including Senior Officers) who is at risk of being made redundant to receive salary protection for three years on a stand-still basis if they are redeployed to a lower graded post. It should be noted that in practice, this is a very rare occurrence and would be subject to the necessary approvals in line with the Council's constitution.

9.0 Whole-time service

9.1 All Senior Officers are expected to devote the whole of their service to the Authority and are excluded from taking up additional business, ad hoc services, or additional appointments without consent. Officers at a senior level are

restricted from being involved in specified political activities, and all employees of the Council are bound by a code of conduct. Senior Officers are expected to work the hours required to complete the job, subject to a minimum of 36.25 hours per week. No additional payments are normally made for out-of-hours working, and there is an expectation that Senior Officer Roles will include on-call and out-of-hours meetings and duties. The hybrid working scheme introduced across the Council in December 2021 applies to Senior Officers subject to the minimum requirements.

10.0 Other Benefits

10.1 The Senior Officers' terms and conditions of Service are determined at National level according to the following frameworks: National Joint Council for Chief Executives Conditions of Service National Joint Council for Chief Officers Conditions of Service. These frameworks provide the details of conditions of service such as annual leave, sick pay, maternity allowances, training, and development etc.

11.0 Pay Relationships

11.1 The Localism Act 2011 requires the Council to set out its policy relating to the relationship between the pay of its Senior Officers and the pay of the rest of its employees. The Council has not previously set its pay structure of any group of employees by reference to a pay multiple. The Council has previously set the pay rates for different groups through processes of job evaluation, market comparability and the prevailing economic and market conditions. These can vary enormously from time to time and between the many occupational groups comprising the Council's workforce.

11.2. Pay of the Council's Lowest Paid Employees. The Council has defined its lowest paid employees as those on the lowest pay grade the Council operates, who are not undergoing an apprenticeship. The Council agreed to pay the "Voluntary Living Wage" rate as a minimum wage figure in April 2014, and this rate was updated in September 2022 to £20,603 per annum.

11.3 The Localism Act requires Councils to calculate the pay multiples between the highest and lowest earners. The median average pay of the Council's workforce in February 2023 (including overtime payments) was £27,852 per annum which, when compared to the salary of the most highly paid Senior Officer at £126,662 per annum, produces a pay multiple factor of 4.54. The ratio has decreased slightly from last year when the ratio was 5.24. This change is due to the appointment of the new Chief Executive at a different point on the salary range, and the impact of the fixed amount pay increase which was applied across all levels of the workforce including the Chief Executive, which had the effect of providing a relatively higher percentage increase for employees in the lower bands of the salary scales.

12.0 Approach to pensioners and Interim Managers

- 12.1 The Localism Act requires an explanation of the Council's policy in relation to the arrangements that might apply where it could appear that the public sector is paying an individual twice through a salary and a pension for doing the same job. This Council's view is that it is not good value for money for the taxpayer to make a person redundant (and pay a pension if they are aged 55 years and over) for them to then return to the same job. The Council will not condone this approach. However, it should be noted that there may be circumstances where the Council may employ individuals who are in receipt of a public sector pension for new roles where they are the best person for the job. An example of this may be the employment of ex-services or "blue-light" personnel, to a different role in this Council. There might be risks of age or disability claims if the Council was to adopt a contrary position.
- 12.2 The Council has used Interim Managers to fill short-term vacancies or to undertake specific projects where there are capacity issues, or a shortage of a particular skill set within the Council's own workforce. This may mean that the Council could engage Interim Managers who are in receipt of a public sector pension from other previous employment where an appropriate assessment has been completed on the value-for-money of the proposed arrangement for the Council. Such assessments will be completed by the Head of the Paid Service in consultation with the Leader of the Council.
- 12.3 Interim chief officer managers are recruited through an executive search provider. Their appointment is delegated to the Head of Paid Service (the Chief Executive) in the constitution. The pay arrangements are set according to market conditions at the time, and may include direct employment by the Council, or engagement through an employment agency, or via an approved HMRC umbrella company. Interims are engaged for short term periods to support the work of the Corporate leadership Team when posts are temporarily vacant.

13.0 Review and Changes

- 13.1 The Council will review this Statement annually, or if amendments need to be made before the date of the scheduled review, in year to Full Council. Any significant amendments or changes to the legislation which may affect the pay and benefits of Senior Officers will be determined according to the Council's constitution or legislation by the relevant Committee / Panel / Council meeting.

Policies and other considerations, as appropriate	
Council Priorities:	<p>The senior management team is key to the delivery of all the Council's priorities.</p> <ul style="list-style-type: none"> - Supporting Coalville to be a more vibrant, family-friendly town - Support for businesses and helping people into local jobs - Developing a clean and green district - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	Pay policy for senior officers.
Safeguarding:	None
Equalities/Diversity:	No direct considerations.
Customer Impact:	The senior management team are ultimately responsible for the Customer impacts of the Councils work.
Economic and Social Impact:	None
Environment and Climate Change:	None
Consultation/Community Engagement:	The report has been provided to the recognised trade unions.
Risks:	Detailed in the corporate risk register..
Officer Contact	<p>Mike Murphy Head of Human Resources and Organisation Development mike.murphy@nwleicestershire.gov.uk</p>

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	GENDER PAY GAP REPORT 2022	
Presented by	Councillor Robert Ashman Deputy Leader	
Background Papers	Held in room 125 of the Council Offices and on the I-Trent HR/Payroll system. Some of the papers are confidential because they relate to individual employees	Public Report: Yes
Financial Implications	The are no direct financial implications arising for the Council in this report.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	This report is in line with the requirements of S78 Equality Act 2010 and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications		
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	The Council is required by the Equality Act 2010 (section 78) and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish gender pay gap information, by reporting the percentage differences in pay between male and female employees. This report has been produced to provide the relevant information in accordance with the provisions of the Act.	
Recommendation	THAT THE REPORT BE NOTED AND REPORTED TO GOVERNMENT.	

1.0 BACKGROUND

- 1.1 Under Section 78 of the Equality Act 2010 and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017/172, the Council is required to publish and report percentage differences in pay between its male and female employees. The figures are based on specific reference date (snapshot date) on **31 March 2022**.

1.2 The following information must be published on the Council’s website and will also be reported to and published by central government.

- **Mean Gender Pay Gap** – The mean pay gap is the difference between average hourly earnings of males and females.
- **Median Gender Pay Gap** – The median pay gap is the difference between the midpoints in the ranges of hourly earnings of males and females. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middlemost salary.
- **Mean bonus Gender Pay Gap** - The difference between the mean bonus pay paid to male employees and that paid to female employees
- **Median bonus Gender Pay Gap** – The difference between the median bonus pay paid to male employees and that paid to female employees
- **Proportion of males and females receiving a bonus payment** – The proportion of male and female employees who were paid bonus pay during the period
- **Proportion of males and females in each pay quartile** – The proportion of male and female full-pay employees in the lower, lower middle, upper middle and upper quartile pay bands.

1.3 The Gender pay gap is a measure of the difference between male and female average earnings across the organisation. This is different to the Equal Pay reporting, which aims to ensure that men and women are not paid differently for doing the same or similar work. The intention behind gender pay gap reporting is to increase transparency of the differences in pay between males and females in the workplace with the aim of closing the gender pay gap.

2.0 RESULTS

2.1 A summary of this Council’s results are as follows;

- **Mean Gender Pay Gap** – The females’ mean hourly rate was 1.96% lower than males on 31/03/2022
- **Median Gender Pay Gap** – The females’ median pay hourly rate was 0.01% lower than males on 31/03/2022

	Mean (%)	Median (%)
2017	5.3	11.28
2018	1.91	4.44
2019	1.45	3.2
2020	4.13	5.8
2021	2.79	1.26
2022	1.96	0.01

The table shows the changes to the mean and median pay gaps for the Council over a six-year period. After a period of decline in the pay gaps over the three-year period between 2017 and 2019 inclusive, and a rise in 2020 the rates have declined again for the second year in succession.

It is important to emphasise the gender pay data is calculated at a moment in time, so is a snapshot.

It is a requirement under the reporting regulations to state the Council's position in relation to the following factors: -

- **Mean bonus Gender Pay Gap**
Not applicable
- **Median bonus Gender Pay Gap**
Not applicable
- **Proportion of males and females receiving a bonus payment**
Not applicable
- **Proportion of males and females in each pay quartile**

2.2 Gender pay analysis by pay quartile.

	2022		2021		2020	
Quartile	Male (%)	Female (%)	Male (%)	Female (%)	Male (%)	Female (%)
Lower	60	40	62	38	59	41
Lower Middle	45	55	40	60	36	64
Upper Middle	54	46	58	42	55	45
Upper	52	48	52	48	56	44

Commentary on the table and changes over the three-year period: -

- The percentage of females in the lower quartile has increased by 2%.
- The percentage of males in the lower middle quartile has increased over the period, moving from 36% in 2020 to 45% in 2022. This quartile includes employees on scales C and D (see Appendix 2 for the salary band structure) - these roles are predominately occupied by males, such as HGV drivers/crew leader, and street cleansing operatives.
- The Upper middle quartile includes those on salary grades E and some in band F. This quartile also includes most craft employees such as plumbers, electricians etc.

- The upper quartile includes employees on salary grade F and above, which is the majority of professional officers and those in management roles.

2.3 It is important to note that all of the Council's job roles are subject to job evaluation processes, which determine the pay grade for the job based on knowledge, skill and responsibility levels. Therefore, while acknowledging there is a very small gender pay gap, the Council can be confident that males and females are paid equally for doing the equivalent jobs across the Council. A more detailed breakdown of the percentages of females and males by grade is provided at Appendix 1.

3.0 ANALYSIS

3.1 Whilst not complacent about the need to further reduce the current small gender pay gap, there are already a number of measures in place to support female employees:

- The Council introduced the voluntary Living wage in 2014, which had a significant impact on the (largely female) employees engaged in part-time roles in the lower pay scales. This increased to £10.90 per hour in September 2022.
- Options for flexible working are provided for all employees across the Council wherever possible. Since the COVID-19 pandemic when employees were required to work from home, there are now have a significant number of employees undertaking a mix of home and office-based working in accordance with the hybrid working scheme. This has enabled employees' flexibility to work non-traditional work patterns to manage childcare, home schooling etc. while being more flexible about their working hours.
- The Council offers enhanced (national conditions of service) maternity and paternity schemes to support parents to more easily facilitate returns after the birth or adoption of a child.
- A scheme is in place that allows employees to buy additional (unpaid) leave to facilitate more flexibility around caring responsibilities.
- Where this fits with the customer needs, employees have been allowed to move into a flexible retirement situation where they reduce their hours of work and access part of their pension - in some instances this also has the benefit of then creating a part-time development opportunity for other employees in the workforce.
- The Council is working with its apprenticeship providers to try to encourage females into traditionally-male work areas of the workforce as apprentices. The numbers of apprentices overall was reduced during the pandemic period but the numbers of apprentices is now increasing.

Appendix 1

Split of males and females in each pay grade.

Grade	Female (%)	Male (%)
APPRENTICES-Spinal column point 4	75	25
CRAFT APPRENTICES	0	100
A	72	28
B	28	72
C	62	38
D	41	59
BRICKLAYER-Painter- Level 2	0	100
Carpenter	0	100
ELECTRICIAN-Electrician- Level 2	0	100
Plumber	0	100
E	64	36
F	48	52
G	43	57
H	64	36
I	38	62
HOS	25	75
Director	0	100
CEO	100	0
Coach	64	36

Appendix 2

Salary Grades

Salary Band	Minimum Point	Maximum point
A	20,603	21,189
B	21,575	21,968
C	22,369	24,054

D	24,496	27,852
E	28,371	32,020
F	32,909	36,298
G	37,261	41,496
H	42,503	46,549
I	47,573	51,587
Heads of service	60,555	70,248
Directors	82,522	92,228
Chief Executive	126,662	135,469

Policies and other considerations, as appropriate	
Council Priorities:	No specific links to Council priorities.
Policy Considerations:	Links to the Equality and Diversity policy
Safeguarding:	No specific considerations.
Equalities/Diversity:	Detailed in the report.
Customer Impact:	No direct impacts
Economic and Social Impact:	Not applicable.
Environment and Climate Change:	No direct impacts.
Consultation/Community Engagement:	A copy of the report has been provided to the local trade unions.
Risks:	No specific risks.
Officer Contact	Mike Murphy Head of Human Resources and Organisation Development mike.murphy@nwleicestershire.gov.uk

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	REQUEST FROM SWEPSTONE PARISH COUNCIL TO CHANGE ITS NAME TO SWEPSTONE AND NEWTON BURGOLAND PARISH COUNCIL	
Presented by	Councillor Robert Ashman Deputy Leader of the Council	
Background Papers	None	Public Report: Yes
Financial Implications	Minimal officer time has been spent on the application for a name change and the publication requirements will not incur any costs on behalf of the District Council.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The District Council as principal authority is required to consider requests from Parish Council's to change their name. As set out in the report, such requests can be considered without the need for a community governance review.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	There are no staffing and corporate implications	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To approve the change of name of Swebstone Parish Council to Swebstone and Newton Burgoland Parish Council.	
Recommendations	<p>THAT COUNCIL</p> <ol style="list-style-type: none"> 1. APPROVES A CHANGE IN THE NAME OF SWEPSTONE PARISH COUNCIL TO SWEPSTONE AND NEWTON BURGOLAND PARISH COUNCIL 2. DELEGATES AUTHORITY TO THE HEAD OF LEGAL AND COMMERCIAL SERVICES TO MAKE ANY NECESSARY LEGAL ORDERS AND NOTIFICATIONS TO ENACT THE ABOVE CHANGES 	

1.0 BACKGROUND

- 1.1 Section 75 of the Local Government Act 1972 states that at the request of a Parish Council, the Council of the District in which the parish is situated may change the name of the parish. There is no requirement for a Community Governance Review.
- 1.2 At its meeting on 20 July 2022, Swebstone Parish Council agreed to look into the process to change its name.
- 1.3 There is no requirement for any public consultation to take place but the Parish Council placed a notice of its proposal in the parish newsletter, which was delivered to every household in the Parish and notices were placed on the notice boards. No comments were received.
- 1.4 At its meeting on 16 November 2022, Swebstone Parish Council agreed to ask that the District Council considers a request to change its name. The Parish Council would like to change its name to Swebstone and Newton Burgoland Parish Council as it feels that this

is a better reflection of the area it represents. The minutes from the November meeting are attached at appendix A (Minute number 146/2022).

2.0 NEXT STEPS

- 2.1 Should the Council be minded to approve the change of name of the Parish Council, notice of that change is required to be sent to the Secretary of State for the Department for Levelling Up, Housing and Communities, the Director General of the Ordnance Survey, Registrar General and the Local Government Boundary Commission for England. It also must be published in the parish and in an appropriate manner elsewhere. A draft copy of the notice is attached at appendix B.
- 2.2 Should the change be approved, it is proposed that the name change shall be implemented from 1 March 2023. This is the next practical date which the Electoral Register can be updated and republished so that the new name can be in use in time for the District and Parish Elections in May 2023.
- 2.3 A change of name of the Council would not affect any rights or obligations of the parish nor render defective any legal proceedings which may be commenced or continued as if there had been no change of name.

Policies and other considerations, as appropriate	
Council Priorities:	Supporting Coalville to be a more vibrant, family-friendly town Support for businesses and helping people into local jobs Developing a clean and green district Local people live in high quality, affordable homes Our communities are safe, healthy and connected
Policy Considerations:	Not applicable
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	Not applicable
Economic and Social Impact:	Not applicable.
Environment and Climate Change:	Not applicable
Consultation/Community Engagement:	The report details the consultation that was carried out.
Risks:	There are no risks to the Council.
Officer Contact	Elizabeth Warhurst Head of Legal and Commercial Services elizabeth.warhurst@nwleicestershire.gov.uk

SWEPSTONE PARISH COUNCIL

Meeting Minutes 16th November 2022

Held at: Church Hall, Swebstone

Present

Chairman: A. Milner

Councillors: N. Makin, B. Sumner, J. Coleman

Clerk: K. Stirk

Members of the Public

133/2022 APOLOGIES FOR ABSENCE

Apologies were received and accepted from Cllr. Cook.

134/2022 LOCAL POLICING REPORT

17/10/2022 – Main Street, Swebstone – two vehicle RTC

Clerk to continue to invite a local police officer to the Parish Council meetings.

135/2022 PUBLIC PARTICIPATION

A complaint was received about the poor lighting on Church Street, Swebstone with no lighting on the stretch between Chantry Cottage and the barns.

Resolution: Clerk to contact L.C.C.

A concern was raised about the lack of algae warning signs at the entrances to the Cattows' lake.

Resolution: Clerk to enquire if it is a legal requirement to display warning signs.

A request was received for donations of tombola items for the Community Tree Festival.

Resolution: Several residents promised to deliver items.

136/2022 DECLARATIONS OF INTEREST

None.

137/2022 MINUTES

The council confirmed the minutes of the last Parish Council Meeting in October 2022 were an accurate representation of the meeting.

138/2022 MATTERS ARISING FROM THE MINUTES

There were no matters arising from the minutes that needed to be readdressed or placed as a formal agenda item from the October meeting.

MONTHLY PROGRESS REPORT

- The clerk reported the overgrown hedgerow and pathway on Sweptstone Road had been cut back and cleared by the P.C. handyman.
Resolution: Residents wish to thank handyman for a great job. Clerk to thank handyman on behalf of residents and P.C.
- Following concerns about slowing traffic during Halloween on Sweptstone Road by Cattows normal entrance gateway, the clerk reported L.C.C. Highways would not assist due to no traffic accidents occurring.
Resolution: P.C. to discuss at August 2023 agenda.
- Clerk reported final paperwork for the transfer of the Nethercote land would not be received until 2023.
- Concerns had been raised about speeding and overloaded potato tractors travelling through Newton Burgoland.
Resolution: Clerk to advise residents to report incidents to the police immediately, in the August 2023 newsletter.
- It was reported that the manhole cover and stop cock cover in Sweptstone had still not been replaced
Resolution: Clerk to contact STW.
- The Chairman reported the new resident on Main Street would supply electricity for the Newton Burgoland xmas tree lights.
Resolution: Clerk to send thank you to resident after xmas.
- It was confirmed that Cattows were donating two xmas trees for our villages again.
Resolution: It was agreed Cllr. Milner make 'Donated by' signs for the xmas tree sites. Cllr. Milner to photograph the trees, clerk then to thank Cattows.
- In an attempt to cut back hedgerow behind telephone swap library in Newton Burgoland, no reply had been received from landowner.
Resolution: Clerk to contact landowner for permission to trim back the hedgerow.
- The reported flytipping sites had not been cleared by NWLDC.
Resolution: Clerk to chase NWLDC.
- Following a request by Heather Guides & Brownies to plant a tree as part of the late Queen's canopy.
Resolution: It was agreed the tree could be planted by the bench, midway between Newton Burgoland and Sweptstone.
- It was reported flooding at the bottom of Francis Lane was now a regular occurrence.
Resolution: Clerk to arrange a meeting with landowners, Cllr and handyman with a view to clearing out old ditch. Then to contact LCC to clear drains.
- It was reported the winter no vehicles signage for the Green lane, Newton Burgoland had not been installed.
Resolution: Clerk to chase the promised signage.

140/2022 ACCOUNTS FOR PAYMENT

Schedule of Payments were agreed for on-line payment.

- DGBM Newsletter
- Clerk's Expenses
- Geoff Cantwell – Handyman/Mowing Services
- Swepstone Church – Contribution towards mowing
- NWLDC – Daffodil Bulbs
- Lois Pugsley – The Green Planter Plants
- Jenny Eades – Meadow Close Corner Planter Plants
- Cllr. Sumner – Big Switch On Mince Pies & Drinks

Councillors heard the current balance and agreed payment of invoices.
Monthly bank reconciliation agreed and signed.

141/2022 PLANNING MATTERS

None.

142/2022 CORRESPONDENCE

A request for planters under both village signs on Main Street, Swepstone.

Resolution: Clerk to contact resident about the issues of watering & planting.

To be discussed further at December meeting.

A request for P.C. to arrange King's Coronation celebration.

Resolution: To be discussed at the January 2023 meeting.

143/2022 CPR STRATEGY/DEFIBRILLATOR TRAINING

The clerk informed the meeting the cost of a new defibrillator is £1270 & vat.

Resolution: It was agreed to purchase the defibrillator, clerk to place order.

144/2022 FUTURE EVENTS

King's Coronation celebration.

Resolution: Agreed to be discussed further at January 2023 meeting.

145/2022 VILLAGES' MAINTENANCE

Missing/damaged entrance to footpath signs.

Resolution: Clerk to contact NWLDC footpaths officer with sites of missing signs.

New Planters.

Resolution: It was agreed for clerk to finalise quotation for the agreed planters.

Clerk to measure for possible future planters under village signs on Main Street, Swepstone.

Reported overgrown hedgerow between field & The Dairy properties on Newton Road, Swepstone.

Resolution: Clerk to investigate owner of the hedgerow.

Uneven brick path leading to Church Hall, Swepstone.

Resolution: Clerk to contact Church Warden about P.C. contributing to cost of relaying and tidying area under defibrillator with bricks.

- 146/2022 PARISH COUNCIL NAME CHANGE**
It was agreed to go ahead with administration to change name to Sweystone and Newton Burgoland Parish Council.
Resolution: Clerk to begin the process.
- 147/2022 COMMUNITY SPEEDWATCH**
Clerk reported no more volunteers had come forward. It was agreed to contact possible Sweystone resident about becoming the 6th volunteer.
Resolution: Clerk to contact the resident.
- 148/2022 SWEPSTONE TO NEWTON BURGOLAND PATHWAY**
It was agreed the project would be beneficial to all residents if funding could be sourced.
Resolution: Item to remain on agendas, with possible grant funding from LCC in Spring 2023.
- 149/2022 NEWTON BURGOLAND OUTREACH POST OFFICE**
Further investigation had proved the service was unreliable.
Resolution: Clerk to report to the Post Office Head Office with copy correspondence to NWLDC Cllr. R. Blunt.
- 150/2022 CONGREGATIONAL CHURCH CLOCK**
It was agreed to go ahead with the quotation for repair of the clock.
Resolution: Congregational Church Warden to action the repair.
- 151/2022 CASUAL VACANCY & CO-OPTING NEW COUNCILLORS**
Cllr. Sumner handed her immediate resignation to the Chairman, which was accepted. The Chairman thanked Cllr. Sumner for all her dedication and hard work carrying out the aim of the Parish Council to improve the environment for all residents.
Resolution: Clerk to notify the Proper Officer at NWLDC and advertise the vacancy in the newsletter, notice boards and website.
- 152/2022 REQUEST TO SUPPORT WINTER WARM SPACES**
It was agreed to contribute towards the 'Winter Warm Spaces' by buying biscuits for the event at the Belper Arms.
- 153/2022 REPORTS FROM COUNCILLORS**
Complaints received about pea gravel on Main Street pavement, Newton Burgoland, causing a hazard.
Resolution: Clerk to contact homeowner.
Requests received for better signage for Dames Lane, Newton Burgoland. It was agreed signage could be improved to assist emergency services.
Resolution: Clerk to contact LCC to request improvements.
It was requested that the P.C. write a report about its last twelve months achievements.
Resolution: Clerk to write report for the January Newsletter.
Complaint received about waste plastic escaping waste red boxes.
Resolution: Clerk to contact NWLDC about reissuing nets for red waste boxes.

Complaint received about Wraggs Yard hedgerows overgrowing School Lane and Shackerstone Lane.

Resolution: Clerk to obtain quotes.

Complaint about garden waste being dumped in The Roughts.

Resolution: Clerk to contact the landowner about resolving the problem.

It was proposed that useful emails from various public bodies received by the PC could be forwarded to interested residents.

Resolution: Clerk to write an article for the November newsletter.

A request to take down the hanging baskets in Swepstone and Newton Burgoland.

Resolution: Clerk to contact handyman.

Chairman Milner requested more lamp post poppies be obtained for 2023.

Resolution: Clerk to purchase a further 10 Royal British Legion poppies.

154/2022 ITEMS FOR NEXT AGENDA

None.

Chairman Milner thanked everyone for their contributions and closed the meeting.

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NOTICE OF CHANGE OF NAME OF PARISH

**Swepstone and Newton Burgoland Parish Council
(formerly Swepstone Parish Council)**

On 16 November 2022, Swepstone Parish Council resolved to change the name of the parish from Swepstone to Swepstone and Newton Burgoland, following a public consultation.

The Clerk on behalf of the Parish Council made the request to North West Leicestershire District Council pursuant to Section 75 of the Local Government Act 1972 to change the name of the parish.

On XXXX North West Leicestershire District Council resolved to change the name of the parish to Swepstone and Newton Burgoland.

North West Leicestershire District Council gives notice that pursuant to Section 75 of the Local Government Act 1972 that with effect from 1 March 2023 the name of the parish of Swepstone is changed to Swepstone and Newton Burgoland Parish.

Head of Legal and Commercial Services and Monitoring Officer

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	APPOINTMENT OF DEPUTY ELECTORAL REGISTRATION OFFICER	
Presented by	Councillor Richard Blunt Leader of the Council	
Background Papers	Confidential Council Report – Appointment of Chief Executive – 10 May 2022 Council's Constitution Review of the Constitution report – Item 16 of this agenda	Public Report: Yes
Financial Implications	There are no additional financial implications. The Deputy Electoral Registration Officer would not receive any additional payment.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The appointment of the Deputy Electoral Registration Officer will mitigate risks in the event that the Electoral Registration Officer is unavailable as her deputy will be able to make legal judgments regarding the Electoral Register and sign any Temporary Voter Authority Certificates during the election period on her behalf.	
	Signed off by the Monitoring Officer: Yes/No	
Staffing and Corporate Implications	There are no staffing and corporate implications.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	For Council to appoint Deputy Electoral Registration Officers to carry out the duties of the Electoral Registration Officer in their absence.	
Recommendations	<p>THAT:</p> <ol style="list-style-type: none"> 1. THE DEMOCRATIC SERVICES TEAM MANAGER BE APPOINTED AS THE DEPUTY ELECTORAL REGISTRATION OFFICER, WITH THE FULL POWERS OF THE ELECTORAL REGISTRATION OFFICER IN THEIR ABSENCE WITH IMMEDIATE EFFECT 2. THE HEAD OF LEGAL AND COMMERCIAL SERVICES AND THE ELECTORAL SERVICES OFFICER BE APPOINTED AS DEPUTY ELECTORAL REGISTRATION OFFICERS, WITH LIMITED POWERS OF THE ELECTORAL REGISTRATION OFFICER TO SIGN TEMPORARY VOTER AUTHORITY CERTIFICATES ON 4 MAY 2023 	

1.0 BACKGROUND

- 1.1 The appointment of the Electoral Registration Officer is prescribed in Section 8 of the Representation of the People Act 1983. In England, the council of every District and

London borough is required to appoint an officer of the Council to be the Electoral Registration Officer.

- 1.2 The Electoral Registration Officer is an official appointed by the Council to prepare and maintain the Register of Electors. If there were a legal challenge to any act of including, or refusing to include, somebody within the register of electors, it is the Electoral Registration Officer that would convene and conduct the hearing required by statute.
- 1.3 Following the implementation of the Election Act 2022 in November 2022, specifically the introduction of Voter ID, the Electoral Registration Officer is now required to sign Temporary Voter Authority Certificates that can be provided for the five days (including the day of the election) prior to election day.
- 1.4 Unlike Returning Officers, S.52(2) of the Representation of the People Act 1983 provides that the Electoral Registration Officer cannot appoint a deputy themselves, unless power to do so has been delegated to them by Council.

2.0 THE COUNCIL'S CONSTITUTION

- 2.1 Section 7 part 3 of the Council's current constitution has a delegated function for undertaking the duties of Electoral Registration Officer to the Chief Executive. However, there is no delegated power to the Chief Executive, as the Electoral Registration Officer, to appoint a deputy. Therefore, if the Electoral Registration Officer were unavailable, there is currently no contingency.
- 2.2 The report at item 16 of this agenda, which presents the new constitution for adoption by Council, resolves this issue as the scheme of delegation specifically delegates power to the Chief Executive to appoint Deputy Electoral Registration Officers and the Proper Officer table also indicates that the Chief Executive can appoint a Deputy Electoral Officer
- 2.3 Therefore, authorisation is sought from Council for the Chief Executive to appoint the Democratic Services Team Manager as the Deputy Electoral Registration Officer, with the full powers of the Electoral Registration Officer in their absence with immediate effect.
- 2.4 Authorisation is also sought for the Head of Legal and Commercial Services and the Electoral Services Officer to be appointed as Deputy Electoral Registration Officers, with limited powers of the Electoral Registration Officer to sign temporary voter authority certificates on 4 May 2023.

Policies and other considerations, as appropriate	
Council Priorities:	Supporting Coalville to be a more vibrant, family-friendly town Support for businesses and helping people into local jobs Developing a clean and green district Local people live in high quality, affordable homes Our communities are safe, healthy and connected
Policy Considerations:	Not applicable
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	As detailed in the legal implications and risks
Economic and Social Impact:	Not applicable.

Environment and Climate Change:	Not applicable
Consultation/Community Engagement:	Not applicable
Risks:	The appointment of the Deputy Electoral Registration Officer will mitigate risks in the event that the Electoral Registration Officer is unavailable as her deputy will be able to make legal judgments regarding the Electoral Register and sign any Temporary Voter Authority Certificates during the election period on their behalf.
Officer Contact	Elizabeth Warhurst Head of Legal and Commercial Services elizabeth.warhurst@nwleicestershire.gov.uk

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
COUNCIL – THURSDAY, 23 FEBRUARY 2023



Title of Report	URGENT DECISIONS TAKEN BY CABINET	
Presented by	Councillor Richard Blunt Leader of the Council	
Background Papers	Council's Constitution Agenda for Cabinet on Tuesday, 10th January, 2023	Public Report: Yes
Financial Implications	Financial implications were taken into account by the Cabinet in reaching its decisions. Signed off by the Section 151 Officer: Yes	
Legal Implications	Legal implications were taken into account by the Cabinet in reaching the decisions. Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	There are no staffing and corporate implications Signed off by the Head of Paid Service: Yes	
Purpose of Report	In accordance with the Council's Constitution, to formally report that the Cabinet has taken decisions, which are considered to be urgent and, if delayed, would be likely to cause serious prejudice to the Council's interests.	
Recommendations	THAT COUNCIL NOTES THE REPORT.	

1.0 BACKGROUND

- 1.1 As set out in Rule 13(g)(i) (call-in urgency) of Part 4.6 of the Council's Constitution, the call-in procedure may be suspended where a decision being taken by the Cabinet is urgent. A decision is considered urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests.
- 1.2 In all circumstances, the Chairman of the Council must agree that the decision is reasonable and must agree to the decision being treated as a matter of urgency.
- 1.3 Decisions taken as a matter of urgency must be recorded in the minutes and be reported to the next available meeting of the Council, together with the reasons for urgency.
- 1.4 Decisions that required the waiver of call-in are detailed at section 2 of the report.

2.0 WAIVER OF CALL-IN DECISIONS MADE BY CABINET

- 2.1 Four executive decisions were taken by Cabinet, where the Chairman of the Council agreed that any delay caused by call-in process would seriously prejudice the Council's or the public's interests.
- 2.2 A summary of the decisions made is detailed below:-

2.3 Cabinet – Tuesday, 10 January 2023 –

Robustness Of Budget Estimates and Adequacy Of Reserves

Draft Capital Strategy, Treasury Management Strategy and Prudential Indicators

Draft General Fund Budget and Council Tax 2023/24

Draft Housing Revenue Account Budget and Rents 2023/24

2.4 The Council is required to consult on its planned budgets every year. Due to the timing of Local Government Finance Settlement, Cabinet was not able to consider the draft budget for consultation until 10 January 2023. In order to maximise the time allowed for the consultation, the Chairman agreed to waive the call-in period. This enabled the consultation to start the day after Cabinet and run for two and a half weeks.

Policies and other considerations, as appropriate	
Council Priorities:	Supporting Coalville to be a more vibrant, family-friendly town Support for businesses and helping people into local jobs Developing a clean and green district Local people live in high quality, affordable homes Our communities are safe, healthy and connected
Policy Considerations:	As detailed on each report that was considered by Cabinet.
Safeguarding:	As detailed on each report that was considered by Cabinet.
Equalities/Diversity:	As detailed on each report that was considered by Cabinet.
Customer Impact:	As detailed on each report that was considered by Cabinet.
Economic and Social Impact:	As detailed on each report that was considered by Cabinet.
Environment and Climate Change:	As detailed on each report that was considered by Cabinet.
Consultation/Community Engagement:	Chairman of the Council
Risks:	To comply with Special Urgency Rule 17 of Part 4.3 of the Council's Constitution, the decisions made by Cabinet are to be reported to Council and Rule 13 (call-in urgency) of Part 4.6 of the Council's Constitution that suspensions of Call-In in relation to urgent decisions made by Cabinet are to be reported to Council.
Officer Contact	Elizabeth Warhurst Head of Legal and Commercial Services elizabeth.warhurst@nwleicestershire.gov.uk

Council Procedure Rules – Motions and Amendments

What members can do

- When seconding a motion, a member may reserve their speech until later in the debate (rule 14.3).
- Members may only speak once on a motion or amendment whilst it is being debated (rule 14.5, 14.5(a)).
- Members may also move a further amendment if the motion has been amended since they last spoke (rule 14.5(b)).
- Members can exercise a right of reply, raise a point of order or make a personal explanation during debate (rule 14.5(d), (e) and (f)).
- Members can speak on the main issues if their first speech was on an amendment (rule 14.5(c)).
- The mover of a motion has a right of reply at the close of debate on the motion, before it is put to the vote (rule 14.9.1).
- The mover of a motion has a right of reply at the close of debate on any amendment (rule 14.9.2).

What members can't do

- Members cannot make a speech until a motion has been seconded (rule 14.1).
- Members cannot speak again whilst a motion is being debated, except to exercise a right of reply, raise a point of order or make a personal explanation (rule 14.5, 14.5(a) to (f)).
- Members cannot speak for more than 5 minutes without the consent of the Chairman (rule 14.4).
- The mover of a motion may not speak on an amendment, other than to exercise his right of reply (rule 14.9.2).
- The mover of an amendment has no right of reply at the close of debate (rule 14.9.3).

Motions and Amendments – Flowchart

