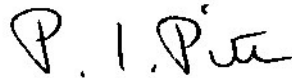


Date: 21 June 2010

Dear Sir/Madam

I hereby summon you to attend a meeting of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL** in the Council Chamber at these offices on **TUESDAY 29 JUNE 2010 at 6.30 pm.**

Yours faithfully

A handwritten signature in black ink, appearing to read 'P. I. Pitt'.

Pat Pitt (Mrs)
Corporate Governance Officer

AGENDA

1. Apologies
2. To confirm the minutes of the meeting held on 18 and 26 May 2010. Attached marked C4 and C5.
3. To be advised of any additional items of business which the Mayor decides by reason of special circumstances shall be taken as matters of urgency at this meeting.
4. To receive verbally from Members any disclosures which they are required to make in accordance with the Council's code of conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the Agenda.
5. To receive such communications as the Mayor may decide to lay before the Council.
6. To receive petitions presented in accordance with Council Procedure Rule number 10.11.
7. To deal with questions under Council Procedure Rule number 11.1.

8. Position Statement. The Leader of the Council will give a presentation.
9. To receive for information only the minutes of the Scrutiny Commission meetings held on 8 April and 20 May 2010. Attached marked C6 and C7.
10. To consider the following reports:-
 - (a) Annual Report of Standards Committee. Attached marked C8. (Pages 1 - 13).
 - (b) Overview and Scrutiny Annual Report 2009/10. Attached marked C9. (Pages 15 - 26).
 - (c) Outturn 2009/10. Attached marked C10. (Pages 27 - 37).
 - (d) Statement of Accounts 2009/10. Attached marked C11. (Pages 38 - 41).
 - (e) Annual Governance Statement. Attached marked C12. (Pages 42 - 51).
 - (f) Procurement and Efficiency Strategy. Attached marked C13 (pages 52 - 79).
 - (g) Constitution – Finance and Contract Procedure Rules. Attached marked C14 (pages 80 - 132).
 - (h) Local Development Scheme - Amendments. Attached marked C15 (pages 133 - 138).
 - (i) Hinckley Town Centre Area Action Plan Supplementary Budget. Attached marked C16 (pages 139 - 141).
 - (j) Private Sector Decent Homes Funding 2010/11. Attached marked C17 (pages 142 - 145).
 - (k) Representation on Outside Bodies. Feedback from Representatives on Community Action, Hinckley and Bosworth and Next Generation. Attached marked C18 (pages 146 – 151) and C19 (pages 152 - 160), Hinckley Citizens Advice Bureau, MIRA.

11. MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

To consider the passing of a resolution under Section 100A(4) of the Local Government Act 1972 excluding the public from the undermentioned item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 2,3 and 10 of Schedule 12A of the 1972 Act.

- (a) Council Offices – Relocation Options. Report to follow marked C20.

To: All Members of the **HINCKLEY & BOSWORTH BOROUGH COUNCIL** (other recipients for information).

ANNUAL MEETING OF HINCKLEY AND BOSWORTH BOROUGH COUNCIL
HELD IN THE COUNCIL CHAMBER
AT THE OFFICES OF HINCKLEY AND BOSWORTH BOROUGH COUNCIL
18 MAY 2010 AT 6.30 P.M.

PRESENT: MR. K. NICHOLS - MAYOR
MRS. S FRANCKS - DEPUTY MAYOR

Mrs. M. Aldridge, Mr. J.G. Bannister, Mr. P.R. Batty, Mr. P.S. Bessant, Mr. D.C. Bill, Mr. J.C. Bown, Mr. S.L. Bray, Mrs. R. Camamile, Mr. M.B. Cartwright, Mr. D.S. Cope, Mr. W.J. Crooks, Mrs. A. Hall, Mr. P.A.S. Hall, Mr. D.W. Inman, Mr. C. Ladkin, Mr. M. R. Lay, Mr. K.W.P. Lynch, Mr. R. Mayne, Ms. W.A. Moore, Mr. K. Morrell, Mrs. J. Richards, Mr. A. J. Smith, Mrs. S. Sprason, Mr. B.E. Sutton, Mr. R. Ward, Ms. B.M. Witherford and Mr. D.O. Wright.

Also in attendance: Mr. R. Birch, Chairman of the Standards Committee.

Officers in attendance: Mr. S.J. Atkinson, Mr. Michael Brymer, Miss L. Horton, Mrs B. Imison, Mr. S. Kohli, Mrs. P.I. Pitt, Mr. R. Parkinson and Mrs. S. Stacey.

At the commencement of the meeting the Mayor referred to the recent untimely death of Mrs Lynn Joyce, the wife of Mr C Joyce.

1. PRAYER

Prayer was offered by The Reverend John Hall.

2. ELECTION OF MAYOR

On the motion of Ms. Moore, seconded by Mr. Bill it was

RESOLVED – Mrs Francks be elected Mayor for the ensuing municipal year.

Mrs Francks made the requisite declaration of acceptance of office and the retiring Mayor invested her with the Chain of Office.

The Mayor, Mrs Francks, in the Chair.

In addressing the meeting the Mayor announced that The Reverend Andrew Murphy of Barwell Methodist Church had agreed to be her Mayor's Chaplain. Having welcomed everyone to the meeting, the Mayor indicated her intention to support two causes, namely Connexions (supporting young people) and the Barwell and Earl Shilton Street Pastors. Additionally the Mayor then presented to the meeting Air Cadet Corporal Christopher Lovell and Sea Cadet Corporal Timothy Martin, who would accompany her to civic events.

On the motion of Mr. Bannister, seconded by Ms. Moore and following tributes from Mr. Lay and Mr. Ward it was

RESOLVED - a vote of thanks be accorded to Mr. Nichols for service during his term of office as Mayor. The Mayor then presented Mr. Nichols with his past Mayor's commemorative medallion, following which Mr. Nichols reflected on his mayoral activities during the year, responded to the vote of thanks and thanked the Council's staff for their support and commitment during the last year.

3. APPOINTMENT OF DEPUTY MAYOR

On the motion of Mr. Smith, seconded by Mrs. Aldridge it was

RESOLVED – Mr. R. Mayne be appointed Deputy Mayor for the ensuing municipal year.

Mr. Mayne then made the requisite declaration of acceptance of office and the Mayor invested him with his Chain of Office.

4. PRESENTATION OF LEADER'S MEDAL

Mr. Bray presented the Leader's medal to Mrs. L. Nichols, the former Mayoress.

5. APOLOGIES

Apologies for absence were submitted on behalf of Mr. C.W. Boothby, Mr. D.M. Gould, Mr. C.G. Joyce, Dr. J.R. Moore and Mr. L.J.P. O'Shea.

6. DECLARATIONS OF INTEREST

No interests were declared at this stage.

7. MEMBERSHIP OF THE EXECUTIVE AND AREAS OF RESPONSIBILITY

Mr. Bray announced that, together with himself, the Executive would comprise

Mr. Bill, Mr. Cope, Mr. Crooks, Mr. Lynch, Ms. Moore and Mr. Wright and that their respective areas of responsibility would be:-

Mr. S.L. Bray (Chairman & Leader of the Council) – Communications, Strategic Leadership, Regeneration, Planning, Town Centre, LGA, District Council Network, East Midlands Council

Mr. D.C. Bill (Deputy Leader) - Community Safety, Neighbourhood Wardens, LSP, Leicestershire Together Board, EMRA

Mr. D.S. Cope – Housing, Environmental Health, Licensing, Climate Change

Mr. W.J Crooks - Rural Affairs, Refuse, Recycling, Street Cleaning

Mr. K.W.P. Lynch – Finance, ICT, Asset Management

W.A. Moore - Open Spaces, Children & Young People, Sport, Culture & Arts, Tourism, Creative Hinckley

Mr. D.O. Wright - Corporate Services, Equalities, Town Twinning

8. COMMITTEES AND PANELS

It was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED - the membership of the undermentioned Committees and Panels be:-

(1) Planning Committee

Mr. R. Mayne (Chairman), Mr. D.W. Inman (Vice-Chairman), Mrs. M. Aldridge, Mr. J.G. Bannister, Mr. C.W. Boothby, Mr. J.C. Bown, Mr. W.J. Crooks, Mr. D.M. Gould, Mrs. A. Hall, Mr. P.A.S. Hall, Mr. C.G. Joyce, Mr. K. Morrell, Mr. K. Nichols, Mr. L.J.P. O'Shea, Mr. B.E. Sutton, Mr. R. Ward and Ms. B.M. Witherford.

(2) Scrutiny Commission

Mr. M.R. Lay (Chairman), Mrs. R. Camamile and Mr. P.A.S. Hall (Vice-Chairmen), Mr. J.G. Bannister, Mr. P.R. Batty, Mr. D.M. Gould, Mrs. A. Hall, Mr. D.W. Inman, Mr. C.G. Joyce, Mr. C. Ladkin, Mr. K. Morrell, Mr. K. Nichols, Mrs. S. Sprason, Mr. B.E. Sutton and Ms. B.M. Witherford.

(3) Standards Committee

Mr. J.C. Bown, Mrs. A. Hall and Mr. R. Ward

Mr. R. Birch (Chairman), Mr. M.D. Clarricoats and Mr. A.B.G. Stokes (independent members); Mr. M. Fryer, Mr. T. Gallagher and Mr. D.A. Reid (parish council representatives).

(4) Hinckley Area

Ms. B.M. Witherford (Chairman), W.A. Moore (Vice-Chairman), Mr. J.G. Bannister, Mr. D.C. Bill, Mr. S.L. Bray, Mr. D.S. Cope, Mr. C.G. Joyce, Mr. K.W.P. Lynch, Mr. K. Nichols, and Mr. D.O. Wright.

(5) Licensing Committee

Mr. K. Nichols (Chairman), Mr. C.G. Joyce (Vice-Chairman), Mr. P.R. Batty, Mr. J.C. Bown, Mr. S.L. Bray, Mr. M.B. Cartwright, Mrs. S. Francks, Mr. D.M. Gould, Mr. P.A.S. Hall, Dr. J.R. Moore, Mr. K. Morrell, Mr. L.J.P. O'Shea, Mr. A.J. Smith, Mrs. S. Sprason and Mr. B.E. Sutton.

(6) Regulatory Committee

Mr. K. Nichols (Chairman), Mr. C.G. Joyce (Vice-Chairman), Mr. P.R. Batty, Mr. J.C. Bown, Mr. S.L. Bray, Mr. M.B. Cartwright, Mrs. S. Francks, Mr. D.M. Gould, Mr. P.A.S. Hall, Dr. J. R. Moore, Mr. K. Morrell, Mr. L.J.P. O'Shea, Mr. A.J. Smith, Mrs. S. Sprason and Mr. B.E. Sutton.

(7) Personnel Committee

Ms. B.M. Witherford (Chairman), Mr. J.G. Bannister, Mr. D.C. Bill, Mr. M.B. Cartwright, Mr. M.R. Lay, Mr. K.W.P. Lynch, Mr. K. Morrell, Mr. R. Ward and Mr. D.O. Wright.

(8) Council Services Select Committee

Mrs. R. Camamile (Chairman), Mr J.G. Bannister, Mr. J.C. Bown, Mrs. A. Hall, Mr. D.W. Inman, Mr. K. Morrell, Mrs. J. Richards, Mr. A.J. Smith, Mr. B.E. Sutton and Ms. B.M. Witherford.

(9) Finance & Audit Services Select Committee

Mr. P.A.S. Hall (Chairman), Mr. J.G. Bannister, Mr. P.R. Batty, Mr. D.M. Gould, Mr. M.R. Lay, Dr. J.R. Moore, Mr. K. Morrell, Mr. B.E. Sutton, Mr. R. Ward and Ms. B.M. Witherford.

9. APPEALS PANEL

It was proposed by Mr. Bray, seconded by Mr. Bill and

RESOLVED - the following be appointed to a pool from which Panels of at least three members will be drawn as and when required to determine internal appeals

Mr. J.G. Bannister (Chairman), Mr. C.W. Boothby, Mr. J.C. Bown, Mr. S.L. Bray, Mrs. A. Hall, Mr. P.A.S. Hall, Mr. C. Ladkin, Mr. R. Mayne, Mr. K. Morrell, Mr. K. Nichols, Mr. L.J.P. O'Shea, Mr. A.J. Smith and Ms. B.M. Witherford.

10. LOCAL JOINT AND SAFETY PANEL

It was moved by Mr. Bray, seconded by Mr. Bill and

RESOLVED - the employer's representatives on the above be:-

Mr. M.R. Lay, Ms. W.A. Moore, Mr. R. Ward, Ms. B.M. Witherford and Mr. D.O. Wright.

12. OUTSIDE BODIES

On the motion of Mr. Bray, seconded by Mr. Bill it was

RESOLVED –

the following be appointed as the Council's representatives on the Bodies indicated:-

- (1) Age Concern, Hinckley & Burbage
Mr. D.W. Inman
- (2) Bradgate Landfill Liaison Committee
Mr. P.R. Batty and Mr. M.B. Cartwright.
- (3) Care and Repair (West Leicestershire) Ltd. Management Committee
Mr. D.S. Cope
- (4) Caterpillar Logistics Limited - Liaison Committee
Mr. M.B. Cartwright
- (5) Cliffe Hill Quarry Liaison Committee
Mr. M.R. Lay and Mrs. S. Sprason
- (6) Community Safety Partnership
Mr D.C. Bill and Mr D.S. Cope
- (7) Desford Brickworks Liaison Committee
Mrs. S. Sprason
- (8) East Midlands Councils
Mr. S.L. Bray (substitute = Mr Bill)

- (9) Groby Quarry Liaison Committee
Mr. M.B. Cartwright
- (10) Hinckley and Bosworth Local Strategic Partnership
Mr. D.C. Bill
- (11) Hinckley Citizens' Advice Bureau Trustee Board
Mr. J.G. Bannister and Mr. R. Ward
- (12) Hinckley-Herford Town Twinning Association
Mrs. A. Hall
- (13) Hinckley Highways Forum
Mr. W.J. Crooks, Mr. D.M. Gould, Mr. P.A.S. Hall, Mr. D.W. Inman, Mr. M.R. Lay, Mr. K. Morrell, Mr. B.E. Sutton, Mr. R. Ward and Ms. B.M. Witherford

Substitutes:

Mrs. M. Aldridge for Mr. Ward
 Mr. J.G. Bannister for Mr.. Crooks
 Mr. J.C. Bown for Mr. Lay
 Mr. M.B. Cartwright for Mr. Morrell
 Mr. D.S. Cope for Mr. Inman
 Mrs. A. Hall for Mr. D.M. Gould
 Mr. R. Mayne for Ms. Witherford
 Mr. K. Nichols for Mr. Hall
 (TBC) for Mr. Sutton

- (14) Hinckley Shopmobility
Mr. D.W. Inman
- (15) Hinckley Theatre Management Committee
Mr. J.G. Bannister
- (16) Leicestershire Rural Partnership Membership Group
Mr. W.J. Crooks
- (17) Leicestershire and Rutland Playing Fields Association
Mr. R. Mayne (substitute – Mr. K. Morrell)
- (18) Local Government Association General Assembly
Mr. S.L. Bray
- (19) Local Government Association Rural Commission
Mr. W.J. Crooks
- (20) Local Government Association Urban Commission
Mr. D.C. Bill
- (21) MIRA Community Liaison Group
Mr. R. Ward
- (22) Next Generation
Mr. D.C. Bill, Mr. K.W.P. Lynch and Mr. R. Ward

- (23) Orbit Housing Management Committee
Mr. W.J. Crooks and Mr. K. Morrell
- (24) Stepping Stones Countryside Management Project Members' Steering Group
Mr. M.B. Cartwright and Mr. L.J.P. O'Shea
- (25) University of Leicester Court of Governors (1 for initial term of 3 years)
Mr. S.L. Bray
- (26) Community Action Hinckley & Bosworth
Ms. B.M. Witherford and Mr. D.O. Wright
- (27) West Leicestershire Mind
Mr. D.W. Inman

13 VACANCY ON GEORGE NEEDHAM CHARITY, BARWELL

It was moved by Mr. Bray and seconded by Mr. Bill that the current vacancy be filled by Mr. M. Hulbert. An amendment was then moved by Mr. Ward and seconded by Mr. Morrell that the position be filled by Mrs. M. Cook. Voting by a show of hands then took place with 11 members voting for Mrs. Cook and 14 for Mr. Hulbert. It was thereupon

RESOLVED –

Mr. M. Hulbert, 3 Glyn Close, Barwell be appointed to the George Needham Charity for the term of 4 years

(The meeting closed at 7.20 p.m.)

HINCKLEY AND BOSWORTH BOROUGH COUNCIL
26 MAY 2010 AT 6.30 P.M.

PRESENT: MRS. S. FRANCKS - MAYOR
MR. R. MAYNE - DEPUTY MAYOR

Mr. C. W. Boothby, Mr. J. C. Bown, Mr. S. L. Bray, Mrs R. Camamile, Mr. M. B. Cartwright, Mr. W. J. Crooks, Mr. D. M. Gould, Mrs. A. Hall, Mr. P. A. S. Hall, Mr. D. W. Inman, Mr. M. R. Lay, Mr. K. W. P. Lynch, Mr. K. Morrell, Mr. K. Nichols, Mr. L. J. P. O'Shea, Mrs J. Richards, Mrs. S. Sprason, Mr. B. E. Sutton, Mr. R. Ward and Ms. B. M. Witherford.

Officers in attendance: Mr. S. J. Atkinson, Mr. A. Bottomley, Mr. B. Cullen, Mr. A. Killip, Miss R. Owen, Mrs. P. I. Pitt, Ms. S. A. Smith and Mr. S. Wood.

36 **PRAYER**

The Reverend Andrew Murphy, Barwell Methodist Church, offered prayer.

37 **APOLOGIES**

Apologies for absence were submitted on behalf of Mrs M. Aldridge, Mr. J. G. Bannister, Mr. D. C. Bill, Mr. D. S. Cope, Mr. C. G. Joyce, Dr. J. R. Moore, Ms. W. A. Moore, Mr. A. J. Smith and Mr. D. O. Wright.

38 **MINUTES (C1)**

It was moved by Mr. Bray, seconded by Mr. Nichols and

RESOLVED - the minutes of the meeting held on 20 April 2010 be confirmed and signed by the Mayor.

39 **DECLARATIONS OF INTEREST**

No interests were declared at this stage.

40 **HINCKLEY TOWN CENTRE AREA ACTION PLAN DEVELOPMENT PLAN DOCUMENT - PROPOSED SUBMISSION DOCUMENT (C2)**

Following consideration and endorsement by the Planning Committee Council agreement was sought to consult on this submission document and the sustainability appraisal.

In response to a Member's question the Chief Executive confirmed that Members were tonight only requested to consider the Hinckley Town Centre Action Plan. Although the Barwell and Earl Shilton Area Action Plan was referred to in the report of the Deputy Chief Executive (Community Direction) now before Members this was solely to put this into the context of being part

of the Local Development Framework. The Barwell and Earl Shilton Plan would be brought before Members at a later date.

In commending the planning team in producing this document, it was moved by Mr. Bray, seconded by Mr. Lynch, and following a vote by means of a show of hands,

RESOLVED unanimously - the following be endorsed:

- (i) the undertaking of a six week period of consultation on the Hinckley Town Centre Area Action Plan proposed a submission document and sustainability appraisal during June and July 2010; and
- (ii) the submission of the Hinckley Town Centre Area Action Plan to the Secretary of State following analysis of the representations received during this six-week consultation period.

41 PETITION SCHEME (C3)

Circulated to Members at the meeting was copy of an addendum/revised recommendations to the report of the Deputy Chief Executive (Corporate Direction) consequent upon consideration of the new requirements for petitions and a revised petition scheme by the Scrutiny Commission.

In his presentation the Leader paid tribute to the two officers involved in producing this report.

For clarification, Members were reminded that people could continue to submit petitions as now (ie not electronically) and it was acknowledged by officers that the Barwell Parish Council had been inadvertently omitted from the schedule to the report of the Deputy Chief Executive (Corporate Direction).

Members welcomed this initiative, which would encourage public participation in local democracy but were mindful of the Scrutiny Commission's view on proportionality for parish/town issues. The Leader referred to the intention to review the new scheme in the spring of 2011 and to amend annually, when the electoral roll was published, the numbers of signatures required. In response to a Member's question as to who would determine whether a petition was vexatious, abusive, or otherwise inappropriate, the Leader stated that this would be decided by the Petitions Officer (ie Chief Officer, Corporate and Customer Resources, Scrutiny and Ethical Standards).

On the motion of Mr. Lay, seconded by Mr. Lynch and following voting by means of showing hands

RESOLVED unanimously:-

The following be agreed:

- i) For local issues (issues within a parish or town) the number of signatures required for an officer to give evidence at the Scrutiny Commission or for a petition to be debated in Council be proportional to the size of the electorate of that parish or town as outlined in the schedule attached to the petition scheme;
- ii) The adoption of the scheme, subject to appropriate amendments, including the insertion within the schedule of Barwell, to affect (i) above;
- iii) The provision of an online petition facility from October 2010; and
- (iv) The Council's Constitution be amended to reflect the new scheme.

(the meeting closed at 6.53 pm)

At the conclusion of the meeting Mr. Ward referred to the need for Members to be kept fully informed with regard to the proposed Hawley Road development as an alternative long-term solution for the relocation of Council staff and other agencies. The Chief Executive reiterated the opportunities this presented and confirmed the intention to request Council at its 29 June meeting to make a final decision on this option. In the meantime the developer had given a commitment to take no action.

Further, the Chief Executive stated that he welcomed the opportunity to discuss this matter with Members as a whole, a group, or individuals. Additionally it would be helpful if a meeting of the Scrutiny Commission could be arranged to debate this in advance of the Council meeting.

MAYOR

HINCKLEY & BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

8 APRIL 2010 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile - Joint Vice-Chairman
Mr P Hall - Joint Vice-Chairman

Mr JG Bannister, Mr PR Batty, Mrs S Francks, Mrs A Hall, Mr DW Inman, Mr CG Joyce, Mr C Ladkin, Mr K Morrell, Mrs S Sprason, Mr BE Sutton and Mrs BM Witherford.

Officers in attendance: Mr S Atkinson, Miss L Horton, Mr A Jones, Ms L Kirby, Mr S Kohli, Ms T Miller, Miss R Owen, Mr P Scragg and Mrs S Stacey.

In accordance with Council Procedure Rule 4.4 Messrs DS Cope and WJ Crooks also attended the meeting.

Also in attendance: Elaine Johnston and Chris Jones (Orbit Heart of England).

475 **APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were submitted on behalf of Mr Gould.

476 **MINUTES (SC78)**

On the motion of Mr Bannister, seconded by Mr Hall it was

RESOLVED – the minutes of the meeting held on 4 March 2010 be confirmed and signed by the Chairman.

477 **DECLARATIONS OF INTEREST**

Mr and Mrs Hall and Mr Inman declared a personal interest in report no 'SC81', Parish & Community Initiative Fund Allocation of Grants for 2010.

478 **SCRUTINY REVIEW: REGISTERED SOCIAL LANDLORDS**

The Scrutiny Commission received a short presentation from representatives of Orbit Heart of England Housing Association and then asked questions of the representatives in order to progress the review of Registered Social Landlords operating in the Borough.

The representatives were thanked for their attendance and Members agreed that the closer partnership working proposed would be beneficial.

479 PARISH & COMMUNITY INITIATIVE FUND ALLOCATION OF GRANTS FOR 2010 (SC81)

The Scrutiny Commission was provided with details on applications to the Parish and Community Initiative Fund 2010/11, including those schemes proposed to receive grants and those who had not met the criteria.

In response to a Member's question, it was stated that an officer from the Green Space team visits all schemes when complete to ensure that the funding has been used as allocated.

Members felt that the slight underspend should be carried forward but acknowledged that they had recommended this the previous two years but it had not been agreed and asked that instead the underspend be shared between the successful schemes. In response the Chief Executive explained that in previous years the Fund had been undersubscribed so there had been no grounds to carry monies forward, but this year the position was different as there was an oversubscription, although some of the schemes had not met the criteria. In addition, it was felt that allocating additional funding to each project would not be appropriate.

RESOLVED –

- (i) the recommendations of the Panel be supported;
- (ii) the Strategic Leadership Board be RECOMMENDED to carry forward the underspend to next year's Parish & Community Initiative Fund.

480 SUB-REGIONAL CHOICE-BASED LETTINGS SCHEME (SC79)

An update on the Council's participation in the sub-regional choice based lettings scheme was provided. It was reiterated that allocations policies would still be in operation and the chance of being allocated a property in another district would depend on that authority's allocations policy.

With regard to advertising of vacant properties, it was noted that this would need to be done every two weeks and would be online and also in newsletters for those on the housing register who did not have access to the internet. It was also highlighted that support for vulnerable people would be provided.

Mrs Francks left the meeting at 8.15pm.

RECOMMENDED – the report be noted and progress be endorsed.

481 LOCAL LETTINGS POLICY FOR THE ALLOCATION OF COUNCIL FLATS ON MAUGHAN STREET / ALMEYS LANE, EARL SHILTON (SC80)

The Scrutiny Commission was advised of the proposal for the introduction of a Local Lettings Policy for the allocation of flats on Maughan Street / Almeys Lane, Earl Shilton, to achieve sustainable tenancies and to help improve the

reputation of the area. The intention to allocate these properties to over 40s was noted.

RESOLVED – the introduction of a Local Lettings Policy for the allocation of flats on Maughan Street / Almeys Lane, Earl Shilton be supported.

482 ESTABLISHMENT OF A LOCAL CREDIT UNION PROVISION (SC82)

Members were informed of progress in relation to the establishment of a local credit union provision. Members were reminded of the need to recruit more volunteers.

Mr Cope left the meeting at 8.28pm.

Concern was expressed that there may be some duplication between the advice provided by Orbit and that of the Credit Union. Officers agreed to check this.

It was agreed that promotional material be provided for Members and a briefing session be run.

RESOLVED – progress be noted.

483 BARWELL AND EARL SHILTON SUSTAINABLE URBAN EXTENSION MASTER PLAN UPDATE (SC83)

The Commission was updated on progress on the Barwell and Earl Shilton Sustainable Urban Extension (SUE) Masterplan. The wide consultation and events attended by residents and key stakeholders were outlined and it was noted that further consultation would be undertaken on the Area Action Plan and related documents over a longer period of time.

Mr Batty left at 8.46pm and returned at 8.50pm.

The problems in designing the Earl Shilton SUE were outlined and it was noted that a response from the Government Office was awaited with regard to alternative options. In response to a Member's question it was reported that there would not be such problems with the Barwell SUE as there was no hard boundary to the site.

A Member expressed concern with regard to Government policy on density, suggesting that developers had encountered problems selling properties at this density and if the requirements could not be met on this site, further sites would have to be identified.

RESOLVED – the actions taken and outcomes achieved be endorsed.

484 PEOPLE STRATEGY 2010-12 (SC88)

Attention was drawn to the late item which had been accepted at the request of the Chairman. It was noted that the People Strategy had been updated since 2008 due to internal and external factors. Members asked that the positive factors in employment at the Council be highlighted, including the fact that HBBC was one of the best public sector organisations to work for (as featured in the Sunday Times).

RESOLVED – the People Strategy and Action Plan be endorsed.

485 OVERVIEW AND SCRUTINY WORK PROGRAMME 2009/10 (SC84)

Members received the Work Programme for 2009/10.

RESOLVED – the work programme be agreed.

486 FORWARD PLAN OF EXECUTIVE AND COUNCIL DECISIONS (SC72)

Members received the Forward Plan of Executive and Council decisions.

RESOLVED – the Forward Plan be noted.

487 MINUTES OF SELECT COMMITTEES

The minutes of the following meetings were received:

- (i) Finance & Audit Services Select Committee, 1 March 2010 (SC86);
- (ii) Council Services Select Committee, 18 February 2010 (SC87).

(The meeting closed at 9.07 pm)

HINCKLEY & BOSWORTH BOROUGH COUNCIL

SCRUTINY COMMISSION

20 MAY 2010 AT 6.30 PM

PRESENT: Mr MR Lay - Chairman
Mrs R Camamile - Joint Vice-Chairman
Mr P Hall - Joint Vice-Chairman

Mr PR Batty, Mr DM Gould, Mrs A Hall, Mr DW Inman, Mr K Morrell, Mr K Nichols, Mrs S Sprason, Mr BE Sutton and Mrs BM Witherford.

Officers in attendance: Mr S Atkinson, Mr C Bellavia, Mr Michael Brymer, Ms E Grant, Miss L Horton, Miss R Owen and Mrs S Stacey.

In accordance with Council Procedure Rule 4.4 Mr R Ward also attended the meeting, and Messrs DC Bill and SL Bray were in attendance for item 8 on the invitation of the Commission.

Also in attendance: Sue Lock, Debbie Ridley and Helen Thompson of the Primary Care Trust.

14 **APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were submitted on behalf of Mr Joyce.

15 **MINUTES (SC1)**

On the motion of Mrs Hall, seconded by Mr Hall it was

RESOLVED – the minutes of the meeting held on 8 April 2010 be confirmed and signed by the Chairman.

16 **DECLARATIONS OF INTEREST**

No interests were declared at this stage.

17 **COMMUNITY HEALTH SERVICES REVIEW**

Representatives of the PCT gave a presentation on 'Transforming Community Services', outlining the plans and consultation being undertaken. It was explained that there would be an out of hours minor injuries unit in Oadby which would operate between 8am and 8pm and would also offer routine procedures for example blood tests.

When discussing provision for Hinckley, it was stated that the intention was to encourage GP surgeries to extend their hours of opening. It was reported that consultation would be undertaken with regard to a minor injuries unit at Ashby Road hospital, and the Scrutiny Commission asked that they be included in that consultation.

A Member asked about the use of Section 106 monies, and it was agreed that the Local Health Board would be asked to respond to the Scrutiny Commission.

18 SCRUTINY REVIEW: WINTER GRITTING

Members were informed that a review of the gritting service was being undertaken by Leicestershire County Council and that an officer from the Borough Council (Michael Brymer, the relevant Chief Officer) would be involved in that review. Members were therefore asked to highlight issues of concern to be fed into the review. The following points were raised:

- The lack of co-ordination with Town and Parish Councils, who would be ideally placed to work with other authorities on the matter and would have storage space;
- The need for a protocol between parishes and districts;
- Concern that the supplies in grit boxes had been used within 24 hours of the poor weather starting and were not replenished;
- The need for clarification of responsibility for gritting certain areas, for example Castle Street, Hinckley;
- The need for a consistent approach to the management of gritting.

It was agreed that the progress of the review be reported back to the Scrutiny Commission every three months.

RESOLVED –

- (i) the abovementioned points be included in the review;
- (ii) the Scrutiny Commission be kept informed of the progress of the review on a three-monthly basis.

19 QUESTION AND ANSWER SESSION WITH THE LEADER AND DEPUTY LEADER

The Leader and Deputy Leader of the Council attended the meeting for a question and answer session. They spoke to a paper circulated at the meeting, giving details of achievements during 2009/10 and answered questions on several issues including the continued high performance of the Council, key capital projects, flexible working, successes in allocation of the Parish & Community Initiative Fund, affordable housing and disabled adaptations. The Scrutiny Commission thanked Mr Bray and Mr Bill for their attendance and responses.

Messrs Bill and Bray left at 8.05pm.

20 RURAL AREAS REVIEW (SC2)

The Scrutiny Commission received a report which informed Members of the outcomes of the annual rural areas review report 2009/10. Members were reminded that when they received the annual review the previous year, the majority of recommendations had been met and a revised approach had been requested.

Members expressed concern that whilst the actions in the report were positive for the rural areas, current planning laws and guidance were contrary to that and rural areas were suffering, for example with regard to transport.

It was suggested that the Head of Planning be invited to address these issues and rural members be invited to that meeting, and that a task and finish group be set up to look at rural planning issues.

RESOLVED – the Head of Planning be invited to the next meeting and subsequently a task and finish group be set up.

Messrs Crooks and Gould left the meeting at 8.38pm.

21 SCRUTINY REVIEW: REGISTERED SOCIAL LANDLORDS

The Chairman referred to the presentations made by the representatives of Housing Associations who attended the previous two Scrutiny Commission meetings and highlighted the main themes of the discussions, namely disabled adaptations, homelessness duties, linking with Neighbourhood Action Teams, accountability of the associations to their tenants and Member involvement.

Mr Gould returned at 8.42pm.

Members asked that this information be collated into a written report in order for recommendations to be agreed.

RESOLVED – a written report be brought to the next meeting.

22 PETITION SCHEME (SC3)

The Scrutiny Commission was provided with a report which outlined the new requirements for petitions and presented a proposed petition scheme.

Members expressed concern that the number of signatures required to call a Chief Officer to give evidence at a meeting of the Scrutiny Commission (750 signatures) or for the petition to be debated in Council (2,000 signatures) would prevent petitions relating to particular local issues benefiting from these provisions. It was recommended that the scheme be amended to state that for local issues (issues within a parish or town), the number of signatures required for an officer to give evidence at the Scrutiny Commission or for a petition to be debated in Council be proportional to the size of the electorate of that parish or town (calculated upon the same basis as recommended in the guidance and included in the draft scheme – 0.9% for an officer to give evidence and 2.34% for a debate in Council).

RECOMMENDED – Council approve the scheme with the abovementioned amendment to take account of smaller numbers of signatures in parishes.

23 DRAFT OVERVIEW AND SCRUTINY ANNUAL REPORT 2009/10 AND WORK PROGRAMME 2010/11 (SC4)

Members received draft Overview and Scrutiny Annual Report for 2009/10 and the draft Work Programme 2010/11. It was agreed that the reduction in waiting time for disabled adaptations and the agreement to carry forward the underspend in the Parish & Community Initiative Fund be included in the Annual report as successes of the Commission.

RESOLVED –

- (i) the work programme be agreed with the addition of items agreed at this meeting;
- (ii) the Annual Report be agreed with the abovementioned additions and RECOMMENDED for approval by Council.

24 FORWARD PLAN OF EXECUTIVE AND COUNCIL DECISIONS (SC5)

Members received the Forward Plan of Executive and Council decisions.

RESOLVED – the Forward Plan be noted.

25 MINUTES OF SELECT COMMITTEES

The minutes of the following meetings were received:

- (i) Council Services Select Committee, 1 April 2010 (SC6);
- (ii) Finance & Audit Services Select Committee, 12 April 2010 (SC7).

(The meeting closed at 9.10 pm)

COUNCIL – 29 JUNE 2010

REPORT OF MONITORING OFFICER
RE: ANNUAL REPORT OF STANDARDS COMMITTEE

1. **PURPOSE OF REPORT**

To present the annual report to Council.

2. **RECOMMENDATION**

That the Council notes the content of the report.

3. **BACKGROUND TO THE REPORT**

The Standards Committee has carried out a large amount of work since the regime for dealing with complaints about members moved to being a local responsibility. Having an annual report published and approved by Council will ensure that Standards and the role of the Committee and particularly its successes are highlighted to all members of the Council and the Community.

4. **FINANCIAL IMPLICATIONS**

None

5. **LEGAL IMPLICATIONS [LH]**

Contained within the body of the report.

6. **CORPORATE PLAN IMPLICATIONS**

The report contributes directly to the objective of improving the Authority's reputation under the Aim of Strong and Distinctive Communities under the Corporate Plan 20010-13.

7. **CONSULTATION**

The draft report has been consulted upon by the Standards Committee and supporting Officers

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks, which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based

on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner

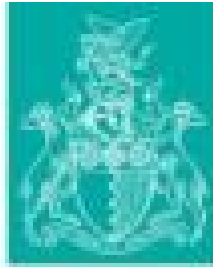
9. **KNOWING YOUR COMMUNITY AND RURAL IMPLICATIONS**

This will be applied equally across the Borough

Background papers: SBE Guidance

Contact Officer: Louisa Horton – Monitoring Officer x5859

8Std11jun10



Hinckley & Bosworth
Borough Council

A Borough to be proud of

THE STANDARDS COMMITTEE

Hinckley & Bosworth Borough Council

Promoting high standards within Hinckley and
Bosworth and its Town and Parish Councils

FIRST ANNUAL REPORT
COVERING THE YEARS 2008 – 2010

The Standards Committee of Hinckley and Bosworth Borough Council Annual Report May 2008 – March 2010

Contents	Page No.
Foreword by the Chairman	3
The role of the Standards Committee	3
Members of the Committee	4
Officers who support the Committee	5
Meetings of the Standards Committee May 2008 – March 2010	5
Complaints statistics May 2008 – March 2010	6
The work of the Standards Committee May 2008 – March 2010	8
Draft Forward Work Programme 2010/11	10
Contacts/Find out more	11

Foreword by the Chairman

This is the first Annual Report of the Standards Committee, albeit the report covers the period May 2008 to March 2010.

With the introduction of local assessment on 8 May 2008, which has significantly enhanced the role of local Standards Committees, it seemed sensible to obtain adequate experience of the new system before giving an account of our activities.

The Standards Committee takes a key role in facilitating and promoting the Council's ethical framework for the maintenance of high standards of conduct within its authority.

The diverse make up of the Committee, namely elected, independent and parish members, provide a clear signal that the Committee acts impartially and that business is conducted with integrity and without political bias.

The Committee has twelve separate functions, which, although separate in title, form part of an integrated system to accomplish the primary aim of achieving the highest standards in creating a sense of ethical well being. I believe that this has been achieved.

This report will enable members to see the range of work carried out by their Standards Committee, which has perhaps been under estimated or unnoticed.

Ron Birch
Chairman Standards Committee.

The role of the Standards Committee

The main role of the Standards Committee is to promote and maintain high standards of conduct amongst 34 members of the Borough Council and 213 members of 24 Parish and Town Councils in the Borough.

The Standards Committee is currently responsible for the following main activities:

- Promoting and maintaining high standards of conduct by Borough Councillors, Parish Councillors and co-opted members
- Ensuring members are trained to carry out their duties effectively
- Advising on the Members' Code of Conduct and protocols
- Monitoring the operation of the Code of Conduct
- Dealing with the local assessment of complaints
- Conducting local hearings and determination of sanctions should a breach of the Code of Conduct be found
- Monitoring performance and making returns to Standards for England
- Overview of Council complaints

- Dealing with dispensations
- Oversight of the Council's Constitution
- Oversight of the Council's Anti Fraud Strategy
- Overview of the Council's Whistleblowing Policy

The Committee was, prior to 2008 responsible for hearing complaints which had been referred to it by the Standards Board for England. However, from 8 May 2008 the Standards Committee became responsible for receiving all complaints about alleged breaches of the Code of Conduct made against members of Hinckley and Bosworth Borough Council and Parish/Town Councillors within the Hinckley and Bosworth Borough. There is an initial assessment stage when a Standards Assessment Sub Committee made up from members of the Standards Committee meets to consider whether the complaint relates to a local member, if it discloses a potential breach of the Code of Conduct and if it does, whether it ought to be investigated or dealt with by other means such as mediation or training. Some decisions can be appealed by the complainant and if an appeal is made, this will be considered by a Standards Review Sub Committee made up from different members of the Committee.

If a complaint is referred for Investigation, the Monitoring Officer appoints an independent investigating officer, who produces a report for a Consideration Sub Committee. This Sub Committee determines whether they support the findings of the investigation, either that no breach of the code has been found or that it is a minor breach, which does not warrant any further action. If a complaint has been investigated and a breach of the Code is disclosed then a Standards Sub Committee (Hearing) will meet to hear evidence and representations and to determine if there has been a breach of the Code of Conduct and if so what sanctions are appropriate.

Members of the Committee

The Standards Committee is composed of three Independent Members, three Borough Councillors and three Parish Council Members.

Independent Representatives

Mr Ronald Birch – Chairman
 Mr Michael Clarricoats
 Mr Gordon Stokes

Elected Representatives

Mr John Bown
 Mrs Ann Hall
 Mr Reginald Ward

Parish Representatives

Mr David Reid
 Mr Micheal Fryer
 Mr Terence Gallagher

Officers who Support the Committee

The Standards Committee and Sub Committees are supported by the Monitoring Officer or the Deputy Monitoring Officer. The Corporate Governance Officer services the Committee and makes arrangements for the distribution of agendas, reports and minutes of the Standards Committee and Sub Committees meetings.

The Monitoring Officer:

Under the provisions of the Local Government and Housing Act 1989, Councils have a duty to appoint a Monitoring Officer to ensure the lawfulness and fairness of Council decision making. The Monitoring Officer effectively serves as the guardian of the Council's Constitution and the decision-making process.

The Monitoring Officer also works closely with the Council's Standards Committee to assist it in its role of promoting and maintaining high standards of conduct amongst members of the Borough Council and members of Parish Councils in the Borough.

The Monitoring Officer is responsible for establishing and maintaining the register of members' interests.

The Monitoring Officer is the main advisor to the Standards Committee. She is responsible for ensuring the decisions of the Standards Committee are implemented. If the Standards Committee refers an allegation for investigation, the Monitoring Officer will arrange for it to be investigated.

The Monitoring Officer is also the main point of contact with Standards for England (formally Standards Board For England) and submits quarterly returns on the complaints received and dealt with by the Standards Committee.

Meetings of the Standards Committee May 2008 – March 2010

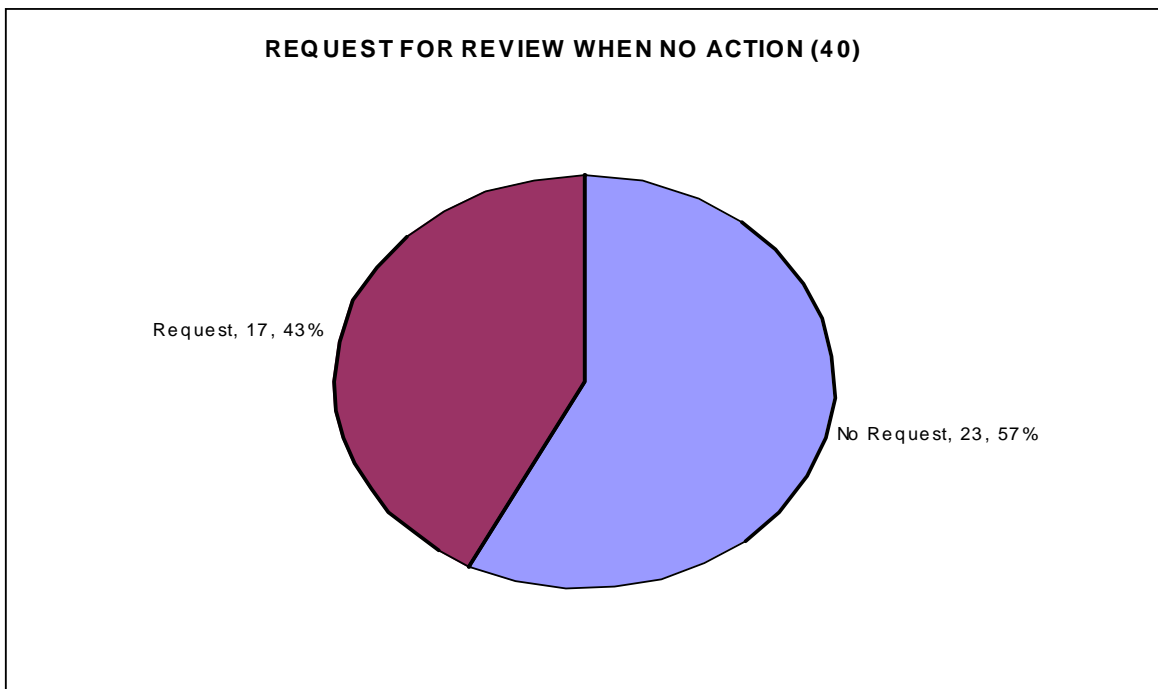
During this period, we were considerably busier than what we anticipated. A summary of meetings held is as follows:

Standards Committee	8
Assessment Sub-Committee	26 (67 complaints assessed)
Review Sub-Committee	9 (17 reviews assessed)
Consideration Sub-Committee	5
Hearing Sub-Committee	0

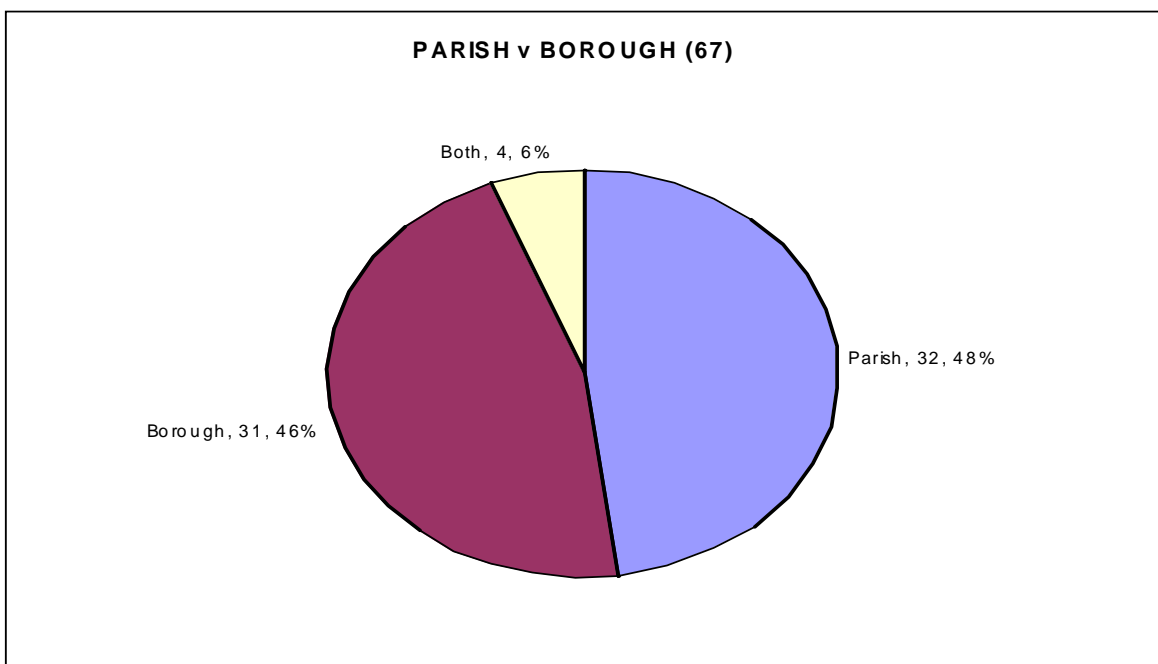
Complaints Statistics May 2008 – March 2010

Total number of complaints received 8 May 2008 and 31 March 2010 = 67
Of which

- 67 were considered by an Assessment Sub Committee
- 17 were considered by a Review Sub Committee



- 32 concerned the actions of a Parish/Town Councillor only
- 31 concerned the actions of a Borough Councillor only
- 4 concerned the actions of a Borough & Parish Councillor combined



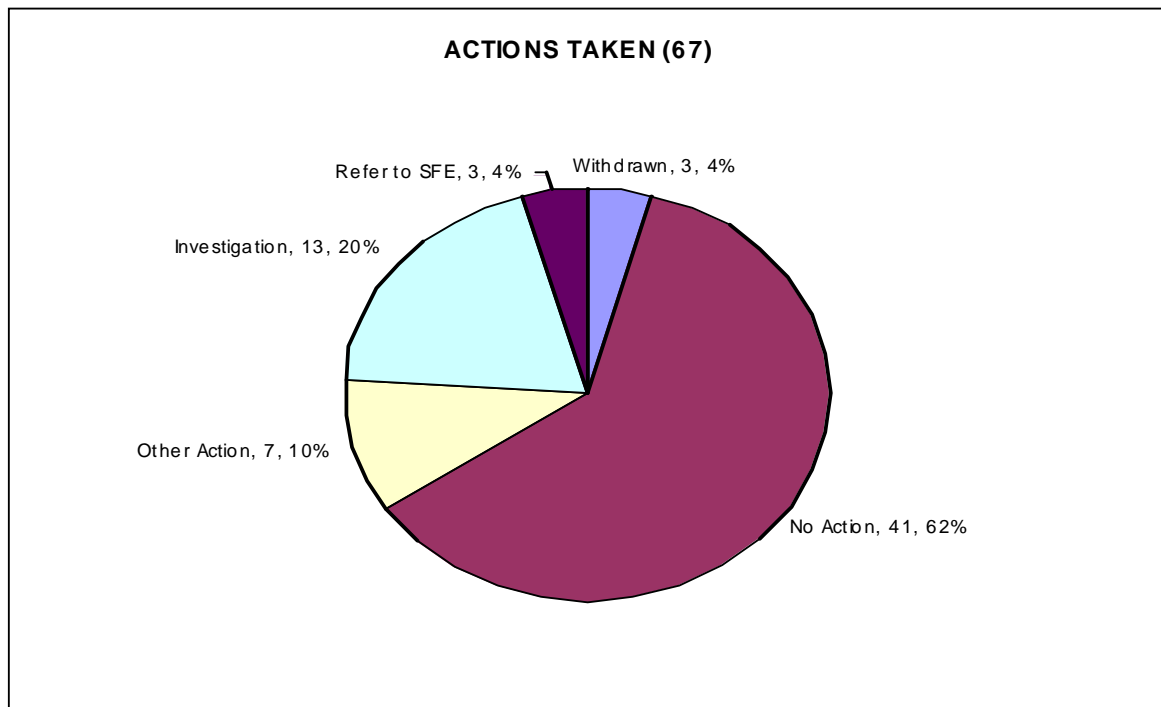
The complaints about Parish Councillors covers 5 Parish Councils and 1 Town Council, one Parish Council received 49% of those complaints.

- Groby PC = 15
- Ratby PC = 7
- Barwell PC = 7
- Earl Shilton TC = 3
- Burbage PC = 3
- Bagworth and Thornton PC = 1

13 (42%) of the complaints against Borough Councillors concerned 1 issue.

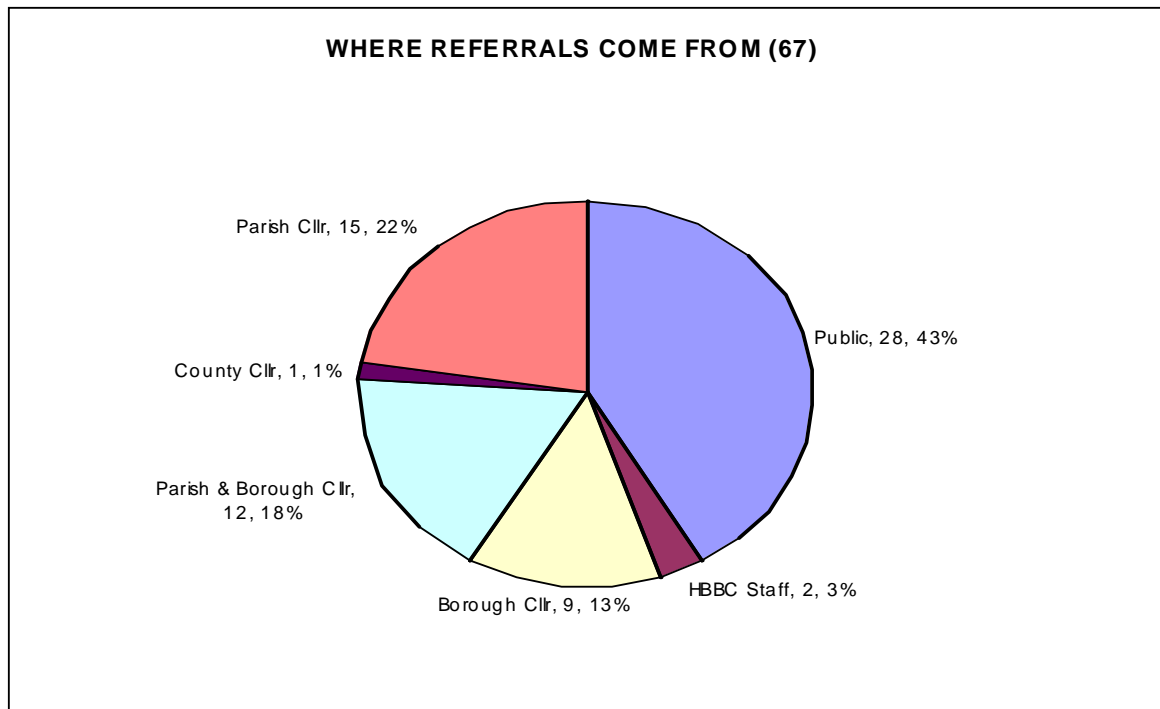
Actions Taken

- 3 complaints were withdrawn
- 40 were considered to warrant No Further Action
- 7 were referred for Other Action by the Monitoring Officer
- 13 were referred for investigation (5 investigations are continuing)
- 3 were referred to Standards For England



Who makes the Complaint?

The majority of the complaints were received from either a Borough or Parish Councillor, with 42 % received from members of the public.



The Work of the Standards Committee May 2008 – March 2010

1. Local Assessment of Complaints

The arrival of local assessment on 8 May 2008 saw the transfer of functions from the Standards Board for England to the local level. From that date all complaints about the conduct of Councillors have to be submitted to the local Standards Committee.

In preparation for the transfer of these new duties we have had to set up four separate Standards Sub Committees. Although the new structure may be viewed as bureaucratic one clear advantage is that members have had the opportunity to see the different elements of the standards agenda at work and to ensure total impartiality.

In preparation for local assessment we have had to ensure that members were suitably trained to carry out this new work and that we had proper written procedures in place. A special toolkit was established to support us in this work. With all complaints having to be in writing we have established a page on the Council's website giving advice on how to make a complaint. On this site members of the public can download complaint forms and other useful information including "how to make a complaint", a flowchart demonstrating the procedure in a simple pictorial way and a

comprehensive criteria sheet which every complaint is assessed against. We understand that not everyone has access to the website and therefore we can provide paper copies on request.

With a national target of 20 working days to deal with local assessment cases, our average to date has been 12 days and has been commended by Standards For England. We are however below average in the time taken to progress investigations and this is now a focus of the Monitoring Officer to improve those statistics.

2. Register of Members’ Interests

Members must tell the Monitoring Officer in writing within 28 days of taking office or within 28 days of any change to their register of interests, of any interests which fall within the categories set out in the Code of Conduct.

In accordance with best practice, all Borough Councillors are invited annually to review their registrations. Parish Clerks are asked to place an item on their parish council agenda each year reminding members to do the same. The registrations are available to view on request by any Member or member of the public and consideration is currently been given to the registers of Elected Members being displayed on the Council’s website.

3. Training

Rather than simply focus on standards training provided during the year we thought it would be sensible to list all the key training given to members during the year to increase their understanding of Council business generally by working with the countywide Member Development network. The opportunities for Development are listed in the table below.

Local Area Agreements and Comprehensive Area Assessments	The art of being brilliant
Safeguarding Children	Leading and championing change
Strategic thinking	Read faster with greater understanding
Performance management	Finance (internal)
Overview & Scrutiny Understanding the basics	Highways
Chairing Skills	Planning
Working effectively in partnership	Equalities
Overview & Scrutiny – effective scrutiny and questioning skills	Planning Enforcement
Mentoring Workshop for mentors	Killian Pretty Review
Mentoring Workshop for mentees	Standards
Ward work, casework and surgeries	MOA
Negotiating and influencing	Presentation skills/ public speaking

Over the two years 94% of Elected Borough Members attended some training which was offered. In relation to Parish Members, a high proportion of Members attended pre Council surgeries when they were offered.

4. **Council Complaints**

The Standards Committee has an oversight of the Council Formal Complaints Process and receives comparative data with other authorities and previous years figures. Over the last two years, the Standards Committee has noted the success of the Complaints process and taken a proactive stance in reviewing that process, streamlining it to a two stage operation.

5. **Constitution**

The Standards Committee are the guardians of the Constitution and take a proactive role in its annual review, recommending changes in order to improve the smooth running of Council business.

Draft Forward Work Programme 2010/11

1. Local assessment of complaints and reviews
2. Consider and determine applications for dispensations
3. Attendance at Annual Assembly of Standards Committees 2010
4. Preparation of Annual Report for presentation to the Full Council
6. Review of the introduction of local assessment and associated procedures including dealing with the media and publicity generally
7. Annual Review of the Ombudsman report
8. Dispensations Procedure
9. Dealing with Persistent and Unreasonable Complainants Policy
10. Elected Members' Allowances/ Register Of Interests – publicity arrangements
11. Process for Feedback to Standards Committee on the outcomes of "Other Action" and "Referral to Standards For England".
12. Shared Standards Committees
13. Training of Borough Councillors, Independent Members, Parish Councillors and Parish Clerks
14. Appointment and training of independent Members – 2011/12

15. Complete quarterly statistics and annual return to Standards for England
16. Other matters as determined by the Committee during the course of the year

Contacts

For further information about the role of the Standards Committee or standards issues in general, please contact either of the following:

Louisa Horton
Monitoring Officer
Hinckley and Bosworth Borough Council
Argents Mead
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Leicestershire
LE10 1BZ
01455 255 859
louisa.horton@hinckley-bosworth.gov.uk

Adam Bottomley
Deputy Monitoring Officer
Hinckley and Bosworth Borough Council
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Hinckley
Leicestershire
LE10 1BZ
01455255621
adam.bottomley@hinckley-bosworth.gov.uk

Pat Pitt
Democratic Services Officer
Hinckley and Bosworth Borough Council
Argents Mead
Hinckley
Leicestershire
LE10 1BZ
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Details are also available on the Council's website www.hinckley-bosworth.gov.uk

Standards for England

Fourth Floor Griffin House
40 Lever Street
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M1 1BB
Telephone: 0161 817 5300
Fax: 0161 817 5499
Email: enquiries@standardsforengland.gov.uk
Website: www.standardsforengland.gov.uk



Hinckley & Bosworth
Borough Council

Overview and Scrutiny

ANNUAL REPORT
2009/2010

CONTENTS

1. Forward by the Scrutiny Chairman and Vice-Chairmen
2. Introduction to the role of Overview and Scrutiny
3. Achievements in Overview and Scrutiny
4. Select Committees and Panels
5. Future challenges for Overview and Scrutiny

FOREWORD by the Scrutiny Chairman and Vice-Chairmen



Councillor M Lay
Chairman of Scrutiny Commission



Councillor Mrs R Camamile
Vice Chairman of Scrutiny
Commission and Chairman of
Council Services Select
Committee



Councillor P Hall
Vice Chairman of Scrutiny
Commission and Chairman of
Finance and Audit Services Select
Committee

Welcome to Hinckley and Bosworth Borough Council's sixth Overview and Scrutiny Annual Report. We hope that our Annual Report will:

- raise the profile of scrutiny among councillors, officers and the public;
- provide a greater understanding of the role and benefit of scrutiny;
- provide awareness of the role of scrutiny in developing policy and improving performance;
- allow for more effective scrutiny of Executive decisions;

We have an effective overview and scrutiny function that contributes towards the work of the council and its vision. We manage and prioritise the work of overview and scrutiny function through the use of an annual work programme, this also allows the effective 'tracking' of previous decisions. We have received the Forward Plan at each meeting of the Scrutiny Commission, which has assisted us with monitoring the work of the Executive and in many cases has enabled us to be proactive during the policy development stage.

The scrutiny commission continues cross-party working and applies a 'critical friend' approach to scrutiny. An opposition member is chair and has been highly commended by the Centre for Public Scrutiny for his innovative and creative approach to chairing the commission. The Commission has a dedicated research budget and officer support.

We would like to take this opportunity to thank fellow Scrutiny Councillors and Executive members for their support and commitment. We would also like to thank officers for their support and hard work. We look forward to building further on our success in the coming year.

Councillor Matthew Lay

Chairman of Scrutiny Commission

Councillor Ruth Camamile

Vice Chairman of Scrutiny Commission and Chairman of Council Services Select Committee

Councillor Peter Hall

Vice Chairman of Scrutiny Commission and Chairman of Finance and Audit Services Select Committee

INTRODUCTION TO THE ROLE OF OVERVIEW AND SCRUTINY

The Role of Overview and Scrutiny

The objectives of the Council's Overview and Scrutiny function are to:

- provide 'critical friend' challenge to the Executive as well as external authorities and agencies;
- reflect the voice and concerns of our public and our communities;
- lead and own the scrutiny process on behalf of the public; and
- make an impact on the delivery of public services.

The above objectives are the "Successful Scrutiny Criteria" adopted as best practice by the Centre for Public Scrutiny and is used to report achievement in this report.

Further details of the role of scrutiny and the terms of reference for the Scrutiny Commission and the Select Committees are contained in Part 2 Article 6 of the Council's Constitution.

The Structure of Overview and Scrutiny

The Council appoints a Scrutiny Commission, made up of 15 non-executive councillors from all political groups, to ensure the smooth operation of overview and scrutiny and to ensure the Leader of the Council and the Executive is held to account.

The Scrutiny Commission is supported in its role by two permanent select committees:

- Council Services; and
- Finance and Audit Services.

The Scrutiny Commission and Select Committees are also supported by working groups/task groups, during the past year these included:

- ICT Panel;
- Scrutiny Environment Group;
- Barwell and Earl Shilton Scrutiny Group;
- LDS Scrutiny Group;
- Civic Facilities Scrutiny Group;
- Constitution Working Group;
- Affordable Housing Working Group.

ACHIEVEMENTS IN OVERVIEW AND SCRUTINY

In November 2005, the Scrutiny Commission reviewed progress of the Overview and Scrutiny Function and in line with best practice, the council's effective scrutiny criteria was refined in line with the principles of Centre for Public Scrutiny's effective scrutiny criteria. The following highlights our achievements under each Principle.

1. PROVIDE 'CRITICAL FRIEND' CHALLENGE TO THE EXECUTIVE AS WELL AS EXTERNAL AUTHORITIES AND AGENCIES

Our Achievements this year include:

- Monitored **annual and monthly capital and revenue outturn** reports the Statement of Accounts and Medium Term Financial Strategy;
- Considered the **General Fund Budget Strategy**, ensuring the Council maintains a strong financial position;
- Reviewed the **Housing Revenue Account Subsidy** and made recommendations
- Monitored the progress of the **Earl Shilton and Barwell Urban Extension Masterplan**
- Provided input into allocation of the **Housing & Planning Delivery Grant**
- Monitored the situation with regard to **concessionary travel**
- Undertook a review of the service provided by **Registered Social Landlords**

2. REFLECT THE VOICE AND CONCERNS OF OUR PUBLIC AND OUR COMMUNITIES

Our Achievements this year include:

- Approved and monitored a **Borough Wide Anti Poverty Strategy**
- Provided input to **the Local Development Framework**
- Questioned the **Combined Fire Authority** over proposed changes to services at Hinckley Fire Station
- Led on the development of a **Credit Union** for Hinckley & Bosworth
- Led a review of **Registered Social Landlords**
- Led to the reduction in waiting times for **disabled adaptation**
- Received agreement to our recommendation to carry forward the underspend in the **Parish & Community Initiative Fund**

3. LEAD AND OWN THE SCRUTINY PROCESS ON BEHALF OF THE PUBLIC

Our Achievements this year include:

- **Actively managed** the Overview and Scrutiny Function Work Programme
- Utilised the **£5,000 research and development** fund of the overview and scrutiny function
- Carried out a **Rural Areas Review**
- Continued to act as formal consultee in the **Community Healthcare Review**
- Agreed a procedure to address **Councillors' calls for action**
- Continued monitoring the performance of the **Community Safety Partnership**
- Supported the **Extended Services Strategy for Children & Young People** for Hinckley & Bosworth

4. MAKE AN IMPACT ON THE DELIVERY OF PUBLIC SERVICES

Our Achievements this year include:

- Undertook a focussed and detailed performance **scrutiny of key front line service areas**, including: street cleansing; Housing repairs and capital and revenue budgets; Planning and Enforcement appeals
- Continued to monitor progress with the development of people management policies and strategies as the Council moves to **Flexible Working**
- Reviewed **Performance against our stated objectives** in the Corporate Performance Plan and against our key Performance Indicators
- Reviewed the process of **developer contributions** to maximise the impact on improving public facilities
- Reviewed the **disabled adaptations** service.

SELECT COMMITTEES AND PANELS

COUNCIL SERVICES SELECT COMMITTEE

This year the Council Services Select Committee has delivered its planned work programme, which has enabled us to successfully follow up our recommendations and track improvements in performance.

We are keen to ensure that the Council's key services, which affect the quality of life of the Borough's residents, are continuing to improve and that an appropriate balance is struck between quality and cost.

Our Achievements this year include:

- Monitoring Sickness absence resulting in a dramatic reduction in the number of days per employee to 7.8 days
- Proactively monitored and scrutinised the Performance Management Framework
- Received front line reports from Streetscene services, Grounds Maintenance, Neighbourhood Wardens, Environmental Health, Housing, Planning, Leisure Centre and Revenues and Benefits
- Actively monitored performance against the Corporate Objectives contained in the Corporate Plan with regard to Housing
- Reviewed the impact of void council housing and commercial properties;
- Undertook an annual review of the Children and Young People's Strategy;
- Considered and made recommendations for alternative methods of making payments to the council.

FINANCE AND AUDIT SERVICES SELECT COMMITTEE

Finance and Audit Services Select Committee aims to constructively challenge and investigate the financial stability, probity in corporate governance and full consideration of risks, so that the Council is better placed to face future challenges.

During the year the Finance & Audit Services Select Committee has considered and reviewed a number of matters relating to the financial affairs of the Council.

As in previous years the Select Committee has provided “back-bench” input into the major financial processes of the Council considering the following matters:

- Statement of Accounts
- Review of Revenue and Capital Outturn
- Capital Programme
- Revenue Budget
- Council Tax proposals
- External Auditors ISA 260 letter
- Annual Audit and Inspection Letter
- Quarterly Budget Monitoring
- Prudential Indicators and Treasury Management Policy
- Investment Returns
- Internal Audit plan and reports
- Data Quality Assessments
- Risk Management Framework
- Corporate Governance Statement
- Budget adjustments
- Medium Term Financial Strategy

The Select Committee also received copies of all Internal Audit reports and reviewed the level of Internal Control Assurance that could be derived from each area under audit and monitored the recommendations.

The Select Committee also requested a number of reports on specific areas of concern including

- Housing revenue account
- Hinckley Town Centre regeneration support project
- Town Centre Masterplan
- Commercial Estates Review
- International Financial Reporting Standards
- Cost of plastics & cardboard recycling

FUTURE CHALLENGES FOR OVERVIEW AND SCRUTINY

The Business of Overview and Scrutiny

There are a number of ways through which Overview and Scrutiny can carry out its business, which can be constantly developed and utilised, these include:

- conducting research and other consultation to assist with the analysis of possible options;
- encouraging and enhancing community participation in the development of Council policy; and
- liaising with other organisations operating in the area, to ensure that the interests of local people are enhanced by collaborative working.

Scrutiny is not restricted in the way it carries out the above tasks, it may:

- hold inquiries;
- appoint advisers and assessors;
- make site visits;
- conduct public surveys;
- hold public meetings; and
- commission research.

Call-in

The Council's Executive Portfolio Holders and Chief Officers are required to take decisions based on principles set out in Article 13 of the Council's Constitution. Scrutiny has a role monitoring these decisions and should a scrutiny body or an individual Councillor believe that these principles have not been followed then they have 7 working days from the publication of the decision to "call-in" that decision for further discussion by Scrutiny.

Scrutiny can review the decision, the advice given and the process used for making the decision, e.g. consultation, procedure etc. and if it believes that errors were made in the decision making process it can request that Executive reconsiders the decision or that the decision is considered by full Council.

Councillor Call For Action

This new initiative will enable the Commission to take on individual Ward issues to improve things for the public influencing the Executive and Partners to push solutions.

Overview and Scrutiny and Community Leadership

"Overview and Scrutiny is a key mechanism by which a Council can give life to its Community Leadership role and develop imaginative approaches to the use of the well-being power" (ODPM Development of Overview and Scrutiny in Local Government, September 2002). Scrutiny can engage partners and citizens in the work of the Council and find imaginative ways of researching and consulting.

In addition, Scrutiny is able to use these techniques to monitor and evaluate issues of local concern that fall outside the Council's powers. There are wide ranging provisions to engage with other public bodies, especially relating to health and public safety but also with the voluntary and private sectors. This power gives scrutiny a unique position in terms of being able to inform policy decisions and co-ordinate partnership working on projects, which are important to the Borough as a whole but responsibility for them falls to a wide range of organisations.

Engaging with the Public

The Overview and Scrutiny Function needs to improve its dialogue with the public to ensure that future scrutiny is focussed on the needs and views of the public.

Medium/Long term direction of Overview and Scrutiny

Just as the Council has to look to the medium and long term when planning its business, Overview and Scrutiny needs to be aware of future development and future direction.

The local government white paper has a range of proposals for strengthening overview and scrutiny including:

- to ensure more powerful local leaders are accountable
- more powers to scrutinise other public bodies and require them to attend,
- provide information and respond to recommendations
- encouragement to set up "area" Overview & Scrutiny Commissions
- encouragement to be more strategic & focus on Local Area Agreements

The scrutiny commission will consider its implications as part of its development.

DEVELOPING A WORK PROGRAMME

A structured, focussed and supported scrutiny process, which dovetails into the Council's wider democratic, performance and financial management processes, provides for an evidence based approach to challenging and developing the Council's long term vision and priorities.

It is important that officers and members see scrutiny as an integral part of the day job and not an unwelcome "bolt on" which they have no capacity to absorb. The Work Programme, contained as part of this Annual Report, will assist Heads of Service/managers with identifying when to provide reports and information to scrutiny and when to attend.

A work programme for Scrutiny is key to ensuring that Scrutiny's work is:

- outcome focussed;
- prioritised accordingly;
- resourced properly; and
- project planned properly.

The Work Programme is designed to dovetail into the Annual Report.

The Work Programme must have regard to:-

- Cabinet Forward plan
- Best Value Review Programme
- Current local issues
- Corporate and Service Planning Framework
- Performance Management Framework
- Local Strategic Partnership themes
- The Plans of other organisations.

Time will need to be allocated for dealing with call-in. However, the Forward Plan is used to programme items for policy development and policy review.

The Work Programme has been designed to ensure it is:

- a living document and reviewed at each meeting;
- a management tool not a strait jacket;
- not restricted to just one year, although it is recognised that it is good practice to set out the forthcoming year in some detail, when reviews/work is identified for subsequent years there is provision for this to be included.

The Scrutiny Commission will need to use the Work Programme to decide how many task and finish panels are needed to deliver the programmed. For example, task and finish panels could review and monitor the development of new policies, or scrutinise projects which have missed/likely to miss a target, or decide in advance to track the progress of a small number of key projects.

The Scrutiny Commission this year agreed a set of questions to be considered prior to the adoption of a Work Programme:

- Which issues should be included in the Work Programme?
- How will implementation of the Council's Vision and Improvement Plan be monitored?
- How will Performance Information be received?
- What involvement will there be in the Corporate Planning/budget process?
- How will the Council scrutinise external bodies?
- How will we engage partners and members of the public in the scrutiny process?
- What work will be carried out by the Commission, select committees and task and finish panels and what resource implications will this have?

CONTACTS

Scrutiny Commission, its Panels and Select Committees are directly supported by the Corporate & Customer Resources, Scrutiny & Ethical Standards service, which has responsibility for Scrutiny planning, improvement and research support as well as member development and committee support.

For more information concerning Scrutiny please contact

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COUNCIL – 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

RE: OUTTURN 2009/10

1. PURPOSE OF REPORT

To inform Council of the financial outturn for 2009/10 and to seek authorisation of proposed movements in Reserves and Balances

2. RECOMMENDATION

- 2.1 That Council approves the General Fund Outturn for 2009/10 and approves the transfers to Earmarked Reserves and Balances outlined in paragraphs 3.3 and 3.5 of the report.
- 2.2 That Council approves the carry forward to 2010/11 of the specific underspends on the General Fund incurred in 2009/10 as set out in paragraph 3.6 of the report and detailed in Appendix 2.
- 2.3 That Council approves the recommendation to transfer the year end underspend on the Housing Revenue Account (HRA) to the HRA Fund Balance, as set out in paragraph 3.8.
- 2.4 That Council approves the recommendations in respect of the year end Outturn for the General Fund Capital Programme and the Housing Revenue Account Capital Programme, as set out in paragraph 3.11.

3. BACKGROUND TO THE REPORT

- 3.1 In February 2010 the Council adopted a General Fund Revised Budget for 2009/10 which indicated that £11.236m would be spent on services with £0.118m to be transferred from General Fund Balances and a net £0.231m being transferred to Earmarked Reserves. After taking account of further adjustments to the budget and savings identified in the monthly and quarterly budget monitoring exercises the final budget showed £11.338m being spent on services with £0.131m being transferred to Earmarked Reserves and £0.120m being transferred from General Fund Balances. The provisional outturn position for the year end shows that £11.203m has been spent on services. After taking into account some final accounting adjustments relating to the charge for pensions required by FRS17 and the impact of reduced valuations of fixed assets both of which are taken out below the line and additional net interest of £11,000 the net budget requirement of the Council reduced by £146,000, This, together with an increase in General Grants of £19,000 and an additional £6,000 of Council Tax means that an additional £171,000 is available to add to Reserves or Balances. It is recommended that a net £0.240m be transferred to Earmarked Reserves

rather than £0.131m an additional £0.109m and £58,000 be transferred from General Fund Balances, a reduction of £62,000.

Table 1: General Fund Outturn Summary

	Original 2009/10 £000	Revised 2009/10 as per budget book £'000	Revised 2009/10 £000	Provisional Actual 2009/10 £000
Service Costs	13,824	13,192	13,294	13,843
Less items not chargeable to Council Tax included above				
Capital Accounting	2,011	1,922	1,922	3,026
Pensions re FRS17	34	34	34	(386)
Total Deduction	2,045	1,956	1,956	2,640
Gross Cost of Services to Council Tax Payer	11,779	11,236	11,338	11,203
Net Interest	(135)	(21)	(21)	(32)
Met from Taxation & Grants	11,644	11,215	11,317	11,171
Council Tax	4,050	4,050	4,050	4,056
RSG & NNDR	7,225	7,225	7,225	7,225
Area Based Grant	23	23	23	31
Other grants	0	0	0	11
Collection Fund Surplus/(Deficit)	30	30	30	30
Total Tax & Grants	11,328	11,328	11,328	11,353
Available for Balances/ Reserves (+) Required from Balances/Reserves (-)	-316	113	11	182
Reserves	-66	231	131	240
Balances	-250	-118	-120	-58

- 3.2 Members have a choice as to whether they wish to transfer some or all of underspend to the General Fund Balance or whether they wish to transfer some of the underspend to specific earmarked reserves to address future pressures on service areas. Details of the proposals for the Reserve Movements are set out in

the paragraph below. It is suggested that a number of transfers are in effect made from General Fund balances to Reserves as there will be a number of specific pressures in future years where it will be prudent to have earmarked resources available to meet these costs.

Earmarked Reserve Transfers

- 3.3 When the Revised Budget was approved by Council in February 2010 it was proposed that a net £231,000 would be transferred to Reserves. Some of the expenditure that was due to be funded from reserves in 2009/10 was not incurred in that year as the proposed schemes were delayed; therefore, it is not proposed to make the planned transfer in 2009/10 as the expenditure is likely to be incurred in 2010/11 and the transfer made then.

Table 2 below sets out the actual contributions to and from Reserves against planned transfers. Items marked * were treated as part of the movement in General Fund Balances but need to be treated as Reserve movements in the final accounts as the balances held in respect of these items need to be earmarked

Table 2: Summary of changes to planned contributions to/from Reserves 2009/10

Reserve	Planned Contribution to Reserve £'000	Actual Contribution to Reserve £'000	Planned Contribution from Reserve £'000	Actual Contribution from Reserve £'000
Commutation & Feasibility	0	0	200	200
Benefits Reserve	30	278	0	176
Local Development Framework	185	185	58	158
Building Control	55*	22*	0	0
Land Charges	0	34*	0	0
Development Control Income			76	76
Grounds Maintenance Health & Safety	0	0	19	5
Planning Delivery Grant	397	394	0	128*
Flexible Working Reserve	0	52	0	0
IFRS Capacity Support Reserve	0	0	0	5
Election Reserve	25	35		
Grounds Maintenance Machinery Purchase	68	68	0	0

Grounds Maintenance Machinery Replacement	0	25	0	0
Planning Legal Costs	0	20	0	0
Pensions Contributions	30	30	0	0
Pensions Reserve re Early Retirements	0	0	151	204
Transformation	0	50	0	0
TOTAL	790	1,192	504	952
Less item taken to General Fund Balances in Budget re Building Control	55	0	0	0
TOTAL	735	1,192	504	952

3.4 After the suggested transfers the total of earmarked revenue reserves available would be £2.799m. A complete list of the proposed closing Reserves position is set out in the table in Appendix 1.

General Fund Balances

3.5 It is recommended that a total of £58,000 be transferred from General Fund Balances at 31 March 2010. This would leave a total closing balance of £1.622m. This meets the criteria of having 10% of net budget requirement held in balances. (The net budget requirement for 2010/11 being £11.627m)

Carry Forward of 2009/10 budgets

3.6 In a number of cases Budget Managers have identified the reason for a significant underspend as being income received in 2009/10 and delays in implementing a particular scheme or project during 2009/10 and have requested that the underspend be carried forward to 2010/11. Requests totalling a net £124,693 have been received (to be funded as detailed below).

Source of Funding	Amount
General Fund Balances	83,335
Special Expenses Balances	11,322
Reserves	14,036
Housing Revenue Account balances	16,000
Total	124,693

3.7 Details of the requests received and those recommended for approval are shown in Appendix 2.

Housing Revenue Account

- 3.8 A summary of the Housing Revenue Account is to be found on page 125 of the attached Outturn Book. In the Revised Estimates it was predicted that £68,000 would be added to the HRA Balance, the Outturn figure is £317,000 to be taken to balances. (A net underspend of £249,000). The main reasons for this are explained in the Outturn Book but can be summarised as:

	£'000
Savings in Employee due to Vacancies	63
Utility Costs lower than anticipated	31
Central Support Costs lower than anticipated due to cost savings	118

It is recommended that the total underspend of £249,000 be transferred to HRA Balance.

3.9 Capital

An amount of £518,981 (summarised on paged 133 within Revenue and Capital Outturn Book) will be carried forward to fund contractual commitments and delays which have occurred in 2009/10.

3.9.1 General Fund

The General Fund Capital Programme is generally under-spent due to delays in schemes. However, there are a number of schemes where progress has been better than anticipated and these schemes are showing an over-spend on the year. However it should be noted that they are still within the total cost approved and adjustments will be made in the phasing of expenditure in future years.

3.9.2 Housing Revenue Account (HRA)

In 2009/10 there was a £505,295 on the HRA Capital Programme made up of an underspend of £423,000 on the repairs element and an underspend of £33,000 on adaptations plus an underspend of £40,900 in respect of communal furniture. Repairs costs and budgets were closely monitored during the year to ensure that the overall budget was not exceeded.

There will be additional pressures on the capital programme. It is therefore requested that part of the £216,000 is earmarked for following schemes in 2010/11

£20,000 - essential works at Bagworth car park
£20,000 - tenant led community projects
£66,000 - singled to double glazing
£110,000 – adaptations to council dwellings

4. **FINANCIAL IMPLICATIONS [DB]**

These are contained in the report.

5. **LEGAL IMPLICATIONS [LH]**

These are contained within the report

6. **CORPORATE PLAN IMPLICATIONS**

This report contributes to the achievement of the following Corporate Plan Priorities:

Proud of our Probity and Honesty in Governance and Management
Value in Service Delivery and Investment in People

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating Actions	Owner
None		

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

There are none

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications

- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background Papers: Civica Authority Financials reports
 Closedown files

Author: Sanjiv Kohli, Director of Finance ext 5607
 David Bunker Accountancy Manager ext 5609

Executive Member: Councillor KWP Lynch

33C29jun10

General Fund Earmarked Reserves as at 31 March 2010

Reserve	Balance at 31 March 2010 £'000
Future capital projects	248
Benefits Reserve	228
Local Plan Procedure	330
Historic Buildings Loan Fund	14
Disaster Reserve (Corporate & I T)	118
Building Control Reserve	54
Land Charges Reserve	51
Pensions Contribution	67
ICT Reserve	241
Waste Management Reserve	188
Project Management/Master Plan Reserve	343
Shared Services Reserve	74
Grounds Maintenance H&S Reserve	14
Planning Delivery Grant Reserve	374
Flexible Working Reserve	162
IFRS Capacity Support Reserve	15
Freedom of Information Training Reserve	3
New Performance Improvement Reserve	10
Corporate Services (1) Reserve	6
Housing Energy Cert Training Reserve	11
Finance Capacity Fund Reserve	20
Workforce Planning	3
Well Being Fund Reserve	70
Election Reserve	60
Grounds Maintenance	25
Legal Costs	20
Transformation	50
TOTAL	<u>2,799</u>

Requests for Carry forward of Budgets to 2010/11

Ref	Detail	Amount	Source of Funds
1	Civic Budgets - Impact of difference between Financial and Civic Years	12,376	gfb
3	Planning Policy - Equipment - late delivery of 2 laptops	1,000	gfb
4	Performance & Scrutiny - Printing -delays in printing Corporate & Community Plans as not approved by Council until 20 April	500	gfb
5	Community Planning Projects - agreement of joint boards through transformation project to extract data from CRM system for customer insight strand due to amount of time taken to extract and cleanse that data the work will not be completed until 2010/11	1,000	gfb
6	Community Planning - Salaries for Maternity Cover - residual amount of virement from Cultural Services to provide maternity cover for Project Officer post to October 2010	2,910	gfb
15	Park tree works - delays in Health & Safety related tree works in 2009/10 due to bad weather in last quarter of year	3,405	gfb
16	Cemetery tree works - delays in Health & Safety related tree works in 2009/10 due to bad weather in last quarter of year	699	gfb
19	Environmental Health - materials - Due to vacancy for Health improvement officer since Oct 2009 little opportunity to spend this budget. Resource needed to establish resources needed to carry out role which has now been advertised	2,200	gfb
20	Sustainable Development - lockers to encourage cycling to & from work were ordered but not delivered by year end. 2010/11 budget likely to be fully committed to implementing Green Travel Plan following Use of Resources audit	786	gfb
21	Environmental Management - Use of Consultant for submission of EMAS. COB postponed development of EMAS pending completion of Carbon Management Plan. 2010/11 funding assumed only paying for external audit costs	2,799	gfb
22	Environmental Management - Training Use of Consultant for submission of EMAS. COB postponed development of EMAS pending completion of Carbon Management Plan. 2010/11 funding assumed no training costs beyond general needs	1,750	gfb
23	Refuse General - advertising - application of graphics to dedicated recycling & commercial waste vehicle delayed due to inclement weather	1,300	gfb
24	Waste Recycling - Cardboard/Plastics - Delays in the delivery of reusable sacks due to the need to source from abroad and clear UK customs	7,280	gfb

25	Street Cleansing - Equipment Purchase - Urgent equipment needs ordered in 2009/10 where budget was available not delivered until 2010/11 where budget not available	4,670	gfb
26	Finance- Accountancy - Savings in 209/10 Training budget identified to meet cost of work on payroll interface not completed until 2010/11 where no budget is available	1,535	gfb
27	HR - Corporate Training - Development of Corporate e-induction - delays occasioned by negotiations with supplier	7,500	gfb
28	HR - Workforce Strategy - Equality Framework assessment postponed due to impact of Pilkington inquest	2,625	gfb
29	ICT - Infrastructure - delay in upgrade of systems pending office move	12,000	gfb
30	ICT - Variation in Contract - Steria budget for projects not used in 2009/10 as efforts put into Web project will be needed in 2010/11	17,000	gfb
		83,335	gfb Total
2	Community Safety Delivery Action Plan - External funding from Leicestershire Constabulary for H&B Community Safety Partnership to be used for SMART Water kits for priority domestic burglary locations and providing schemes to improve public confidence & reduce reoffending	4,528	i
2	Income re above	-4,528	i
7	Exercise Referral Scheme - Funding from PCT which is ring fenced for the scheme	2,540	i
7	Income re above	-2,540	i
8	Sports unlimited - funding from County Sports Partnership ring-fenced for provision of Sport Unlimited to semi sporty young people encouraging them to reach 5 hrs exercise per week	15,740	i
8	Income re above	-15,740	i
9	Positive Activities for young people - ring fenced external funding re schemes ongoing in 2010/11	780	i
9	Income re above	-780	i
10	Earl Shilton Masterplan Growthpoint - Consultancy running into 2010/11 to be met from Growth Point funding	46,049	i
10	Income re above	-46,049	i
11	Barwell Community House - Staffing Costs - External funding to meet running costs of Barwell Community House to 31/3/11	5,700	i
11	Income re above	-5,700	i
12	Alcohol Worker	20,000	i
12	Beacon Scheme Projects	15,000	i
12	Beacon Scheme Expenses	4,278	i
12	Beacon Awards Contributions	-39,278	i
13	Local Area Agreement - ASB Projects to divert young people from ASB	938	i
13	Income re above	-938	i
13	Alcohol Harm reduction project	509	i
13	Income re above	-509	i
		0	i Total

18	Grounds Maintenance - Health & Safety - delays in purchase of Reatec Havmeter management system due to - Machinery leasing company going out of business, therefore no equipment to fit devices to until new machinery purchased in March and sickness of lead officer (Purchase to be financed from Reserve)	14,036	r
		14,036	r Total
14	Parks Special Expenses - Electricity to be used to move connection to Sewer for Leachate pumping station at Wykin Park to reduce amount of pumping required and thus costs	9,582	seb
17	Parks Special Expenses - Grounds Additional works - delays due to bad weather in winter ground conditions unsuitable for path resurfacing work - Health & Safety Issue	1,740	seb
		11,322	seb Total
		108,693	Grand Total
31	Family Intervention Worker - Start of Scheme delayed until April 2010	16,000	hra
	Sources of Funds		
gfb	General Fund Balances		
i	Income from External Sources		
r	Reserves		
seb	Special Expenses Balances		
hra	Housing Revenue Account balances		

COUNCIL – 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)
RE: STATEMENT OF ACCOUNTS 2009/10

1. **PURPOSE OF REPORT**

To seek Council approval of the Draft Statement of Accounts for 2009/10 .

2. **RECOMMENDATION**

That Council approve the Draft Statement of Accounts for the year 2009/10

3. **BACKGROUND TO THE REPORT**

Under the terms of the Accounts and Audit Regulations each Local Authority is required to prepare and approve a Statement of Accounts by 30 June following the end of the year to which they relate.

Attached to this report is the Hinckley & Bosworth Borough Council Statement for the year 2009/10.

The statement has been prepared according to the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Statement of Recommended Practice (SORP). The SORP gives guidance to authorities as to how the Financial Reporting Standards (FRS) should be applied to local authorities financial statements so that they meet legislative requirements and Generally Accepted Accounting Practices (GAAP) to allow statements to be comparable across authorities and other sectors.

It should be noted that a new SORP was introduced for the 2006/07 Statement that moved the information reported in the main accounting statements more towards that required for the accounts to be UK GAAP compliant. This change is applicable to all principal local authorities in the UK. There are also legal requirements and restrictions as to what can and cannot be charged to the local tax or rent payer and these items need to be reflected in the accounts because they differ from the amounts that need to be charged to enable the accounts to comply with UK GAAP to ensure that the true position and Balance is shown for the General Fund and Housing Revenue Account. The 2009/10 accounts have been prepared according to the same basic SORP but there have been some minor amendments particularly in relation to some of the accompanying notes and disclosures.

The statement comprises the Main Financial Statements

- Income and Expenditure Account and accompanying statements
 - Balance Sheet
 - Cash Flow Statement
- Plus accompanying notes

Together with the following supplementary Statements

- Housing Revenue Account
 - Housing Repairs Account
 - Collection Fund
- Plus accompanying notes

The Statement also includes

- An explanatory foreword
- Statement of Accounting Policies
- Glossary of Terms

The statement presented is subject to audit and hence should be considered as a draft. The Council's external auditors, Price Waterhouse Coopers, are intending to commence their audit on 28 June 2010. Publication of the Accounts will take place following their approval by the External Auditors.

One area that needs to draw to the attention of members is the treatment of the revaluation of Fixed Assets. For the first time in 2007/08 a Revaluation Reserve was created to deal with the changes in Market Value of Assets. Where an asset has increased in value the movement is credited to the reserve so that it does not impinge on the Revenue Account. Where an asset has decreased in value there are three courses of action that can be taken which are

1. Where the downward valuation is less than any accumulated increases in valuation charge the movement to the Revaluation Reserve
2. Where the downward valuation is more than the accumulated Revaluation Surplus in the Reserve, the downward valuation up to the amount in the reserve is charged to the reserve and the balance to the Income and Expenditure Account with that amount being taken out in the Statement of Movement in General Fund Balances to remove any impact on the tax payer
3. Where there is no accumulated balance in the Reserve, the whole amount is charged to Income and Expenditure and reversed out via the Statement of Movement in GF Balances.

4. **FINANCIAL IMPLICATIONS [DB]**

There are none arising directly from the report.

5. **LEGAL IMPLICATIONS [LH]**

None other than those contained in the body of the report

6. **CORPORATE PLAN IMPLICATIONS**

This report contributes to the Council’s Corporate Objective

“Proud of our
Probity and Honesty in Governance and Management
And
Value in Service Delivery & Investment in people”

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council’s policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer’s opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

There are none

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:
[if you require assistance in assessing these implications, please contact the person noted in parenthesis beside the item]

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications

- Voluntary Sector

Background Papers

Civica Authority Financials/Business Objects Reports
Accounts and Audit Regulations 2003
Cipfa SORP 2009

Contact Officer – David Bunker, Accountancy Manager

Executive Member : Councillor K W P Lynch

32C29jun10

COUNCIL – 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)
RE: ANNUAL GOVERNANCE STATEMENT 2009/10

1. **PURPOSE OF REPORT**

To seek the approval of the Annual Corporate Governance Statement and seek endorsement of the recommendation to Council to approve this statement

2. **RECOMMENDATION**

That the Select Committee approve the statement and endorse Council approval of the Annual Corporate Governance Statement.

3. **BACKGROUND TO THE REPORT**

Regulations have placed emphasis on all local authorities to ensure they have sound systems of internal control. The Accounts and Audit Regulations 2003 have established requirements that all local authorities must adhere to in relation to systems of internal control. This has implications for the whole authority and all its services. The regulations require councils to “have a sound system of internal control which facilitates the effective exercise of the council’s functions and which include the arrangements for the management of risk”.

The Council is required to review at least annually the effectiveness of the system of internal controls and make a statement on that within the Statement of Accounts.

Whilst the legislation requiring the statement is placed with the Accounts and Audit Regulations **this is not just an accounting or auditing issue. The Statement on Corporate Governance is a key measure of the overall effectiveness of the Authority.**

As part of the production of the statement on corporate governance, assurance is required from all services regarding their current systems, procedures and accompanying controls operated. All services have therefore been asked to complete a service assurance assessment and produce an accompanying service assurance statement. The statements have been taken into account in drawing up the Statement of Internal Control.

4. **FINANCIAL IMPLICATIONS [DB]**

None.

5. **LEGAL IMPLICATIONS [LH]**

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which it functions, having regard to a combination of economy efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the council's functions and which includes arrangements for the management of risk. The Accounts and Audit Regulations 2003 have established the requirement that all local authorities must adhere to in relation to systems of internal control.

6. **CORPORATE PLAN IMPLICATIONS**

This report contributes to the achievement of the following Strategic Aim

"Proud of our Probity and Honesty in Governance and Management"

7. **CONSULTATION**

All members of SLB, COB and Middle Managers have been consulted in preparing the Statement.

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

None

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:
[if you require assistance in assessing these implications, please contact the person noted in parenthesis beside the item]

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background Papers: Statement of Corporate Governance
Statement of Accounts

Contact Officer: David Bunker Accountancy Manager ext 5609

Executive Member Cllr K W P Lynch

31C29jun10

The Annual Governance Statement

SCOPE OF RESPONSIBILITY

Hinckley and Bosworth Borough Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 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.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of corporate governance which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

THE PURPOSE OF THE SYSTEM OF CORPORATE GOVERNANCE

The system of corporate governance is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of corporate governance is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

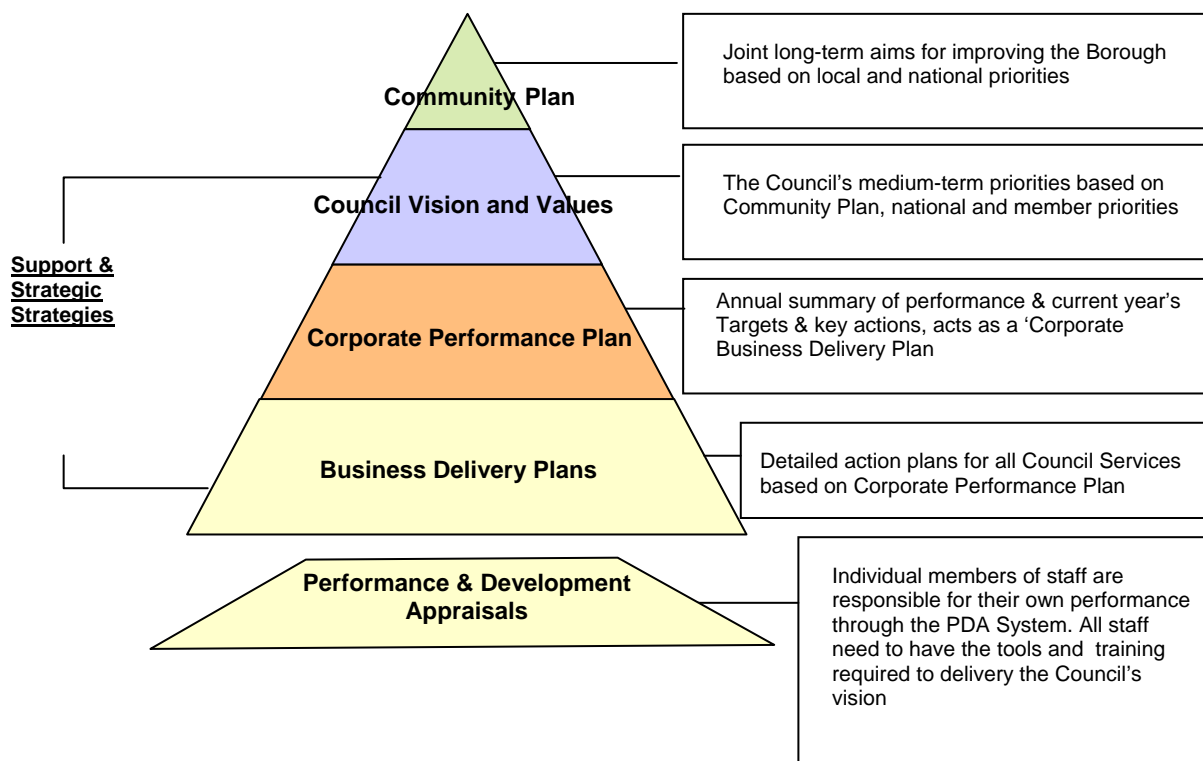
Improvements to the System of Internal Control have been made during 2009/10 and will be further developed in future years.

THE INTERNAL CONTROL ENVIRONMENT

The key elements of the Council's internal control arrangements are as follows:

- The Council's Community Plan developed by the Local Strategic Partnership for the period 2007/12 sets out the long-term aims of the Borough and drives the Corporate Performance Plan and Medium Term Financial Strategy. The Council's Corporate Performance Plan for the period 2008/13 focuses on the Council's development of its services based around an agreed set of priorities developed through cross-party engagement by the Council's Executive. The objectives are reflected in the Business Delivery Plans developed by the Service Managers and the Strategic Leadership Board. Progress achieved against the objectives is continuously managed through the Performance Management Framework on a quarterly basis and annually in the Corporate Performance Plan. The financial implications arising out of the implementation of the corporate performance plan are set out in the Medium Term Financial Strategy.
- The Council uses different plans and strategies at all levels of the organisation to plan and monitor the achievement of its objectives. The framework is represented by the diagram set out below and a simple explanation is given for each element.

Hinckley & Bosworth Borough Council – Corporate Planning Framework



- The Corporate Planning Framework is underpinned by a number of support and strategic documents which outline in detail how particular aspects of the Council's business are going to be delivered. The Council's support strategies identify how the support services of the Council will reinforce and sustain the services that the Council provides and consist of Asset Management Strategy, Capital Strategy, Human Resources Strategy, ICT Strategy, Medium Term Financial Strategy, Risk Management Strategy and Procurement Strategy.
- The Council's Strategic documents outline how specific services will be provided to the Borough in the medium to long term and these strategies consist of Cultural Strategy, Green Space Strategy, Hinckley Town Centre Master Plan, Local Development Framework and Leicestershire Waste Management Strategy.
- Council policies are produced in accordance with the principles set out in the Council's Constitution and recommended for approval following review by senior management in consultation with Heads of Service. Decision-making that falls within the policy and budgetary framework rests with the Council's Executive whilst those falling outside the framework are reserved to full Council. The call-in procedure enables the Scrutiny Commission to review decisions made by Executive (although the major focus of the overview and scrutiny function involvement is through policy development rather than policy review). Day to day decision-making is carried out by appropriate officers in accordance with the Scheme of Delegated Powers and the Financial Procedure Rules. These arrangements all contribute to the economic, efficient and effective operation of the Council.

The Annual Governance Statement (continued)

- The Council ensures compliance with established policies, procedures, laws and regulations through various channels. Two statutory officers (Section 151 Officer and the Monitoring Officer) have responsibility for ensuring that the Council does not act in an ultra vires manner, supported by the Internal Audit function, which facilitates the management and mitigation of risk and provides assurance on matters of internal financial control. The Human Resources function, through the use of workforce development reviews assesses and provides a means of improving competencies to ensure that officers are equipped to discharge their duties in accordance with the requirements of the Council.
- The Council has embedded the improvement actions identified by the Audit Commission Comprehensive Performance Assessment (CPA) 2004 where the Council was rated as 'fair'. Overall the findings of the inspection identified that the Council provided quality and value for money services but needed to improve the effectiveness of its corporate governance and strategic planning arrangements. To independently measure the Authority's progress, the Council volunteered to 'pilot' the Audit Commission's revised 'a harder test' corporate assessment in December 2005. The results of the inspection recognised the improvements that have been made and the quality and commitment of the Council's staff. There is still more to be achieved in the future but the 'building blocks' are now in place for the Council to achieve its long-term vision and strategic aims for the Borough of Hinckley and Bosworth.
- This was proved by the fact that in 2008/09 the Council sought a CPA re-assessment and was recategorised as an "excellent" authority. This was a recognition of all the work that had been undertaken since 2004 to implement and embed the improvement actions identified in the 2004 inspection
- The Council's service and financial planning process ensures that resource allocation is aligned to the priorities identified in the Corporate Performance Plan and annual Business Delivery Plans. The Council has in place Contract Standing Orders and Financial Procedure Rules designed to ensure that the Council achieves value for money in discharging its procurement requirements.
- The Council's revised Medium Term Financial Strategy was approved by Council in February 2010 and will be reviewed in the autumn of 2010. The financial management of the authority will be guided by the Medium Term Financial Strategy and three-year financial forecast, which will provide a framework for the Council to work within when considering strategic financial decisions. The annual Treasury Management Strategy statement determines the Council's approach to investment and borrowing during the course of the financial year. The detailed Financial Procedure Rules provide the rules, regulations and procedures that govern the day-to-day financial affairs of the Council.
- The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures, management supervision, and a system of delegation and accountability. Senior officers within the Council undertake development and maintenance of the system and its effectiveness is reviewed by both external and internal audit. In particular, the system includes:
 - As a minimum an adequate system of budgetary control;
 - Regular reviews of periodic and annual financial reports which indicate financial performance against the forecasts;
 - The preparation of regular financial reports which indicate actual expenditure against the forecasts;

The Annual Governance Statement (continued)

- Clearly-defined capital expenditure guidelines;
 - As appropriate, formal project management disciplines;
 - Regular performance management reports;
 - Data Quality Checks;
 - Embedded Risk Management
- Financial management information is provided to members of the Executive on a regular basis throughout the year in order that they can monitor the specific portfolio areas for which they have responsibilities. The Strategic Leadership Board and other officers receive regular detailed reports on variances and the systems and procedures in place are designed to prevent avoidable adverse variances. The Internal Audit function operates a risk-based approach to its work and carries out its duties in accordance with the CIPFA Code of Practice. Internal Audit reports are produced in blocks in accordance with the approved Plan. Internal Audit reviews each area against a set of system controls agreed with management at the start of the visit and within the overall framework of system control objectives. The findings of Internal Audit, including any recommendations are reported to, and scrutinised by, the Finance and Audit Services Select Committee in a six-week cycle.
 - The Council has in place an agreed clear and coherent framework for managing performance. Management arrangements are in place to evaluate performance. A computer-based system has also been established for the regular management of performance indicators that are reported to officers and members. Each month figures are entered by Heads of Service before the database is locked to maintain accuracy in reporting. These reports show all performance indicators in an accessible format of charts and figures and are allocated to individual Executive Member leads. The reports provide the following information for each of these indicators:
 - performance for current year
 - the target set for current year
 - performance in the previous year
 - targets for the next three years
 - an explanation of performance and the targets set
 - Data Quality Checks

The reports are presented to Strategic Leadership Board, Scrutiny Commission and the Executive.

REVIEW OF EFFECTIVENESS

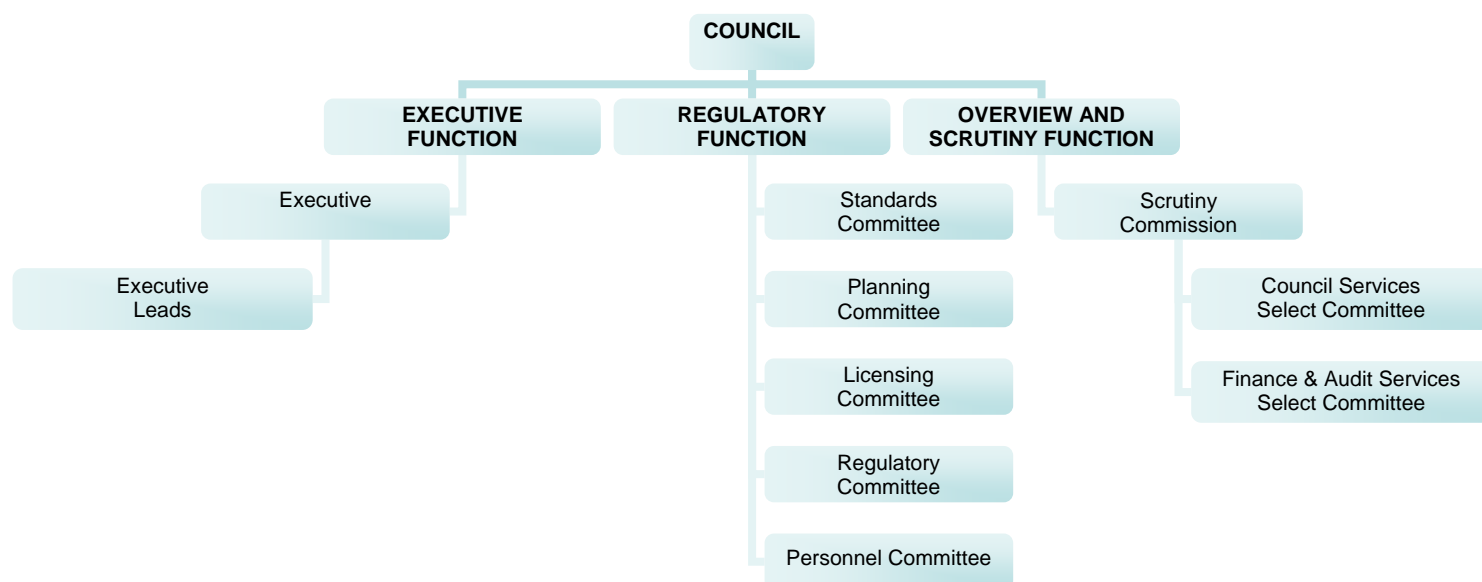
The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is reported by internal audit and the executive managers within the Authority who have responsibility for the development and maintenance of the internal control environment, and also by comments made by the external auditors and other review agencies and inspectorates.

- Internal Audit is provided in accordance with the statutory responsibility under S151 of the Local Government Act 1972, the Accounts and Audit Regulations

The Annual Governance Statement (continued)

2003 and to the professional standards of the CIPFA Code of Practice for Internal Audit in Local Government.

- The internal audit service has been outsourced to RSM Tenon, for 2008/09. Internal Audit delivers its work in accordance with best practice and complies with the requirements of the Government Internal Audit Standard, CIPFA Code and other relevant CCAB standards. RSM Tenon report through the responsible financial officer, who then submits reports to the Finance and Audit Select Committee, which in turn derives its terms of reference from the Scrutiny Commission. Audit recommendations are followed up in a timely manner based upon the priority of the recommendation. RSM Tenon acting as Chief Internal Auditor provide and amend assurance statements containing an opinion on the adequacy and effectiveness of the system of internal control, drawing upon the work completed during the year and the extent of the internal audit strategy covered.
- Internal Audit objectively examines, evaluates and reports on the adequacy of internal controls as a contribution to the proper, economic and effective use of resources. During 2009/10, this responsibility was carried out by following an approved risk based annual audit plan covering the period 2009 to 2012. RSM Tenon provides an independent opinion on the adequacy and effectiveness of the system of internal financial control.
- The Council is committed to the principle of open government and everyone is welcome to attend meetings (when no confidential information is being discussed) and to receive details of non-confidential items. The diagram below sets out the Council's democratic decision making arrangements.



- The Council's Constitution sets out the essential elements of the scrutiny processes that are administered by the Scrutiny Commission and the Select Committees. It describes the functions and membership of the Select Committees and refers to the Select Committee and Scrutiny Procedure Rules. Decisions of the Cabinet are subject to scrutiny by the Scrutiny Commission and two Select Committees, one responsible for Council Services and the other for Finance and

The Annual Governance Statement (continued)

Audit. The Scrutiny Commission and Select Committees also have a role in policy development. In addition, task groups are established to oversee ad-hoc projects.

The Council has two panels reviewing Housing Allocations and E-Government. The Scrutiny Commission publishes an Annual Report and a Work Programme; this is available on the Council's website (www.hinckley-bosworth.gov.uk/scrutiny) and from the Council on request.

- The Council publishes a rolling Forward Plan. This Plan provides details of the key decisions that are planned to be taken over the following four month period. The Council has improved upon this process in 2009/10 and endeavours to include all decisions that it plans to make over a four month period. The information is available on the Council's website: www.hinckley-bosworth.gov.uk/forwardplan and decisions of particular interest are included in the Borough Bulletin.
- Each year all services are required to conduct a self-assessment of the adequacy of controls in place to manage principal business risks – a Service Assurance Statement. This Statement evaluates the effectiveness of procedures, systems and controls, highlights areas for improvement and actions intended to address these. Action plans are incorporated in the service planning process.

The effectiveness of the internal financial controls are also reviewed annually by the external auditor whose Management Letter is considered formally by the Executive.

SIGNIFICANT INTERNAL CONTROL ISSUES

The actions taken by the Council in addressing the over spend in the housing repairs service for the 2007/08 financial year (as set out in the previous years governance statement) have proved to be successful as there was a small under spend on the revised contract for responsive repairs in 2008/09. In 2009/10 costs were again closely monitored and the amount of work released to the Contractor closely controlled. This again resulted in an under spend but this time against an increased contract sum. Further work is being undertaken by management to ensure that housing repairs contract provides good value for money and that future budgets are not exceeded.

No major control issues arose in 2009/10.

We have been advised on the implications of the review of the effectiveness of the system of internal control by the Executive and plan to address weaknesses and ensure continuous improvement of the system is in place.

.....
Steve Atkinson MA(Oxon) MBA MioD FRSA
Chief Executive

Date.....

STATEMENT ON THE System of Corporate Governance

.....
Stuart Bray
Leader of the Council

Date

COUNCIL – 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)
RE: PROCUREMENT & EFFICIENCY STRATEGY

1. **PURPOSE OF REPORT**

The purpose of this report is to present the new Procurement Strategy to members for their consideration and to seek their endorsement of its objectives.

2. **RECOMMENDATION**

Members are asked to

- (i) endorse the Strategy and Action Plan.

3. **BACKGROUND TO THE REPORT**

3.1 The previous Corporate Procurement Strategy had been in place since 2006 and the Improvement Plan arising from it (22 key tasks) was delivered between 2006 and 2009.

3.2 This year, we have taken the opportunity to completely refresh the strategy and for the first time, widen the scope to fully include the efficiency agenda and how we will be delivering on our efficiency targets across all themes (not just procurement) over the next three years.

3.3 The Strategy also comprises a Value for Money Plan which capturing projects delivering efficiencies and service improvements. This plan is to be circulated separately once the appropriate savings targets have been agreed.

3.4 There is also a new Action Plan arising from the strategy comprising 9 key tasks which have also been reflected in the Procurement & Payments BDP to ensure timely delivery.

3.5 The new strategy builds upon the good work from the previous period and includes all requirements for Use of Resources Assessment and now expressly references our approach to Strategic Commissioning.

4. **FINANCIAL IMPLICATIONS (DB)**

There are none arising directly from this report.

5. **LEGAL IMPLICATIONS (AB)**

There are none arising directly from the report.

6. **CORPORATE PLAN IMPLICATIONS**

The Corporate Procurement Strategy document positively contributes to all of our strategic aims.

7. **CONSULTATION**

Internal:

Rob Parkinson
Julie Stay
Judith Sturley
Darren Moore

External:

Jonathan White (Hinckley Town Centre Partnership)
Business Link
Federation of Small Business

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Lack of engagement and buy in from officers	Continue consultation and engagement with officers	Julie Kenny

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Implementation of the Procurement & Efficiency Strategy will assist in the Council's ambitions to secure "achieving" status of the Equalities Framework for Local Government.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications

- ICT implications
 - Asset Management implications
 - Human Resources implications
 - Planning Implications
 - Voluntary Sector
-

Background papers:None.

Contact Officer: Julie Kenny x5985

Executive Member: Cllr Keith Lynch

30C29jun10



Hinckley & Bosworth
Borough Council

A Borough to be proud of

Corporate Procurement & Efficiency Strategy

2010 - 2013



CONTENTS

1	INTRODUCTION AND BACKGROUND	Page 3
1.1	Foreword	
1.2	Background	
1.3	Purpose of the Strategy	
1.4	Objectives	
1.5	Benefits	
1.6	Definitions	
1.7	Strategic Commissioning	
2	ROUTINE PROCUREMENT	Page 7
2.1	General Principles	
2.2	Purchasing Guidelines	
2.3	Consortia and Joint Arrangements	
2.4	E-Procurement	
3	HIGH VALUE / STRATEGIC PROCUREMENT	Page 8
3.1	General Principles	
3.2	Legal Framework	
3.3	Tender Evaluation	
3.4	Design and Construction Contracts	
3.5	Partnership Working	
3.6	Project Management	
3.7	Contract Management	
3.8	Transformation Programme of Service Review	
4	LEADERSHIP AND RESPONSIBILITY	Page 10
4.1	Internal Roles	
4.2	Training and Development	
4.3	People Strategy	
4.4	External Roles	
5	RISK MANAGEMENT	Page 12
5.1	Applying Risk Management Principles	
5.2	Insurance	
5.3	Health and Safety	
6	EMPLOYMENT MATTERS	Page 13
6.1	Employee Consultation	
6.2	Transfer of Employees	
7	SUSTAINABILITY AND LOCAL REGENERATION	Page 14
7.1	Sustainability	
7.2	Green Procurement	
7.3	Local Regeneration	
8	EQUALITIES IN PROCUREMENT	Page 17
9	EFFICIENCY / VALUE FOR MONEY	Page 18
10	REVIEW	Page 20
Appendix A	Action Plan	
Appendix B	Environmental (Waste Reduction) Purchasing Policy	

1. INTRODUCTION AND BACKGROUND

1.1 Foreword

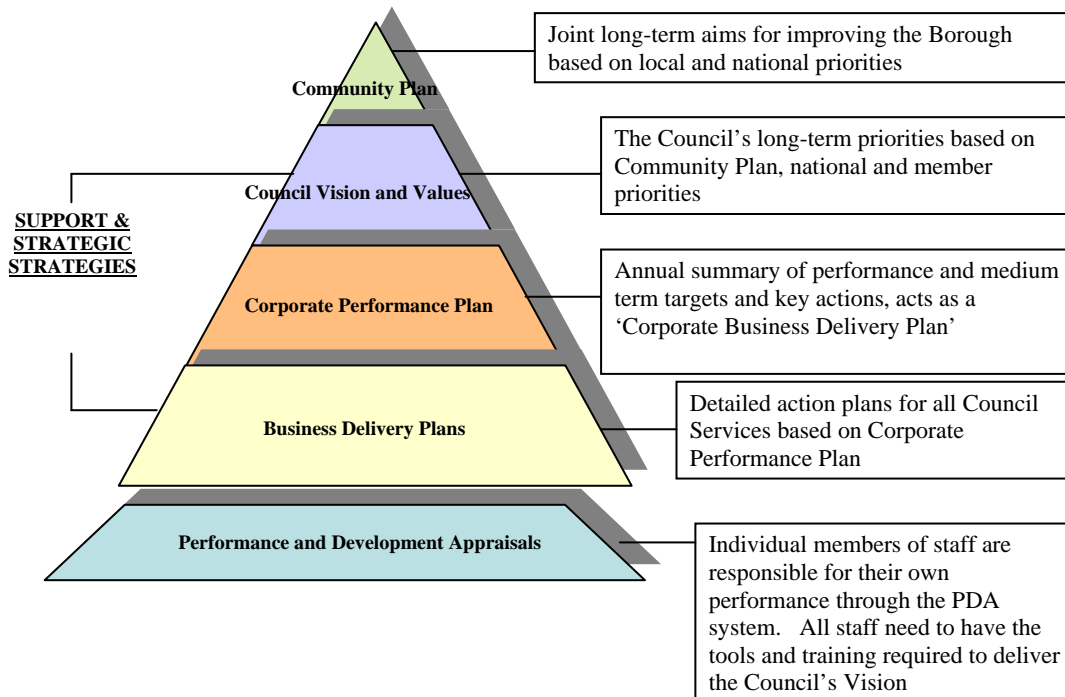
1.1.1 Procurement is recognised as being a major factor in delivering what the Council wants to achieve on behalf of local people through its strategic objectives. The way we choose to use our spending power is a strategic decision and needs to be treated as such. This document sets out how we aim to do this over the next three years, set within the national context of the National Procurement Strategy, Sustainable Development Strategy, NI 179 and Use of Resources Assessment. It also reflects the local context in particular the Council's Corporate Plan, and the County's Sustainable Community Strategy.

1.1.2 The Council's Vision is to make Hinckley & Bosworth "A Borough to be proud of". Our Aims are to be proud of our:

- Cleaner and greener neighbourhoods
- Thriving economy
- Safer and healthier borough
- Strong and distinctive communities
- Decent, well managed and affordable housing.

1.1.3 The Council uses different plans and strategies at all levels of the organisation to plan and monitor the achievement of its aims. The framework is represented by the diagram set out below, and a simple explanation is given for each element.

Hinckley & Bosworth Borough Council (HBBC)- Corporate Planning Framework



1.1.4 During 2010 / 2011 the Council is budgeted to spend c£19m on the procurement of goods, works and services. Recognising that HBBC is a "lean" authority, it is vital that we obtain best value from this expenditure, thereby releasing the maximum amount of resources to deliver key front line services.

- 1.1.5 As HBBC needs to achieve overall value for money services for its citizens, there is commitment from members and senior managers alike to the overall procurement agenda.

1.2 Background

- 1.2.1 The Byatt report “Delivering Better Services for Citizens” of 2003 noted that “good procurement can raise the quality of services for citizens, by buying goods, works and services that better meet their needs”.
- 1.2.2 The Government issued the National Procurement Strategy (NPS) in October 2003 together with a series of key milestones to be achieved over a 3-year period. HBBC achieved all relevant milestones through delivery of its first Procurement Strategy, together with its action plan.
- 1.2.3 This Procurement Strategy builds upon the foundations laid by the first Strategy and will incorporate the Council’s emerging priorities and challenges, including Total Place and our approach to Strategic Commissioning. It also includes our approach to the efficiency agenda for the next three years.
- 1.2.4 To support us in this agenda, the Council works closely with the East Midlands Regional Improvement and Efficiency Partnership which is meant to help us and our partners to deliver better services by supporting our efforts to become efficient, innovative and more engaged with our citizens.
- 1.2.5 Hinckley and Bosworth Borough Council is not a high spending authority. It has a low tax base and low Council Tax level. It therefore finds itself in a difficult position of retaining a low level of Council tax and maintaining a prudent level of balances and reserves whilst facing increased costs and pressures of new and improving services. The average Band D Council Tax for 2010/11 is £150.59 which is the lowest in Leicestershire and 10th lowest in the Country.
- 1.2.6 Therefore being a lean Authority, it is vital that the Council focuses on procurement as a major opportunity to alleviate budget pressures. The HM treasury spending review (Gershon review), in 2004, set an expectation for procurement to deliver savings in cost efficiencies and cost reductions in goods and services procured. This has been further developed by CSR07 and the introduction of NI179 (Cash Releasing Value for Money Gains).
- 1.2.7 The Council has a process for identifying and reporting on NI179 and is further developing its approach to unit costing for services. This is detailed further in the Efficiency / Value for Money section of this document.
- 1.2.8 HBBC has a Procurement Manager who is responsible for development and implementation of this Strategy. Routine procurement continues to be devolved to service areas but within a more controlled environment. This leaves capacity for the procurement expertise to be directed at the more complex and strategic projects.

1.3 Purpose of the Strategy

- 1.3.1 This document aims to provide a framework for the full range of procurement activity carried out across the Council and ensure that procurement planning reflects the Council’s financial standards and strategic objectives. It also sets out the Council’s Efficiency Strategy and how it will continue to deliver the savings required.

- 1.3.2 This Strategy does not set out to be a Procurement Manual. A Procurement Toolkit has been separately compiled for officers' use. This is available on the Council's Intranet.
- 1.3.3 Procurement activity is subject to scrutiny from both internal and external challenge. It is a factor in many Audit Commission Key Lines of Enquiries (KLOEs), is addressed within Comprehensive Area Assessment (CAA) inspections, and 'Use of Resources' assessments etc.

1.4 Objectives

1.4.1 The objectives of this Strategy are as follows:

- to continue to evaluate and improve current procurement practices to achieve better value for money and ensure customer / client needs are met;
- to ensure procurement best practice is highlighted and used consistently throughout the Council;
- to align procurement activities with other strategies adopted by the Council and to ensure that corporate objectives are addressed;
- to ensure that current and future procurement activities are planned, monitored and reviewed effectively;
- to encourage growth in the local economy through effective engagement with local businesses;
- to develop a more sustainable environment and community;
- to identify opportunities for working with others, both in the public and private sectors, in order to widen the scope for maximising purchasing power and identifying innovation.
- to ensure that our approach to procurement sits well within the context of Local Area Agreements, the regional Community Strategy, Total Place and Strategic Commissioning.

1.5 Benefits

1.5.1 In taking this Strategy forward, the Council can expect to realise the following benefits:-

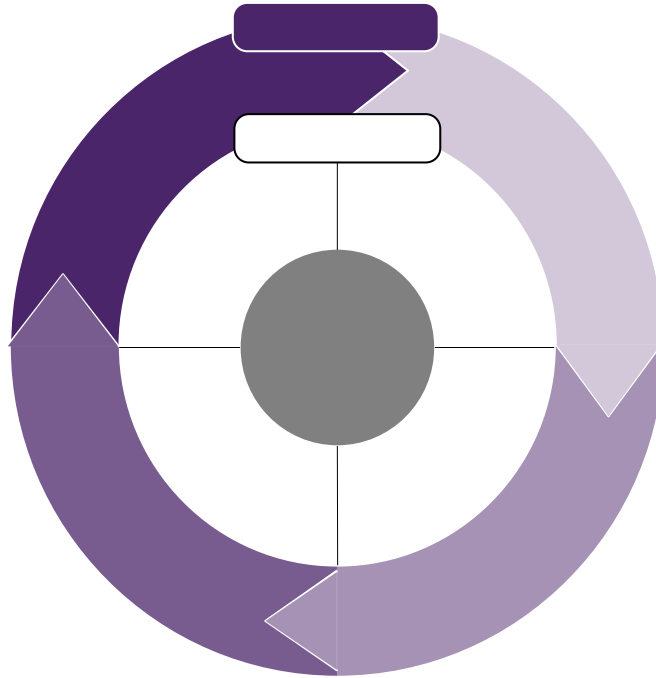
- Improved value for money;
- More efficient procurement;
- Collective understanding of expectations amongst officers and members;
- Improvements in procurement outcomes;
- Effective partnerships to be developed with suppliers / service providers;
- Improved risk management;
- Promotion of social benefits and equality of opportunity for service users, service providers and staff;
- Improved project planning and management;
- Integration with and contribution to Council's overall objectives and business delivery plans;
- Sustainable local business community.

1.6 Definitions

- 1.6.1 Procurement is defined as “*the process of acquiring goods, works and services, covering both acquisition from third parties and from in-house providers. The process spans the **whole cycle** from identification of need, through to the end of a services contract or the end of a useful life of an asset.*” This Strategy further defines procurement in two categories:-
- A. **Routine Procurement** – this sets out the processes supporting routine / low cost and risk purchasing and procurement and ways of developing / improving the effectiveness of these activities.
 - B. **High Value / Strategic Procurement** – This is where procurement is planned for specific projects and needs to take account of specific issues e.g. options appraisals, tendering requirements and legislation, contract management and monitoring.
- 1.6.2 Although some aspects of good practice will be common to both types of activity, the support required and the processes adopted will differ and this has been taken account of in developing this Procurement Strategy.
- 1.6.3 Value for Money is principally defined as “*the optimum combination of whole life costs and benefits to meet the customers’ requirements*”.

1.7 **Strategic Commissioning**

- 1.7.1 HBBC, along with its Leicestershire partners will endeavour to take a strategic commissioning approach to delivering services. The Leicestershire together Board has agreed a particular approach and has developed a Handbook for all partners to use, along with a supporting team.
- 1.7.2 There are many definitions of strategic commissioning but essentially it is: “The process of identifying strategic outcomes in relation to assessed user needs, and designing and securing appropriate services to deliver these outcomes”
- Commissioning involves:
- An **evidence based** analysis of the needs of users
 - Deciding the services that best deliver against those needs from **across the market** (private, public and voluntary)
 - Acquiring the best services and making sure they are successful through **ongoing monitoring and review**
- 1.7.3 There is clearly a strong link between strategic commissioning and strategic procurement. They both incorporate the whole cycle of how public services are delivered in a value for money way.
- 1.7.4 The four stages of Strategic Commissioning as defined by Leicestershire Together are illustrated in the diagram overleaf:



2 ROUTINE PROCUREMENT

2.1 General Principles

- 2.1.1 Procurement of low value items by individual managers accounts for a significant proportion of the Council's expenditure when aggregated across the whole range of Council services. Whilst flexibility needs to be maintained to ensure that managers can respond to their own requirements, there needs to be sufficient co-ordination and control to allow good practices to be shared, benefits to be accrued from economies of scale, and targets and improvement to be identified and achieved.
- 2.1.2 The focus for routine procurement needs to be on outcomes i.e. meeting the Council's objectives, ensuring customer needs are satisfied, and achieving value for money.
- 2.1.3 Whilst routine procurement will remain devolved to individual departments, wherever possible, any contract requirement of the Council should therefore be aggregated and procured on a corporate basis.

2.2 Purchasing Guidelines

- 2.2.1 In terms of routine procurement, the Council's purchasing guidelines are currently contained within the Finance and Contract Procedure Rules which are both available on the Intranet.
- 2.2.2 The Finance and Contract Procedure Rules need to be reviewed annually to ensure that they continue to reflect good procurement practice and provide appropriate safeguards for the Council in any purchasing activity undertaken.
- 2.2.3 A detailed Procurement Toolkit has also been developed and this forms the basis of simple guides to best practice. These guides are for all Council employees involved in procurement at any level and are available on the Intranet.

- 2.2.4 Training is also offered to any staff involved in procurement and all members. This is delivered typically on a quarterly basis as a minimum.

AP Task 1: Deliver Training.

2.3 Consortia and Joint Arrangements

- 2.3.1 The opportunities identified within this Strategy become more powerful when shared with other local authorities, agencies and private sector partners to identify areas of common interest. There are a number of local authorities that have joined together to share expertise, realise administrative efficiencies, and economies of scale for mutual benefit.
- 2.3.2 HBBC has already recognised the benefits of joint working and will utilise consortia arrangements (Eastern Shires Purchasing Organisation (ESPO), Office of Government Commerce (OGC etc.)) where they offer a value for money solution. This will be evaluated upon both a cashable and a non cashable basis, i.e. where there are potential process savings as well as “cost per unit” savings.

2.4 E-procurement

- 2.4.1 E-procurement is more than simply automating the purchase order and invoice payment process. It is about using the technology available to improve efficiency and effectiveness of the whole supply chain.
- 2.4.2 The Council implemented an e-procurement system in 2007 which is now well embedded. Over the period of this Strategy, we will seek to take advantage of all developments to this system to further reduce transaction costs and processing time.
- 2.4.3 The Council will also be implementing an e-tendering system in 2010 which will be used for all of the Council's future tenders.

AP Task 2: Implement future releases of Civica Purchasing and Authority Financials taking full advantage of all developments..

AP Task 3: Implement e-tendering.

3. HIGH VALUE / STRATEGIC PROCUREMENT

3.1 General Principles

- 3.1.1 Procurements that fall within this category of procurement, tend to carry far higher risks if the project is not completed successfully e.g. a construction contract or the tendering for the provision of a key service. Strong support and guidance, therefore, needs to be in place.

3.2 Legal Framework

- 3.2.1 High Value projects are more likely to be subject to European Union (EU) procurement regulations and lack of compliance with the legal requirements can open the Council to costly legal appeal. All decisions must be transparent, objective and auditable. The EU processes specify different routes according to the type of procurement undertaken and the Council must provide clear support on the legal framework identifying as necessary how specialist legal advice can be obtained.

3.2.2 It is crucial that the Procurement Manager is involved in all strategic procurement projects, to ensure best practice is applied and to provide guidance and support. Managers who undertake such projects should be suitably trained.

3.3 Tender Evaluation

3.3.1 The Council will utilise appropriate selection criteria to be applied when awarding contracts. Criteria to take into account may include:

- price, including whole life cost;
- quality;
- plans for service improvements;
- empathy with the Council's objectives and core values;
- skills;
- investment;
- impact on employees innovation;
- shared risk / reward;
- staffing issues including TUPE arrangements;
- environmental issues;
- equality considerations;
- health and safety issues.

3.4 Design and Construction Contracts

3.4.1 The Council will ensure its construction and design processes take account of the key elements of the Government's Guide on 'Rethinking Construction in Local Government' (Egan Report).

3.5 Partnership Working

3.5.1 Partnering is more about the approach undertaken than a specific method of procurement. The Council is committed to working with public, private and voluntary sector organisations to develop co-operative procurement arrangements and develop supplier effectiveness. Exploring further opportunities to work in partnership and achieve benefit from sharing resources, skills and expertise, will evidence this commitment.

3.5.2 Partnering is a term widely used within both the public and private sectors but although it has no commonly agreed definition it can generally be defined as *"A relationship between two (or more) organisations, which commit to working together to achieve their own and each other's objectives."*

3.5.3 The aim of partnering is for clients and service providers to work together to achieve best value for all parties by adopting a flexible and motivated approach unrestrained by artificial barriers and in a non-confrontational manner. The partnership must be underpinned with a formal contract, processes and procedures document in which the ethos of the partnership is captured.

3.5.4 Partnering principles will be applied to individual projects whenever possible and appropriate.

3.6 Project Management

3.6.1 Procurement undertaken in this category needs to be managed to formal project management principles, with responsibilities clearly outlined and plans must be in place setting targets, milestones, timescales and resources

required for successful completion. HBBC has adopted Prince 2 as its chosen methodology, with application of the principles varying depending upon the size and nature of the procurement.

3.7 Contract Management

- 3.7.1 Project management principles apply not only to tendering processes but also to the performance of the contract once in place to ensure the desired outcomes are achieved and the Council's objectives are continually being met.
- 3.7.2 Wherever possible, challenging performance indicators (PIs) should be incorporated into contracts as a tool for managing performance, and to drive continuous improvement.
- 3.7.3 In terms of information provided by our contractors, it is vital that this is provided in a timely and accurate manner and that we are clear with the contractor about their responsibilities for data quality and how we will be checking the information they provide.
- 3.7.4 Where applicable the Council require a contractor to adopt our Data Quality Policy and / or enter into an Information Exchange Agreement.
- 3.7.5 The Council will also, where appropriate, check the information it holds with customers, partners and / or service users, in order to keep its information accurate.
- 3.7.6 The Council will seek to develop contract management tools, utilising appropriate technologies. A Contract Management Guide is available on the Intranet as part of the Procurement Toolkit.

3.8 Transformation Programme of Service Review

- 3.8.1 The Council has a Programme of Transformation, with a Board tasked with its delivery. As part of this programme, services and strategically critical procurements will be reviewed.
- 3.8.2 In particular, services will be reviewed where:
- There is a need to improve performance on a shared or local priority.
 - We are unclear whether a service is still required or whether its contribution is as effective as it could be.
 - There is a clear and proven case for a new service or a different way of providing an existing service.
 - There is evidence that the costs of a service are significantly out of line with comparable services in other authorities.
 - There is a clear opportunity to work with other authorities to deliver common services.
- 3.8.3 This review will look at new and innovative ways of delivery, rather than repeating without challenge current practices. It will include researching all available delivery options in the market, including working with others and current best practice. We will also engage other organisations to learn from their good and bad experiences.
- 3.8.4 A transparent options appraisal exercise will be undertaken and will include the following areas for review::
- Cost;

- Service quality;
- Risk;
- Deliverability;
- Timescales;
- Funding;
- Practicality;
- Legal / Statutory requirements.

3.8.5 The options appraisal will as a minimum consider the following alternative delivery options:

- In-house provision
- Use of consortium framework contract
- Collaborative contract
- Shared Service
- Private Sector
- Voluntary Sector
- Social Enterprise
- Local Authority Company
- Joint Venture Company
- Partnering Contract
- Design, Build, Finance and Operate Contract
- Concession or Franchise
- A combination of the above

AP Task 4: Deliver Service Reviews as identified by Transformation Programme

4 Leadership and Responsibility

4.1 Internal Roles

4.1.1 Currently members of staff in all of the Council's service areas carry out procurement. A Procurement Manager is in post and will acts as an advisory / support resource. The Procurement Manager is also responsible for developing and reviewing the Corporate Procurement Strategy and framework, and developing, maintaining and monitoring relevant systems, procedures and standards to ensure that corporate requirements and strategic objectives are met.

4.1.2 The Council's Managers are responsible for ensuring the Strategy is and all associated systems, procedures (including Financial Procedure Rules) are adhered to within their respective teams.

4.1.3 Clearly, HBBC will not be able to realise the full potential of procurement to improve public services without commitment from the top. As the Executive Member for Corporate Direction, Cllr Keith Lynch will act as the lead on the Procurement Strategy for members.

4.2 Training and Development

4.2.1 As already identified, a substantial amount of procurement carried out within the Council is not managed or undertaken by purchasing professionals and therefore, the skills required need to be properly identified and met. This will include project and contract management skills referred to earlier as well as

competency in appraising suppliers, carrying out negotiations and risk management.

- 4.2.2 Training is delivered by the Procurement Manager on a quarterly basis and more specialist training is to be sought by the Procurement Manager as and when required.

4.3 People Strategy

- 4.3.1 All actions arising from this Procurement Strategy will be developed alongside the principles of the Council's Human Resources People Strategy.

4.4 External Roles

- 4.4.1 The Council intends to engage fully with all sources of external support to enable delivery of this Strategy. Such sources include:

- Regional Improvement & Efficiency Partnership
- IdeA
- Leicestershire & Rutland Procurement Forum
- Other peer authorities

- 4.4.2 The Council needs to engage with its partners as much as possible to ensure we receive maximum support to implement the Strategy and Action Plan. We will also proactively seek out opportunities for collaboration and shared services.

- 4.4.3 HBBC has already engaged in this process and is working particularly with other Leicestershire authorities on a number of initiatives including:

- Revenues and Benefits
- Procurement of Council Tax Billing
- Procurement of Abandoned Vehicles Collection and Storage
- Procurement and implementation of County wide Choice based Lettings Scheme for Housing

5 RISK MANAGEMENT

5.1 Applying Risk Management Principles

- 5.1.1 All procurement should be subject to the identification and quantification of risk prior to contract formalisation so that risk is retained or transferred to the party who can manage the risk the most effectively. This analysis should be completed in line with the Council's Risk Management Strategy which defines the Council's agreed treatment methods of different levels of risk (risk appetite). A project risk register is to be maintained for major projects in accordance with the Risk Management Strategy.

- 5.1.2 There are many different types of risk that may exist and a tactical approach is required to ensure at least key risks are considered. At HBBC a RISK TACTICAL approach is taken to ensure key risk categories are considered. Key considerations for each risk category are provided in the Risk Management Strategy. Key risk categories are:

- Reputation
- In Partnership
- Support politically
- Key staff and Management
- Third Party Dependencies
- Assets
- Capital and Revenue
- Technological
- Impact on Environment, Customers, social / economic issues
- Continuity
- Advantage/Opportunity
- Legal/Regulatory

5.1.3 Risks and procurement 'Lessons Learned' identified will be recorded in project / service risk registers with the necessary actions required to manage the risk.

5.1.4 Risk identification and assessment is also incorporated into the Business Delivery Planning process. Procurement risks should be considered as part of Business Delivery Planning process. New or unplanned procurement activity will need to be added to service risk registers following formalisation of Business Delivery Plans.

5.1.5 The benefits and opportunities that may arise will need to be analysed in order to balance such opportunities against the risks. This will ensure that all aspects of the procurement are properly weighted against each other.

5.1.6 Reporting on the ongoing management of identified risks is carried out as part of the Council's Performance Management reporting arrangements.

5.2 Insurance

5.2.1 When contracting with third parties it is important to ensure that they have adequate provisions to deal with any unforeseen events. There are liabilities associated with the supply of goods or services that should be retained and insured by the supplier. As a **minimum**, any contracting third party with the Council should have the following liability insurance provision:

Public Liability Insurance

A minimum indemnity limit of **£5M** for any single event or series of events arising from the same cause.

Products Liability Insurance

A minimum indemnity limit of **£5M** for any single event or series of events arising from the same cause.

Employers Liability Insurance

A minimum indemnity limit of **£10M** for any single event or series of events arising from the same cause.

Professional Indemnity Insurance

A minimum indemnity limit of **£2M** in the aggregate for all claims made in any 12 month period of insurance.

- 5.2.2 Where a provider doesn't hold the levels of insurance as indicated above, the Council's Procurement Manager should be consulted and a risk assessment undertaken to determine the level of insurance appropriate for the contract being procured.

5.3 Health and Safety

- 5.3.1 As part of the risk identification process, health and safety considerations must be included. This relates both to ensuring the Council's Health and Safety policies and procedures are met, particularly in the supply of services, and also ensuring that items purchased meet appropriate Health and Safety requirements / standards.

6 EMPLOYMENT MATTERS

6.1 Employee Consultation

- 6.1.1 Staff will be consulted during procurement projects at all times and from the earliest opportunity and a consultation timetable will be agreed at the outset and adhered to throughout.
- 6.1.2 The views of staff on such matters will be ascertained and considered fully.
- 6.1.3 Where procurement affects staff, staff representatives will be kept informed and invited onto the relevant Project Teams and evaluation panels as appropriate. Wherever possible, employment considerations will be built into procurement processes and contracts.

6.2 Transfer of Employees

- 6.2.1 Where outsourcing is an option, this will be done with certain and consistent application of the Transfer of Undertakings (Protection of Employment) Regulations (TUPE).
- 6.2.2 There will be no transfer to any other organisation unless the Council is satisfied that the prospective employer is sound. The Council will not award contracts to organisations with poor track records in areas such as employment conditions. This extends to issues of equality such as sex, race, sexual orientation etc.
- 6.2.3 Where there is TUPE transfer, the Council will provide bidders with accurate and timely information on all relevant matters. Bidders will be expected to demonstrate that they understand and can manage their obligations under TUPE, with no detriment to the terms and conditions of transferred employees in connection with the transfer.
- 6.2.4 Contractors selected to provide services to the Council and to take on former staff should also have the policies that ensure good communication and consultation with the workforce on key issues following a transfer.
- 6.2.5 The Council will also seek to provide protection of the pension rights of transferring staff. The authority will expect employers to either seek admitted body status (where eligible) to the Local Government Pension Scheme or to offer membership of an alternative scheme that is certified as being broadly comparable. Negotiations to resolve the issue of pensions shall take place at an early stage in the process and shall be open and transparent.

- 6.2.6 With effect from 13 March 2003 the Government introduced a statutory Best Value Code of Practice on Workforce Matters in local authority service contracts. The main issues include the provision that in transfer situations even when TUPE does not apply in strict legal terms, the principles of TUPE should be followed and the staff involved should be treated no less favourably than had the regulations applied.
- 6.2.7 Throughout the length of the contract, the service provider will provide the Authority with information as requested which is necessary to allow the authority to monitor compliance set out in the code and in particular measures to prevent the emergence of a two-tier workforce. The authority will seek to enforce these obligations on the service provider under this Code.

7 SUSTAINABILITY AND LOCAL REGENERATION

7.1 Sustainability

- 7.1.1 Sustainable development means that economic growth, social cohesion and environmental protection must go hand in hand.
- 7.1.2 The UK Government Sustainable Development Strategy (2005) highlighted the need to ensure that the £125 billion spend in the public sector is utilised sustainably and responsibly.
- 7.1.3 All procurement shall therefore have due regard to the principles of sustainability. Environmental and social issues shall be considered at all stages of the procurement cycle, including:
- Defining the need;
 - Evaluating options;
 - Design and specification;
 - Supplier selection;
 - Tender evaluation;
 - Post-contract management;
 - Supplier development;
- 7.1.4 At the outset, the business case in each procurement project must address sustainability issues and identify whether there is scope to improve the environmental, economic and social impacts of the proposed contract.
- 7.1.5 The Procurement Toolkit includes guidance as to how these factors can be included at each stage.

7.2 Green Procurement

- 7.2.1 The environmental impacts of procuring goods and services are deep and wide ranging. The key principles to consider are “reduce, reuse, recycle and rethink” – including thinking about whole life costs (noting in particular the cost of disposal).
- 7.2.2 The council adopted an Environmental (Waste Reduction Policy) Purchasing Policy in March 2010 (Appendix B). This strategy will deliver on all of the objectives contained within the Policy.
- 7.2.3 The early consideration of green issues with an emphasis on whole life costing may result in a differing requirement providing better value for money.

HBBC will seek to use specific tools at each key stage to assess environmental impacts, specifically invitations to tender and pre qualification questionnaires should include a requirement for potential suppliers to identify the environmental impacts of their organisations products and how they propose to minimise them. This will allow a wider consideration of the issues during which the evaluation of tenders, and may result in new ideas.

7.2.4 Questions which can be asked of major suppliers tendering for large contracts should include:

- Does the organisation have an environmental policy?
- Does the organisation have an environmental management system in place? For example, do they hold accreditation for EMAS (Eco-Management & Audit Scheme) and / or ISO14001?
- Has the organisation compiled an environmental effects register?
- Does the organisation have an environmental action plan to reduce adverse impact on the environment?
- Does the organisation have any unspent prosecution in relation to environmental legislation?
- Identify the environmental impact of the provision of your supply/service.

7.2.5 The answers to the above questions can be used to consider both the environmental risk and profile risk (concerned with perceptions of those outside of the Council on what the Council 'should be doing'). The Council's own documents and procedures, e.g. the Environmental Policy and Environmental Effects Register will be used as benchmarks for scoring the suppliers' responses.

7.2.6 Wider costs and issues (e.g. reducing the potential for long term pollution in the local community) should be considered at the specification of requirements stage. In addition, whole-life costs* provides the means of determining if it is cost effective to invest in a more expensive product initially to reduce costs in the long run. The environmental impacts in each stage of a product or service's lifecycle need to be taken into account.

7.2.7 Suppliers should also be required as part of the tender process, to explain how their offer will meet or exceed the specification in regard to materials used in manufacture, reduction of energy used during manufacture. Disposal etc. for goods and the use of energy and water, generation of waste, pollution and protection of the natural environment etc. for works and services.

7.2.8 The Council has developed a Green Purchasing Guide that provides guidance to staff on how they can help to conserve energy and resources, and reduce waste and pollution through purchasing decisions. This will be further developed to ensure it captures the objectives of the New Environmental (Waste Reduction) Purchasing Policy. Furthermore, catalogue purchasing will be analysed wherever possible to ensure the Green Purchasing Guide is being utilised.

AP Task 5: Further Develop Green Purchasing Guide

* Whole life costs can be defined as the total resources required for putting together, equipping, maintaining and operating a purchase such as a piece of equipment, vehicle or building. It is made up of the costs to develop, acquire, own, operate and, preferably, re-deploy or, less preferably, dispose of the equipment or property when no longer required for the purpose for which it was purchased.

7.2.9 The Council is recognised as being a “Fairtrade Borough”. Consideration should be given to Fairtrade and general ethical procurement in all its procurement decisions.

7.3 Local Regeneration

7.3.1 The Council recognises that as a major buyer of goods and services, the decisions it takes in awarding contracts can have an effect on the local economy and local communities. The Council needs to balance this within the legislative framework, particularly in regard to the non-discrimination and competition requirements.

7.3.2 In response, the Council is committed to maximise the regeneration impacts of its procurement decisions.

To help it achieve this, the Council will need to take a number of steps, including:

- Completing an analysis of the Council’s current spending patterns, which identifies how much we are spending locally, particularly in regard to small to medium enterprises (SMEs);
- Where this is found to be low, the Council will take available measures to increase spend within the Borough and region;
- Paying our local suppliers within 10 days;
- Using the Council’s website to advertise business opportunities at all levels up to and over European Threshold values;
- Promoting the availability of our services through attendance at local business organisations’ meetings such as Business Link Leicestershire / Hinckley Business Assoc / Earl Shilton Business Forum;
- Continuing to work closely with the Town Centre Partnership and the Business Improvement District (BID).

7.3.3 The Council recognises that local suppliers and indeed any SMEs are not able to compete for *every* contract opportunity. HBBC therefore needs to develop an approach to encouraging tenderers for large contracts to consider how they might work with the local supply chain to increase the local economic impact of the contract.

7.3.4 Whilst seeking to encourage growth in the local economy, the Council aims to encourage a mixed range of suppliers to compete for its contracts to help develop a varied and competitive marketplace. HBBC recognises that smaller suppliers and those in the voluntary and community sectors can often have innovative solutions to requirements. HBBC will identify any gaps in the supply base and strive to increase provision from currently under represented areas, including BME and women owned businesses.

AP Task 6: Supplier Engagement Programme.

8 EQUALITIES IN PROCUREMENT

8.1 HBBC is committed to equalities in all its activities. Any contractor / organisation working for and on behalf of the Council, or any organisation receiving grants from the Council, will need to demonstrate its compliance with all current legislation as an employer. The legislation includes:

- Equal Pay Act 1970 amendments 1984, 1995 and 2005

- Sex Discrimination Act 1975 and subsequent amendments 1988, 1999, (Sex Discrimination
 - Gender Reassignment) Regulations 2003
 - Race Relations Act 1976
 - Disability Discrimination Act 1995 & 2005
 - Protection from Harassment Act 1997
 - Human Rights Act 1998
 - Maternity and Parental Leave Regulations 1999
 - Sex Discrimination (Gender Reassignment) Regulations 1999
 - Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000
 - Race Relations Act 2000
 - Fixed Term Workers (Prevention of Less Favourable Treatment) Regulations 2002
 - Paternity and Adoption Leave Regulations 2002
 - Equal Treatment Directive (Amendment) Regulation 2002
 - Race Relations Act (Amendment) Regulations 2003
 - Employment Equality (Sexual Orientation) Regulations 2003
 - Employment Equality (Religion or Belief) Regulations 2003
 - Gender Recognition Act 2004
 - Employment Equality (Sex Discrimination) Regulations 2005
 - Employment Equality (Age) Regulations 2006
 - Equality Act 2006 (Gender Equality Duty; Sexual Orientation; Religion or Belief)
- 8.2 At the start of a tendering exercise, an Equalities Impact Assessment should be undertaken in accordance with the Council's corporate requirements. Any findings from this assessment, including any consultation results, should be factored into the procurement process.
- 8.3 The contractor / organisation must ensure that all individuals or organisations providing, receiving or benefiting from the service are treated fairly and without discrimination, either directly or indirectly. The contractor/organisation shall not discriminate either on grounds of race, skin colour, nationality, ethnic or national origin, gender, sexual orientation, marital status, disability, age, religious belief or class, education or health.
- 8.4 At the pre-qualification stage the authority will seek information as to the general competence, track record, details of criminal offences and acts of grave misconduct in relation to legislation on sex, race and disability. Contractors will be excluded from the tendering exercise if they have been convicted of a criminal offence or have committed an act of grave misconduct, and have not put appropriate measures in place to prevent a reoccurrence.
- 8.5 The following will be added as clauses in tender documents for contracts:
- It is a priority of the Council's policy to use whatever opportunities are allowed by law to ensure that contractors and their agents accept a commitment to equalities;
 - The contractor and any sub contractor employed by the contractor shall adopt policies to comply with all legislation as detailed above;
 - The contractor is required to ensure that information and services are fully accessible to all sections of the community and that resources are targeted to ensure that best value is provided;

- The contractor is required to make every effort to consult, involve and encourage the participation of local communities;
- The contractor will undertake to build a workforce that reflects the diversity of its communities at all levels wherever possible;
- In the event of any finding of unlawful discrimination being made against the contractor or any sub contractor employed by the contractor, during the contract period, by any court or employment tribunal, or of any adverse finding in any formal investigation by the Commission for racial Equality, Equal Opportunities Commission, and/or Disability Rights Commission, over the same period, the contractor shall inform the Council of this finding and shall take appropriate steps to prevent repetition of the unlawful discrimination;
- The contractor shall provide such information as the Council may reasonably request for the purpose of assessing the contractor's compliance with the above conditions including, if requested, examples of any instructions, recruitment advertising or other literature, and detail of monitoring applicants and employees;
- The Council will monitor performance in this area as part of Contract Management. Non-compliance will be treated as a serious breach of contract and may result in this contract being terminated and/or the contractor not being permitted to tender for future contracts.

8.6 The Council has an Equalities in Procurement Guide available on the Intranet as part of the Toolkit, which provides further information.

AP Task 7: Support Council's work towards "Achieving" level of Equalities Framework for Local Government.

9 EFFICIENCY / VALUE FOR MONEY

- 9.1 Since the 2004 Gershon Review local authorities have been charged with finding savings of 2.5% each year on a cumulative basis for the three years ending in 2007 / 08. At least 50% of this target had to be met from cashable savings. With the ending of that period, and the apparent success of local authorities comfortably meeting the government's targets, new targets for efficiency savings were introduced through the 2007 Comprehensive Spending Review.
- 9.2 The efficiency agenda now works from a baseline of 2007 / 08, and overall Local Government is expected to achieve 3% **cashable** savings each year, and on a cumulative basis, for the three years through to 2010 / 11. The effect means that this equates to national savings of £4.9 billion or 9.3% in 2010/11.
- 9.3 HBBC has always performed well against its efficiency targets and will continue to strive to do so.

	CASHABLE TARGET	CASHABLE ACTUAL
2007 / 2008	£154k	£1.1m
2008 / 2009	£531k	£904k
2009 / 2010	£531k	£531k (tbc)

- 9.4 Whilst targets are now (from 2010/2011) not set at a national level, they have been agreed locally with all partners as part of the LAA. For 2010 / 2011, we are tasked with making £600,000 of efficiency savings. Data relating to these savings is captured for NI179 and monitored and reported by both the Procurement Manager and Accountancy Manager.
- 9.5 The Council will identify efficiencies using a variety of means. The Council's Transformation Board is tasked with quantifying savings from the delivery of all of its projects. The Transformation Board has an agreed programme of projects, all of which fall within the following themes:
- Business Process Re-engineering
 - Talent Management
 - Property Efficiencies
 - ICT
 - Procurement
 - Efficiencies
 - Service Reviews / Shared Services

Progress on each project is reported to both the Council's Transformation and Strategic Leadership Boards.

- 9.6 All services are also asked to consider efficiency savings as part of their Business Delivery Planning Process. They are required to engage with the Procurement Manager to assist in quantifying any efficiencies from their forthcoming activity and for these to be captured on their Plans. Realisation of these efficiencies is then to be monitored and reported accordingly. From 2010 / 2011 this is to be monitored monthly as part of the Budget Monitoring process by the Accountancy Team.
- 9.7 All such Projects are captured within the overall Value for Money Plan which is attached at Appendix C

AP Task 8: Introduce Monthly Efficiency Monitoring.

- 9.8 The Council will seek to identify all costs of services where appropriate and break this down into transaction and / or unit costs. This data can then be used to identify where further efficiencies may be realised. It will also be benchmarked with other parties, both public and private sector, to demonstrate that value for money is being achieved.
- 9.9 Further mechanisms for demonstrating value for money will be utilised where the Council is confident that the value of the data collected outweighs the costs and resource required in collecting it. In particular, in the year 2010, a pilot will take place for applying the Back Office Efficiency Indicators. These indicators were an integral part of the HM Treasury Operational Efficiency Programme for 2009. If successful, these will be rolled out across all applicable back office functions.

AP Task 9: Pilot Back Office Efficiency Indicators.

- 9.10 The Council will also make use of readily available data for comparison purposes, including the Audit Commission's Value for Money Profiles.

10. REVIEW

- 10.1 This strategy will be subject to 6 monthly reviews with annual reporting to Executive / Council.

Appendix A



Hinckley & Bosworth
Borough Council

A Borough to be proud of

Hinckley & Bosworth Borough Council Procurement Action Plan

JH = Julie Horrocks
DB = David Bunker
RP = Rob Parkinson

Key Task	Target Date	Owner	Current Status
1. Deliver Procurement Training	Ongoing	JH	Procurement is notified of any new starters and their managers are contacted to determine whether their role involves procurement. If so, they are included on next quarterly training. Training is mandatory for any authorised signatories / budget holders As at end 09/10, 85% of all relevant officers were trained, meeting our target.
2. Implement future releases of Civica Purchasing & Authority Financials.	Version 11 by Oct 10 Version 12 within 6 mths of release	JH / DB	Currently on version 10. Release 11 made available in March 2010 – to implement in Sep 10. Developments include Requests for Payments which could replace internal invoices – this to be investigated further.

Key Task	Target Date	Owner	Current Status
3. Implement e-tendering	31/12/10	JH	Quotations were sought in 09/10. Growth bid for “pay as go” option was successful. BIP Solutions Delta product to be piloted and implemented by end December 2010.
4. Deliver Service Reviews identified by Transformation Programme	30/09/10	JH	Cashier Service Review to be complete and actioned for relocation from Argents Mead.
	31/03/11	JH	Pest Control Review to be complete by end of financial year – target savings of £20k.
5. Further develop Green Purchasing Guide	31/08/10	JH / RP	Guide is to be developed to ensure fits with new adopted Policy. Green catalogue purchasing is to be monitored to ensure officers are adhering to Guide where possible.
6. Supplier Engagement Programme	Ongoing	JH	Attendance at two business events as a minimum. Ongoing dialogue with Judith Sturley and Jonathan White as to how these are best delivered. Increase performance for payment to local suppliers within 10 days. Begin capturing data regarding size of companies and ownership – BME, women owned etc.
7 Support Council’s work towards “Achieving” level of Equalities Framework for Local Government.	Ongoing	JH	Begin capturing data regarding size of companies and ownership – BME, women owned etc. Ensure Equalities in Procurement Guide remains fit for purpose. Ensure EIAs are carried out at the beginning of any major procurement exercise. Fully participate in Corporate Equalities Group and Peer Review.
8. Monthly Efficiency Monitoring	31/05/10	JH / DB	Accountants to commence monitoring the delivery of efficiencies through their budget monitoring meeting with managers.
9. Pilot Back Office Efficiency Indicators	30/09/10	JH	Agree which back office function to pilot with indicators. Compile data for 09/10 and compare with available data. Determine value of indicator compared with resource required in the data collation etc. If successful, agree to which services to roll out and to what extent.



ENVIRONMENTAL (WASTE REDUCTION) PURCHASING POLICY

Hinckley and Bosworth Borough Council accepts fully its responsibility as a community leader to carry out its purchasing activities in an environmentally responsible manner that reduces the amount of waste generated. Working within EU and UK procurement law as well as the requirement to secure Best Value we will:

- Ensure that we only buy goods and services that are truly necessary.
- Encourage upgrade, reuse, repair and recycling of products.
- Encourage the purchase of goods containing recycled materials to support the market for recyclates.
- Minimise the use of virgin non-renewable natural resources and support the use of sustainable sources.
- Consider climate change mitigation and adaptation in procurement.

To achieve our objectives we will:

- Work with our suppliers to investigate and introduce environmentally friendly processes and products which reduce the amount of waste generate and increase the amount of recycling/composting.
- Ensure our existing and potential suppliers are aware of, and understand our corporate environmental waste reduction policies.
- Regularly review our procurement for categories of spend which pose the most significant environmental and waste risks.
- Work with other public sector procurement partners in increasing the beneficial impacts of purchasing and supply chain activities.
- Specify, wherever possible and reasonably practicable, the use of environmentally friendly materials and products which reduce the

amount of waste generate and increase the amount of recycling/composting, particularly in contracts where significant environmental risks have been identified

- Ensure that consideration is given to inclusion, within all specifications, of a facility for potential suppliers to submit prices for alternatives which help us to implement this environmental waste reduction purchasing policy.
- Ensure that appropriate consideration is given to the costs and benefits of environmentally friendly alternatives.
- Ensure that suppliers' environmental credentials are considered in the supplier appraisal process, particularly in contracts where significant environmental risks have been identified.
- Ensure that where appropriate, environmental criteria for waste reduction are included in the award of contracts.
- Monitor the performance of our environmental purchasing and seek continual improvement.
- Provide appropriate training to category managers and procurement staff to implement this environmental procurement policy.
- Ensure the policy is continually updated in response to changes in information, policy and legislation and is reviewed bi-annually.
- Comply with our paper specification in all procurement.
- Actively seek to buy timber from legal and sustainable sources.
- Consider whole-life costs of products

March 2010

COUNCIL - 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)
RE: CONSTITUTION - FINANCE & CONTRACT PROCEDURE RULES

1. **PURPOSE OF REPORT**

To seek agreement from members to proposed amendments to its Finance & Contract Procedure Rules which form part of the Constitution.

2. **RECOMMENDATION**

That members endorse the revised documents as detailed in Appendices 1 and 2 to this report within the Constitution with immediate effect.

3. **BACKGROUND TO THE REPORT**

3.1 It has been noted that there were anomalies within the Finance & Contract Procedure Rules which have been exacerbated by the recent restructure.

3.2 Recent audits have also highlighted further controls that could be introduced into Contract Procedure Rules in regard to how we administer tenders. Whilst these controls were already in place in practice, they are now being included within the Rules.

4. **FINANCIAL IMPLICATIONS (DB)**

None arising from directly from this report.

6. **LEGAL IMPLICATIONS (AB)**

A two thirds majority within the Council is required to approve any changes to the Constitution.

7. **CORPORATE PLAN IMPLICATIONS**

The Finance & Contract Procedure Rules govern all financial decisions which will contribute to delivery of the Corporate Plan.

8. **CONSULTATION**

Accountancy, Procurement, Internal Audit, Estates & Asset Management and Legal Services have all been consulted on the proposals along with the Transformation Board.

9. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion, based on the information available, that the significant risks associated with this

decision/project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report/decisions were identified from this assessment:

Management of significant (net red) risks		
Risk Description	Mitigating Actions	Owner
Failure to approve the amendments to Constitution and Finance & Contract Procedure Rules	Approval	Sanjiv Kohli

10. **KNOWING YOUR COMMUNITY - EQUALITY AND RURAL IMPLICATIONS**

The Finance & Contract Procedure Rules are to be applied across all financial decisions increased controls will ensure further that all decisions are taken in an open, fair and transparent manner.

11. **CORPORATE IMPLICATIONS**

None.

Background papers: Constitution
Contact officer: Julie Kenny ext 5985
Executive Member: Councillor Keith Lynch

29C29jun10

Financial Procedure Rules

Financial Procedure Rules

Index

- 1. SUMMARY OF MAIN LIMITS IN THE PROCEDURE RULES**
- 2. INTRODUCTION**
- 3. ACCOUNTING PROCEDURES**
- 4. ASSET REGISTER**
- 5. BANKING ARRANGEMENTS**
- 6. CAPITAL PROGRAMME (CREATION)**
- 7. LAND AND PROPERTY ACQUISITION**
- 8. LAND AND PROPERTY DISPOSALS**
- 9. DELEGATED POWERS OF DISPOSAL**
- 10. CAPITAL PROGRAMME (CONTROL)**
- 11. CONTRACTS**
- 12. INCOME**
- 13. INTERNAL AUDIT**
- 14. INVENTORIES, EQUIPMENT AND STOCKS OF OFFICE SUPPLIES**
- 15. INVESTMENTS, BORROWING AND TRUST FUNDS**
- 16. ORDERS FOR WORK, GOODS AND SERVICES**
- 17. PARTNERSHIPS**
- 18. ENGAGEMENT OF CONSULTANTS**
- 19. PAYMENT OF ACCOUNTS**
- 20. PETTY CASH**
- 21. PROPERTY**
- 22. REVENUE BUDGET (CREATION)**
- 23. REVENUE BUDGET (CONTROL)**
- 24. RISK AND INSURANCES**
- 25. SALARIES, WAGES AND PENSIONS**
- 26. SECURITY**
- 27. STAFFING CHANGES**
- 28. TRAVELLING, SUBSISTENCE AND FINANCIAL LOSS ALLOWANCES**
- 29. GLOSSARY OF COMMON FINANCIAL TERMS**

1. SUMMARY OF MAIN LIMITS IN THE PROCEDURE RULES

CAPITAL PROGRAMME

Tenders & Quotes

- Variations causing the **scheme budget** to increase by at least 5% (min £10,000) must be reported to Executive immediately, **and**
- show possible compensating savings in the project, **or**
- Compensating adjustments in other projects, **or**
- Ask Council for supplementary budget.

Overspends up to £25,000

- Chief Executive, Deputy Chief Executive(s) approve virement.
- Chief Executive in consultation with Deputy Chief Executive (Corporate Direction) may approve supplementary budget.

Overspends £25,001 to £50,000

- Request to Executive for virement or supplementary budget.

Overspends £50,001 and above

- Request to Council for virement or supplementary budget.

CONTRACTS

Report to Executive any projected increase of more than 5% on contract (min £10,000)

INCOME

Write Off of Debts

- **Up to £5,000:** All members of the **Corporate Operations Board (COB)** may give approval to write off general debts that are proven to be unrecoverable (including where the debtor is bankrupt or being wound up) or raised in error.
- **Between £5,001 and £10,000:** **All members of SLB may give approval to write off general debts as above.**
- **Between £10,001 and £25,000:** **The Chief Executive or Deputy Chief Executive (Corporate Direction).**
- **Between £25,001 and £50,000 Executive approval.**
- **Over £50,000:** Council approval.

Miscellaneous Sales

- **Chief Officers can authorise**, if the estimated income is up to **£5,000**.
- **SLB must authorise** if the estimated income is **£5,001 and above and a minimum of three offers sought.**

PAYMENTS

- **Over £50,000 SLB to authorise.**
- **£20,001 to £50,000 :** Approval of Chief Executive; Deputy Chief Executive(s), **or COB** member required.
- **£5,001 to £20,000 :** **Approval** of Chief Executive, SLB Member, **COB** Member or a Manager reporting directly to a **Deputy Chief Executive.**
- **Up to £5,000 :** **COB** must compile a list of officers authorised to **make payments (in consultation with SLB)**. The list must include the approval limit and specimen signature for each authorised Officer. The list must be sent to the **Deputy Chief Executive (Corporate Direction)** and reviewed annually.
- Petty Cash : **Limit is £150.**

ALL PAYMENTS ARE SUBJECT TO CORRECT ORDERING PROCEDURES BEING FOLLOWED.

REVENUE BUDGETS

Variations

- **20% but less than £10,000 :** **Deputy Chief Executive (Corporate Direction)** can approve virement.
- **Variations between £10,001 and £25,000:** Chief Executive in consultation with **Deputy Chief Executive (Corporate Direction)** can approve virement.
- **Variations up to £10,000 :** Chief Executive in consultation with **Deputy Chief Executive (Corporate Direction)** can approve a supplementary budget.
- **Variations between £10,001 and £25,000 requiring a supplementary estimate :** Can only be approved by the Chief Executive after he has been reassured that all necessary steps have been taken by the SLB Member to achieve compensating savings and in consultation with the **Deputy Chief Executive (Corporate Direction).**
- **Between £25,001 and £50,000 :** Executive approve virement or supplementary budget.
- **£50,001 and above :** Council approve virement or supplementary budget.

ORDERS FOR WORKS, GOODS AND SERVICES

Authorisation

- **Over £50,000:** SLB Members must approve.
- **Between £10,001 and £50,000 :** **SLB or COB Members must approve.**
- **Up to £10,000:** **COB** Members must compile a list of officers authorised to **approve orders (in consultation with SLB)**. The list must include the approval limit and specimen signature for each authorised Officer. The list must be sent to the **Deputy Chief Executive (Corporate Direction)** and reviewed annually.

Ordering Procedure

- The current Contract Procedure Rules and Financial Procedure Rules regarding revenue and capital budgets must be strictly observed.
- **No splitting of orders to avoid the relevant procedure!**
- Orders for more than one year and/or more than one department must be for the **total value over the full period.** Before proceeding to raise an order/enter into a new contract for the supply of goods, works or services, the procuring officer should first ensure that there are:
 - No current in-house arrangements in existence.
 - No current ESPO/OGC arrangements in place.
 - No current Corporate Contracts in place.

The following limits apply:

- **Orders up to £5,000:** Informal prices.
- **£5,001 to £20,000 :** 2 written quotations.
- **£20,001 to £50,000 :** 3 written quotations on the basis of a detailed specification **and the Council's Procurement Manager must be consulted.**
- **£50,001 + :** The formal tendering procedure, set out in Contract Procedure Rules must be used **and the Council's Procurement Manager must be consulted.** Where the Council is a lead Authority in procuring goods or services for a number of authorities, it is the gross value of the order that will determine the level of authorisation.

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Deleted: Orders to be signed by officers authorised by SLB Members in consultation with Operational Board as per orders up to £5,000

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Deleted: other SLB

2. INTRODUCTION

A. The control and co-ordination of the finances of the Borough Council is the responsibility of the Council. Financial Procedure Rules provide the framework within which the Council's financial affairs are to be managed.

B. The Deputy Chief Executive (Corporate Direction) is the designated officer responsible, under the terms of Section 151 of the Local Government Act 1972, for the proper administration of the financial affairs of Hinckley and Bosworth Borough Council. The Accountancy Manager will deputise as S151 Officer in the absence of the Deputy Chief Executive (Corporate Direction).

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C. Any reference to the Deputy Chief Executive (Corporate Direction) will include those officers in that Service Area undertaking delegated duties.

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D. Within financial procedures the term "Chief Officers" shall be deemed to include the Chief Executive and the Strategic Leadership Board (SLB) along with the Corporate Operations Board (COB).

E. Any references made to "Finance Officers" include the Accountancy Manager, Group Accountants, Senior Accountants and Accountants.

F. The Corporate Property Officer (CPO) is the Estates and Assets Manager.

G. A Head of Service is a member of the officers' Operational Board.

H. The Chief Executive, SLB and Operational Board members are responsible for ensuring that all Financial Rules, Financial Procedures and any other financial instructions which the Deputy Chief Executive (Corporate Direction) may issue from time to time are complied with by all their staff in order to ensure that the Council obtains value for money and that the goods, materials, works and services required are necessary and appropriate.

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I. Where a Chief Officer discovers that there has been a breach of Rules in his/her service area then he/she will consult the Deputy Chief Executive (Corporate Direction) and instigate appropriate action. This may include, following consultation with the Head of Corporate Services, consideration of invoking the Council's disciplinary procedure and reporting to Executive as necessary.

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J. The Financial Procedure Rules are rules that members and officers must apply to ensure good financial management. They give the detail to the general strategy contained in Part 4 of the Constitution. They must be used in the context set out in Rules of Procedure (Part 4 of the Constitution of the Council) and Codes and Protocols (Part 5 of the Constitution of the Council) and must be adhered to at all times.

K. Financial Procedure Rules must be reviewed annually and Council must approve any amendments.

L. Any questions about the use or scope of the financial procedure rules should be addressed to the Deputy Chief Executive (Corporate Direction) or to Finance Officers.

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3. ACCOUNTING PROCEDURES

- ◆ The Deputy Chief Executive (Corporate Direction) will decide on all accounting procedures within the Borough Council and on the records to be kept. Deleted: Director of Finance
- ◆ **All accounts and accounting records** will be compiled under the direction of the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
- ◆ The following **principles** will apply in **allocating accounting duties** :
 - **the calculation, checking and provision of information** on sums due to or from the Borough Council must be separated from actual collection or payment of those sums.
 - the **staff checking** cash transactions **must not** have been involved in those transactions.
- ◆ The Deputy Chief Executive (Corporate Direction) is responsible for **providing all financial management information** to Council, Executive, Scrutiny Committees, SLB and service areas, as frequently as may reasonably be required. Deleted: Director of Finance
- ◆ **By 30 June of each year the Deputy Chief Executive (Corporate Direction) must :** Deleted: Director of Finance
 - report to Executive the **out-turn details** for the previous financial year,
 - draw attention to any significant **over or under spending** against budget,
 - present a **financial statement** of the Borough Council finances at the end of the last financial year.
- ◆ The Deputy Chief Executive (Corporate Direction) shall prepare a report to Council, under the requirements of **Section 114 of the Local Government Finance Act 1988** if it appears that the Authority or an officer:
 - has made or is about to make a decision which involves or would involve the authority incurring expenditure which is unlawful,
 - has taken or is about to take a course of action which if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the authority,
 - is about to enter an item of account the entry of which is unlawful, or
 - has incurred expenditure, or proposes to incur expenditure, in a financial year in excess of the total resources (including sums borrowed) available to it to meet that expenditure.
- ◆ The Deputy Chief Executive (Corporate Direction) is responsible for **submitting the Council's Statement of Accounts to the External Auditor**. Deleted: Director of Finance
- ◆ A "**Key Decision**" is defined as a decision which:
 - involves expenditure (or a reduction in income) over £50,000 on any particular scheme/project (totalled across financial years); or
 - involves the adoption of a policy or strategy which the Executive has power to adopt; or
 - involves the adoption or amendment of the Scale of Fees and Charges; or
 - is one which affects the whole of the Borough and is one which the residents of Hinckley & Bosworth would normally expect to be notified or consulted
- ◆ Officers are required to immediately inform the Monitoring Officer of any key decision for inclusion in the Forward Plan.

4. ASSET REGISTER

- ◆ The **Corporate Property Officer** in consultation with the Corporate Asset Management Group, will undertake all required developments in asset management.
- ◆ The **Corporate Property Officer** will be responsible for maintaining an Asset Register of all significant assets owned by the Council.
- ◆ The ~~Deputy Chief Executive (Corporate Direction)~~ will verify the asset register on a twice yearly basis to the corporate land terrier record, maintained by the Head of Corporate & Scrutiny Services.
- ◆ The **Corporate Property Officer** will provide guidance to SLB members on the requirement to update the Asset Register.

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5. BANKING ARRANGEMENTS

- A. The Deputy Chief Executive (Corporate Direction) is responsible for all arrangements with the Council's bankers. Deleted: Director of Finance
- B. No officer shall be permitted to open bank accounts without prior approval of the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
- C. Bank accounts will be in the name of "Hinckley and Bosworth Borough Council".
- D. All cheques and banking stationery must be ordered by the Deputy Chief Executive (Corporate Direction), who must arrange for their safe custody and control. Deleted: Director of Finance
- E. The Deputy Chief Executive (Corporate Direction) has discretion to arrange overdraft facilities. Deleted: Director of Finance
- F. Cheques on the Council's bank account will:
- Bear the facsimile signature of the Chief Executive or the Deputy Chief Executive (Corporate Direction), or Deleted: Director of Finance
 - Be signed by the Chief Executive or the Deputy Chief Executive (Corporate Direction), or Deleted: Director of Finance
 - Be signed by any other officer so authorised by the Chief Executive and the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
 - Two signatures are required for cheques over £50,000.
- G. The Deputy Chief Executive (Corporate Direction) must arrange: Deleted: Director of Finance
- Monthly reconciliations of the Council's bank accounts with the cash book.

6. CAPITAL PROGRAMME (CREATION)

A. For the purpose of these procedure rules “capital expenditure” means the acquisition, construction or enhancement of a fixed asset (land, buildings, vehicles, plant, equipment, hardware and software.

An enhancement is defined as:

- Works that lengthen substantially the useful life of an asset or
- Works that increase substantially the MV of an asset or
- Works that increase the extent to which the property can be used for purposes of functions of the Council,

Deleted: of land or buildings, the erection of buildings, the erection of permanent works, the purchase or vehicles, plant, machinery, equipment and furniture and any related fees, which are not financed from the Revenue budget.

B. Items or groups of items under the value of £5,000 would not normally be classified as capital expenditure.

C. The Deputy Chief Executive (Corporate Direction), will prepare a Capital Programme in the annual budget cycle, showing the projects for the next four years.

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D. The Capital Forum Group will review the Capital Programme with the Asset Management Plan in order to ensure that the Council’s corporate objectives are being met and that there is consistency between the capital programme and the Asset Management Plan. The Capital Forum Group will report progress on the Capital Programme to the Heads of Service on the Operations Board.

E. The Deputy Chief Executive (Corporate Direction) will collate the submissions of the Heads of Service and report to the Executive.

Deleted: Director of Finance

F. The Council will receive the recommendations of the Executive, review the overall expenditure, capital resources and revenue implications and set a capital budget.

G. The Capital Programme will include total capital costs and the proposed capital expenditure on each scheme for each year of the programme.

H. The Procedure for inclusion in the Capital programme is as follows:

- An initial project appraisal must be submitted to the Head of Service.
- The project will then be presented to the Capital Forum Group and if agreed a report will be presented to the Deputy Chief Executive (Corporate Direction) and to SLB.
- Once approved by SLB a Project Officer will be assigned who will be responsible to the lead officer in charge of the project budget.
- An outline report will then be presented to Executive/Council for noting
- Council as part of the next revenue budget review cycle will consider the project and give approval as appropriate

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It is the Project Officer’s responsibility to ensure:-

- A full financial appraisal will be prepared by the technical officer in conjunction with the Deputy Chief Executive (Corporate Direction) and will include:
- Detailed estimates of the capital costs of the proposed scheme.
- Detailed estimates of the annual running costs and income.
- Estimated annual capital charges resulting from the additional asset.
- Any consequences of not proceeding with the project.
- Any compensating savings in other services after completion of the project.

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I. In exceptional circumstances, a project may need to be inserted in the programme when it cannot fulfil the normal programming timetable. The report proposing the project must include:

- A full financial appraisal.
- An explanation of how the project can be fitted into the programme.
- The explanation will identify the necessary savings or the project(s), which will be deferred to accommodate the new project.

J. The Deputy Chief Executive (Corporate Direction) will advise SLB and the Executive of funding the Capital Programme. This will include consideration of affordability and sustainability in accordance with the Prudential Code and disposal of Council assets in accordance with the Council's Disposals Policy as outlined in section 8.

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7. LAND AND PROPERTY ACQUISITION

Unless there are exceptional circumstances, the Council will only acquire land or property for the following reasons:

- To contribute towards the provision of Council's services
- Economic Development purposes
- Improving service delivery and in turn providing revenue income generation
- Strategic acquisition for redevelopment purposes

A financial appraisal will be carried out to establish the financial/budgetary implications of acquiring the property at the quoted asking price. The advice of the Deputy Chief Executive (Corporate Direction) will be sought regarding current rates of interest on capital invested, to enable the opportunity cost of the acquisition to be fully assessed. The financial appraisal will take into account the following matters:

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- The capital cost of acquisition
- The opportunity cost of acquisition
- Any revenue, or potential revenue, generated from the property, both short and long term
- Availability of external funding sources
- Possibility of joint ventures
- The cost, in Asset Management terms, of owning the property, including:
 - Immediate maintenance/refurbishment requirements
 - Demolition costs, if appropriate
 - Ongoing maintenance/life cycle costings
 - National non-domestic rates
 - Services within the property
 - Insurance
 - The overall effect of the expenditure on the Council's budgetary position.

Where the acquisition is to be by way of a long lease, the Deputy Chief Executive (Corporate Direction) will be consulted to assess the implications regarding VAT, Capital Controls and accounting conventions.

Deleted: Director of Finance

Once the financial appraisal has been undertaken, a report will be prepared seeking appropriate approval for the proposed course of action.

Detailed guidance on land and property acquisition can be found in the Councils adopted acquisition policy.

8. LAND AND PROPERTY DISPOSALS

Section 123 of the Local Government Act 1972, provides guidance on a definition to the effect that disposal of property can be considered to be a disposal if it consists of -

- a) a freehold transfer; or
- b) a grant of a term exceeding seven years; or
- c) the assignment of a term which, at the date of the assignment, has more than seven years to run.

Minor Disposals

A minor disposal generally arises when an application is received from adjacent or neighbouring owner(s) to purchase the freehold or leasehold interest of a small or inconsequential area of land in the Council's ownership. If the land is surplus to requirements as identified in the Acquisition and Disposal Strategy, has no development value or open market opportunity and has a market value of less than £5000, it is permissible in these cases with the agreement of the Deputy Chief Executive (Corporate Direction) to open 'confined' negotiations with the adjacent or neighbouring owner in order to achieve the most advantageous financial or economic result e.g. if the land is 'landlocked' or is difficult or expensive to maintain. In the case of minor disposals, the Estates and Asset Management Service is responsible for the disposal of its property assets in accordance with this policy.

Deleted: Director of Finance

Major Disposals

A major disposal is any disposal not covered by the minor disposal definition above.

When a property has been identified as surplus to the requirements of the Council, the CPO should be notified. If the Asset is not identified as a key disposal under the Acquisition and Disposal Strategy it should be processed by the Asset Management Service to ascertain the value of sale. On successful completion of this process CPO may seek Executive approval to it being declared surplus and add the record to the acquisition and disposal strategy for an appropriate programmed sale.

Detailed guidance on land and property disposal can be found in the Councils adopted disposal policy.

Deleted: All land disposals must first have been declared as surplus (where appropriate) as defined above and in the Constitution.

All land sales with a value of £100k or less may be authorised by the Director of Finance, in consultation with the Chief Executive.
All land sales with a value greater than £100k but no greater than £250k may be authorised by the Director of Finance, in consultation with the Chief Executive

Previously read:

9. DELEGATED POWERS OF DISPOSAL

Inserted: All land disposals must first have been declared as surplus (where appropriate) as defined above and in the Constitution.

9. DELEGATED POWERS OF DISPOSAL

Delegated powers of disposal are considered separately and are subject to the Council's Constitution.

10. CAPITAL PROGRAMME (CONTROL)

BUDGET MONITORING

A. Heads of Service and delegated Officers are responsible for ensuring that Capital schemes for which they are responsible are not overspent and delivered on schedule.

Deleted: Heads of Service and their Managers will monitor the progress of all capital schemes in line with the relevant financial instructions issued by the Director of Finance

B. The Capital Forum Group will monitor progress of all capital projects at least quarterly.

ACCEPTANCE OF TENDERS

A. Chief Officers must report to Executive, where tenders/quotations cause the scheme budget to be exceeded by more than 5% (minimum reporting level £10,000) indicating whether:

- Amendments can be made to the project specification to ensure that the budget is not exceeded, or
- Compensating adjustments can be made to other capital projects within the programme. Such adjustments require the approval of Executive, or
- Executive can be requested to approve a supplementary budget up to a maximum of £500,000 per year in aggregate, with a limit per individual supplementary of £50,000, where no savings are possible.
- Council can be requested to approve a supplementary budget beyond £50,000, up to a maximum of £500,000 where no savings are possible.

BUDGET REPORTING

A. The Capital Forum Group will report to the Operational Board, at least quarterly, on progress of the capital programme.

B. The Operational Board will report to SLB at least quarterly on progress of the Capital Programme.

C. Executive shall hold SLB members to account for their performance on implementing the capital programme and for their use of capital resources.

D. The Deputy Chief Executive (Corporate Direction) will report twice yearly to Council on the overall financial position in relation to over/under-spends and anticipated slippage.

Deleted: Director of Finance

E. The Deputy Chief Executive (Corporate Direction) shall report outturn expenditure to Executive and to Council.

Deleted: Director of Finance

SUPPLEMENTARY APPROVAL / VIREMENT

A. Overspend up to £25,000 on a capital project

- The Chief Executive, or Deputy Chief Executive(s) will be authorised to vire across budget heads up to a maximum of £250,000 per year in aggregate, with a limit per individual virement of £25,000. All such proposals must be reported to the Accountancy section.
- The Chief Executive, in consultation with the Deputy Chief Executive (Corporate Direction) is authorised to approve supplementary estimates up to a maximum of £250,000 per year in aggregate, with a limit per individual supplementary estimate of £25,000.

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B. Overspend between £25,001 and £50,000 on a capital project.

- Executive will be authorised to vire across budget heads up to a maximum of £500,000 per year in aggregate, with a limit per individual virement of £50,000.
- Executive will be authorised to approve an individual supplementary estimate of £50,000 up to a maximum of £500,000 per annum in aggregate.

C. Overspend greater than £50,000 on a capital project.

- Council will be authorised to approve a virement across budget heads above £50,000 per individual virement.
- Council will be authorised to approve an individual supplementary estimate above £50,000.

CAPITAL PROGRAMME CONTROL

A. Chief Officers and Heads of Service must ensure all Borough Council employees and external organisations are aware of and comply with Constitution of the Council Contract Procedure Rules and Financial Procedure Rules.

B. The Deputy Chief Executive (Corporate Direction) may carry out an audit of any capital project, either while it is in progress or after completion.

Deleted: Director of Finance

C. The Deputy Chief Executive (Corporate Direction) will make an annual report, to Executive, listing those projects, which became financially complete in the previous financial year and comparing the final cost with the scheme budget.

Deleted: Director of Finance

11. CONTRACTS

A. All contracts for works, goods and services must comply with the Council's Contract Procedure Rules.

B. Chief Officers and Heads of Service entering into contracts for the supply of goods and services must notify the Deputy Chief Executive (Corporate Direction) immediately and he or she must be supplied with financial details of the contract.

Deleted: Director of Finance

C. Before any contract is completed with a contractor:

• The Deputy Chief Executive (Corporate Direction) may make any enquiries necessary to establish the financial competence of the contractor to carry out the works.

Deleted: Director of Finance

• The Deputy Chief Executive (Corporate Direction) may make any enquiries necessary to establish evidence to ensure that appropriate insurances and bonds are in place.

Deleted: Director of Finance

WORKS CONTRACT

D. For contracts for the supply of works on a retention basis, the Deputy Chief Executive (Corporate Direction) must keep records showing:

Deleted: Director of Finance

- The state of account of each contract
- The payments to each contractor
- Retentions
- Associated professional fees

E. Payments on Account to contractors must be made only on a certificate authorised by a Head of Service or other authorised supervising officer.

F. The Certificate will show:

- The total amount of the contract
- The value of work carried out to date
- Authorised variations
- Retention money
- The amount paid to date
- The amount now due for payment

VARIATIONS

A. All variations, additions and omissions, must be authorised in writing by the supervising officer under the terms of the contract.

B. The notification must specify:

- The individual rates of charge
- The total cost of measured work
- The estimated cost
- The basis of charge

- C. A copy of each notification is to be sent to the Deputy Chief Executive (Corporate Direction) and the Procurement Manager for inclusion in the Contracts Database. Deleted: Director of Finance
- D. The Head of Service, on behalf of the supervising officer, must report immediately to Executive any variation or addition which will cause the accepted tender or quote to increase by more than 5% (with a minimum reporting level of £10,000). All variations must be notified to the Deputy Chief Executive (Corporate Direction) at the earliest possible opportunity and be reported in accordance with normal budget monitoring process. Deleted: Director of Finance
- E. The Heads of Service have discretion to withhold payments claimed to be due, until the contractor has complied with the terms of the contract.
- F. Any claim by the contractor on a matter not clearly within the terms of a contract must be referred to the Head of Corporate & Scrutiny Services and the Deputy Chief Executive (Corporate Direction) for assessment of the legal liability and financial implications before any settlement is reached. Deleted: Director of Finance
- G. The Chief Officer, on behalf of Contract Officer, must report any delay in a contract, which will significantly affect the final completion date to Executive. The report must include details of any remedial action.
- H. The Head of Service in consultation with the Chief Officer is responsible for examining the agreed final account and any supporting documents before the final certificate for payment is issued.
- I. The Contract Officer must inform the Deputy Chief Executive (Corporate Direction), when the maintenance period in the contract has been completed satisfactorily, so that retention monies may be released. Deleted: Director of Finance
- J. Where the Borough Council has appointed a consultant to supervise a contract, the terms of appointment must require the consultant to satisfy the same financial procedure rules that apply to an officer of the Council.
- K. The terms of appointment must also ensure that the Council retains all accounts, vouchers and documents until the External Auditor has audited the Council's accounts.

12. INCOME

RESPONSIBILITY

- A. The Deputy Chief Executive (Corporate Direction) is responsible for the collection and safe custody of all money due to the Borough Council. Deleted: Director of Finance
- B. Heads of Service are responsible for raising debtor invoices in their own service areas and report on collection rates to the respective Chief Officer at least quarterly.

IDENTIFICATION OF SOURCES OF INCOME

Heads of Service must raise debtors' invoices promptly. Heads of Service must notify the Chief Officer and Deputy Chief Executive (Corporate Direction) when any contract, lease or arrangement is made, whose terms provide that the Council should receive money. Deleted: Director of Finance

The Deputy Chief Executive (Corporate Direction) has the right to inspect any documents relating to such matters. Deleted: Director of Finance

The Deputy Chief Executive (Corporate Direction) must maintain a Periodical Income Records identifying regular receipts. Deleted: Director of Finance

GRANTS

A. Heads of Service should ensure that all grants and external funding income is promptly claimed and proper records and working papers are retained to justify claims.

B. Heads of Service should ensure that all claims are validated by a Finance Officer before submission to the accountable body/funding agency

C. Heads of Service must inform the Chief Officer and Deputy Chief Executive (Corporate Direction) of any new bids for grant application, provide copies of grant applications and letters of acceptance to the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance

D. The Deputy Chief Executive (Corporate Direction) will retain a central grants register which will be monitored and updated. Deleted: Director of Finance

FEES AND CHARGES

Heads of Service in consultation with the Chief Officer will ensure that all rents, fees and charges are reviewed at least annually at the time of the preparation of the budget. Rents should be reviewed in accordance with the terms of the agreement.

Where it is proposed to introduce, revise, or discontinue a scale of fees and charges, the Deputy Chief Executive (Corporate Direction) should be consulted before the proposal is progressed. Deleted: Director of Finance

The Deputy Chief Executive (Corporate Direction) will produce an annual report and Fees and Charges book to Executive for approval.

Deleted: Director of Finance

PROCEDURE FOR RECEIPTS

A. Any money received by an officer must immediately:

- Be paid to the Deputy Chief Executive (Corporate Direction) or,
- Be paid into the Council's bank account or,
- Be sent direct to any other body or person entitled to receive it.

Deleted: Director of Finance

B. No deduction must be made from receipts unless specifically authorised by the Deputy Chief Executive (Corporate Direction).

Deleted: Director of Finance

C. All officers receiving cash must give an official receipt.

All receipts and deposits must be recorded clearly, accurately and in date order in records acceptable to the Deputy Chief Executive (Corporate Direction).

Deleted: Director of Finance

Each officer receiving money on behalf of the Council must record on a paying-in slip or directly into the computer system:

- A reference such as the debtor's name
- The receipt number, so that the debt or reason for the payment can be easily identified

On the back of each cheque the following details must be entered:

- Account number
- Cashier's reference
- Date accepted
- Receipt number

No third party cheques are to be accepted.

Personal cheques must not be cashed out of Council money.

The receiving officer must sign transfers of Council money from one employee to another.

DEBT RECOVERY

♦ The Deputy Chief Executive (Corporate Direction) must ensure that robust debt recovery procedures are in operation and comply with the Council's Debt Management Policy.

Deleted: Director of Finance

DEBT WRITE OFF

A. Up to £5,000

All Members of the Corporate Operational Board may give approval to write off general debts that are proven to be unrecoverable (including where the debtor is bankrupt or being wound up) or raised in error.

B. Between £5,001 and £10,000

All members of SLB may give approval to write off general debts that are proven unrecoverable (including where the debtor is bankrupt or being wound up) or raised in error.

C. Between £10,001 and £25,000

- The Chief Executive and Deputy Chief Executive (Corporate Direction) have delegated authority to write off such debts.
- They must submit reports to Executive, at six monthly intervals, summarising those debts written off.

Deleted: Director of Finance

D. Between £25,001 and £50,000

- Executive must approve the write off.

E. Over £50,000

- Council must approve the write off.

13. INTERNAL AUDIT

- A. The Deputy Chief Executive (Corporate Direction) is authorised, under the terms of regulation 6 of the Accounts and Audit Regulations 2003, to arrange the internal audit of the financial affairs of Hinckley and Bosworth Borough Council. Deleted: Director of Finance
- B. Internal Audit will:
- Ensure, by continuous review and appraisal, that systems of internal control are sound throughout the organisation.
 - Ensure compliance with established policies.
 - Promote the efficient use of resources to improve operations.
 - Assist in the protection of Council assets.
 - Strive to detect and prevent fraud and error.
- C. The Deputy Chief Executive (Corporate Direction) or his/her authorised representative has the authority to: Deleted: Director of Finance
- Enter, at all reasonable times, any Council owned or managed premises and land.
 - Have access to records, documents and correspondence relating to transactions of and agency operations on behalf of the Council.
 - Require and receive explanations concerning any matter under consideration.
 - Require any employee to produce any cash, stock or other Council property under his control.
- D. Chief Officers and Heads of Service must notify the Deputy Chief Executive (Corporate Direction) immediately of any possible financial irregularity. Deleted: Director of Finance
- E. The Deputy Chief Executive (Corporate Direction) will decide what report or action is required. Deleted: Director of Finance
- F. The Deputy Chief Executive (Corporate Direction) will advise Executive where there are staffing implications. Deleted: Director of Finance
- G. Any matter revealed during a routine audit must be reported to and considered by the Head of Service for a Management response.
- H. Audit recommendations will be reported to Finance & Audit Services Select Committee and Finance & Audit Services Select Committee will approve an Annual Audit Report.
- I. Chief Officers and Heads of Service will be responsible for considering and taking appropriate action on matters drawn to their attention by audit reports.

14. INVENTORIES, EQUIPMENT AND STOCKS OF OFFICE SUPPLIES

All Heads of Service must prepare an inventory, in a form agreed with the Deputy Chief Executive (Corporate Direction), keep it up to date by annual review at 31st March each year and send a certified copy (certified by the Chief Officer and the Head of Service) to the Deputy Chief Executive (Corporate Direction). All Council property must be clearly marked as belonging to the Council.

Deleted: Director of Finance

Deleted: Director of Finance

Each Head of Service shall be responsible for carrying out an annual check of all items on the inventory.

The inventory will record a proper description of:

- All moveable furniture
- Office machinery
- Any similar property belonging to the Council

The Deputy Chief Executive (Corporate Direction) will prepare an inventory of ICT equipment and software, keep it up to date and carry out a formal review at the 31st March each year.

Deleted: Director of Finance

The Corporate Property Officer will prepare an inventory of works of art, civic regalia and other civic valuables, keep it up to date and carry out a formal review at the 31st March each year.

Heads of Service are responsible for the physical control of office supplies :

- Stock levels must be reasonable
- Levels must be reviewed annually

Council property can only be used on council business, unless the relevant Chief Officer has given specific approval to the contrary.

MISCELLANEOUS SALES

- Disposal of all ICT equipment must be in accordance with the ICT Equipment Disposal Policy.
- Chief Officers have authority to arrange the sale of non ICT surplus materials (to external customers), without offers, when expected income is not greater than £1,000.
- Chief Officers have authority to arrange the sale of non ICT surplus materials (to external customers), when expected income is not greater than £5,000 provided they have first sought informal evidence of the appropriate value of the item to be sold.
- When expected income is greater than £5,000, SLB must approve the sale and offers for the items must be invited.
- Payment is to be made in cash before the goods are released, unless the Deputy Chief Executive (Corporate Direction) has agreed otherwise.

Deleted: Director of Finance

15. INVESTMENTS, BORROWING AND TRUST FUNDS

- A. The Council has adopted the 2001 CIPFA'S Treasury Management in Public Services: Code of Practice (the Code) as described in Section 4 of that code.
- B. The Council will create and maintain:
- A Treasury Management Policy statement, stating the policies and objectives of its treasury management activities
 - Suitable Treasury Management Practices (TMP's) setting out the manner in which the Borough Council will seek to achieve those policies and objectives, prescribing how it will manage and control those activities.
- C. The Council will approve the Treasury Management Policy.
- D. The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Executive and for the execution and administration of treasury management decisions to the Deputy Chief Executive (Corporate Direction), who will act in accordance with the Council's policy statement and Treasury Management Policies (TMPs) and CIPFA's Standard of Professional Practice on Treasury Management. Deleted: Director of Finance
- E. Executive will receive reports on its Treasury Management Policies, practices and activities, including as a minimum an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in its TMPs
- F. All money in the hands of the Council shall be under the control of the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
- G.
- H. All funds are to be aggregated for the purposes of treasury management.
- I. All investments must be in the name of the Council or in the names of nominees approved by the Council.
- J. The Deputy Chief Executive (Corporate Direction) must keep all securities for property in the Council or approved nominees safe. Deleted: Director of Finance
- K. The Deputy Chief Executive (Corporate Direction) is the Council's registrar for all stocks, bonds and mortgages. Deleted: Director of Finance
- L. The Deputy Chief Executive (Corporate Direction) keeps the record of all Council borrowing. Deleted: Director of Finance
- M. All trust funds must be in the name of the Council, wherever possible.
- N. Officers, acting as trustees because of the official position, must deposit all securities, relating to the trust, with the Deputy Chief Executive (Corporate Direction), unless forbidden by the trust deed. Deleted: Director of Finance

16. ORDERS FOR WORK, GOODS AND SERVICES

AUTHORISATION

Orders will be authorised electronically using the Procurement Module of the Civica Authority Financials package

A. Orders up to £10,000

- Strategic Leadership Board Members may delegate authority for the approval of orders.
- Corporate Operational Board Members in consultation with SLB must compile a schedule of authorised approvers and their approval limits.
- The schedules must be submitted to the Deputy Chief Executive (Corporate Direction).
- The Deputy Chief Executive (Corporate Direction) must be notified immediately of any changes.
- The schedules must be reviewed annually and submitted to the Deputy Chief Executive (Corporate Direction).

Deleted: of either up to £5,000 or up to £10,000.

Deleted: Director of Finance

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B. Orders between £10,001 and £50,000.

Deleted: 25

- Must be approved by a member of the Corporate Operational Board

C. Orders over £50,000

Deleted: between £25,001 and

- For orders over £50,000 an SLB Member must authorise the order having been provided with evidence that the rules stipulated under the Council's Contract Procedures have been applied.

Deleted: <#>Must be approved by the Chief Executive, Deputy Chief Executive or by a Strategic Leadership Board Member.¶

Where the Council is the lead Authority in procuring goods or services for a number of Authorities it is the gross value of the order that will determine the level of the authorisation required and not the net cost to Hinckley and Bosworth Borough Council.

Similarly, where external funding is to be received, it will be the gross expenditure (and gross funding) that will determine the level of authorisation required.

Deleted: D. . Orders over £50,000¶
<#>For orders over £50,000 a Chief Officer must authorise the order having been provided with evidence that the rules stipulated under the Council's Contract Procedures have been applied.¶

ORDERS

A. Orders for work, goods and services must not be placed unless the expenditure to be incurred is in accordance with the Financial Procedure Rules.

B. All orders for work, goods and services must be made either by the Council's official order or by formal contract.

C. Where urgent orders are given orally they must be confirmed by an official order not later than the next working day following the day in which the oral order is given. Confirmation orders should be clearly marked as confirmation only.

D. Orders must state clearly:

- The nature and quantity of work, goods or services
- Any agreed prices or contract
- An expenditure code

- An estimated value for commitment purposes

E. The Operations Board member/Manager must ensure that orders for goods and services are proper expenditure and are covered by an approved budget.

CORPORATE PURCHASING

A. The Head of Service who is the major user of any goods or services, is responsible for obtaining annual contracts for the supply of these items to service areas. Examples would include supplies such as IT equipment, mobile telephones, leased vans and general stationery.

B. Orders must be placed under the terms of these contracts.

C. ALL ICT Requirements are to submitted to ICT in the first instance.

PROCEDURE

A. The current Contract Procedure Rules and Financial Procedure Rules regarding revenue and capital budgets must be strictly observed.

B. Orders must not be split to reduce the value below quotation/ tendering limits.

C. Orders for more than one year and/or more than one service area must be for the total value over the full period, e.g. an order for goods valued at £2,000 per year for 3 service areas for 5 years is a £30,000 order.

Where the Council is the lead Authority in procuring goods or services for a number of Authorities it is the gross value of the order that will determine the level of the authorisation required and not the net cost to Hinckley and Bosworth Borough Council.

Similarly, where external funding is to be received, it will be the gross expenditure (and gross funding) that will determine the level of authorisation required.

INITIAL CONSIDERATIONS

Before proceeding to raise an order/enter into a new contract for the supply of goods, works or services, the procuring officer should first ensure that there are:

- ◆ No current in-house arrangements in existence
- ◆ No current ESPO / OGC arrangements in place
- ◆ No current Corporate Contracts in place

If there are such existing arrangements in place, then they should be used wherever possible provided such arrangements provide value for money. Where the procuring officer seeks to utilise alternatives, the Council's Procurement Manager should be consulted. Where the purchase cannot be made utilising these arrangements, the following limits shall apply:

LIMITS

- A. Up to £5,000
- Obtain prices informally to demonstrate value for money.
- B. £5,001 to £20,000
- Obtain two written quotations.
- C. £20,001 to £50,000
- Obtain three written quotations based on a detailed specification **and the Council's Procurement Manager must be consulted.**
- D. £50,001 and above
- The normal tendering procedure set out in Contract Procedure Rules applies **and the Council's Procurement Manager must be consulted.**
- E. The most economically advantageous tender where procurement rules provide. If there are exceptional reasons why this should not happen, Executive must be advised of those reasons, under the scheme of delegation.

EXCEPTIONS

An SLB Member, after consulting the Deputy Chief Executive (Corporate Direction), may waive the regulations on annual contracts and order limits in the following circumstances.

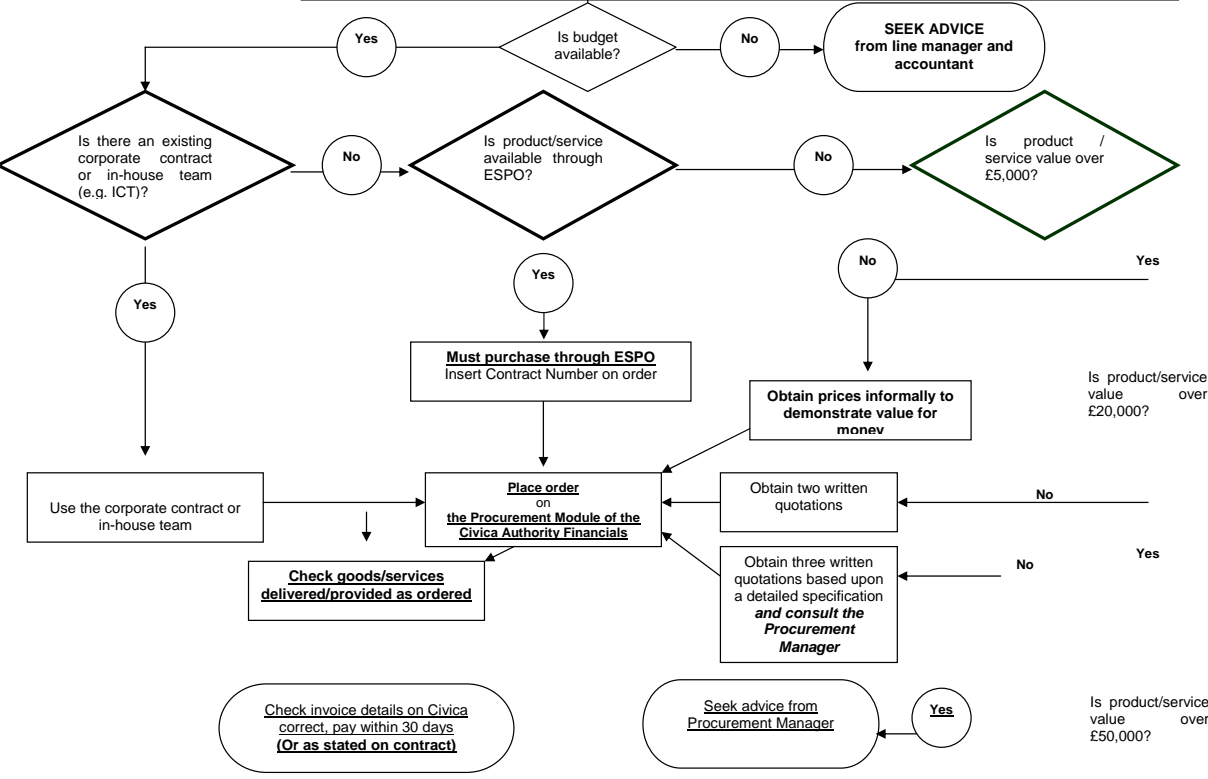
- a) the appropriate SLB Member is of the opinion that the goods or services are supplied only at a fixed price and no reasonably satisfactory alternative is available
- b) there would be no genuine competition on account of the uniquely specialised nature of the goods/services (sole supplier).
- c) the appropriate SLB Member is of the opinion that the goods/services consist of repairs/supply of parts to an existing proprietary machinery/plant
- d) the contract consists of goods/services the same as currently in use by the Council, which are required in the interest of standardisation for maintenance or for other special reasons
- e) the work to be executed or the goods or materials to be supplied constitute an extension of an existing contract and the proposed extension is at a value not greater than the original contract sum plus RPI and it is considered by the relevant SLB Member that, taking into account the cost of re-tendering, the Council is unlikely to benefit from a reduced contract sum. The relevant SLB Member must obtain Executive approval by submitting a report to Executive setting out his/her proposal.
- f) the SLB Member certifies on a form, approved by the Chief Executive and the Deputy Chief Executive (Corporate Direction), that work, goods, materials or services are required so urgently that there is not time to invite quotations/tenders, or where compliance would mean that less favourable terms or conditions would have to be accepted.

Deleted: Director of Finance

- g) goods purchased at public auction.
- h) where purchases are made as a consequence of an existing in-house contract.
- i) where purchases are made as a consequence of a contract made by another local authority (e.g. ESPO), the benefits of which the Council obtain as a result of participation in a consortium.
- j) Where the Council enters into a contract jointly with one or more other local authorities or partners, one of whom is the “lead authority” for that contract subject to the Chief Executive being satisfied that the Council’s interests will not be adversely affected.

IN ALL CASES, THE COUNCIL’S PROCUREMENT MANAGER MUST BE CONSULTED.

PURCHASING FLOWCHART
Standard goods, services or minor works (eg: stationery, furniture, catering, other supplies)



17. PARTNERSHIPS

A. A partner is defined as an organisation (private or public) undertaking part funding or participating as a beneficiary in a project.

B. The Chief Executive or Deputy Chief Executive will advise on the key elements of partnership, including:

- Effective controls that ensure that resources are not wasted.
- A scheme appraisal for financial viability in both the current and future years.
- Financial risk appraisal and management.
- Resourcing, including taxation issues.
- Audit, security and control requirements.
- Carry-forward arrangements.
- Satisfactory accounting arrangements.

C. The Deputy Chief Executive (Corporate Direction) in consultation with the Deputy Chief Executive (Community Direction) or Chief Executive will ensure that:

Deleted: Director of Finance

- All funding notified by external bodies is received and properly recorded in the authority's accounts.
- The match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.
- Audit requirements are met.

D. Chief Officers are responsible for:

- Ensuring that a register of all contracts entered into with external bodies in accordance with procedures specified by the Corporate Services.
- Ensuring that before entering into agreements with external bodies, a risk management appraisal has been prepared for the Strategic Leadership Board.
- Ensuring that such agreements and arrangements do not impact adversely upon the services provided by the authority.
- Ensuring that all agreements and arrangements are properly documented.
- Providing appropriate information to the Deputy Chief Executive (Corporate Direction) for the Statement of Accounts.
- Ensuring that all claims for funds are made by the due date.
- Ensuring that the project progresses in accordance with the agreed plan and that all expenditure is properly incurred and recorded.

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18. ENGAGEMENT OF CONSULTANTS

Where the Borough Council has appointed a consultant to supervise a contract, the terms of appointment must require the consultant to satisfy the same financial procedure rules that apply to an officer of the Council.

19. PAYMENT OF ACCOUNTS

- ◆ The Deputy Chief Executive (Corporate Direction) is responsible for the payment of accounts.
- ◆ The payment of accounts (except petty cash) is made by BACS or by cheque.
- ◆ Chief Officers are responsible for examining, verifying and approving all invoices and other payments coming from their service areas/teams.

Deleted: Director of Finance

AUTHORISATION

Invoices will be authorised electronically on the Civica Authority Financials System using the creditors module by officers with an appropriate level of authority.

A. Payments up to £5,000

- Must be authorised by SLB Member, COB Member or delegated officer.
- COB Members must compile a list of officers authorised to make payments (in consultation with SLB).
- The schedules must be submitted annually to the Deputy Chief Executive (Corporate Direction).
- The Deputy Chief Executive (Corporate Direction) must be notified of any changes immediately.

Deleted: the Chief Officer

Deleted: Operational Board Member

Deleted: Chief Officers

Deleted: Director of Finance

Deleted: Director of Finance

B. Payments £5,001 to £20,000

- Must be authorised by an SLB Member, COB Member or a manager reporting directly to a Deputy Chief Executive.

Deleted: the Chief Officer, Operational Board Member

Deleted: Chief Officer

C. Payments £20,001 to £50,000

Must be authorised by an SLB Member or COB Member.

Deleted: SLB Members in consultation with Operational Board Members must compile a schedule of approved authorisers.¶
The Schedules must be submitted annually to the Director of Finance .¶
The Director of Finance must be notified of any changes immediately.¶

D. Payments over £50,000.

- Must be authorised by an SLB Member.

PAYMENTS

A. The Deputy Chief Executive (Corporate Direction) decides when and how accounts are to be submitted for payment.

Deleted: 2

Deleted: the Director of Finance or Chief Officer

B. Before authorising an account, the approving officer must be satisfied that :

Deleted: Director of Finance

- The work, goods or services have been received, examined and approved.
- Prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct.
- The expenditure is proper and covered by a current budget.
- Appropriate entries have been made in inventories or stock records.
- The account has not previously been paid.
- The expenditure code is correct.

PAYMENT OF ACCOUNTS

Invoices will be received centrally by the Deputy Chief Executive (Corporate Direction) and must be approved for payment by authorising managers in a timely manner. Deleted: Director of Finance

The Deputy Chief Executive (Corporate Direction) is entitled to request any information or explanation, which he/she deems necessary. Deleted: Director of Finance

Officers must not add items to a supplier's invoice.

Any amendments to an invoice must be in ink, initialled and accompanied by a detailed explanation.

Where no external invoice exists (e.g. grant payments) a cheque or bank credit can only be drawn with the agreement of the Deputy Chief Executive (Corporate Direction) and using an appropriately approved voucher. Deleted: Director of Finance

Chief Officers must ensure that all valid accounts are paid within 30 days or other agreed terms if shorter.

Managers must ensure that the Deputy Chief Executive (Corporate Direction) is informed promptly of any invoice that is in dispute via appropriate use of Civica Authority Financials. Deleted: Director of Finance

The Deputy Chief Executive (Corporate Direction) must cancel each paid account and retain all paid invoices and certificates. Deleted: Director of Finance

Chief Officers must submit to the Deputy Chief Executive (Corporate Direction), by the date specified by the Deputy Chief Executive (Corporate Direction), details of any outstanding previous year commitments, where goods have been received but no payment has been made. Deleted: Director of Finance
Deleted: Director of Finance

20. PETTY CASH

- A. The Deputy Chief Executive (Corporate Direction) may provide petty cash floats for minor expenses. The arrangements for administering such floats must be approved by the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
- B. The Deputy Chief Executive (Corporate Direction) and Heads of Service are responsible for making arrangements for the safe keeping and proper use of all petty cash floats. Deleted: Director of Finance
- C. Petty cash should only be used for small transactions where it is quicker and more efficient to buy goods locally rather than by official order.
- D. All petty cash claims must be correctly coded and be accompanied by an official receipt.
- E. The Deputy Chief Executive (Corporate Direction) and Chief Officers must ensure that there are monthly reconciliations of the petty cash records to the actual cash held. Deleted: Director of Finance
- F. The imprest form of accounts must be used for these advances.
- G. Income must not be paid into an imprest account.
- H. Payments from an imprest account:
- Are restricted to minor items of expenditure not exceeding £150
 - Are other items specifically approved by the Deputy Chief Executive (Corporate Direction). Deleted: Director of Finance
 - Claims must be supported by a voucher and VAT receipt
- I. Certification must be by the Chief Officer, head of Service or delegated officer.
- J. An officer responsible for an imprest account must :
- Give the Deputy Chief Executive (Corporate Direction), on request, a certificate as to the state of the account. Deleted: Director of Finance
 - Clear all outstanding claims before the close of business on the last working day in March.
 - Make a full reconciliation as at the end of March to assist in the closure of the Council's accounts.
 - Provide the Deputy Chief Executive (Corporate Direction) with a final reconciliation of the account before leaving the Council's employment. Deleted: Director of Finance
 - Ensure that the float is returned to Accountancy before leaving the post for which the account was given.

21. PROPERTY

- | A. The Head of Corporate and Scrutiny Services will maintain a terrier of all land and property owned by the Borough Council.

- | B. The terrier will show the following :
 - The purpose for which land is held
 - Its location, extent and plan reference
 - The holding service
 - The nature of the interest
 - Rents payable
 - Details of tenancies granted
 - Purchase agreement terms

- | C. The Head of Corporate and Scrutiny Services (as proper officer) will have custody of all title deeds and documents and make proper arrangements for their security.

22. REVENUE BUDGET (CREATION)

- A. The Deputy Chief Executive (Corporate Direction) at the start of the budget process will prepare a budget strategy each year. Deleted: Director of Finance
- B. The budget strategy will be consistent with the Medium Term Financial Strategy and will provide the framework for next years budget.
- C. Executive will approve the budget strategy prior to the preparation of detailed budgets.
- D. The Deputy Chief Executive (Corporate Direction) will decide the form of the detailed revenue budget in line with the policies approved by Executive. Deleted: Director of Finance
- E. The Deputy Chief Executive (Corporate Direction) will liaise with the Strategic Leadership Board, the Operational Board and all budget holders in order to compile a proposed budget for the next financial year. Deleted: Director of Finance
- F. Heads of Service will rigorously review the fees and charges for their services, in accordance with guidelines approved by Executive. They will then submit proposed revised charges to SLB and Executive.
- G. The report to Executive revising the charges will include both the current charges and the proposed revised charges.
- H. Executive will agree the scale of fees and charges and any amendments.
- I. The Deputy Chief Executive (Corporate Direction) (in consultation with SLB) will compile the budgets after taking account of : Deleted: Director of Finance
- Staffing and other resources requirements
 - Approved service plans
 - The Capital Programme
 - Any central government limitations
 - The revision of rents, fees and charges
- J. Proposed budgets must be reported to Council (with Executive recommendations) during the February/March period.
- K. Council must have decided on an approved budget before 11th March each year, in order to set the council tax.

23. REVENUE BUDGET (CONTROL)

◆ For control purposes, an income or expenditure budget represents a budget line (known as the budget head) in the Capital and Revenue Estimates Book.

- **Variations of more than 20% but up to £10,000:**

Deputy Chief Executive (Corporate Direction) can approve virement or supplementary budget to a maximum of £200,000 per year in aggregate

Deleted: Director of Finance

- **Variations between £10,001 and £25,000:**

Chief Executive in consultation with Deputy Chief Executive (Corporate Direction) can approve virement or supplementary budget to a maximum of £500,000 per year in aggregate

Deleted: Director of Finance

- **Between £25,001 and £50,000:**

Executive can approve virement or supplementary budget to a maximum of £500,000 per year in aggregate

- **£50,000 and over:**

Request to Council for virement or supplementary budget.

VARIATIONS

- Before approval the Chief Executive will require assurance from the relevant SLB Member that all necessary steps to achieve compensating savings have been taken.
- If the annual limit in each of the above cases is reached then the variation for which approval is sought will be accelerated to the next level.

BUDGET MONITORING

A. The Deputy Chief Executive (Corporate Direction) and appropriate officers will supply the Chief Officers with monthly comparative statements of income and expenditure to budget. Heads of Service and delegated officers are responsible for ensuring that controllable budget lines for which they are responsible are not overspent.

Deleted: Director of Finance

B. The Deputy Chief Executive (Corporate Direction) will ensure that each Head of Service and appropriate officer will receive adequate training to enable them to control those parts of the budget for which they are responsible.

Deleted: Director of Finance

BUDGET REPORTING

A. Operationally, responsibility for budgets and adherence to Financial Procedures rests with the Chief Officers and the Heads of Service and not the ~~Deputy Chief Executive (Corporate Direction)~~.

Deleted: Director of Finance

B. The ~~Deputy Chief Executive (Corporate Direction)~~ will submit at least quarterly summaries to SLB and Executive, comparing actual expenditure and income to budget.

Deleted: Director of Finance

24. RISK AND INSURANCES

- A. The Chief Executive and Deputy Chief Executive (Corporate Direction) should have due regard to operational and financial risks and liabilities when considering alternative policies. They also need to consider potential physical risks to persons and assets. Deleted: Director of Finance
- B. The Deputy Chief Executive (Corporate Direction) is responsible for arranging all insurance cover and negotiating all claims in consultation with other officers where necessary. Deleted: Director of Finance
- C. Heads of Service must notify the Deputy Chief Executive (Corporate Direction) and the Corporate Performance and Risk Manager immediately, in writing, of :
- All new risks
 - New properties, plant, equipment or vehicles
 - Any other alterations, which may affect existing insurances
 - Any loss, liability or damage
 - Any event, which could possibly result in a claim
- D. Each Head of Service must keep records and ensure that engineering plant is inspected within the limits defined in the Factories Act.
- E. The Deputy Chief Executive (Corporate Direction) must be notified immediately of any failure by the insurance company to adhere to the proper inspection period. Deleted: Director of Finance
- F. The Deputy Chief Executive (Corporate Direction) must consult Chief Officers and Heads of Service when renewing the Fidelity Guarantee insurance, to ensure that all appropriate employees are included. Deleted: Director of Finance
- G. The Deputy Chief Executive (Corporate Direction) must consult Chief Officers and the Corporate Performance and Risk Manager in a regular review of all insurances. Deleted: Director of Finance
- H. Chief Officers must consult the Deputy Chief Executive (Corporate Direction) and the Head of Corporate and Scrutiny Services and /or Law and Governance Manager on the terms of any indemnity requested of the Council. Deleted: Director of Finance

25. SALARIES, WAGES AND PENSIONS

A. The Head of Corporate & Scrutiny Services is responsible for the payment to all current and former employees of :

- Salaries
- Wages
- Pensions
- Compensation
- Other emoluments

B. Chief Officers and Heads of Service must notify the Head of Corporate and Scrutiny Services immediately, of any matters affecting the payment of employees, including:

- Commencement of employment, resignation, dismissal, suspension, secondment or transfer.
- Absence from duty for sickness or other reason (excluding approved leave).
- Regrading

C. Heads of Service are responsible for the accuracy of :

- Records of attendance
- Holiday entitlement
- Absence

D. Records must be certified by:

- The Head of Service or,
- An officer authorised by the Head of Service

E. A schedule of authorised officers with specimen signatures must be prepared by Heads of Service in consultation with the Chief Officers and updated annually.

F. Copies of the schedules must be sent to the Head of Corporate & Scrutiny Services.

G. Employees must be appointed in accordance with the regulations of the Council and the approved establishment, grades and pay rates.

H. Heads of Service must provide the Head of Corporate & Scrutiny Services with all the information necessary to maintain proper records of service, pension, income tax and national insurance.

I. Overtime and travel expense claims must be certified by any one of:

Deleted: two

- Line Manager
- Head of Service
- Chief Officer.

J. Time sheets must be certified by any one of:

- Line Manager
- Head of Service
- Chief Officer.

- K. Salary or wages will only be paid in advance if an employee is leaving the Council before the day on which his salary would normally be paid.
- L. The Head of Corporate & Scrutiny Services is authorised to apply any salary or wage award, expense or other approved allowance.

26. SECURITY

A. Each Head of Service is responsible for controlling in their service area, the security of the following:

- Buildings
- Stocks
- Furniture
- Equipment
- Cash

B. Chief Officers and Heads of Service must consult the Deputy Chief Executive (Corporate Direction) and the Corporate Property Officer, if they suspect that security may be defective or that special arrangements may be needed.

Deleted: Director of Finance

C. After consulting Chief Officers and/or Heads of Service, the Deputy Chief Executive (Corporate Direction) will set maximum limits for cash holdings and these must not be exceeded without express permission.

Deleted: Director of Finance

D. Keys to safes, secure Cabinets etc. must be kept secured by the person responsible at all times.

E. Loss of keys must be reported immediately to the Deputy Chief Executive (Corporate Direction) and the Corporate Property Officer, who may notify the police.

Deleted: Director of Finance

F. It is the responsibility of the Deputy Chief Executive (Corporate Direction) to maintain proper security and privacy, in connection with the computer installation and its use.

Deleted: Director of Finance

G. All officers must be issued with an appropriate form of identification.

H. Officers working away from council establishments must have an additional form of identification which specifies:

- The officer's powers of entry, search or seizure.
- The duties that can be carried out by the officer.

27. STAFFING CHANGES

- A. Chief Officers must inform the Head of Corporate Services of all approved staffing re-grading and changes to staffing establishment.
- B. Heads of Service will be responsible for ensuring that ongoing budgets are available for all staffing establishment changes where there is a financial implication.
- C. Each month the Deputy Chief Executive (Corporate Direction) will report to the Strategic Leadership Board on the employee expenditure budget and spend to date.
- D. Heads of Service will be responsible for reporting on staffing variances and provide reasons for such variances.

Deleted: Director of Finance

28. TRAVELLING, SUBSISTENCE AND FINANCIAL LOSS ALLOWANCES

- A. The Head of Corporate Services is responsible for all reimbursement of expenses to officers and members that are not administered through Petty Cash.
- B. All claims by staff must be submitted on the form provided by the Head of Corporate Services for:
- Car Allowances
 - Subsistence Allowances
 - Travelling
 - Incidental expenses
- C. All such monthly claims must be properly certified and submitted to the Head of Corporate Services no later than the 13th of the next month.
- D. Claims must be certified by any one from : Deleted: two
- Chief Officer
 - Head of Service
 - Line Manager
- E. A schedule of officers authorised to certify claims (with specimen signatures) must be sent by the Chief Officer or the Head of Service to the Head of Corporate and Scrutiny Services (with a copy to the Deputy Chief Executive (Corporate Direction)), who must be notified immediately of any changes. Deleted: Director of Finance
- F. A complete review of the schedule must be carried out annually.
- G. A certification means that the certifying officer is satisfied that :
- The journeys authorised are reasonable
 - The expenses were properly and necessarily incurred
 - The allowances are payable by the Council
- H. Any officer's claim submitted more than two months after the expenses were incurred will only be paid with the express approval of the Head of Corporate Services.
- I. Members (including co-opted members) of the Council or its committees wishing to claim travelling or other allowances must make their claim on the appropriate form to the Head of Corporate Services.
- J. All claims are to be submitted promptly and within two months of the event being claimed.

29. GLOSSARY OF COMMON FINANCIAL TERMS

- **ACCRUAL** : The inclusion of expenditure or income in the old financial year when the goods or services have been received, but the invoicing and actual payment does not take place until the new financial year.
- **BACS** : Banks Automated Clearing System
- **BOND** : A security obtained by a contractor, usually with an insurance company or bank. If the contractor fails to complete the contract, any extra costs incurred by the Borough Council, in getting the contract completed, can be claimed against the bond.
- **BUDGET OR BUDGET HEAD** : For the purposes of the Financial Procedure Rules a budget or budget head is a single line in the Borough Council's Capital and Revenue Estimates Booklet
- **CAPITAL** : **Expenditure** on acquiring or improving assets, which provide a benefit lasting more than one year. The making of grants or loans to assist them to obtain or improve an asset. **Income** from the sale of assets or the repayment of capital grants or loans.
- **FIDELITY GUARANTEE** : A type of insurance, which protects the Borough Council from losses arising from theft by or fraud of employees.
- **IMPREST** : An account of a set value, which is used to meet frequent, usually small value expenses. When the balance runs low a reimbursement is requested to top it up to the set value.
- **I.T.** : Information Technology
- **QUOTATION** : The price, provided by a supplier of goods or services, which is not controlled by the strict procedures of the tender system.
- **REVENUE** : The day to day, recurring income and expenditure necessary to provide Council services.
- **SUPPLEMENTARY ESTIMATE**: This is either an addition to an existing budget or an entirely new budget, which is not part of the published budget.
- **TENDER** : The bids for a contract, which must be submitted according to a strict procedure laid out in the Council's Procedure Rules and which must all be opened at the same time.
- **TREASURY MANAGEMENT** : The process of managing the cash flow, investment and borrowing.
- **TREASURY MANAGEMENT POLICY** : This is a statement stating the policies and objectives of the Treasury Management activities.
- **TREASURY MANAGEMENT PRACTICES (TMP's)** : Sets out the manner in which the Borough Council will seek to achieve those policies and objectives, prescribing how it will manage and control those activities.
- **VIREMENT** : The transfer of all or part of one budget to another budget heading.
- **VOUCHER** : A form generally used as a substitute for an invoice.

CONTRACT PROCEDURE RULES

1. GENERAL

- 1.1 The following contract procedure rules form part of the Council's Constitution and set out the procedures by which the Council will enter into contracts for the provision of goods, services, materials and work. Every contract made by or on behalf of the Council shall comply with these procedure rules and no exception from any of the provisions shall be made otherwise than by direction of the Council or under Rule 4.2.
- 1.2 The Rules do not apply to contracts for the sale or purchase of land or buildings. Every contract relating to the sale or purchase of any land or buildings shall be in writing and be signed on behalf of the Council by the appropriate Head of Service. Purchase of land should not be above the current market value as determined by the Council's valuer and sales of land should not be below the current market value as determined by the Council's valuer. Where this is not the case a report should be made to Executive or Council as appropriate. For further direction refer to section 7 of the Council's Financial Procedure Rules.
- 1.3 Every contract made by or on behalf of the Council shall comply with
 - 1.3.1 these Contract Procedure Rules
 - 1.3.2 the Council's Financial Procedure Rules
 - 1.3.3 the Council's Constitution
 - 1.3.4 all relevant statutory provisions including any relevant E.U. directive
 - 1.3.5 any direction by the Council, Executive, Committee, Sub-Committee or other group having appropriate delegated authority.
- 1.4 These Contract Procedure Rules shall not apply or may be varied where or to the extent that:
 - 1.4.1 the Council so resolves
 - 1.4.2 statute or subordinate legislation prescribes otherwise
- 1.5 Within these rules the term "Chief Officer" shall be deemed to include the Chief Executive and all members of the Strategic Leadership Board (SLB). A Head of Service is a member of the Operations Board.

2 DELEGATED AUTHORITY TO ENTER INTO CONTRACTS

- 2.1 Every Chief Officer in relation to the work of his/her Service Area shall have power to accept tenders (where required) and to enter into contracts on behalf of the Council.

3 CONTRACTS OF UP TO £50,000

Tenders need not be invited for contracts estimated to have a value of £50,000 or less but quotations shall be obtained in accordance with the Council's Financial Procedure Rules. Dependant upon risk, a formal contract may be required with procurements of less than £50,000.

4 REQUIREMENTS FOR TENDER

4.1 Subject to the exceptions in Rule 4.2 below, tenders shall be invited where the contract sum is estimated to be £50,001 and above.

4.2 Notwithstanding compliance with EU Public Procurement Rules, Tenders need not be invited where

i) the appropriate SLB Member is of the opinion that the goods or services are supplied only at a fixed price and no reasonably satisfactory alternative is available. Such instances must be brought to the attention of the Deputy Chief Executive (Corporate Direction).

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ii) there would be no genuine competition on account of the uniquely specialised nature of the goods/services (sole supplier). Such instances must be brought to the attention of the Deputy Chief Executive (Corporate Direction).

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iii) the appropriate SLB Member is of the opinion that the goods/services consist of repairs/supply of parts to an existing proprietary machinery/plant

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iv) the contract consists of goods/services the same as currently in use by the Council, which are required in the interest of standardisation for maintenance or for other special reasons. In such a case a report should be prepared and presented to SLB stating such reasons.

v) the work to be executed or the goods or materials to be supplied constitute an extension of an existing contract and the proposed extension is at a value not greater than the original contract sum plus RPI and it is considered by the relevant SLB Member that, taking into account the cost of re-tendering, the Council is unlikely to benefit from a reduced contract sum. The relevant SLB Member must obtain Executive approval by submitting a report to Executive setting out his/her proposal.

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vi) the SLB Member certifies on a form, approved by the Chief Executive and the Deputy Chief Executive (Corporate Direction), that work, goods, materials or services are required so urgently that there is not time to invite tenders, or where compliance would mean that less favourable terms or conditions would have to be accepted; and subsequently submits the certificate to the next meeting of the Executive and the Executive accordingly approves the exception.

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vii) goods purchased at public auction.

- viii) where purchases are made as a consequence of an existing in-house contract.
- ix) where purchases are made as a consequence of a contract made by another local authority (e.g. ESPO), the benefits of which the Council obtain as a result of participation in a consortium.
- x) where the Council enters into a contract jointly with one or more other local authorities or partners, one of whom is the “lead authority” for that contract subject to the Chief Executive being satisfied that the Council’s interests will not be adversely affected.

IN ALL CASES, THE COUNCIL’S PROCUREMENT MANAGER MUST BE CONSULTED

4.3 Where tenders are required the Council’s Procurement Manager must be notified and one of the following methods shall be used:

- 4.3.1 Open competitive tender (Rule 5)
- 4.3.2 Ad hoc approved list (Rule 6)
- 4.3.3 Standing approved list (Rule 7)
- 4.3.4 Pre-vetted company list (Rule 8)
- 4.3.5 Established procurement specialist (Rule 9)

5 OPEN COMPETITIVE TENDERS

5.1 Tenders shall be invited after giving at least 14 days public notice in at least one local newspaper circulating in the area of the Authority and in such trade journals as the Chief Officer has considered appropriate stating the nature and purpose of the contract, inviting tenders and stating the last date when tenders will be accepted. The tender shall also be advertised on the Council’s website. However, when a tender falls under the scope of EU Public Procurement Rules, their timescales and advertising requirements shall apply (seek advice from the Council’s Procurement Manager).

6 AD HOC APPROVED LIST

6.1 Tenders shall be invited after giving notice in the manner set out in Rule 5 seeking applications to be placed on a list from which selected contractors will be invited to submit tenders. However, when a tender falls under the scope of EC Public Procurement Rules, their timescales and advertising requirements shall apply (seek advice from the Council’s Procurement Manager).

7 STANDING APPROVED LIST

7.1 Tenders shall be invited from persons included in a list approved by the Council for the supply of goods or materials of specified categories, values or amounts or for the carrying out of specified categories of work

7.2 The list shall be compiled in the following manner:

7.2.1 Notices inviting applications for inclusion in the list shall be published not less than 28 days before the list is compiled in at least one local newspaper and one trade journal.

7.2.2 No person shall be included in the list unless, at the time of compilation of the list, the Deputy Chief Executive (Corporate Direction) is satisfied as to his or her financial status and general suitability.

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7.2.3 The approved list may be amended as required from time to time by the Council and shall be reviewed at intervals not exceeding two years.

8 PRE-VETTED COMPANY LIST

8.1 Tenders may be invited from companies held on a pre-vetted companies list, for example Constructionline, ESPO. However, when a tender falls under the scope of EU Procurement Public Rules, their timescales and advertising requirements shall apply (seek advice from the Council's Procurement Manager).

9 ESTABLISHED PROCUREMENT SPECIALIST

9.1 Where large, high value, tender exercises take place in areas in which the Council have limited expertise, it may be necessary to engage the use of established procurement specialists. These specialists will undertake the tender process on behalf of the Council. At all times, such specialists shall comply with the Council's Financial and Contract Procedure Rules.

10 SELECTION OF TENDERERS OR INVITEES

10.1 The selection of persons from whom tenders shall be invited shall be delegated to the appropriate Chief Officer or his/her nominated representative.

10.2 In inviting applications for inclusion in a list of tenderers or in selecting persons from whom tenders are to be invited, steps shall be taken to ensure fair competition.

11 FORM OF INVITATION TO TENDER AND SUBMISSION OF TENDERS

11.1 All tenders shall be required to be submitted on a Form of Tender approved by the Deputy Chief Executive (Corporate Direction) or his nominated representative. This Form shall include a statement that the Council will not be bound to accept any tender and reserves the right to accept a tender other than the one which is the most favourable or not to accept any tender at all.

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11.2 The invitations to tender shall state that no tender will be considered unless contained in a unmarked plain sealed envelope and endorsed "Tender" followed by the subject to which it relates.

11.3 Every tender shall be addressed to the Deputy Chief Executive (Corporate Direction) and the tender shall remain in his custody, or that of his nominated representative, until the time appointed for its opening.

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11.4 A Tender Instruction Form is to completed prior to invitations to tender being issued, detailing tenderers and the return date and time. Once completed, this form is to be sent to the Procurement Manager.

12 EXTENSION OF TIME

12.1 Where the appropriate Head of Service considers it to be in the best interests of the Council the time within which tenders must be received may be extended after giving notice of such extension of time in the following manner. Such extensions should be given following consultation with the Council's Procurement Manager

12.1.1 **Open competitive tenders** - in accordance with paragraph 5.

12.1.2 **Ad hoc approved list/Pre-vetted company list/ Established procurement specialist** - by giving written notice to each of the selected contractors.

12.1.3 **Standing approved list** - by giving written notice to each of the relevant persons on the list.

13 OPENING OF TENDERS

13.1 All tenders for a contract shall be opened at the same time and within a maximum period of two hours after the closing time for the acceptance of tenders. The tenders will be opened in the presence of the Deputy Chief Executive (Corporate Direction) and another Chief Officer, Head of Service or any such Officer(s) designated for the purpose.

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13.2 The Deputy Chief Executive (Corporate Direction) or his duly authorised representative shall prepare and maintain a register of tenders received and shall record in that register the following particulars:

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13.2.1 the last date and time for the receipt of tenders

13.2.2 the date and time the tender was actually received

13.2.3 the name of the tenderer and the amount of the tender

13.2.4 the date and time they were opened.

13.2.5 the signature of the officer to whom the tenders were handed after opening.

13.3 All persons required to be present at the opening of tenders shall immediately sign against the relevant particulars in the register and shall also sign the tender as evidence of such tenders having been opened by them or in their presence.

13.4 Following the opening of tenders invited in accordance with Rules 6 or 7 the Chief Officer or their designated representative shall write to all persons who

were invited to tender but who failed to tender to ascertain the reasons for that failure.

14 **LATE TENDERS**

14.1 Any tender received late will be returned promptly to the tenderer by the Chief Officer or Head of Service concerned.

14.2 A late tender which has been received, subject to Rule 14.1 above, may be opened in the presence of the Deputy Chief Executive (Corporate Direction) and another Chief Officer, Head of Service or such Officer(s) designated for the purpose, to ascertain the name and address of the tenderer but no details of the tender shall be disclosed.

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15 **ALTERATIONS TO TENDERS**

15.1 Where the tender reveals errors or discrepancies, which would affect the tender figure in an otherwise successful, tender, the tenderer shall be told of the errors and discrepancies and given an opportunity of confirming, correcting or withdrawing the offer.

16 **ACCEPTANCE OF TENDERS**

16.1 In accepting a tender, consideration will be given to price and quality. A suitable pre-determined price-quality model (Evaluation Model) will be devised by the appropriate Head of Service in conjunction with the Council's Procurement Manager. Selection of the best tender will be based on this evaluation.

17 **CONTRACTS TO BE IN WRITING**

17.1 Every contract shall be in writing in a form approved by the Head of Corporate and Scrutiny Services or his/her nominated representative.

17.2 Every contract shall specify, amongst other things:

17.2.1 the goods, materials, works, matters, or things, to be furnished, supplied or done (including any appropriate technical specifications)

17.2.2 the price to be paid with a statement of discount or other deductions

17.2.3 where applicable, the time or times that the contract is to be performed

17.2.4 how the contractor will be accountable for performance, and any information or reports that he will be required to submit.

17.3 The appropriate Chief Officer shall sign every contract not required to be made under seal on behalf of the Council.

17.4 The Proper Officers shall seal every contract required or intended to be made under seal on behalf of the Council.

17.5 Once a contract has been signed, a Contract Notification Form must be completed and sent to the Council's Procurement Manager for inclusion in the Contracts Database.

18 **ASSIGNMENT**

18.1 In every written contract for the execution of work or the supply of goods or materials, the following clause shall be inserted:

18.2 "The contractor shall be prohibited from transferring or assigning directly or indirectly, to any person or persons whatever, any portion of the contract without the written permission of the Council. Sub-letting of any part(s) of the work, except to the extent permitted in writing by the officer concerned, shall be prohibited"

18.3 This requirement may be waived by the Head of Service in consultation with the Deputy Chief Executive (Corporate Direction)

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19 **LIQUIDATED DAMAGES**

19.1 Every contract that exceeds £50,000 shall, where considered appropriate by the appropriate Chief Officer, provide for liquidated damages to be paid by the contractor in case the terms of the contract are not duly performed. The amount to be specified in each such contract shall be determined in consultation with the Chief Officer concerned, the Deputy Chief Executive (Corporate Direction) and Legal Services.

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19.2 This requirement may be waived by the Head of Service in consultation with the Deputy Chief Executive (Corporate Direction)

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20 **PERFORMANCE BONDS**

20.1 Where a contract is estimated to exceed £150,000 in value and is for the execution of the works, or for the supply of goods or materials by a particular date or series of dates, the Chief Officer concerned in consultation with the Deputy Chief Executive (Corporate Direction) shall consider whether the Council should require security for its due performance and shall either certify that no such security is necessary or shall specify in the conditions of tender the nature and amount of any security to be given. In the latter event, the Council shall require and will take a bond or other sufficient security for the due performance of the contract.

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20.2 This requirement may be waived by the Head of Service in consultation with the Deputy Chief Executive (Corporate Direction)

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21 **INSURANCE**

21.1 All contracts will require insurance to the appropriate amount in accordance with the Procurement Strategy and Risk Management Strategy.

22 RETENTION

22.1 Works contracts, which are estimated to exceed £50,000 in value, will be subject to a defects period. The Council will retain a percentage of the monies due to the contractor for a period that the relevant Chief Officer deems appropriate, having regard to the current practice in the relevant industry and to the circumstances of the contract.

23 AGENCY WORK

23.1 Where goods or materials are to be used by the Council or services provided to the Council in connection with works carried out by the Council under an agency agreement, then Rule 4.3. shall be deemed to have been complied with if the Principal has approved the Standing Approved List or Ad hoc List.

24 CANCELLATION

24.1 Every contract will include a clause allowing the Council to cancel the contract and to recover costs if the contractor has offered, or given, any gift or consideration whatsoever as an inducement or reward to obtain the contract, or any other contract with the Council. This will include acts by any contractor which represent an offence under the Prevention of Corruption Acts 1989 to 1916 or any fee or reward, the receipt of which is an offence under Section 117 of the Local Government Act 1972

25 NOMINATED SUB-CONTRACTORS

25.1 Subject to 18.2, where a sub-contractor or supplier is to be nominated to a main contractor the following provisions shall have effect.

25.2 Where the estimated amount of a sub-contract exceeds £50,000 then, unless the appropriate Head of Service certifies that it is not reasonably practicable to obtain competitive tenders, tenders for the nomination shall be invited and dealt with in accordance with these Contract Procedure Rules as if they were for a contract with the Council.

25.3 A nominated sub-contractor must be willing to enter into a contract with the main contractor on terms which indemnify the main contractor against his own obligations under the main contract in relation to the work or goods included in the sub-contract.

25.4 These requirements may only be waived by the Head of Service in consultation with the Deputy Chief Executive (Corporate Direction).

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26 COMPLIANCE WITH RULES

26.1 Each Chief Officer, Head of Service and budget holder will ensure that contract rules are complied with, that the Council obtains value for money and that the goods, services, materials or works required are necessary and appropriate.

27 BREACHES OF RULES

27.1 Where a Chief Officer discovers that there has been a breach of Rules in his/her Service Area then he/she will consult the Deputy Chief Executive (Corporate

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| Direction) and instigate appropriate action. This may include, following consultation with the Head of Corporate & Scrutiny Services, consideration of invoking the Council's disciplinary procedure and reporting to Executive as necessary.

28 **REVIEW OF FINANCIAL LIMITS**

28.1 The Council shall review the financial limits annually.

COUNCIL – 29 JUNE 2010

REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)

RE: LOCAL DEVELOPMENT SCHEME - AMENDMENTS

1. PURPOSE OF REPORT

- 1.1 To seek Members approval to the revised Local Development Scheme (LDS), which sets out the programme for preparing all the documents which form the Local Development Framework. The revised timetable shows an extension on the Site Allocations and Generic Development Control Policies DPD and an extension to the Earl Shilton and Barwell Area Action Plan from the original timetable approved at Council on 25th February 2010 (still to be approved by GOEM). The revised LDS also shows a separate Gypsy and Traveller allocations DPD being prepared alongside the Site Allocations and Generic Development Control Policies DPD. The purposes of the amendments are outlined in the main body of the report.
- 1.2 Hard copy of the Local Development Scheme are available in the Members Room and are available from the report author on request. An electronic copy can be found on the Council's web-site.

2. RECOMMENDATION

- 2.1 It is recommended that Members approve the revised Local Development Scheme (LDS) timetable for submission to GOEM and delegate authority to the Deputy Chief Executive (Community Direction) to bring it into effect.
- 2.2 In addition, Members agreement is sought to produce a separate Gypsy and Traveller Allocations DPD, and to split it from Site Allocations and Generic Development Control Policies DPD.

3. BACKGROUND TO THE REPORT

- 3.1 The LDS was introduced by the Planning and Compulsory Purchase Act (2004) to provide an assessment of progress on local development documents contained within the Local Development Framework (LDF). All the Local Planning Authorities are required to prepare a LDS, which sets out a 3 year rolling programme for the production of each document identified in the scheme. This will constitute the Councils LDF. The previously adopted LDS expired in March 2010. A revised and rolled forward LDS was prepared and approved by Council on 25 February 2010. The LDS was then formally submitted to GOEM on 26 February 2010 for endorsement which is still awaited. Discussions have taken place with GOEM who are happy in principle with the revised programme and prepared to await sign off of the current document, subject to Council's adoption.

4. **Proposed Revised LDS Programme**

- 4.1 The revised LDS is attached at Appendix 1. Since the submission of the LDS to GOEM pressure, has increased on the Development Control team, particularly with the Earl Shilton and Barwell Area Action Plan (AAP) and a number of significant 'major' applications expected during the summer (e.g. Bus Station, Sketchley Brook, Britannia Road, land east of Earl Shilton). Therefore a decision has been made to reallocate the AAP into the Policy team which has given the opportunity to re-order the LDF priorities in the following way: Earl Shilton and Barwell Area Action Plan to be prioritised, which will result in a healthy 5 year housing land supply position. This will, in turn, deter speculative proposals from developers because of the current lack of 5-year housing land supply
- 4.2 These changes will also provide the opportunity for the Council to consider the implications of any changes to the planning system proposed by the new coalition Government, who has already announced the abolition of Regional Spatial Strategies, removal of national advice on minimum densities, and private residential gardens being excluded from the definition for previously developed land. Government Office for the East Midlands have advised Council officers to continue to focus on the production of their Development Plan Documents as the LDF will remain in place for the next two years.
- 4.3 Members are advised of the following progress on each of the Development Plan Documents (DPDs).
- Hinckley Town Centre Area Action Plan – on target to meet the originally set deadlines (as agreed at Council on 26 May 2010). The Submission Area Action Plan is currently being consulted upon for a period of 6 weeks.
 - Site Allocations and Generic Development Control Policies Development Plan Document – The 13,500 representations received on the preferred options have now been summarised and responses prepared, these will be put onto the Councils web site in the next few weeks. There are a number of Topic Papers and evidence based documents which are being prepared by Officers and Consultants (Schedule attached). These documents are relevant to other DPD's, and the ones which inform / support the Hinckley Town Centre Area Action Plan and the Earl Shilton and Barwell Area Action Plan have been prioritised within the programme.
 - Earl Shilton and Barwell Area Action Plan – The Masterplan preferred option is currently being finalised , this will form part of the Barwell and Earl Shilton Area Action Plan.
- 4.4 In order to move the LDF forward the following programme is proposed;
- Hinckley Town Centre Area Action Plan – As per original programme approved at the 25th February 2010 Council Meeting

- Site Allocation and Generic Development Control Policies DPD – A timetable extension is required in order to prioritise the Barwell and Earl Shilton Area Action Plan. By extending the programme this document will deal with any shortfall in delivery of land uses to ensure Core Strategy objectives are met.
- Gypsy and Traveller Allocations DPD – This element of the Site Allocations and Generic Development Control Policies DPD is to be separated as this will enable further consultation on proposed sites due to the volume of representations received on this aspect of the Site Allocations and Generic Development Control Policies DPD. It is felt that a further round of consultation is required in order to develop a robust document. This may also need to be informed by more up to date local needs assessment, the basis of which would need to be determined by the Council. By adopting this approach the Site Allocations and Generic Development Control Policies DPD can continue to pre-submission consultation without having to return to preferred option stage, thereby achieving adoption earlier.
- Earl Shilton and Barwell Area Action Plan – This document will be prioritised in order to achieve a healthy 5 year housing land supply position once adopted. By extending the programme on the Site Allocations and Generic Development Control Policies DPD and the other allocation document this will enable internal resources to be focussed on this document and the Town Centre Area Action Plan. By adopting this programme there is sufficient time to enable robust evidence bases to be produced which will inform the Earl Shilton and Barwell Area Action Plan and also the Site Allocations and Generic Development Control Policies DPD.

5. CONCLUSION

In view of GOEM advice to continue with the production of Local Development Plan Documents and the need for the Council to ensure an up to date framework of Planning Policy documents are in place to help guide new housing and employment growth, Members are advised to support the recommended revisions to the LDS as set out.

6. FINANCIAL IMPLICATIONS [DB]

A review of the costs of the LDS is currently being undertaken, and will be reported in due course. An earmarked reserve has been created to meet these costs and will be drawn down as the process progresses.

7. LEGAL IMPLICATIONS [AB]

Contained in the body of the report.

8. CORPORATE PLAN IMPLICATIONS

8.1 The report has implications on the following corporate aims:

- Thriving economy
- Strong and distinctive communities
- Decent, well managed and affordable housing.

9. **CONSULTATION**

9.1 The LDS has been discussed informally with Government Office for the East Midlands in order to gain opinion on the proposals. Once Council agreement has been obtained the Local Development Scheme will be formally submitted to Government Office.

9.2 The documents which make up the LDS are all subject to periods of consultation which will be undertaken in line with the Councils adopted Statement of Community Involvement.

10. **RISK IMPLICATIONS**

10.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

10.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision/project have been identified, assessed and that controls are in place to manage them effectively.

10.3 The following significant risks associated with this report/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Not agreeing the revised LDS will result in the Earl Shilton and Barwell Area Action Plan not being produced as it cannot be prepared without the document being included within the LDS.	Approve the LDS as set out within this report.	Simon Wood and Sally Smith
Not concentrating resources on the Earl Shilton and Barwell Area Action Plan in order to achieve a 5 year Housing Land Supply and ultimately achieve a strong position for other applications elsewhere in the borough.	Ensure resources are available to deliver the Earl Shilton and Barwell Area Action Plan.	Simon Wood and Sally Smith

11. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

11.1 This document has borough wide implications.

12. **CORPORATE IMPLICATIONS**

- | | |
|---------------------------------|-------------------------------------|
| • Community Safety Implications | None relating to this document |
| • Environmental Implications | None relating to this document |
| • ICT Implications | None relating to this document |
| • Asset Management Implications | None relating to this document |
| • Human Resources Implications | None relating to this document |
| • Planning Implications | Have been considered in this report |
| • Voluntary Sector [VAHB] | None relating to this document |

Background papers: Planning Policy Statement 12: Local Spatial Planning (Page 21)
The Town and Country Planning (Local Development) (England)
Regulations 2004 – Regulations 8 / 9 / 10
The Town and Country Planning (Local Development) (England)
(Amendment) Regulations 2008 – Regulation 10
Committee Report No. C58 Council Meeting 25 February 2010

Contact Officer: Sally Smith x5792

Executive Member: Councillor S.L.Bray

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Evidence base

Work

Employment Land Study

PPG17 Assessment

Green Wedge Review

Area of Separation Review

Area of Special Character Review

Local Centre Topic Paper

SHLAA

Settlement boundary review and Settlement boundary checks

DC Work

G & T Paper

Stakeholder meetings

Highway Authority/Agency Assessment of sites

Viability and deliverability checks

Urban Capacity Site Review

Settlement topic papers - Site requirements (Appendix 2) – further investigation necessary to ensure they are sound Appendix 6 further justification

Mapping – audit of layers

Mapping new sites?

Community Facility Check

Drafting the document

Test of soundness Toolkit – self assessment

Charnwood Forest Topic

Impact on wildlife and biodiversity on sites - Gathering of evidence

Consultation Report – CAPs, Settlement summary, regulation elements

Council – 29 June 2010

REPORT OF THE DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)

RE: HINCKLEY TOWN CENTRE AREA ACTION PLAN SUPPLEMENTARY BUDGET

1. PURPOSE OF REPORT

To seek Members' approval to a supplementary budget of £50,000 from the LDF Reserve to fund the Hinckley Town Centre Area Action Plan.

2. RECOMMENDATION

2.1 Members agree that:-

(i) A supplementary budget in the sum of £50,000 be approved, to be funded from the LDF Reserve to meet the costs of bringing the Hinckley Town Centre Area Action Plan to adoption.

3. BACKGROUND TO THE REPORT

3.1 A report was presented to Council on 15 December 2009 outlining the estimated total cost of the entire LDF process to the Council. The total cost of taking the Hinckley Town Centre Area Action Plan through to adoption was estimated to be in the region of £50,000. This money has been set aside in the Local Development Framework Reserve to meet this expenditure.

3.2 It is intended that this amount will cover the costs of the Planning Inspectorate, a programme officer and note taker at the examination

4. FINANCIAL IMPLICATIONS [DB]

4.1 Provision for this expenditure was not included in the Budget for 2010/11 but was identified as a pressure in the MTFs. There will be no impact on General Fund Balances as provision for this expenditure has been made in an earmarked reserve for this purpose and the impact of the supplementary budget will be met from this reserve.

5. LEGAL IMPLICATIONS (AB)

5.1 None raised directly by this report

6. CORPORATE PLAN IMPLICATIONS

6.1 By progressing and eventually adopting the Hinckley Town Centre Area Action Plan the following aims of the Corporate Plan 2009 – 2014 will be achieved;

- Cleaner & greener neighbourhoods
- Thriving economy
- Safer and healthier borough
- Strong and distinctive communities
- Decent, well managed & affordable housing.

7. **CONSULTATION**

7.1 All Local Development Framework Documents undergo comprehensive consultation as part of the statutory process.

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Insufficient funding provided to undertake the production of the Hinckley Town Centre Area Action Plan	Ensure sufficient funding is provided to carry out the necessary work.	Strategy and Regeneration Manager

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

9.1 As the Hinckley Town Centre Area Action Plan is wholly concerned with the town centre of Hinckley, it is considered that there are no direct rural implications arising from this report.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications None directly relating
- Environmental implications by undertaking the Sustainability Appraisal Addendum on the Area Action Plan the environmental impact of development can be minimized and development proposals more sustainable.
- ICT implications None directly relating
- Asset Management implications None directly relating
- Human Resources implications None directly relating

- Planning Implications Contained within the report
- Voluntary Sector None directly relating

Background papers: 15 December 2009 Council Report and Minutes

Contact Officer: Sally Smith Ext 5792

Executive Member: Councillor Stuart Bray

23C29jun10

COUNCIL 29 JUNE 2010
REPORT OF HEAD OF COMMUNITY SERVICES.
RE: PRIVATE SECTOR DECENT HOMES FUNDING 2010-11

1. **PURPOSE OF REPORT**

- 1.1 To proposed the allocation of the private sector Decent Homes funding for 2010/11

2. **RECOMMENDATION**

That council:

- 2.1 Agree to the projects included in appendix 1, funded through the Decent Homes Grant.

3. **BACKGROUND TO THE REPORT**

- 3.1 During the financial years 2006/07 to 2009/10 the Council received £848,243 from the Region Housing Board for work relating to decent homes in the private sector. The initial allocation of funding was agreed by the Housing Task Group, and subsequently with the Executive Member for Housing and the Director of Planning and Community Services.
- 3.2 The projects funded through the Decent Homes Grants have been:

Decent Homes Insulation Scheme.

This scheme has so far installed 1637 loft and cavity wall insulation measures and brought up to the Decent Homes Standard 305 non decent homes. It has helped 636 vulnerable households reduce their heating bills and should produce a total lifetime C02 saving of 35,889 tonnes.

House Condition Survey.

The commissioning and completion of random survey of 1000 properties, to meet the Council obligation to review the condition of the private sector housing stock. This information will also be used in the review of the Private Sector Housing Renewal Policy and to establish future levels of demand for Disabled Facilities Grants.

Decent Homes Officer.

The employment for a 12 month period of an officer in 2006/07 to carryout Decent Homes Inspections and assist with the Decent Homes Insulation Scheme.

Disabled Facilities Grants.

Provided £183,923.23 of additional funding which allowed an additional 22 grants to be approved and paid during 2009/10.

Warm Front Top Up Assistance.

This allowed 46 vulnerable owner occupiers to have either a new heating system or replacement boiler installed where their Government funded Warm Front Grant did not cover the full cost of the work.

Projects funded partly from Decent Homes Funding

- **Service requests.**

Enabled 42 additional service requests relating to the condition of privately rented properties to be investigated. This resulted in the Council pursuing 15 landlords where the properties were found to fail the Decent Homes Standard.

- **Minor and Major Works Assistance.**

Provided finance to support the original Capital Programme, which allowed 83 non decent dwellings occupied by vulnerable people to be made decent.

4 2010/11 ALLOCATION.

4.1 The allocation of Decent Homes Funding in 2010/11 is £363,000. There are a number of challenges which the Decent Homes funding can support in 2010/11. These are detailed in appendix 1.

4.2 There is no guarantee that the Council will receive any funding for Decent Homes work in future years. In addition to possible reduction in the overall national budget for this work, the method for distributing funds within the region is likely to change from individual authority to area based allocations.

4.3. The proposal outlined in appendix 1, would be fully funded by the Decent Homes Funding provided by the Regional Housing Board. By restricting posts to fixed term contracts there would be no on going liability to the Authority, whilst ensuring that Council has the resources available in the short term to meet its statutory obligations and to achieve acceptable levels of service provision. This will also allow time for the longer term picture to be assessed and the level of resources required to deal with this to be determined and a report submitted for consideration.

5 FINANCIAL IMPLICATIONS (DB)

An amount of £363,000 has already been received in 2010/11 in respect of Decent Homes funding. This funding will cover the proposals in appendix 1. If SLB approve this proposal then Council approval to a revision of the Capital programme will be required.

6. LEGAL IMPLICATIONS (AB)

None raised directly by this report

7. **CORPORATE PLAN IMPLICATIONS**

Contributes to Decent, Well Managed homes.

8. **CONSULTATION**

None

9. **RISK IMPLICATIONS**

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Decent Homes Grant not allocated to relevant projects	Proposal in appendix A agreed to enable targeting of increasing the number of decent homes occupied by vulnerable people.	Sharon Stacey

10. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Decent Homes funding is aimed at increased the number of decent homes occupied by vulnerable people. The proposed projects will support all areas of the borough and the communities within them.

11. **CORPORATE IMPLICATIONS**

The following have been taken into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector [VAHB]

Background papers:Housing Renewal Policy

Contact Officer: Sharon Stacey

Executive Member: Councillor David Cope

APPENDIX 1

ISSUE	PROPOSAL	FUNDING
<p>There has been an increase in service requests for investigation of complaints into house conditions, landlords etc., with a 100% increase in the last 3 years. There is currently a 0.5 Environmental Health Officer post dealing with these requests. This is currently filled by an agency worker.</p>	<p>Increase 0.5 post to full time for a 12 month period to ensure service request are dealt with in a timely manner and to take a more pro active approach in areas such as Empty Homes.</p>	<p>£23,000 to include advertisement costs.</p>
<p>The Disabled Facilities Grant has been under increasing pressure in recent years, with an increase in budget of £287,499 in 2009/10 in order to meet demand. It is anticipated this increase will continue.</p>	<p>Allocate £308,341 to support the DFG programme.</p>	<p>£308,341</p>
<p>Our Private Sector Renewal Strategy is due for a refresh this year. It has become apparent that take up of minor and major assistance has reduced. What is not known is whether this is due to the lack of demand or a problem with take up. Further, the recent Audit commission visit regarding SFG's highlighted that work needed to be carried out around future demand for DFG's and the reasons that people do not proceed with applications.</p>	<p>Employ a Take Up Officer for 12 months to investigate into the reasons for low take up of assistance. This will inform the Private Sector Renewal Policy and will enable decisions to be taken on the private sector housing capital programme, for example should there be a reduction in the financial assistance available and resources placed into DFG's.</p>	<p>Post to be evaluated, estimate grade 4 £23,000</p>
<p>Two phases of the insulation project have been completed using previous Decent Homes Funding. An analysis of how effective the project has been in achieving the project aims is required and can be used to inform any future decision about similar projects in the future.</p>	<p>Full evaluation of the project is undertaken by the consultant who prepared the original tender documents.</p>	<p>£7,000</p>

COUNCIL - 29 JUNE 2010

BRIEFING NOTE FROM MEMBERS OF THE COUNCIL

**RE: COMMUNITY ACTION HINCKLEY AND BOSWORTH FORMERLY
VOLUNTARY ACTION HINCKLEY AND BOSWORTH - UPDATE REPORT**

1. **Purpose of the briefing note**

To advise Members of the current activities of Community Action Hinckley and Bosworth.

2. **Recommendation**

That the Council notes the update.

3. **Update**

The report below has been prepared with the assistance of Howard Crane, Principal Community Services Manager to give an indepth position statement of Community Action Hinckley & Bosworth. It has been produced to give Members a complete overview of a very difficult transitional period when the organisation moved from being known as Voluntary Action Hinckley and Bosworth to Community Action Hinckley & Bosworth. We are grateful for all the assistance received from Mr Crane and his current team in putting together this report

Voluntary Action H & B was formed from the merger of Hinckley Area Volunteer Bureau and the Hinckley & Bosworth Area CVS in April 2002. Both organisations had extensive knowledge and expertise in their respective areas, and it was felt that the voluntary sector and the community as a whole could only benefit from the coming together of the two key local organisations whose objectives were to support volunteering and voluntary organisations respectively. By 2002 a number of projects were developed funded by various agencies including the National Lottery. Of these only the Carers' Project remains.

The Carers Project is funded by Leicestershire Social Services to support local carers by providing a regular newsletter, information about benefits and who to go to for practical help and support. The Carers Project also arranges quarterly meetings between carers and the people who provide services for them and the people they care for, and supports social groups for carers that

meet monthly. This mission has remained fairly static over the last eight years but with the tragedy of the Pilkington case there is a general recognition that things must change.

In 2006/7 Neighbourhood Management and Stronger Communities was incorporated as a new project into VAHB with the appointment of a Neighbourhood Action and Stronger Communities Manager. HBBC and VAHB came together to develop this post by marrying together two parts of LAA1. So far HBBC is the only Council that has taken this approach and this shows the confidence and support that the Borough Council gives to the voluntary sector.

Neighbourhood Management in Hinckley and Bosworth was set up with a number of guiding principles which have underpinned all the work being done. The key element that links Stronger Communities to Neighbourhood Management is outlined below:

“The key to neighbourhood management is that residents’ concerns should be more important in defining what is done than agencies’ assumptions. Local authorities, the police, health services, development trusts, housing associations and regeneration companies all have an important part to play.

Neighbourhood management partnerships also need support at strategic level through the active involvement of the Local Strategic Partnership. Whoever takes the lead in delivery, neighbourhood management will only be successful if all relevant stakeholders are effectively engaged.”

To ensure the work of Neighbourhood Management and Stronger Communities is sustainable and lasting a model of social inclusion is being used, as outlined below.

- *Reducing disadvantage*
Making sure people in need benefit from access to good health, education and other services
- *Increasing social, civil and economic participation*
Helping everyone get the skills and support they need so they can work and connect with the community, even during hard times
- *A greater voice, combined with greater responsibility*
Governments and other organisations giving people a say in what services they need and how they work, and people taking responsibility to make the best use of the opportunities available
- *Building on individual and community strengths*

Making the most of people's strengths, including the strengths of people from other cultures

- *Building partnerships with key stakeholders*

Governments, organisations and communities working together to get the best results for people in need

- *Developing tailored services.*

All services working together in new and flexible ways to meet each person's different needs. For some members of the population experiencing, or at immediate risk of, significant exclusion, mainstream services may not be sufficient or appropriate to mitigate against exclusion.

- *Giving a high priority to early intervention and prevention.*

Heading off problems by understanding the root causes and intervening early

- *Building joined-up services and whole of government(s) solutions*

Getting different parts and different levels of government to work together in new and flexible ways to get better outcomes and services for people in need

- *Using evidence and integrated data to inform policy*

Finding out what programs and services work well and understanding why, so they can share good ideas, keep making improvements and put maximum effort into the things that work

- *Using locational approaches*

Working in places where there is a lot of disadvantage, to get to people most in need and to understand how different problems are connected

- *Planning for sustainability*

Doing things that will help people and communities deal better with problems in the future, as well as solving the problems they face now

These principles underpin the ongoing work in this area.

One example of VAHB's success in Neighbourhood Action and Stronger Communities is its development of Hill Top Radio. This voluntary organisation focuses on involvement and content from all areas of the community. It has been successful in getting many volunteers involved, especially young people who have been given the opportunity to gain skills in broadcasting. It also offers them an opportunity to 'get off the street' and be involved in an exciting local project in an area identified as having antisocial behaviour issues. VAHB is involved in Hill Top Radio's governance and its application for funding to expand the on-line broadcasting to FM broadcasts. They are now looking to roll this out throughout the Borough.

In 2007/8 the core work of the Voluntary Actions was put out to tender and eventually the work was contracted to Voluntary Action Leicestershire. This decision was made, to a certain degree, because the County Voluntary Actions were unable to agree on a coordinated approach to tendering for the work. Because of the uncertainty generated by this process staff morale was deeply affected and the relationship between staff, management and Trustees was to some extent damaged. At the end of the process VAHB was a very different organisation.

By the beginning of 2009/10 VAHB's staffing was greatly reduced as a result of the creation of VAL as the central infrastructure organisation. Following the departure of the Chief Officer at the end of August 2009 VAHB undertook a restructure and review. This was an opportunity for the Trustees and management to demonstrate that progression was being made as a Community Hub, provider of regeneration and social care services and make a clear statement that it was moving forward. It was also an opportunity to develop a better partnership with VAL.

The Community Hub in 2009/10 was given a number of tasks by LCC in exchange for £70,000 worth of core funding. These were:

1. To give support to a vibrant local voluntary and community sector
2. To co-ordinate the VCS VOICE (District Forum)
3. To give start-up and developmental advice to community organisations
4. To provide a voluntary sector voice on local strategic groups
5. To Identify emerging local issues
6. To develop local funding opportunities
7. To provide the resolution of difficult problems through a partnership approach
8. To disseminate and collate local community sector views
9. To be the first port of call for local volunteering
10. To be a provider of local resources
11. To be the lead organisation for community led projects

In 2010/11 and 2011/12 the £70,000 is likely to be reduced and possibly may disappear altogether. This could lead to the closure of VAHB if new sources of funding cannot be identified and overheads greatly reduced. However this is an uncertainty that faces all voluntary sector organisations in the present economic climate and we can either look at this as a crisis or an opportunity to renew and refresh VAHB. One key decision that the Trustees have made is to

rename VAHB as Community Action Hinckley and Bosworth, which more clearly defines its activities, and this will be used from 1 April 2010.

By 2009/10 the Neighbourhood Action and Stronger Communities Team was established. This represented the only area of growth. This team consisted of a full time Neighbourhood and Stronger Communities Manager, and two part time Stronger Communities Development Workers. They were also able to employ a Community Services Support Worker (Administration) for 12 hours a week. But in September 2009 this structure was again changed as described above. The management of VAHB and the team was led by the newly appointed Principal Community Services Manager who also acts as chief officer. A new post of Neighbourhood Action Team Coordinator was created to run the NATs and coordinate activities with the staff in the Community Houses.

Prior to 2009/10 there had only been one post that incorporated Neighbourhood Action and Stronger Communities. With additional financial support from Hinckley and Bosworth Borough Council and Leicestershire Constabulary they have been able to improve the support on offer to the communities. With the work now being focused on priority areas the combination of the two areas of LAA 2 delivery has allowed them to plan strategically on the regeneration and improvement of the priority areas. In addition in three of the priority areas, with the opening of the Community Houses it has been possible to relocate at least one member of staff in each location to work on community development. The Community House Staff work closely with the NAT and Stronger Communities staff to ensure value for money in the delivery of services and the development of empowered communities. In the future it is hoped that these teams will be brought closer together.

It was the intention in 2009/10 to develop work as a beacon of good practice and HBBC and the local LSP worked with them to achieve this. They introduced a Local Performance Management Framework early in 2009 for the LSP. With VAL taking on the coordination and support role for Stronger Communities, improvements in reporting, monitoring and evaluation have been introduced.

In 2010/11 it is the intention to see a refreshed Carers project taking a pivotal lead in work with carers in the priority areas. Work is being done to identify individual carers who may be considered at risk. This work is in response to the Pilkington Report and also involves the Stronger Communities and Community House staff. A great deal of work is being undertaken to support 'hard to reach' groups and to encourage people to report hate incidents. Next year they aim to encourage volunteering to support carers and act as champions for this very important group of people.

As part of the work on developing community cohesion they intend to introduce Neighbourhood Watch SuperStrength into all the priority areas. This is the concept that was piloted in Earl Shilton in 2008/9 which aims to identify a street coordinator for every 10 houses in each street. The street coordinator is then able to cascade information to their 10 houses (this includes information on various matters of community interest) and encourage them to report information to the Stronger Communities Team or the Community Houses on issues of concern for the residents. This includes identifying vulnerable people, such as the elderly, who may be in need of support from statutory or voluntary service providers.

In the future Community Action Hinckley and Bosworth will be developing its role as a Community Hub and regeneration charity working towards having a three-year business/development plan in place by May 2010. Although they cannot minimise the threat to Community Action Hinckley & Bosworth as funding becomes ever more difficult to find it is acknowledged that its work is well thought of in both HBBC and LCC.

26C29jun10

COUNCIL - 29 JUNE 2010

BRIEFING NOTE FROM MEMBERS OF THE COUNCIL

RE: NEXT GENERATION - UPDATE REPORT

1. **Purpose of the briefing note**

To advise Members of the current activities of Next Generation

2. **Recommendation**

That the Council notes the update.

3. **Update**

I have had the privilege of representing the council on the Next Generation Management Board for a number of years and this is the first time that I have presented a report of the work of the project, their aspirations and some of their problems.

Next Generation is undoubtedly one of the most important voluntary sector charities in the Hinckley and Bosworth area, it is also one of the most successful. Their staff and specialist councillors deal on a daily basis with some of the most disadvantaged, disaffected and vulnerable young people in our Borough and they do so out of love for and pride in the service they give while accepting, in addition to the difficulty of their task, the almost continual concern of potential lack of funding which may, at any time mean that they are out of work at a few weeks or months notice.

The following is a summary of the Next Generation Project touching on some of their problems (financial of course) but giving a good account of their work and their aspirations for the future. I am indebted to Shani Smith the chief Officer who provided the outline and detailed information for this report.

HBBC makes a valuable contribution to the charity in the form of a grant which allows them to do much of their work in assisting young people with housing problems. This in turn is beneficial to the Council in helping to meet our own obligations and this form of partnering must be the basis for much of the relationship that we have in the future with the voluntary sector.

Next Generation also receive many referrals from GPs and other health professionals who are aware of their skills in related areas. I would feel happier if this was a two way process with the Project receiving some financial help from the PCT or other organisations for the work that they do.

They now have concerns over the continuation of grant funding from the county Council which covers, principally, the salaries of the Chief Officer and Administration Officer without whom the Project could not operate. I would request that the whole council join with me in urging the County, by way of a letter from the Chief Executive, to carefully consider the unique and valuable contribution that next generation make to the wellbeing of many young people in our borough.

Councillor Keith W. P. Lynch
17th June 2010

NEXT GENERATION – A UNIQUE ORGANISATION THAT WE ARE PRIVILEGED TO HAVE IN OUR BOROUGH

Based on notes and information provided by the Next Generation Chief Officer

1. “WORKING POSITIVELY WITH YOUNG PEOPLE”

- 1.1 Next Generation is the lead provider of services to disadvantaged youth in Hinckley & Bosworth. This voluntary sector organisation continually strives to deliver all of its services to the highest standards of quality and professionalism. The generation of sustainable funding is vital allow continuation and improvement of specialist services to vulnerable young people.
- 1.2 Next Generation is a forward looking, modern and progressive charity tackling the immediate and current issues affecting young people today.
- 1.3 Their roots go back to the 1880’s with the creation of YMCA. It would be true to say that this charity has been at the forefront of services for young people in the area for at least five generations in three centuries.
- 1.4 Next Generation provides a service to disaffected young people that is **unique** within the Hinckley & Bosworth area. The work of the project particularly targets those young people between the ages of 13 – 25yrs old who are at risk, vulnerable or disaffected from mainstream society and offers a variety of emotional and practical support that empowers young people to make decisions, enabling them to progress towards independent living and a positive quality of life.
- 1.5 For those young people in **rural** areas who would have difficulty in visiting our Castle St. premises, we operate **The Next Generation Mobile Outreach Bus Project**. The bus operates around the County, both in villages and areas of deprivation, working with young people many of whom are known to be hard to engage in positive activities. The bus has around 2000 contacts per year.
- 1.6 The work is tailored around the young people’s needs and to meet the 5 outcomes of the **Every Child Matters** Agenda. The workers deliver educational programmes around awareness and prevention of substance and alcohol misuse, anti social behaviour, sexual health, homelessness and health. Through the facilities and support the young people are able to receive Next Generation aspires to help them with the difficult transition between adolescence and adulthood with the life and social skills needed to move forward.

2 AIMS AND OBJECTIVES

- 2.1 The main aim of the Next Generation Project is to provide a safe and secure environment that is also, welcoming exciting and fun, principally for young people aged between 13-19 yrs old, giving them the opportunity to share time with other young people, encourage conversation and discussion on a range of topics, whilst gaining access to information on issues that are relevant to their needs and lifestyles.
- 2.2 The objectives of the Next Generation Project are to offer a variety of practical support and advocacy services that open up avenues of choice and empowerment for young people, enabling them to develop their life and social skills, which lead to informed choices and a positive quality of life.

3 ORGANISATION STRUCTURE

- 3.1 Next Generation Project is governed by and accountable to a Management Committee led by Trustees who have a vast range of experience within the youth service. The Chair and Vice Chair have been members of the Committee for over 15 years. The Chair, Canon David Jennings is Rector at St Catherine's Church, Burbage and current Chair of a local youth project. The Vice Chair is the former Chief Executive of a national voluntary youth organisation and President of the Leicestershire Council for Voluntary Services. The Treasurer is a Business Relationship Manager for the Nat West Bank. Other members of the Committee include representatives from the Borough Council, County Council, the Colleges, a professional Counsellor, professionals from various backgrounds and youth members including current and ex-users of the project.
- 3.2 The full time Chief Officer provides leadership and the day-to-day operational management of Next Generation reporting directly to the Trustees and Management Committee. Management and trustees work together to ensure that the strategic aims of the organisation are achieved and seek to secure the sustainable development of the organisation to achieve an even more effective provision of services to the community whilst maintaining a clear voluntary sector ethos.
- 3.3 The Chief Officer is supported by the Administration Officer (part time) who provides the necessary completion of the everyday financial activities and supports the administration of the bus project. Backgrounds in business management & marketing, media design together with a FE Teaching qualification and administration work in a university environment combine to provide the skills needed to plan and manage the project as a whole. The Chief Officer has been responsible for the overall fundraising activities for Next Generation over the past years and have not only successfully raised the necessary funds for adaptation and refurbishment of new premises and the continuation of various staff posts, but also the replacement and refurbishment of the NG Mobile Outreach Bus Project in 2004
- 3.4 **The specialist services that Next Generation offer are delivered by a team of dedicated qualified staff.**

- 3.4.1 **Housing & Resettlement:-** assists young people to find and sustain suitable, affordable accommodation.
- 3.4.2 **Substance Misuse:-** works with young people who have chaotic lifestyles offering harm reduction, needle exchange, education and prevention programmes in a number of venues including many local schools and colleges.
- 3.4.3 **Youth Development Worker:** assists young people with self esteem and confidence issues, supports young people to find suitable employment and training opportunities, CV preparation, interview skills, and job search.
- 3.4.4 **Counselling:-** Next Generation Counselling service is confidential and can offer young people the opportunity in a non judgmental environment to re-engage with their lives and have more of a positive futures helping them reach their full potential.
The project also offers FREE condom distribution, Chlamydia testing and pregnancy testing.
- 3.4.5 The project also runs a mobile youth bus that operates in rural areas around the Borough offering information on young people's issues.

4 SERVICE LEVEL AGREEMENT WITH HBBC

- 4.1 **There is currently a service level agreement in place between HBBC and Next Generation which is undergoing review or the period 2010/13**
- 4.2 This agreement covers the work undertaken by the Housing Resettlement Worker at Next Generation in assisting young people in the Borough who need help in finding and sustaining accommodation.

The Housing & Resettlement Worker at Next Generation works directly with young people with housing issues to provide a holistic service providing support to address all their needs, either through the services available at Next Generation or by referring the young person on to other agencies. The work covers day-to-day crisis management, assessing young people's needs and finding suitable sustainable affordable accommodation, and includes:

- Providing advice and support to young people and parents/carers.
- Helping young people who find it difficult to access accommodation.
- Developing skills for independent living.
- Providing support and advice on associated issues such as sexual health, drug and alcohol issues.
- Family mediation enabling the young person to remain in the family home.
- Referrals to hostels and night shelters.
- Assistance with accommodation applications.
- Support with benefit forms.
- Provision of information regarding suitable accommodation.
- Once accommodation is found assisting with move on support – such as viewing property and contacting relevant departments with any issues concerning the new tenant.
- Working in conjunction with HBBC Housing Options team on the Next Generation '637' mobile outreach bus offering information and advice.
- Organising and Charing the under 25's forum.

The ongoing support given on the resettlement programme is vital when working with young people in crisis, they can gain essential life skills by accessing courses such as the Independent Living Programme with a range of activities, including basic meal preparation and budgeting skills. These are individually tailored to fit the clients' needs and delivered by the Housing & Resettlement Worker.

4.3 **Outcomes** of the work carried out by the Housing and Resettlement Worker include:

- Enabling young people to sustain independent living.
- Improved employment prospects.
- Improved quality of life.
- Improved health.
- The prevention of social exclusion and homelessness.
- Stronger, safer communities with a reduction in crime.

These outcomes will contribute to HBBC's Corporate Plan aims of:

- Safer and healthier Borough
- Strong and distinctive communities
- Decent, well managed and affordable housing.

5 **STRATEGIC AIMS**

Basically the immediate strategic aims of the Project can be summed up in three headings all linked with the need for income generation to facilitate:-

a) Continuation of specialist services to vulnerable young people.

b) Capacity building to improve and expand services.

c) Partnership development

- To continue to offer high quality vital support services to the young people of Hinckley & Bosworth.
- To develop & expand the services to meet the needs of young people and the change in trends.
- To further develop partnerships with local authorities and key agencies.
- To ensure that Next Generation remains a unique, dynamic, leading organisation with the professionalism, creativity, and flexibility to tackle the issues that affect young people today and the community that we serve.
- To ensure that Next Generation staff is given the training & development opportunities that will ensure continuation and delivery of quality specialist services to vulnerable young people.
- To introduce and develop new services where a need has been, or is, identified.
- To increase capacity to meet the increased demands on the organisations staff team and project resources in the following areas:
 1. Additional staffing and increased hours for existing posts.
 2. Recruitment of additional volunteers
 3. Dedicated Next Generation Youth Workers

4. Employ and train a relief outreach bus driver.
 5. Additional resources in specific service areas.
 6. Adaptation and refurbishment of outbuildings
- To continue to review and modify monitoring and recording systems that enable the organisation to submit information to funders in formats requested.
 - To continue to work with external agencies to offer an effective referral system.
 - To recruit additional Management Committee members.
 - Promotion of the Next Generation organisation and services.

Income

- To obtain full cost recovery on all grants
- To explore grants to Next Generation services built into mainstream funding
- Generate income through fundraising activities to continue staff posts and delivery of key services.
- To prepare and position organisation in readiness for commissioning of services.
- To generate income ensuring the '637' bus continues to be fully maintained and that the organisation could replace this vital resource if it was necessary to do so.
- To identify other possible sources of income e.g. room rental.

6 FUTURE DEVELOPMENT

6.1 Next Generation is recognised as being the leading youth provider in the area with partnership work going from strength to strength with local and county authorities and various agencies. The organisation is widely recognised for its effective, efficient services and its professional staff team. The project has increased referrals from a wide range of schools, colleges and agencies both statutory and voluntary as well as GPs and health care professionals. This trend continues into 2010 and the Project is already having increased demands on services requiring further increase in capacity over the next two years.

6.2 Wish List

6.2.1 If funding is available Next Generation has some very innovative ideas for future service delivery. One of these projects (The Edge Project) is based on the last chance project and simulates arrest and detention (in a redundant cell block) and workshops around consequences, designed to prevent re-offending. This could be rolled out to all CDRP's in the South area and across the Borough.

6.2.2 The Project would like to run more youth development programmes to cater for minority groups, disabled young people and young people with mental health issues and increase the hours for the Counselling service to address young people's emotional well being.

6.2.3 The hours of the bus project would be increased to do safety crew road shows around the schools prior to the summer and Christmas period and address local issues.

6.2.4 **Priority funding will also be required to maintain the Chief Officer and Administration Posts to ensure the infrastructure of Next Generation remains over the next 3 years whilst County Funding is being reviewed and reorganised.**

7. PERFORMANCE

7.1 The Trustees hold monthly Finance & General Purpose meetings where the Chief Officer and the Finance & Administration worker report the general business and updates on funding/finance.

Management Committee meetings are held quarterly where the whole staff team present reports regarding operational issues such as delivery and development of services in their specialist fields.

General staff meetings both formal and informal are held on a regular basis.

Next Generation adheres to policies, procedures and codes of practice, which are reviewed on a regular basis.

7.2 Monitoring at Next Generation is both qualitative and quantitative. Figures are gathered on a daily basis and collated quarterly for submission to Leicestershire County Council. Next Generation ensures that all monitoring and evaluation systems are established, quality assured and analysed for service improvement and funding reporting. These figures show a year on year increase in young people accessing the services. The recording of outcomes reflects qualitative monitoring indicating individual young people engaging and obtaining support, soft outcomes, and distance travelled.

7.3 Next Generation operates from a purpose-designed building and insures that all of the services are delivered to high standards. The organisation holds the PQASSO level 1 and level 2 Quality Assurance Certificate.

Training and personal development is encouraged and supported by Next Generation for both staff and volunteers.

7.4 The young people's opinions and ideas have always been valued by Next Generation therefore regular user consultations, informal discussions and a variety of feedback methods are used to review, improve and update the services to meet the needs of the young people. Next Generation supports the Hear by Right standards.

7.5 Next Generation believes that volunteers make a unique contribution and that they have the knowledge, skills and the experience to compliment the work and effectiveness of the organisation. The organisation provides a

comprehensive volunteer handbook and training and currently has volunteers from varied backgrounds including service users.