

BOROUGH OF BARROW-IN-FURNESS

EXECUTIVE COMMITTEE

Meeting, Wednesday, 11th March, 2015
at 2.00 p.m. (Committee Room No. 4)

NOTE: Group Meetings at 1.15 p.m.

A G E N D A

PART ONE

1. To note any items which the Chairman considers to be of an urgent nature.
2. To receive notice from Members who may wish to move any delegated matter non-delegated and which will be decided by a majority of Members present and voting at the meeting.

3. **Admission of Public and Press**

To consider whether the public and press should be excluded from the meeting during consideration of any of the items on the agenda.

4. **Declarations of Interest**

To receive declarations by Members and/or co-optees of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Members may however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests.

5. To confirm the Minutes of the meeting held on 21st January, 2015 (copy attached) (Pages 1-20).
6. Apologies for Absence/Attendance of Substitute Members.

FOR DECISION

- (D/R) 7. Recommendations of the Housing Management Forum, 26th February, 2015 (TO FOLLOW).
- (R) 8. Recruitment Policy (Pages 21-22).
- (R) 9. Financial Regulations and Contract Standing Orders (Pages 23-24).

- (R) 10. Anti-Fraud Policies (Pages 25-26).
- (R) 11. DWP Delivery Partnership Agreement (Pages 27-29).
- (D) 12. Pay Policy Statement (Pages 30-31).
- (R) 13. The Council Plan (Pages 32-34).
- (R) 14. Strategy Documents (Pages 35-36).
- (D/R) 15. Council Finances and Performance (Pages 37-45).
- (R) 16. Redundancy Payments – Suspension of Enhanced Compensation Arrangements (Pages 46-47).
- (D) 17. Lease of Mayoral Car (Pages 48-49).
- (D) 18. Planning Policy – Annual Monitoring Report (AMR) and Strategic Housing and Availability Assessment Review and Interim Housing Land Statement 2014 (Pages 50-51).
- (D) 19. Cumbria County Council Statement of Intent on Prioritisation and Funding of Infrastructure (Pages 52-53).
- (R) 20. Property Information Team Fees Amendments (Pages 54-58).
- (R) 21. Increase in Charges for Schedule Two Waste (Pages 59-60).
- (D) 22. 242/244 Dalton Road (Pages 61-62).
- (R) 23. Review of Constitution (Pages 63-66).

PART TWO

- (D) 24. Establishment Re-gradings (Pages 67-68).

**NOT FOR PUBLICATION BY VIRTUE OF PARAGRAPH 1 OF PART
ONE OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972
AND ACCESS TO INFORMATION (VARIATION) ORDER 2006**

**NOTE (D) - Delegated
(R) - For Referral to Council**

**Membership of Committee
Councillors**

Pidduck (Chairman)
Sweeney (Vice-Chairman)
Barlow
Bell
Biggins
Garnett
Graham
Guselli
Hamilton
Irwin
Richardson
Seward

For queries regarding this agenda, please contact:

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EXECUTIVE COMMITTEE

Meeting: Wednesday 21st January, 2015
at 2.00 p.m.

PRESENT:- Councillors Pidduck (Chairman) (Items 109, 110, 111, 112, 113, 114, 119 and 120 only), Sweeney (Vice-Chairman), Barlow, Bell, Biggins, Garnett, Graham (Items 109, 110, 111, 112, 113, 114, 115, 119 and 120 only), Hamilton, Pemberton and Seward.

Also Present:- Phil Huck (Executive Director), Sue Roberts (Director of Resources), and Sharron Rushton (Democratic Services Officer).

109 – The Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985 and Access to Information (Variation) Order 2006

Discussion arising hereon it was

RESOLVED:- That under Section 100A(4) of the Local Government Act, 1972 the public and press be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 (Minute No. 118) of Part One of Schedule 12A of the said Act.

110 – Declarations of Interest

Councillor Barlow declared a Disclosable Pecuniary Interest in Agenda Item No. 9 – Budget Proposals (Minute No. 120). He was the Honorary Treasurer of the BDDA.

111 – Minutes

The Minutes of the meeting held on 3rd December, 2014 were agreed as a correct record.

112 – Apologies for Absence

Apologies for absence were received from Councillors Guselli, Irwin and Richardson.

Councillor Pemberton substituted for Councillor Guselli for this meeting only.

113 – Presentation by Sophy Stewart, Geoff Jolliffe and Ross Forbes on the Better Care Together Strategy

A presentation was given by Sophy Stewart, Geoff Jolliffe and Ross Forbes on the Better Care Together Strategy.

The Better Care Together was the review of health services which aimed to improve care for communities across Morecambe Bay both now and in the future, in and out of hospital.

The presentation included:

- Broad Strategy Proposal;
- Transforming Services outside of hospitals to improve in-hospital services;
- Implications for hospitals;
- Implications for out of hospital services; and
- What happens now?

The Better Care Together Strategy had been re-submitted to NHS England and Monitor and feedback was expected shortly.

Members were made aware of the plans for the Alfred Barrow Centre. That was a £12m NHS Health Centre providing the local community with easy access to a wide range of health and wellbeing facilities in modern, high quality premises.

Members were requested to support the aspirations for the centre and partnership working with the Council would be welcomed in the future.

RESOLVED:- To note the report.

114 – Housing Management Forum: Recommendations

The recommendations of the Housing Management Forum held on 15th January, 2015 were submitted for consideration.

N.B. The Minutes are reproduced as **Appendix 1** to the Minutes of this meeting.

RESOLVED:- That the recommendations of the Housing Management Forum be agreed as follows:-

Housing Maintenance Investment Programme 2015/16

1. To note progress on achieving and maintaining the Decent Homes Standard;
2. To agree the annual investment profile shown at Appendix C of the report;
3. To agree continued delivery through CHP; and
4. To agree to the appointment of Richard Coates as Quantity Surveyor and Baker Mallett as CDMC for the period 2015 to 2019.

Cumbria Housing Partners Contractor Selection Procedure

1. To agree to appoint Keith Wilson Electrical Contractors Limited as its preferred CHP electrical contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus;
2. To agree to appoint George Jones as its preferred CHP painting contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus;
3. To agree to appoint DLP Roofing as its preferred CHP roofing and external works contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus;
4. To agree to appoint AB Mitchell Developments as its preferred CHP kitchen contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus;
5. To agree to appoint AB Mitchell Developments as its preferred CHP bathroom contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus; and
6. To agree to appoint AB Mitchell Developments as its preferred CHP heating contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

115 – Business Continuity Plan

The Committee considered the Council's Business Continuity Plan.

The plan aimed to ensure that, as far as possible, services provided by the Council continued following a major disruption. The Plan addressed an incident or event that disrupted the delivery of Council services and required contingency action to be taken. Major emergencies which impacted on the safety of people would be dealt with under the Civil Contingency Act and were not included in the Plan.

The Plan sets out the alternative premises and ICT systems arrangements and contained a service prioritisation structure.

RESOLVED:- To approve the Business Continuity Plan.

116 – Clusters of Empty Homes Fund

The Committee considered an update from the Executive Director on the Clusters of Empty Homes Fund.

The Committee were informed that loan funding of £312,000 had been advanced to Holker Estates in January 2014. That would be repaid over a period of ten years. Holker Estates had now completed their refurbishment of the Devonshire Buildings Michaelson Road.

The majority of the empty flats were currently contained in a single landlord portfolio which had been in administration since 2009. That portfolio had included all of the flats on Brig Street, Barque Street, Ship Street and Sloop Street – a total of 320 properties. These properties had now been purchased by Barros Trading Ltd, who intended to refurbish the flats and rent them out directly. They were proposing a range of internal and external improvements, including the installation of a biomass district heating system, which was currently the subject of a planning application to the Council.

Subject to entering into a formal loan agreement, the Council intended to advance £1.9m to Barros Trading to allow them to accelerate their programme of improvements.

Farrer Huxley Associates had developed their competition entry into a detailed landscaping scheme. Planning approval for the proposed scheme had now been obtained.

The contract to carry out the landscaping work had been put out to tender through The Chest, the Council's procurement portal, and the Executive Director had been authorised to appoint the lowest tenderer after consultation with the Chairman of this Committee.

During the tender process, it was necessary to find significant cost savings. These had been achieved by amending the work specification with the aim of reducing costs without unduly compromising the design principles. The successful contractor had been provisionally selected, and was ESH Border Construction. That contractor had also been appointed by Barros Trading to carry out the bulk of the refurbishment works on their properties.

The final schedule of works had been refined in consultation with ESH, but the contract sum would be in the region of £1.35m. That would require additional funding. An additional £200,000 had been made available in the capital programme, and it was proposed that any additional funding required to support the contract would ultimately be sourced from the recycling of the loan funding provided to Barros Trading Ltd. For that reason, the contract with ESH would not be formally entered into until the loan agreement with Barros was signed.

It was expected that the formalities of both elements of the plan would be concluded in the coming weeks, and that work on site would start during February.

RESOLVED:- To note the progress of the project to date.

117 – Covert Surveillance Policy

The Committee were reminded that the Council undertook covert surveillance to support enforcement activities. Under the Regulation of Investigatory Power Act (RIPA) the Council were required to have a Covert Surveillance Policy. There were a few minor amendments to reflect changes in post titles following the restructure. The only other change was a paragraph on the use of social media.

RESOLVED:- To agree that the updated Covert Surveillance Policy be adopted.

118 – Establishment – Re-grading Applications

The Committee considered a report that sets out the requirement to re-grade four posts within Development Services; DPL049, DDA084, DDA086 and DDA088. Management Board considered that the re-gradings met the requirements of substantial and permanent change to the nature of the job and responsibility.

The cost for 2014-2015 could be accommodated within staff turnover and the cost for the 2015-2016 had been included in the proposed manpower budget.

RESOLVED:-

1. To agree that Post DPL049 be graded Scale 4-5 (£17,714 to £22,212 per annum); the annual cost was £1,330; and
2. To agree that posts DDA084, DDA086 and DDA088 be graded Scale 2-3 (£15,207 to £17,372 per annum); the annual cost was £1,440.

REFERRED ITEM

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

119 – Housing Revenue Account 2015-2016

Consideration was given to the recommendations of the Housing Management Forum held on 15th January, 2015 on the Housing Revenue Account.

N.B. The Minutes were reproduced as **Appendix 1** to the Minutes of the meeting.

RECOMMENDED:- To recommend the Council:-

1. To note information at point (1) of the report;
2. To note the information on balances and Voluntary Repayment Provision at point (2) of the report;
3. To agree the Dwelling Rent and Garage Rent increases of 2.2% at point (3) of the report and note the information at Appendix B of the report;
4. To note the information in point (4) of the report and agree 2015/16 budgets as shown in Appendix A of the report; and
5. To note the information at point (5) of the report.

120 – Budget Proposals 2015-2016

The Committee considered a detailed report from the Director of Resources regarding the budget proposals for 2015-2016. The General Fund revenue budget had been based on the Budget Strategy that had been agreed on 24th January, 2012; 2015-2016 would be the final year of the four year plan. The Housing Revenue Account for 2015-2016 had been proposed as a balanced budget. The Capital Programme and Treasury Management Strategy Statement for 2015-2016 had also been included as was the position on reserves.

RECOMMENDED:-

1. To agree the proposed budget consultation process as referred to in the report;

To recommend the Council:-

2. To set the 2015-2016 General Fund Revenue Budget as £11,471,040 including £94,110 for parish precepts and agree the movements in reserves set out in paragraph 5.8;
3. To agree that Council Tax was not increased for 2015-2016;
4. To agree that establishment matters, be delegated to the Executive Director and the Director of Resources as set out in paragraph 5.1.1;
5. To agree the increases in fees and charges referred to in paragraph 6.6;
6. To approve the Housing Revenue Account budget for 2015-2016 referred to in Section B;
7. To approve the Capital Programme for 2014-2015 to 2017-2018 as referred to in Section D; and
8. To approve the Treasury Management Strategy Statement for 2015-2016 to 2017-2018 as referred to in Section E.

The meeting ended at 3.45 p.m.

HOUSING MANAGEMENT FORUM

Meeting: Thursday 15th January, 2015
at 2.00 p.m.

PRESENT:- Councillors Hamilton (Chairman), Barlow, Johnston, Murray and Pointer.

Tenant Representatives:- Mr W. Ward, Mr W. McEwan and Mrs M. Anderson.

Officers Present:- Les Davies (Housing Maintenance Manager), Jane Coles (Business Support Manager) and Keely Fisher (Democratic Services Officer).

29 – Minutes

The Minutes of the meeting held on 27th November, 2014 were taken as read and confirmed.

30 – Apologies for Absence/Changes in Membership

Apologies for absence were submitted from Councillor Irwin and Tenant Representatives Mr A. McIntosh and Mrs K. Warne.

Tenant Representative Mr W. McEwan had replaced Mrs K. Warne for this meeting only.

31 – Housing Maintenance Investment Programme 2015/16

The Assistant Director – Housing submitted a report which was to agree the expenditure profile for 2015/16. The proposed profile and priorities were based on the agreed Five-year Asset Management Strategy 2010 and made reference to some of the provisional findings of the 2014 stock condition survey.

The report provided details of progress during the current year and had regard to operational issues that had emerged during the delivery of this ongoing Programme.

The 2014/15 Investment Programme was funded from the Housing Revenue Account. The principles adopted in drafting the programme continued with the previously agreed targets set out in the 2010 Asset Management Plan (AMP) and sought to ensure:

- The Council maintained the Decent Homes Standards;
- The aspirations of tenants were considered and incorporated within the Programme; and
- To work collaboratively with other housing providers and contractors to improve delivery of planned and responsive repair services.

The progress with regards to key targets included in the Asset Management Plan were as follows:-

- (i) Increase % of Sedbuk A rated boilers from 44% to 75% by 2015
Actual percentage of Sedbuk A rated boilers as identified by the 2014 stock condition report = 99%
- (ii) Increase % of bathrooms less than 15 years old from 40% to 60% by 2015
Actual percentage of bathrooms less than 15 years old as identified by the 2014 stock condition report = 82%
- (iii) Increase % of kitchens less than 15 years old from 40% to 60% by 2015
Actual percentage of kitchens less than 15 years old as identified by the 2014 stock condition report = 96%

It was normal practice when presenting this report to provide an update on the number of properties failing the decent homes standard. The previous stock condition surveys had been carried out on a sample basis (20% of the stock). The 2014 survey looked to inspect 100% of the housing stock to provide information that was statistically more reliable. The actual inspection rate was 88.1% (2362 properties).

The assessment of the Decent Homes standard referenced the Housing Health and Safety Rating System (HHSRS). The results shown in the table below had been taken from the provisional information provided by the 2014 Stock Condition Survey completed in December 2014. The updated property records of the investment work completed since the survey indicated that the current position was:-

	Number of properties failing the decent homes standard	Percentage of Stock
Baseline survey 20.6.2006	509	18%
as at 1.4.2009	6	Less than 1%
as at 7.6.2010	32	1%
as at 31.12.2012	0	0%
Baseline survey December 2014	76	2.84%

The initial analysis of the 2014 stock condition data indicated that the 76 failures included the following elements:-

Criterion A – Fitness Standard	1	This property has now been sold
Criterion B - Disrepair	72	Windows, Roofs, External doors
Criterion C – Modern Facilities	4	Kitchen or bathroom age/layout
Criterion D – Thermal Comfort	0	No failures

Officers would be reviewing the content of the draft stock condition report during January to identify future options for investment. The review would include a detailed analysis of the decent homes failures to identify the extent of any remedial works required. A provisional sum of £76,000 had been included within the investment profile which was attached as an appendix to the report.

1. Progress during the Current Year 2014/15

Investment via CHP had continued to be an effective delivery method in terms of value for money, compared with historical costs. Additional efficiencies had been made through improved delivery by providing a streamlined approach to the management, administration and monitoring of the contracts.

All planned investment works had progressed satisfactorily during the year. The re-roofing and re-pointing work on Roosegate flats was complete. Similar works were presently on site on the Devonshire estate and were expected to be completed by the end of March 2015.

Progress on delivery would continue to be reported to this Forum on a regular basis through the Planned Maintenance Information Report.

The table below gives an indication of the number of properties that had benefited from significant investment during 2014. Details would be updated where appropriate at year end.

Type of Work	No of Properties/Blocks due for improvement in 2014/15	No of Properties estimated to be completed by 31/3/15
Kitchens	200 (Properties)	80
Bathrooms	200 (Properties)	279
Central Heating	200 (Properties)	218
Rewires	120 (Properties)	115
Painting	500 (Properties)	484
Minor Adaptations	100 (Properties)	90
Major Adaptations	50 (Properties)	40
Re-Roofing (Roosegate)	56 (Properties)	56
Re-Roofing (Devonshire)	29 (Properties)	29
Flat Roofing (Ormsgill)	20 (Blocks)	20
Replacement doors	100 (Properties)	120
Replacement windows	137(Properties)	210
Communal door	18 (Blocks)	18
Communal lighting	32 (Blocks)	32
Communal painting	32 (Blocks)	32

2. Suggested Investment Profiles for 2015/16

The proposed investment profile for 2015/16 was attached as an appendix to the Assistant Director's report.

The profile followed the “sustainable” investment model shown in the 2010 AMP and built on existing priorities to upgrade bathrooms, heating and electrical circuits. The proposed budget for kitchen improvements had reduced significantly as 96% of properties had kitchens less than 15 years old.

The HRA baseline model allocation for 2015/16 was:-

Maintenance Allowance (per property £1,338.42)	£3,578,960.00
Major Repairs (per property £759.54)	£2,031,000.00
Total	£5,609,960.00

Resources had been identified for the following newly arising investment need identified in the provisional 2014 stock condition survey report:-

- Re-roofing and re-rendering properties on the Roosegate estate
- Re-rendering properties on the Ormsgill estate
- Renewal of flat roof coverings to Lower Hindpool and Ewan Close
- Commencement of a replacement window programme
- Undertaking improvements to the 76 No HHSRS properties
- Upgrading communal lighting with energy efficient bulbs or fittings (LED)
- Upgrading security doors in Dalton and Ewan Close
- Undertaking garage improvements (Roofing and damp repairs)
- Upgrading perimeter fencing in Ormsgill and Roosegate

In addition to the planned investments, supplementary expenditure had been committed for responsive repairs and void property improvements. Procure Plus had been appointed as advisors for the re-procurement of these services. Officers advised that a budget of £30,000 had been allocated within the draft investment profile to facilitate this initiative.

A detailed report on the progress regarding the re-procurement process would be presented to Members at the meeting to be held on 26th February, 2015.

3. Progressing the Planned Investment Works

The majority of the planned works had been delivered through arrangements with CHP.

A new four-year framework for CHP members was established in 2014. A separate report has been included for Members and highlighted the results of the “direct call off” and ‘mini-competition’ evaluation that were completed in December 2014.

The delivery of some of the larger projects in 2014/15 such as re-roofing and external works required the services of a specialist quantity surveyor with knowledge and familiarity with the CHP e-procurement systems. In delivering this

year's CHP programme the services of Richard Coates, a Quantity Surveyor had been engaged. He had been engaged on a competitive hourly rate and had helped with the preparation of CHP's underlying contracts. Members were requested to agree to the continuing appointment of this specialist service for the period 2015 to 2019 and agree to classify the appointment as an "exception" under Item 15 of the Council Standing Orders.

In addition, the delivery of planned works often required the appointment of a CDMC in line with the 2007 CDM Regulations. Members were requested to agree the appointment of Baker Mallett as CDMC for the period 2015 to 2019 on the basis of their tender submission ref. OJEU 2009/S 173-250131 and letter of re-appointment from the Councils Technical Services Unit dated 10th June, 2013.

The recommendations from the 2005 and 2010 stock condition surveys resulted in a range of investment priorities that focused on properties without modern facilities such as kitchens, bathrooms and central heating.

As these investment streams were almost complete Officers advised Members that the provisional results of the 2014 stock condition survey indicated that future investments for 2016/17 were likely to focus on wider external problems such as window replacements, roofing, rendering and environmental issues. A full and detailed report about the 2014 survey would be presented to Members at the meeting to be held on 26th February, 2015.

RECOMMENDED:-

1. To note the progress on achieving and maintaining the Decent Homes Standard;
2. To agree the Annual Investment Profile shown at Appendix C of the report;
3. To agree continued delivery through CHP; and
4. To agree the appointment of Richard Coates as Quantity Surveyor and Baker Mallett as CDMC for the period 2015 to 2019.

32 – Cumbria Housing Partners Contractor Selection Procedure

The Assistant Director – Housing reported that on 28th August, 2014 Members had agreed to the Council's membership of Cumbria Housing Partners (CHP). The Council had an on-going commitment to deliver around 70% of its planned investments through the CHP framework.

At the meeting on 27th November, 2014 Members had agreed the methodology for the selection and appointment of contractors from the 2014 CHP framework.

The process of selecting contractors using direct call off or mini competition was now complete. The results of the evaluation were as follows:-

1. **Electrical rewiring and testing – Direct call off procedure**

Procure Plus had independently evaluated 12 electrical contractors from the CHP framework and had recommended the appointment of Keith Wilson Electrical Contractors Limited.

Members' agreement was sought to appoint Keith Wilson Electrical Contractors Limited as its preferred electrical contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

2. **Painting improvements– Direct call off procedure**

Procure Plus had independently evaluated 12 painting contractors from the CHP framework and had recommended the appointment of George Jones as its preferred painting contractor for 2015 to 2019.

Members' agreement was sought to appoint George Jones as its preferred CHP painting contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

3. **Re-Roofing and External works – Direct call off procedure**

Procure Plus had independently evaluated 14 roofing and external works contractors from the CHP framework and had recommended the appointment of DLP Roofing as its preferred CHP roofing and external works contractor for 2015 to 2019.

Members' agreement was sought to appoint DLP Roofing as its preferred CHP roofing and external works contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

4. **Kitchen improvements – Mini competition procedure**

Procure Plus had independently evaluated 7 contractors from the 2014 kitchen framework and had recommended the appointment of Contractor No. 1 based on an overall score (cost and quality) of 98.25. A summary of the evaluation was shown in the table below:-

Company	Weighted Price Score (Out of 25%)	Weighted Quality Score (Out of 75%)	Total (Out of 100%)	Rank
Contractor No 1	25	73.25	98.25	1
Contractor No 2	19.78	53.5	73.28	2
Contractor No 3	21.55	51	72.55	3
Contractor No 4	18.78	49	67.78	4
Contractor No 5	18.09	48.25	66.34	5
Contractor No 6	18.63	46.75	65.38	6
Contractor No 7	18.95	43.75	62.7	7

Members' agreement was sought to appoint Contractor No. 1; AB Mitchell Developments as its preferred CHP kitchen contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

5. **Bathroom improvements – Mini competition procedure**

Procure Plus had independently evaluated 6 contractors from the 2014 bathroom framework and had recommended the appointment of Contractor No. 1 based on an overall score (cost and quality) of 83.11. A summary of the evaluation was shown in the table below:-

Company	Weighted Price Score (Out of 25%)	Weighted Quality Score (Out of 75%)	Total (Out of 100%)	Rank
Contractor No 1	12.86	70.25	83.11	1
Contractor No 2	25	51	76	2
Contractor No 3	13.43	52	65.43	3
Contractor No 4	16.52	48.75	65.27	4
Contractor No 5	11.07	53.5	64.57	5
Contractor No 6	10.77	46.75	57.52	6

Members' agreement was sought to appoint Contractor No. 1; AB Mitchell Developments as its preferred CHP bathroom contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

6. **Heating improvements – Mini competition procedure**

Procure Plus had independently evaluated 7 contractors from the 2014 heating framework and had recommended the appointment of Contractor No. 1 based on an overall score (cost and quality) of 91.36. A summary of evaluation was shown in the table below:-

Company	Weighted Price Score (Out of 25%)	Weighted Quality Score (Out of 75%)	Total (Out of 100%)	Rank
Contractor No 1	18.11	73.25	91.36	1
Contractor No 2	25	62	87	2
Contractor No 3	16.54	52	68.54	3
Contractor No 4	14.52	53.5	68.02	4
Contractor No 5	12.86	54	66.86	5
Contractor No 6	16.96	49.5	66.46	6
Contractor No 7	17.02	47.5	64.52	7

Members' agreement was sought to appoint Contractor No. 1; AB Mitchell Developments as its preferred CHP heating contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

RECOMMENDED:-

1. To agree to appoint Keith Wilson Electrical Contractors Limited as its preferred CHP electrical contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.
2. To agree to appoint George Jones as its preferred CHP painting contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.
3. To agree to appoint DLP Roofing as its preferred CHP roofing and external works contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.
4. To agree to appoint AB Mitchell Developments as its preferred CHP kitchen contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.
5. To agree to appoint AB Mitchell Developments as its preferred CHP bathroom contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.
6. To agree to appoint AB Mitchell Developments as its preferred CHP heating contractor for the period 2015 to 2019 in line with the recommendation from Procure Plus.

32 – Planned Investment and Planned Maintenance

The Assistant Director – Housing reported information relating to the Planned Investment and Planned Maintenance Programme for 2014/15. The information is attached at **Appendix A** to these Minutes.

RESOLVED:- To note the Planned Investment and Planned Maintenance Report.

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

33 – Housing Revenue Account 2015/2016

The Assistant Director – Housing reported that this report sought Members agreement on the Housing Revenue Account Budget for the coming financial year 2015/16. Information about the Expected Outturn Budget and balances for the current year was also included as an appendix to his report.

Last year Members were asked to agree to bring forward convergence to Target Rents early so that Target rents could be dispensed with in any future rent considerations. This additional uplift was minimal.

The anticipation that the additional uplift to bring rents in line with Target Rents would be removed had been confirmed. Guidelines were that the annual CPI (1.2%) + 1% should be used to determine future rent increases.

The Borough Council's rents matched Target Rents.

Rents within the HRA 30-year business plan were predicated at 3%.

The Assistant Director attached examples of the effect of applying the increases to a range of properties as an appendix to his report. The effects of convergence meant that, for the first time, the same % increase was applied across all property types. Some lines of property types had been deleted as rents were identical for example, 1 bedroom ground floor and upper floor flats and bungalows.

In line with previous practice the Assistant Director had applied the same increase to Garage rents.

It was expected that the Housing Department managed expenditure incurred in maintaining tenancies and stock from the rents collected and it was suggested that any surpluses be applied across the following:-

- (1) debt repayment;
- (2) debt provision;
- (3) increased investment in stock; and
- (4) investment projects where the need or the return was clearly identifiable.

1. Expected Outturn Budget 2014/15

The outturn for the year forecasted a net loss of (£176,550). Key factors were:-

- HRA Income is in line with expectations;
- The increase in expenditure is due to the additional costs associated with relocation to the town hall as and the cost of settling the dilapidations;
- Right to Buy sales are likely to exceed expectations of 13 for this year. We have had 13 to 1/12/14 and would expect another 4-6 to convert from applications in progress. This would leave a dwelling stock of 2,657* at year end. * Excludes Adelphi Court;
- From January we are expecting to take the 12 Adelphi Court flats out of ordinary management and will show these properties as a separate rent group in future stock figures*;
- Tenancy terminations appear to have stabilised but although lower than last year when we experienced the effects of under/over occupation the numbers are still higher than we had previously experienced. 54% of all terminations are from 1 bedroom flats;

Whilst it was suspected that young single tenants who were wholly dependent on benefits could not afford the upkeep of a home and independent living costs additional work to gather and analyse data would be carried out. This would be reported back to Members.

2. Balances on the Expected Outturn for 2014/15

The above was likely to result in the following movement in balances.

2.1 Major Repair Reserve balance as at 31 March 2014 : £597,385

The above funds were not expected to be spent by year end and would carry forward.

2.2 Housing Revenue Account balance 31 March 2014 : £2,376,816

2.3 Breakdown of Balance on Account

Housing Revenue Account as at 31 March 2014 : £2,376,816

Forecast (Deficit)/Surplus 2014/15 : (£ 176,550)

Estimated Balance at year end : £2,200,266

2.4 Voluntary Repayment Provision

Provision as at 31 March 2015 : £3,975,704

Forecast 2015/16 : £1,222,410

Provision at 31 March 2016 : £5,198,114

3. Proposed Dwelling Rents and Other Charges 2015/16

In proposing the rents and charges for 2015/16 the following factors had been taken into account:

3.1 The Settlements Payments Determination provided a budgetary and business planning framework for rental income and the management of tenancies, major repairs and maintenance expenditure. The guidelines were that inflationary increases determined by CPI of 1.2% + 1% were applied.

3.2 Last year convergence was brought forward so that rents now matched target rents and no further uplifts were needed.

3.3 The Calculation for 2015/16 for this authority was as follows:

CPI in September 2014 = 1.2% + 1% = 2.2% increase to Barrow Borough Council rents

	52 Weeks	48 Weeks
2014/15	£75.33	£81.60
2015/16	£76.99	£83.40
Increase	2.20%	2.20%

The average Rent increase over 48 weeks = £1.80

- 3.3 Further details of the resultant rents for different property types were attached as an appendix to the report. Rents on an individual property basis would differ.
- 3.4 The proposed budget included a 2.2% increase on garage rents. The effect on individual garage rents were as follows:-

	No.	2014/15	2.20%	Increased revenue 15/16
Garage rate 1	31	£6.81	£6.96	£4,677
Garage rate 2	458	£9.21	£9.41	
TOTALS	489	£212,60	£217,28	

There was a 100+ strong waiting list for garages with few vacancies and the proposed new rent appeared to be on par with the private sector.

- 3.5 The service and facility charges for supported, furnished and dispersed properties were about right. The Assistant Director suggested that they were left as they were, provided that their costs continued to be recovered.
- 3.6 Occasionally parcels of land were sold and charge of £100 was requested upfront to deter frivolous applications and to recover some of the cost. Those costs had risen and it was suggested that the fee be raised to £200.

4 Proposed HRA Budget 2015/16

- 4.1 Universal Credit had started in the area and although the initial roll out was for new claimants only it was expected that an increase in arrears would be seen. It was difficult to forecast what that increase might be but based on the experience of pilots and early adopters, collection rates for those on direct payments could be as low as 80%. The more significant risk would be in future years (possibly 2016/17) when all the Borough Councils tenants would be migrated to Direct Payments. The risk to the HRA would be re assessed as part of the Welfare Reform project and was covered in more detail in that report. In the meantime it was considered prudent to build up the bad debt provision and add £100k.

The Borough Councils collection rates currently ran at 97.9%

- 4.2 Members approved a review of Housing's Information, Communication and Management systems in August 2014 because needs were not met by the

current system. The review, completed by Capita, assessed and outlined what the gaps were now and against future needs and the options available to the Council. The options with outline costs would be presented to Members and approval would be sought to agree the Housing ICT strategy and any case for investment.

Although the final outcome was not yet known or agreed it was anticipated that further investment in management systems would be required and that the services of a specialist Housing IT advisor/consultant would be needed to provide the detailed design requirement and take Housing Services through any procurement and implementation. The estimated cost of such services was £45k which had been provided for in the budget. It was envisaged that the cost of any additional or replacement Housing Management systems would be met from reserves.

- 4.3 Although there was no compulsory requirement to survey Tenants, it was seen as good practice to obtain a current view of how well tenants' needs were met and to gain their perspective of how services should develop in the future. The last STAR survey was carried out in 2012 and was now due. A budget of £12k had been allocated to conduct a survey during 2015.
- 4.4 The budget had allowed for investment projects to be considered which improved the appearance and safety of certain neighbourhoods and this was further considered within the Maintenance budget on another report.
- 4.5 In recent years a budget of £25k for Area Improvements had been set aside. It was proposed that £20k be retained for that purpose under the management of area Tenancy Officers. As the Council moved towards generic area based officers it would seem a motivational tool to encourage and instill ownership for the appearance and well-being of their area and community. Each Tenancy Officer would have a £1k budget to be used for enhancements. Details of the scheme would be formalised with the Tenants Forum so that they were kept aware of the initiatives that were being delivered.
- 4.6 To enhance the Welfare Reform project plan it was proposed that £20k Opportunities Fund be set aside which supported initiatives that could help tenants into work and training by improving employment opportunities and their employability.
- 4.7 The Housing Major Repairs and maintenance budget had been increased to allow for additional stock investment and environmental improvements and allowed a total £2,102 per dwelling based on a stock level of 2,669 *(includes Adelphi Court).

5 Business Improvement Initiatives

Initiatives for 2015/16 would include:-

- Gearing up for the changes brought about by Welfare Reforms and Universal Credit in particular to ensure a smooth transition;

- Adapting practices and procedures to protect cash flow and arrears;
- In consultation with tenants review United Utility water charge collection;
- Improving IT systems to manage rent collection as Universal Credit gathers momentum. Maximise the online technology to improve customer access and need for information; and
- The 30 year business plan would be updated and re-forecasted from the results of the stock condition survey and the revised rent and arrears projections

RECOMMENDED:- That the Executive Committee agree to the following:-

1. To note information at point (1) of the report;
2. To note the information on balances and Voluntary Repayment Provision at point (2) of the report;
3. To agree the Dwelling Rent and Garage Rent increases of 2.2% at point (3) of the report and note the information at Appendix B of the report;
4. To note the information in point (4) of the report and agree 2015/16 budgets as shown in Appendix A of the report; and
5. To note the information at point (5) of the report.

The meeting closed at 2.20 p.m.

PLANNED INVESTMENTS 2014-15

SCHEME	CONTRACTOR OR SUPPLIER	AVAILABLE BUDGET	NO OF PROPERTIES (P) OR BLOCKS (B)	EXPENDITURE TO DATE	ESTIMATED START DATE	ESTIMATED COMPLETION DATE	CONTRACTOR	COMMENTS	Leasholders affected?
RE-ROOFING AND POINTING WORKS ROOSEGATE ESTATE (2-3 YEARS DELIVERY PLAN)	CUMBRIA HOUSING PARTNERS	£390,000	56 (P)	£ 423,659	16/06/2014	31.3.2015	DLP Roofing	100% COMPLETE	No
RE-ROOFING WORKS FLAT ORMSGILL ESTATE	CUMBRIA HOUSING PARTNERS	£132,000	20 (B)	£ 9,017	01/08/2014	31.3.2015	CUMBRIA ROOFING	35% COMPLETE	Yes
RE-POINTING/RENDERING DEVONSHIRE ESTATE	CUMBRIA HOUSING PARTNERS	£590,000	30 (P)	£ 6,755	01/08/2014	31.3.2015	DLP Roofing	DUE TO COMMENCE 5/1/15	No
EXTERNAL DOOR REPLACEMENTS WINDOW REPLACEMENTS CENTRAL & WALNEY	CUMBRIA HOUSING PARTNERS (MATERIALS)	£60,000	100 (P)	£ 36,577	01/11/2014	Jan-15	BARROW CENTRAL JOINERY	75% COMPLETE	No
COMMUNAL ENTRANCE LIGHTING UPGRADES - CENTRAL	CUMBRIA HOUSING PARTNERS	£100,000	137 (P)	£ -	01/09/2014	31.3.2015	TOP NOTCH	DUE TO COMMENCE 5/1/15	No
COMMUNAL ENTRANCE PAINTING - CENTRAL	CUMBRIA HOUSING PARTNERS	£64,000	14 (B)	£ 8,411	01/10/2014	31.3.2015	K WILSON	100% COMPLETE	Yes
COMMUNAL ENTRANCE DOOR UPGRADES - ORMSGILL	CUMBRIA HOUSING PARTNERS	£30,000	14 (B)	£ -	01/11/2014	31.3.2015	GEORGE JONES	30% COMPLETE	Yes
GARAGE IMPROVEMENTS	CUMBRIA HOUSING PARTNERS	£120,000	18 (B)	£ 120,000	01/08/2014	31.3.2015	SS GROUP	100% COMPLETE	Yes
REWIRES	CUMBRIA ROOFING	£48,600	10 (B)	£ 82,172	01/04/2014	31.3.2015	CUMBRIA ROOFING	100% COMPLETE	No
BATHROOMS	CUMBRIA HOUSING PARTNERS	£150,000	120	£ 209,592	01/04/2014	31.3.2015	K WILSON	70% COMPLETE	No
KITCHENS	CUMBRIA HOUSING PARTNERS	£410,000	200	£ 264,221	01/04/2014	31.3.2015	AB MITCHELL	60% COMPLETE	No
HEATING	CUMBRIA HOUSING PARTNERS	£200,000	100	£ 174,509	01/04/2014	31.3.2015	AB MITCHELL	60% COMPLETE	No
PAINTING	CUMBRIA HOUSING PARTNERS	£525,000	200	£ 339,105	01/04/2014	31.3.2015	AB MITCHELL	60% COMPLETE	No
	CUMBRIA HOUSING PARTNERS	£250,000	500	£ 123,885	09/06/2014	31.3.2015	G JONES	100% COMPLETE	Yes

HOUSING MAINTENANCE COMMITMENTS 2014-15

	Funding Available 2014-15	EXPENDITURE TO DATE	Weekly Available	Gross Comm. as a % funds available
Tenant Demand Repairs	£ 1,085,671	£ 605,175	£ 20,878	56%
Voids	£ 238,243	£ 135,498	£ 4,582	57%
Gas Servicing	£ 99,049	£ 94,253	£ 1,905	95%
Decoration Vouchers	£ 45,000	£ 24,170	£ 865	54%
Disrepair Claims	£ 15,000	£ 1,722	£ 288	11%
Environmental Impmts	£ 25,000	£ 7,670	£ 481	31%
Disabled Adaptations	£ 100,000	£ 100,015	£ 1,923	100%
Electrical Testing	£ 80,700	£ 42,409	£ 1,552	53%
Door Entry Maintenance	£ 20,000	£ 1,247	£ 385	6%
Total	£1,783,663.00	£1,012,159.00		

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 8
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Recruitment Policy</p> <p>Summary and Conclusions:</p> <p>The Council's Recruitment Policy sets out the criteria for applications for vacancies advertised internally. This report requests a variation to the policy to allow the Council's apprentices to be included in this criteria.</p> <p>Recommendations:</p> <p>To recommend the Council to approve the variation to the Recruitment Policy.</p>		

Report

The Council's Recruitment Policy sets out the criteria for applications for vacancies advertised internally. It is proposed that the policy be varied to allow the Council's apprentices to be included. The following paragraph is extracted from the policy and the amendments are shown in bold italics.

All vacancies for posts on Scale 1/2 will be assessed to determine whether the post can be advertised as an apprenticeship. The post will be advertised internally and externally simultaneously on the basis that only a small minority of existing staff will be interested in a sideways move at this entry grade level. Vacancies above Scale 1/2 will be advertised internally only in the first instance. Only staff on the permanent establishment of the Council ***and members of the Council's apprentice scheme*** will be allowed to apply at this stage of the process. All advertisements will include the wording "The Council welcomes applications from disabled persons and applicants from ethnic minorities" (as permitted by legislation).

(i) **Legal Implications**

The recommendation has no implications.

(ii) **Risk Assessment**

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 9
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Financial Regulations and Contract Standing Orders</p> <p>Summary and Conclusions:</p> <p>The Council's Financial Regulations and Contract Standing Orders have been reviewed to ensure that they remain relevant, current and reflect best practice.</p> <p>Recommendations:</p> <p>To recommend the Council:</p> <ol style="list-style-type: none"> 1. To approve the Financial Regulations and Contract Standing Orders are approved by Council; and 2. To authorise the Monitoring Officer to incorporate the updated documents into the Constitution. 		

Report

The following documents have been reviewed and updated to ensure that they are relevant, current and reflect best practice:

The Financial Regulations (**Appendix 1**) provide the overall key control framework to enable the Council to exercise effective financial management and control of its resources and assets. The Regulations support and protect Members and staff in the performance of their duties where financial issues are involved.

The Contract Standing Orders (**Appendix 2**) apply to the purchase by or on behalf of the Council of works, supplies (goods) and services with a contract value of £100,000 and above.

The updates to the Financial Regulations are:

- to clarify Managers' responsibility to add contract details into the Council's electronic contract register;
- controlling the movement of assets for insurance purposes;
- grammatical amendments;
- amendments to meeting titles or other documents' titles where these have altered; and

- references to specific contractors have also been removed in favour of departmental or generic names which will not change.

The updates to the Contract Standing Orders are:

- to clarify the application of the Orders to service contracts;
- to clarify the application of the Orders to framework contracts and mini-competitions within framework contracts;
- to clarify the final account requirements for audit purposes;
- grammatical amendments; and
- amendments to meeting titles or other documents' titles where these have altered.

(i) Legal Implications

The recommendations have no implications.

(ii) Risk Assessment

The recommendations have no significant implications.

(iii) Financial Implications

The recommendations have no implications.

(iv) Health and Safety Implications

The recommendations have no significant implications.

(v) Equality and Diversity

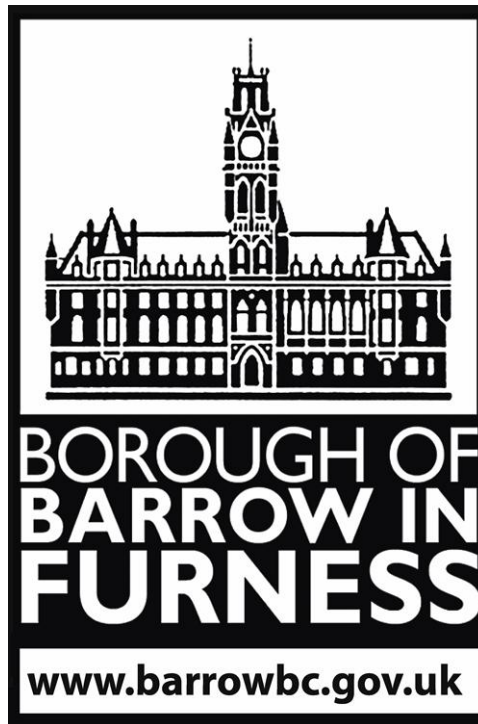
The recommendations have no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendations have no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



Financial Regulations

Financial Regulations

Barrow Borough Council is committed to ensuring a sound financial management framework is in place that is relevant and provides the necessary financial controls to meet the demands of delivering local services.

The Financial Regulations also provide clarity about the financial accountabilities of individuals - Members, the Executive Director and Head of Paid Service, the Monitoring Officer, the Director of Resources and Section 151 Officer, other Heads of Service and staff generally. These Regulations are therefore formally endorsed by the Council as a key part of the Council's Constitution.

The Financial Regulations provide the overall key control framework to enable Barrow Borough Council to exercise effective financial management and control of its resources and assets. Another key purpose of the Regulations is to support and protect Members and staff in the performance of their duties where financial issues are involved.

These Regulations need to be read in conjunction with the remainder of the Constitution and any other regulatory documents of the Council.

Please address queries or comments regarding the Council's Financial Regulations to the Director of Resources.

Section 1: General

WHY ARE THESE REGULATIONS IMPORTANT?

It is important that the Council has a sound and effective financial management framework in place to safeguard the Council's financial arrangements and activities, to support staff and to minimise risk. The Local Government Act 1972, Section 151 requires the Council to nominate one of its officers to be responsible for the proper administration of its financial affairs. The officer so appointed is the Director of Resources and in their absence the Accountancy Services Manager and the Financial Services Manager take on these delegations unless otherwise stated. Financial Regulations form part of the Council's approach to corporate governance and provide a control framework through which the Director of Resources carries out their statutory duty on behalf of the Council.

1. Application of Financial Regulations

Financial Regulations are the framework for controlling and managing the Council's financial affairs. They apply to every Member and officer of the Council and anyone acting on its behalf:

- a. These Regulations identify the financial responsibilities of the Full Council, the Executive Committee, the Audit Committee, the Head of Paid Service, the Section 151 Officer and Heads of Service generally. References to Heads of Service include the Executive Director and Director of Resources. References to the Director of Resources refer to their role as Section 151 Officer.
- b. References in these Regulations to Heads of Service also apply to individual department and cost centre managers.
- c. These Regulations apply equally to all external agencies and their employees incurring expenditure or receiving income on behalf of the Council. Accordingly, Heads of Service will ensure that partnership and other arrangements with external parties are not set up to operate in conflict with these Regulations as far as the Council's involvement is concerned.
- d. These Regulations will apply until such time as they are rescinded, amended or suspended by the Council.

2. General responsibility

- a. All Members and staff have a general responsibility for taking reasonable action to provide for the security of any assets under their control, and for ensuring that the use of resources is legal, is properly authorised and provides the best value for money.

- b. Any officers of the Council receiving any financial related Government Department correspondence will immediately forward a copy to the Director of Resources. The Director of Resources must be consulted in connection with any correspondence or discussions that have financial implications.
- c. All Members and staff of the Council must abide by the codes and protocols the Council.
- d. Money held or received on behalf of the Council will not be borrowed or used to encash personal cheques.
- e. Heads of Service are responsible for informing the Director of Resources of any matter liable to materially affect the finances of the Council including negotiations with Government Departments, before any commitment is incurred or arrangements reached.

3. Compliance

Heads of Service are responsible for making all staff in their departments aware of the existence of and content of these Financial Regulations and for their compliance with them.

4. Review

The Director of Resources will maintain a continuous review of the Financial Regulations and submit any necessary additions or changes for approval by the Executive Committee. The Director of Resources will report, where appropriate, breaches of the Financial Regulations to the Audit Committee.

Section 2: Internal Controls

WHY ARE THESE REGULATIONS IMPORTANT?

The functions of the Council are diverse and therefore to ensure delivery of the Council's strategic objectives, a framework of internal control is required.

The Council has statutory obligations and therefore requires internal controls to identify, meet and monitor compliance with these obligations.

The Council faces a wide range of financial, administrative and commercial risks, from both internal and external factors, that need to be managed to enable the Council to achieve its objectives. Internal controls are necessary to manage these risks.

A system of internal controls is established in order to provide measurable achievement of: efficient and effective operations, reliable financial information, compliance with laws and regulations, and risk management.

1. The Director of Resources has statutory duties in relation to the financial administration and stewardship of the Council. This responsibility cannot be overridden. The statutory duties arise from:
 - a. Section 151 of the Local Government Act 1972.
 - b. The Local Government Finance Act 1988.
 - c. The Local Government and Housing Act 1989.
 - d. The Accounts and Audit (England) Regulations 2011 (as amended).
 - e. The Local Government Act 2003.
2. The Director of Resources is responsible for:
 - a. The proper administration of the Council's financial affairs.
 - b. Setting financial management standards and monitoring compliance with them.
 - c. Advising on the corporate financial position and on the key financial controls necessary to secure sound financial management.
 - d. Providing financial information.
 - e. Preparing the revenue budget and capital programme.
 - f. Treasury management.
 - g. Reporting on the robustness of estimates made for the purposes of preparing budgets and the adequacy of the proposed financial reserves.
 - h. Maintaining an effective Internal Audit service.

3. The Director of Resources will report to the Full Council, Executive Committee and external auditor in fulfillment of their statutory obligations under Section 114 of the Local Government Act 1988 or otherwise if the Council or any of its officers:
 - a. has made, or is about to make, a decision that involves incurring unlawful or unauthorised expenditure
 - b. has taken, or is about to take, an unlawful or unauthorised action that has resulted or would result in a loss or deficiency to the Council
 - c. has made or is about to make an unlawful or unauthorised entry in the Council's accounts
4. The Director of Resources is responsible for recommending Contract Standing Orders and monitoring compliance with them.
5. Heads of Service are responsible for ensuring that:
 - a. Members of the Executive Committee are advised of the financial implications of all proposals and that these have been previously agreed by the Director of Resources
 - b. contracts are duly signed on behalf of the Council and the Council Seal is applied where applicable
 - c. the approval of the Director of Resources is sought on any matter liable to affect the Council's finances materially, before any commitments are incurred
6. The Director of Resources will assist the Council to put in place an appropriate control environment and effective internal controls that provide reasonable assurance of effective operations, financial stewardship, probity and compliance with laws and regulations. The Director of Resources shall eliminate practices that are identified as inefficient or wasteful of Council resources.
7. Heads of Service will ensure that:
 - a. managerial control systems operate effectively throughout their departments. These will include the setting of objectives and plans, the monitoring of financial and other performance, and the taking of appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities and ensuring staff have a clear understanding of the consequences of any lack of control.
 - b. financial and operational control systems and procedures operate effectively throughout their departments. These will include physical safeguards for assets, segregation of duties, checking and authorisation procedures and information systems.
 - c. key controls and control objectives for internal control systems

are reviewed regularly in order to be confident as to the proper use of resources, achievement of objectives and management of risk.

- d. processes are managed so as to check that established controls are being adhered to and are effective.
 - e. existing controls are reviewed in the light of changes affecting the Council and new controls are established and implemented in line with guidance from the Director of Resources.
 - f. controls that are no longer necessary, or no longer cost or risk effective, are removed
8. The Director of Resources will ensure that there is an effective and properly resourced Internal Audit function.

Section 3: Accounting

WHY ARE THESE REGULATIONS IMPORTANT?

Maintaining proper accounting records is one of the ways the Council discharges its responsibility for stewardship of public resources. The Council has a statutory duty to prepare its annual Statement of Accounts in a way that gives a true and fair view of its operations during the year. The accounts are subject to external audit, which provides assurance that they have been prepared properly, that proper accounting practices and statutory requirements have been followed. There is also a statutory right for members of the public to inspect the accounts and relevant supporting documentation.

1. The Director of Resources is responsible for:
 - a. selecting and applying appropriate accounting policies
 - b. determining accounting procedures and policies
2. The Director of Resources will:
 - a. make arrangements for the proper administration of the Council's financial affairs
 - b. apply accounting policies consistently
 - c. maintain proper accounting records
 - d. ensure that the Statement of Accounts for the previous financial year is completed, approved by the appropriate Committee and published within the corporate and statutory timetable and in accordance with relevant Codes of Practice
3. Heads of Service will ensure:
 - a. that all the Council's transactions, material commitments, contracts and other essential accounting information are recorded completely, accurately and promptly
 - b. that in the allocation of accounting duties of any kind:
 - i. the duty of providing information, calculating, checking and recording sums due to or from the Council will be separated from the duty of collecting or paying such sums
 - ii. officers charged with the duty of examining and checking accounts of cash or stocks transactions will not themselves be engaged in any of those transactions
 - c. that the Director of Resources is supplied with such information as may be requested from time to time for the purpose of the proper administration of the Council's affairs

Section 4: Revenue Budgets

WHY ARE THESE REGULATIONS IMPORTANT?

The Council is responsible for producing an overall policy framework. The purpose of the framework is to explain overall priorities and objectives, and ensure that resources follow the identified priorities, current performance and proposals for improvement. The revenue budget is important in this context because, together with the capital programme (see Section 5), it expresses the approved policies and service levels of the Council in financial terms.

Once approved, the revenue budget confers authority on managers to incur expenditure to achieve the aims and objectives of the Council. If expenditure plans cannot be met within the approved budget, then they can only proceed with an approval to divert funds (as provided for in Section 7(4)).

1. The Director of Resources will:
 - a. recommend to the Executive Committee appropriate guidelines for preparation of the annual budget
 - b. recommend to the Executive Committee the Council's Medium Term Financial Plan incorporating the annual budget and the financial forecast for at least the following two financial years
 - c. recommend the level of financial reserves for the annual budget and future financial plans
 - d. issue appropriate guidance to Heads of Service and prepare a corporate budget timetable
 - e. ensure the approved budget guidelines are complied with so that statutory and other deadlines can be met
2. Heads of Service will:
 - a. submit to the Director of Resources estimates in accordance with the budget guidelines and within agreed time scales
 - b. ensure that the estimates are prepared having regard to the Council priorities and other corporate aims and objectives
 - c. for each cost centre, supply to the Director of Resources an estimated profile of the rate of expenditure or income across the budget year
 - d. provide any information the Director of Resources may require
3. The Director of Resources will report to the Executive Committee (via the Housing Forum for the Housing Revenue Account) and to Full Council:
 - a. on the revenue estimates, ensuring that the context and format comply with legal requirements and relevant Codes of Practice

- b. on the robustness of the estimates made for the purposes of calculations and the adequacy of the proposed financial reserves
 - c. on any significant surplus or deficit arising on the Collection Fund with a recommended course of action
 - d. on the final proposed budget to enable the Leader of the Council to make a recommendation to Full Council on the appropriate levels of provisions and reserves, and on the levels of Council Tax for the year
4. Final acceptance of revenue estimates can only be made by Full Council.
 5. Subject to (6) below, the approval of a budget for the year by Full Council confers authority to spend in accordance with the budget for that year. Commitments affecting future financial years may only be made where the provisions of Section 7(6) are satisfied. Heads of Service are responsible for co-ordinating programmes of expenditure and income that will achieve the objectives on which the budget was based.
 6. Heads of Service will not enter into any new arrangements or other contractual commitments with long-term revenue consequences without the prior written consent of the Director of Resources. Such arrangements may be defined for this purpose as any lease, contract hire or other contract or series of contracts under which the use of an asset is obtained in exchange for a series of revenue payments which extend beyond the end of the following financial year.
 7. If Heads of Service need to incur expenditure outside the approved budget provision, or anticipates an under spend against an approved budget head, the procedures set out in Section 7(5a) and 7(3) will apply.

Section 5: Capital Programme

WHY ARE THESE REGULATIONS IMPORTANT?

The revenue budgets (Section 4) and the capital programme together express the approved policies and service levels of the Council in financial terms. It is important to ensure that the Council achieves maximum economy, efficiency and effectiveness from the use of its capital resources and directs those resources into the agreed priority areas. Unlike the revenue budget however, due to the uncertainty of capital resources and the timing of capital projects, total capital expenditure is often over or under programmed against estimated resources, so special controls are needed to ensure commitments do not exceed the resources available.

1. The Director of Resources is responsible for preparing a Capital Strategy with periodic reviews submitted to the Executive Committee for approval.
2. The Director of Resources will:
 - a. maintain current estimates of resources available to finance capital expenditure in the current year and at least the following two financial years
 - b. maintain a capital programme for approval periodically by the Executive Committee, based on the current Council priorities and other relevant corporate plans and strategies.
 - c. receive and assess all formal appraisal reports for capital project proposals prior to their submission to the Executive Committee
3. Heads of Service will:
 - a. submit to the Director of Resources upon request, estimates of the cost of capital spending proposals and the estimated amount and timing of any capital receipts and other contributions receivable
 - b. ensure that the estimates submitted are prepared having regard to the Council priorities and other corporate aims and objectives
 - c. ensure that all capital project proposals are the subject of a formal appraisal by the Capital Programme Group defining the need, purpose, options, risks and financial implications which must include all capital considerations and subsequent revenue implications
 - d. provide any other information the Director of Resources may require for the review, monitoring or control of the capital programme

4. In working up any capital scheme, Heads of Service will have regard to the risk of triggering claw back or breaching restrictive covenants or other contractual conditions in relation to land or otherwise.
5. The inclusion of a capital scheme within an approved capital programme will confer authority to spend, including expenditure which may fall in a subsequent financial year, subject to:
 - a. the provisions of the Council's Contracts Standing Orders
 - b. the provisions of (7) below
 - c. the Director of Resources having first confirmed in writing that sufficient resources are available for the purpose
 - d. scheme details being approved by the Executive Committee where necessary
6. If Heads of Service wish to incur expenditure outside the approved capital programme provision, the procedures set out in Section 7(5b) will apply.
7. Heads of Service will give the Director of Resources early warning of known under spends, overspends and changes to planned resources so that the availability of uncommitted capital resources may be monitored effectively.

Section 6: Authorised Signatories

WHY ARE THESE REGULATIONS IMPORTANT?

Officers with delegated authority to incur expenditure on behalf of the Council must act in accordance with the codes and protocols of the Council and where appropriate operate within the Council's Contract Standing Orders or Purchasing Procedure.

Each officer has a financial limit set on the activities that they are authorised to commit up to. In addition to this, officers may have authority to approve contracted payments over and above the financial limit for day-to-day commitments for their budgets.

1. The names of officers authorised to sign for cost centres and contractual payments will be agreed with the Director of Resources on an approved form, with the officers' specimen signatures provided. The approved form is to be signed by the cost centre manager and relevant Head of Service, prior to the Director of Resources' review and authorisation.
2. The certification by or on behalf the cost centre manager will be taken to mean that the authorising officer is satisfied that the expenditure is authorised, properly and necessarily incurred and payable by the Council.
3. The Director of Resources will be notified immediately of any authorised signatories who leave the Council's employment or cease to be authorised to sign. The Director of Resources will immediately give authorisation to remove all access to financial systems.
4. All authorised signatories will sign in their own hand and will not use signature stamps.
5. Where electronic certification is to be used in place of manual signatures, this will be in a form agreed by the Director of Resources.
6. The Director of Resources will maintain a register of authorised signatories which will be subject to review.

Section 7: Budgetary Control

WHY ARE THESE REGULATIONS IMPORTANT?

Budgetary control ensures that once Full Council has approved a revenue budget or a capital programme, the resources allocated are used for their intended purposes, i.e. the agreed priority areas, and are properly accounted for. It is a continuous process, enabling the Council to review and adjust its budget targets during the financial year to make the most effective use of resources in delivering the Council's policies and objectives. The budgetary control framework also sets out the accountabilities of managers for defined elements of the budget.

By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity.

To ensure that the Council as a whole does not over or under spend, each service is required to manage its own expenditure within approved resources and to identify any surplus resources for diversion to other areas.

1. Overall responsibility for budgetary control

The Director of Resources is responsible:

- a. for the overall financial control of the revenue budgets and capital programme of the Council
- b. for providing quarterly financial performance information to the Executive Committee
- c. for subdividing service budgets within the overall budget framework according to Council structure and services, having regard to relevant Codes of Practice
- d. for allocating the revenue budgets and capital programme wholly among responsible Heads of Service
- e. for supplying timely information on receipts and payments on each cost centre and capital scheme, sufficiently detailed to enable managers to fulfill their budgetary control responsibilities

2. Responsibility for control of individual budgets

Heads of Service are responsible:

- a. for the budgets and programmes allocated to them, for delivering the levels of service on which they were based, and for compliance with their financial obligations
- b. for monitoring levels of service and performance within services, as measured by expenditure and income incurred against

relevant cost centres and capital programme provision, and by benchmarking their service against similar providers to demonstrate value for money

- c. for seeking virements, either to increase or to reduce the provision allocated to particular budget heads or capital schemes, in accordance with (4) below in order to maintain budget provisions in line with the service levels required
- d. for exercising powers delegated to them to enter into new financial commitments only where adequate provision has been made in the revenue budget or capital programme and where the revenue consequences for future financial years are in accordance with (6) below
- e. for providing any additional information the Director of Resources may require

3. Variances from budget

The Director of Resources is responsible:

- a. for reporting significant variances to the Executive Committee where a Head of Service fails to take action under (4) to (6) below
- b. for agreeing annually:
 - i. a list of expenditure proposals for which revenue budget provision had been made in the previous year and for which the particular goods or services had not been supplied before the financial year end
 - ii. a list of expenditure proposals on capital schemes for which provision had been made in the capital programme for the previous year but which was under or overspent so that supplementary estimates may be considered for the ensuing financial year in accordance with (5) below

4. Virements between budgets

- a. Subject to appropriate consultation, budget allocations may be moved between revenue cost centres for the purpose of maintaining approved service levels, in accordance with the following scheme of virements:
 - i. Up to £5,000 by the Heads of Service
 - ii. Up to £25,000 by the Accountancy Services Manager and the Financial Services Manager
 - ii. Over £25,000 by the Director of Resources and any virements over £50,000 will be identified in the budget monitoring report

and in making any such decision, due regard will be had to any budget implications for future financial years.

- b. Heads of Service may only make virements between the direct costs under their control; this includes items such as supplies and services and excludes items such as staffing and allocated support services.
- c. Virement between the General Fund and the Housing Revenue Account is not permitted, nor between revenue and capital.
- d. Virement between cost centres within the discrete funds is possible with the mutual consent of the relevant Heads of Service.

5. Supplementary estimates

a. Revenue expenditure

Where no provision currently exists in the revenue budget, or where the provision made for an existing budget head is insufficient and a virement is not available under (4) above, then new or additional budget provision may be established using financial reserves in accordance with the Reserves and Balances policy.

For unbudgeted but necessary expenditure that could impact on service delivery if not incurred, the following scheme of supplementary estimates should be followed:

- i. does not exceed 1% of the net revenue budget - by the Director of Resources after appropriate consultation with the Executive Director. The Director of Resources must report these items to the Executive Committee at the earliest opportunity
- ii. exceeds 1% of the net revenue budget - by the Executive Committee
- iii. where general earmarked reserves are available or a specific reserve has its purpose changed to allow its immediate use - by the Executive Committee

For emergencies, unexpected events or unbudgeted statutory items the Director of Resources can authorise a supplementary estimate and must report these items to the Executive Committee at the earliest opportunity.

The Executive Committee can, on the recommendation of the Director of Resources, eliminate or reduce the funds in earmarked reserves by adding them to the revenue balance.

In making any such decision, due regard will be given to any budget implications for future financial years.

b. Partnership Expenditure and Additional External Funding

Where no provision currently exists in the revenue budget or capital programme for specific projects or activities which are to be wholly or partly funded by external agencies, partners or new/additional external funding is drawn into the Council, then the above criteria for supplementary estimates will apply to the value of the Council's net financial contribution to the revenue or capital cost of the project.

Where the impact is a net zero, the Director of Resources, Accountancy Services Manager and Financial Services Manager are empowered to adjust revenue budgets and capital programmes to reflect the gross value of all such arrangements and transactions.

Heads of Service must liaise with the Director of Resources and the Monitoring Officer, and refer to Section 9 of these Regulations, prior to undertaking any bidding for external funding or setting up any partnerships.

6. Commitments of revenue expenditure affecting future financial years

The following arrangements will apply in relation to the commitment of expenditure prior to the approval of the revenue budget for the financial year concerned:

- a. Heads of Service may commit expenditure affecting future financial years provided the estimated cost in real terms does not exceed the current year's budget provision and that the written consent of the Director of Resources is obtained where Section 4(5) applies.
- b. Heads of Service may only commit expenditure on new or extended services with the approval of Full Council.

7. Other matters affecting budgets

Heads of Service are responsible for alerting the Director of Resources of any issues with the potential to affect revenue or capital budgets or resources in the current year or future years, and where significant the Director of Resources will report such matters to the Executive Committee at the appropriate time.

No expenditure will be committed that would take the General Fund or Housing Revenue Account in excess of the agreed budget, without a supplementary budget agreed by Full Council following Executive Committee recommendation.

Section 8: Procuring and paying for Works, Supplies and Services

WHY ARE THESE REGULATIONS IMPORTANT?

The letting of public contracts should be done with demonstrable transparency and in accordance with Council policies, including the policy on fraud and corruption. It is essential for maintaining public confidence that the Council and its officers are seen to act with complete fairness and impartiality in the letting of contracts.

The Council has a statutory duty to achieve best value for money, partly through economy and efficiency. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. All of the Council's procurement and payment activities must be in compliance with the provisions of the Bribery Act 2010.

These Regulations should be read in conjunction with the Council's Contract Standing Orders and its Purchasing Procedure.

For procurement, the adopted principle is that the Council aims to deliver value for money when procuring goods and services. This is balanced with consideration to sustainability, the local economy and fair competition to all providers.

1. Placing Orders for Works, Supplies and Services

- a. Where the value of any works, supplies or services to be received by the Council is equal to or exceeds £100,000, Heads of Service will invite tenders in accordance with the Contract Standing Orders.
- b. Where the estimated value of any works, supplies or services to be received by the Council is below £100,000, Heads of Service may follow the Contract Standing Orders, or will follow the Council's Purchasing Procedure.
- c. All officers entering into contractual arrangements must enter the necessary information into the Council's electronic contract register.
- d. For all contracts awarded under the Council's Contract Standing Orders the responsible officer will complete the Contract Management Checklist as prescribed by the Director of Resources.

2. Other contract terms

Heads of Service will:

- a. in consultation with the Director of Resources include in every contract appropriate clauses to cover financial and insurance requirements, and to provide sufficient security for due performance
- b. put in place adequate procedures for the effective cost control of all contracts

3. Receipt of Works, Supplies and Services

Heads of Service will put in place adequate systems for verifying the performance of work or the receipt of supplies and services. In particular controls will be established to ensure that:

- a. the work done or supplies and services received are as specified
- b. the quality or workmanship is of the required standard
- c. the expenditure has been duly authorised, is properly payable by the Council and is within budget estimates
- d. the price to be paid is correct
- e. the account has not previously been passed for payment
- f. appropriate entries have been made in inventory, stock or other records
- g. the account is arithmetically correct

4. Payment for Works, Supplies and Services

- a. Heads of Service will make adequate and effective arrangements approved by the Director of Resources for checking and certifying invoices and other requests for payment without undue delay.
- b. All certified invoices will be dealt with in a manner set by the Director of Resources and will, where possible, quote the Council's official purchase order number.
- c. The Director of Resources or their representative has the right to perform checks against any invoice, before or after payment, to ensure correct procedures have been applied.
- d. The Director of Resources will decide the most effective way for the Council to make payments; payments may only be made by direct debit with the prior approval of the Director of Resources, Accountancy Services Manager or Financial Services Manager.
- e. Proforma invoices will only be used for the purposes approved by the Director of Resources.
- f. Minor items of expenditure, up to a limit set by the Director of Resources, may be paid under petty cash procedures determined by the Director of Resources.

5. General

- a. Every Member and officer engaged in contractual or purchasing decisions on behalf of the Council will declare any links or personal interests they may have with purchasers, suppliers and contractors, and will comply with the provisions of the appropriate Codes of Conduct.
- b. Heads of Service will ensure that all formal contracts are referred to Internal Audit for the proper stage checks to be performed and as soon as the final account is agreed, before any retention is paid.
- c. Heads of Service will ensure that the duties of ordering works, supplies or services, receiving them, certifying and approving for payment are not performed by the same officer.
- d. All Information Technology hardware and software acquisitions must be made in consultation with the IT Team Leader and for financial systems or those that interact with such systems, with the additional approval of the Director of Resources.

Section 9: Work carried out for others

WHY ARE THESE REGULATIONS IMPORTANT?

Legislation enables the Council to provide a range of services to other bodies. Such work may help maintain economies of scale and existing expertise. It may also be helpful to share the Council's facilities, expertise and resources with others under partnership arrangements. Effective controls should be in place to ensure that any risks associated with such work are minimised and that the work falls within the Council's statutory powers.

1. Financial Regulations apply equally to any service carried out by the Council on behalf of any other Council, body or person. Heads of Service will not set up partnership or other arrangements with external parties to operate in conflict with these Regulations as far as the Council's involvement is concerned.
2. Heads of Service will:
 - a. properly assess the financial implications of the proposal prior to commitment following consultation with the Director of Resources
 - b. draw up contracts having regard to the Council's powers, relevant policies and protocols and in compliance with any insurance or other requirements of the Director of Resources
 - c. have regard to the Contract Standing Orders and other requirements of the Director of Resources.

Section 10: External funding and partnership arrangements

WHY ARE THESE REGULATIONS IMPORTANT?

Partnerships play a key role in delivering community strategies and in helping to promote and improve the well being of the Borough. The Council works in partnership with others - public agencies, private companies, community groups and voluntary organisations - and its distinctive leadership role is to bring together the contributions of the various stakeholders. The Council will mobilise investment, bid for funds, champion the needs and harness the energies of local people and community organisations. It will be measured by what it achieves in partnership with others.

Partnerships can provide ways to access new resources and share risk. They can also lead to innovative and improved ways of delivering services whilst forging new relationships. Whilst external funding is a very important source of income, funding conditions need to be carefully considered to ensure they are compatible with the aims and objectives of the Council. In some instances, tight specifications may not be flexible enough to link to the Council's overall plan. Also, new ways of working can increase the Council's exposure to fraud and to irregularities in the operation of, for example, VAT, insurances, and pay.

1. Bidding for external funding

- a. Heads of Service will seek external resources only to further the priorities and aims of the Council.
- b. Before making a bid for resources which, if successful, would require any financial commitment from the Council, Heads of Service will ensure that appropriate budgets have been approved or earmarked in accordance with these Regulations.
- c. In working up bids, Heads of Service will use appropriate project appraisal processes to assess the viability of the project in terms of resources, staffing and expertise, to identify and assess all potential risks, and to ensure achievement of the required outcomes.

2. Setting up partnerships

- a. Heads of Service will agree and formally accept the roles and responsibilities of each of the partners involved in a project before the project commences.
- b. Where the Council is to be the lead partner or the accountable body where other public funds are involved, the responsibilities of the Council and the obligations of the various partners are to be clearly defined and understood. Heads of Service will consult the Director of Resources on:

- i. any financial control, insurance and audit requirements including physical access to be incorporated in the partnership arrangements
 - ii. the overall financial implications for the Council.
- c. Prior to entering into any commitment, the relevant Heads of Service will ensure that any match funding or other financial obligations of the Council are provided for within revenue or capital programmes and that arrangements are made for future years' financial provisions to reflect these obligations. This should include any audit and other consequential fees as appropriate.

3. Working with partners

- a. These Financial Regulations and the Council's Contract Standing Orders will apply equally to any orders for works, goods or services which are the responsibility of the Council under the partnership arrangements.
- b. Heads of Service will ensure that all formal contracts are referred to Internal Audit for the proper stage checks to be performed and as soon as the final account is agreed, before any retention is paid. For all contracts awarded under the Council's Contract Standing Orders the responsible Officer will complete the Contract Management Checklist as prescribed by the Director of Resources.
- c. The relevant Heads of Service will comply with any key conditions of funding and any statutory requirements.
- d. Any variation in resources to be contributed by the Council, or in the overall resources of the partnership where the Council is the accountable body, will be dealt with in the same way as other budget variations as set out in Section 7 (Budgetary Control).
- e. The relevant Heads of Service will ensure that any financial control, insurance and audit requirements of the partnership are met.
- f. The relevant Heads of Service will communicate regularly with the other partners throughout the project so that problems are identified and shared to achieve their successful resolution.

Section 11: Income

WHY ARE THESE REGULATIONS IMPORTANT?

It is essential that all income due to the Council is identified, collected, receipted and banked promptly. To achieve this it is necessary to put effective income systems in place.

It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cash flow and also avoids the time and cost involved in administering debts.

1. General

Heads of Service will implement arrangements made by them under this Section only with the approval of the Director of Resources.

2. Prompt identification of sums due to the Council

Heads of Service will make adequate and effective arrangements for the prompt identification of all sums due to the Council.

3. Prompt recording in the Council's accounts of all sums due

- a. Heads of Service will make adequate and effective arrangements for recording all sums due in the Council's accounts.
- b. Apart from local taxes, housing rents, fines and licences, accounts for sums due may only be raised on the Council's corporate debtors system unless alternative arrangements have been approved by the Director of Resources.

4. Collection and receipting of all income

- a. Heads of Service will make adequate and effective arrangements for the collection and receipting of all income and for the security of all cash and other valuables having regard to agreed insurance limits for locked safes.
- b. Heads of Services will only introduce new methods of collection after consultation and approval of the Director of Resources.
- c. Acknowledgement for money received must only be made on official Council receipts or other form authorised by the Director of Resources for that purpose.
- d. Books and forms relating to the collection of income due to the Council will be kept in a manner set by the Director of Resources.

5. Banking of income

Heads of Service will make arrangements with the Director of Resources for the prompt and secure transfer of cash from the Council's offices and facilities to the Council's bankers.

6. Reconciliation of income

Heads of Service will make adequate and effective arrangements for the sums collected and banked to be reconciled with the records of sums due.

7. Debt recovery

In all cases Heads of Service will take prompt and appropriate actions to recover all sums overdue to the Council.

8. Writing off sums due

- a. Heads of Service are responsible for recommending the write off of irrecoverable debts to the Director of Resources.
- b. Where an individual debtor owes the Council no more than £25,000, the Director of Resources may approve the write off of that debt where there is satisfactory evidence that it is irrecoverable. In any other case, the debt may be written off only with the approval of the Executive Committee. However, there may be occasions when an immediate write off decision above £25,000 is necessary, for example at year end, to enable the completion of the final accounts within the statutory timescale. In such cases the Director of Resources will have authority to approve these transactions and seek subsequent ratification by the Executive Committee and reporting the reasons for taking that course of action.
- c. The Director of Resources will report annually the total amount written off to the Executive Committee.

9. Reviews of fees and charges

- a. Heads of Service will, in consultation with the Director of Resources, review all fees and charges at least annually in accordance with guidelines approved by the Executive Committee. On completion of each review, the relevant schedule of proposed fees and charges will be presented to the Executive Committee for approval.
- b. Heads of Service are responsible for revised fees and charges being correctly implemented from the authorised date.

10. Segregation of duties

The duty of providing information, calculating, checking and recording sums due to or from the Council will be separated as completely as possible from the duty of collecting such sums.

Section 12: Value Added Tax

WHY ARE THESE REGULATIONS IMPORTANT?

Value Added Tax (VAT) is a tax applied to many of the goods and services the Council either buys in or supplies to others. VAT therefore impacts on many of the Council's financial transactions. Whilst generally speaking the Council is able to reclaim the VAT it pays on buying in goods and services, this ability is limited in relation to certain types of services made by the Council. VAT is a very complex tax, particularly where it relates to land and property transactions and partnership arrangements. It is essential that the VAT implications of all major projects, partnership arrangements and land and property transactions be evaluated well in advance of commitments being made. If this is not done the Council could be faced with a substantial irrecoverable VAT bill that is both unplanned and unbudgeted. Her Majesty's Revenues and Customs (HMRC) also have the power to impose penalties (fines) for late or non-compliance with VAT rules.

1. The Director of Resources is responsible for the determination of all arrangements for the collection, recording, payment and recovery of VAT.
2. The Director of Resources will:
 - a. maintain complete and accurate accounting records of all the Council's VAT transactions
 - b. submit the Council's VAT return to HMRC monthly in accordance with statutory deadlines
 - c. prepare the Council's partial exemption calculation as at the end of each financial year
 - d. conduct all negotiations with HMRC in respect of VAT matters affecting the Council
 - e. provide guidance, advice and training to Council staff on all aspects of VAT as they affect the Council
3. Heads of Service will:
 - a. properly account for VAT on all transactions under arrangements determined by the Director of Resources
 - b. consult the Director of Resources in all cases where the VAT treatment of any transaction is unclear so that the matter can be reviewed and appropriate treatment determined
 - c. consult the Director of Resources in all cases where new projects, schemes or services are proposed, **well in advance** of commitments being made, so that any impact on the Council's VAT position can be assessed and any necessary action taken to protect the Council's VAT recovery position

- d. co-operate with any VAT inspector and give access at all reasonable times to premises, personnel, documents and assets which they consider necessary for the purposes of their work
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Examples of activity with potential VAT implications

Examples of the types of new activity that could have an impact on the Council's VAT position are shown below. However this list is not exhaustive and consultation should take place when any new or innovative scheme is proposed:

- a new service
 - a significant extension to an existing service
 - a capital new-build scheme
 - a land or property transaction, including any involving a land exchange
 - a new or extended partnership arrangement
 - a scheme involving third party funding
 - an agency arrangement
 - any scheme where there is consideration in kind
-

Section 13: Banking

WHY ARE THESE REGULATIONS IMPORTANT?

The Council has a duty to ensure that all monies are properly safeguarded and only utilised for authorised purposes. It is therefore necessary to have controls to ensure the proper authorisation and control of all bank accounts, all payments made from them and all income deposited into them.

1. Operation of bank accounts

- a. The Director of Resources is responsible for opening, closing and operating all bank accounts and related facilities in the Council's name.
- b. All communications with the Council's bankers concerning its bank accounts and any changes in banking arrangements will be made under arrangements approved by the Director of Resources.

2. Authorisation of signatories

Only officers personally mandated by the Director of Resources may authorise payments and other documents transferring funds out of the Council's bank accounts.

3. Payments from Council bank accounts

- a. All payments from the Council's bank accounts will be, so far as is practicable, made by automated bank transfer but the Director of Resources may exclude from this regulation such payments as the Director of Resources may consider appropriate from time to time.
- b. No payments will be made from the Council's bank accounts unless approved personally by a signatory authorised in accordance with (2) above.

4. Custody of banking facilities

Banking facilities will be held by the Director of Resources, Accountancy Services Manager and Financial Services Manager for use only in exceptional cases.

5. Banking of income

Heads of Service will make arrangements with the Director of Resources for the prompt and secure transfer of cash from the Council's offices and facilities to the Council's bankers.

6. Reconciliation

The Director of Resources will regularly and promptly reconcile the Council's bank accounts with the accounting records.

Section 14: Security and Inventories

WHY ARE THESE REGULATIONS IMPORTANT?

The Council holds assets in the form of land and buildings, fixed plant, vehicles and machinery, furniture and equipment, software and data, cash and other items of value. It is important that assets are used efficiently in service delivery, that they are adequately insured and that there are arrangements for the security of both assets and information required for service operations. Up to date records are a prerequisite for sound asset management. See also Sections 15 (Stocks) and 17 (Insurances).

1. Proper use of the Council's resources

Resources are to be used solely for the purposes of the Council and are to be properly accounted for.

2. Asset Register

The Director of Resources is responsible, in consultation with other Heads of Service, for the compilation and maintenance of the Council's official accounting Asset Register covering land and property and other fixed assets.

Officers involved in the disposal of Council assets will:

- a. comply with the legal requirements of the Director of Resources
- b. comply with the financial and accounting requirements of the Director of Resources

3. Inventories

- a. Each Head of Service is responsible for maintaining an inventory of moveable assets under procedures determined by the Director of Resources.
- b. Inventories are to be reviewed at least once each year with an updated schedule retained by the Heads of Service and copied to the Director of Resources.

4. Security

- a. Heads of Service will make proper arrangements for:
 - i. the security of all buildings and other assets under their control
 - ii. the safe custody of all documents held as security
 - iii. keys to safes and similar receptacles for valuables to be kept in secure places

- b. The security of personal possessions in the work environment is the responsibility of the owner. The Council will accept no responsibility for the security of any items not necessary for the services of the Council.

Section 15: Stocks

WHY ARE THESE REGULATIONS IMPORTANT?

It is important that the stocks held by the Council are safeguarded and used efficiently in service delivery. There therefore needs to be adequate arrangements for the receipt, security and issue of stocks and for the disposal of surplus or redundant items.

1. Receipt, Control and Custody

Heads of Service will make adequate and effective arrangements for the custody, care and physical control of all stocks in their departments.

2. Stocks Records

a. In consultation with the Director of Resources, Heads of Service will maintain adequate records of all issues and other movements of stocks.

b. Heads of Service will provide to the Director of Resources each year a stock certificate detailing stocks and stores in hand at 31st March.

3. Maintenance of stocks

a. Heads of Service will maintain stocks at reasonable levels, agreed with the Director of Resources, and subject them to a regular independent physical check.

b. All discrepancies will be investigated, pursued to a satisfactory conclusion and removed from the Council's records by making stock adjustments as necessary. Gains and losses resulting from stock adjustments will only be written off or adjusted in the records under arrangements approved by the Director of Resources.

4. Disposal of surplus, obsolete or redundant stocks or equipment

Heads of Service will ensure that all stocks and equipment no longer required are disposed of economically and accounted for under arrangements approved by the Director of Resources.

5. Delegation

All staff responsible for stocks are required to take an uninterrupted holiday of at least two weeks duration in each financial year.

Section 16: Cash Holdings

WHY ARE THESE REGULATIONS IMPORTANT?

It is important that all cash held by Council departments is safeguarded and used effectively in service delivery. There therefore needs to be adequate arrangements for the receipt, security and issue of petty cash reimbursements and the security of all cash floats held in Council departments.

1. Receipt, Control and Custody

Heads of Service will make adequate and effective arrangements for the custody, care, security and physical control of all petty cash and cash floats in their departments.

2. Petty Cash and Cash Float Records

- a. In consultation with the Director of Resources, Heads of Service will maintain adequate records of all petty cash reimbursements and float replenishments.
- b. In consultation with the Director of Resources, Heads of Service will maintain effective control and security over till floats and change floats held in their departments.
- c. Heads of Service will provide to the Director of Resources each year a cash imprest certificate detailing all floats and vouchers in hand at 31st March.

3. Maintenance of floats

- a. Heads of Service will maintain cash floats and subject them to a regular independent physical check by their officers.
- b. Petty cash floats will be reimbursed monthly.
- c. All discrepancies will be investigated and pursued to the Director of Resources' satisfaction.

4. Delegation

- a. Every transfer of official money from one officer to another will be evidenced in the record of the department concerned by the entry of the amount and signature of the receiving officer.
- b. Before an officer leaves the employment of the Council or ceases to be entitled to hold a cash float, the Head of Service will agree the unexpended balance and will submit a float replenishment; till and change floats will be balanced.
- c. All staff responsible for cash are required to take an uninterrupted holiday of at least two weeks duration in each financial year.

Section 17: Insurances

WHY ARE THESE REGULATIONS IMPORTANT?

The provision of insurance cover is one of the major methods of responding to corporate and service risks identified under the Council's risk management arrangements. Cover can be arranged either externally with major insurance companies or through an internal insurance pool. Accurate record keeping and timely provision of information are essential if the Council's insurance cover is to be effective. This Section should be read in conjunction with that relating to Risk Management (see Section 18).

1. The Director of Resources is responsible for:
 - a. effecting all insurance cover on a corporate basis, through external insurance or through internal self-insurance arrangements as the Director of Resources considers appropriate
 - b. negotiating all claims in consultation with relevant Heads of Service where necessary

2. Heads of Service will notify the Director of Resources immediately:
 - a. of all new risks, properties, vehicles or other assets that require insurance
 - b. of any alterations to such risks or assets affecting existing insurances
 - c. should any of the Council's assets be damaged, lost or stolen
 - d. should any of the Council's assets be relocated to different premises
 - e. of any loss, liability, damage or personal injury that may lead to a claim against the Council

and will provide any related information or explanation required within time scales determined by the Director of Resources.

3. Heads of Service will ensure that no employee or other person covered by the Council's insurances admits liability (orally or in writing) or makes any offer to pay compensation, because this may prejudice a proper assessment of the Council's liability.

4. Heads of Service will maintain proper records relating to insurances effected by the Council, under arrangements approved by the Director of Resources.

5. Heads of Service will consult the Director of Resources on the terms of any indemnity that the Council is requested to give.

6. Heads of Service will consult the Director of Resources to determine the minimum level of insurance cover required of any person or body (including all Council contractors) to indemnify the Council or to effect insurance cover in accordance with the Council's requirements.
7. The Director of Resources will ensure that insurers are subject to competitive tendering, possibly using brokerage services, at least once every five years.

Section 18: Risk Management

WHY ARE THESE REGULATIONS IMPORTANT?

The Council faces numerous risks: to people (including its employees), to property, to its reputation and to continuity of service delivery. Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives and to successfully execute its strategies. This will include both external and internal risks. Risk Management is the process by which risks are identified, evaluated and managed. Risk management seeks to protect the Council and enable achievement of stated aims and objectives. It also seeks to maximise the rewards that can be gained through effectively managing risk. It is the responsibility of the Executive Committee to approve the Council's risk management policy and strategy and of the Audit Committee to promote a culture of risk management awareness throughout the organisation.

This Section should be read in conjunction with that relating to Insurance (see Section 17), which is just one tool used in the control of organisational risk.

1. The Executive Committee will approve the Council's corporate risk management policy and strategy.
2. The Audit Committee will promote a culture of risk management awareness.
3. The Executive Director will:
 - a. develop risk management processes and procedures to assist in the identification, assessment, reduction and control of material risks
 - b. undertake regular monitoring and review of the corporate and service arrangements for effective risk management
 - c. regularly report the status of monitoring arrangements to the Audit Committee
4. Heads of Service are responsible:
 - a. for risk management within all areas under their control, having regard to appropriate advice from the Executive Director
 - b. for carrying out regular reviews of risk, risk reduction strategies and the operation of appropriate controls (including business continuity plans) within their departments
5. Heads of Service will consult the Director of Resources on the terms of any indemnity that the Council is requested to give.

6. Heads of Service will promptly notify the Executive Director of all new risks that are material, as they are identified.

Section 19: Internal Audit

WHY ARE THESE REGULATIONS IMPORTANT?

The requirement for an Internal Audit function for local authorities is implied by Section 151 of the Local Government Act 1972, which requires that authorities “make arrangements for the proper administration of their financial affairs”. The Accounts and Audit Regulations more specifically require that a “relevant body will maintain an adequate and effective system of Internal Audit of their accounting records and control systems”.

Accordingly, Internal Audit provides one aspect of an independent and objective assurance in the review of the system of internal control as a contribution to the proper, economic, efficient and effective use of resources. In fulfilling this responsibility the Internal Audit service comply with best practice as set out by CIPFA’s Code of Practice for Internal Audit in Local Government, the Institute of Internal Auditors and the Public Sector International Auditing Standards.

1. The Director of Resources will ensure that the Internal Audit service is independent in its planning and operation. Clear and detailed terms of reference will exist for the Internal Audit service, which will be approved and regularly reviewed by the Audit Committee.
2. The Director of Resources or their authorised representative will have authority to enter at all reasonable times any offices, premises or land under the control of the Council and will have unrestricted access to all records, documents and correspondence relating to any matter under consideration, without limitation.
3. All staff and contractors will provide such information and explanations as the Director of Resources considers necessary and will produce upon demand cash, stocks, documents or other property of the Council under their control.
4. Heads of Service will ensure that all contracts awarded under the Council’s Contract Standing Orders and any other contracts requested, are referred to Internal Audit for the proper stage checks to be performed as soon as possible. This may be as a stage review of the Contract Management Checklist, as soon as the final account is agreed and before any retention is paid, or for a standalone review where appropriate.
5. Heads of Service, Senior Managers and other staff will immediately notify the Internal Audit service on behalf of the Director of Resources upon discovery or suspicion of any financial irregularity, whether affecting cash, stocks, property, financial records or otherwise. The

Director of Resources will notify the Executive Director in all significant cases.

6. The Council will set out in policy documents its approach to fraud, bribery and corruption and to “whistleblowing” (see also Section 20).
7. The Internal Audit service will operate an independent fraud hotline for the Council. This will be available to officers and members of the public.
8. Copies of all final audit report summaries will be considered by the Audit Committee.
9. The Head of Internal Audit has direct access to the Executive Director, to all levels of management, to the Chairman of the Audit Committee, the Leader of the Council and the External Auditor.

Section 20: The Council Acting Against Fraud

WHY ARE THESE REGULATIONS IMPORTANT?

The Council is determined to prevent its involvement in activities of fraud and corruption. In order to ensure that, not only, does it minimise opportunities for fraud and corruption to go undetected, but that waste of resources is also minimised, the Council has established an Anti-Fraud and Corruption strategy.

Members and officers are required to make declarations of interests and influences.

Within the Council framework the Audit Committee have a role in promoting the Council's position against fraud, bribery and corruption, by reviewing Council business and the implementation, by officers, of Council decisions. In addition the Audit Committee remit includes the standards of conduct for Members.

Internal Audit and External Audit are key partners in the effective review of anti-fraud and corruption measure that the Council has put in place.

1. The principles of public life apply to anyone who works as a public office holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services. The principles are:
 - a. Selflessness
 - b. Integrity
 - c. Objectivity
 - d. Accountability
 - e. Openness
 - f. Honesty
 - g. Leadership
2. Members and officers make declarations about interests and influences. All Members annually declare their direct interests, which are recorded in a register held by Democratic Services and are available for public inspection. Members are required to notify any change in their interests within 28 days of that change. Officers are required to register their interests and influences with the HR department.

3. The Audit Committee is responsible for promoting and maintaining high standards of conduct for elected members.
4. Internal Audit review, through a risk assessment and significance analysis process, the services and functions of the Council to assist in ensuring the adequacy of the Council's internal control environment. In addition they perform periodic spot checks to ensure established controls remain in place.
5. Whistleblowing
 - a. The Public Interest Disclosure Act 1998 promotes responsible whistleblowing and provides protection for employees and members who raise concerns internally and then where appropriate externally.
 - b. All reported concerns (except for reports relating to housing benefit or council tax support – see c.) will be confidentially investigated by Internal Audit.
 - c. All reports of relating to housing benefit or council tax support will be investigated by the Revenues and Benefits department where appropriate.
 - d. Where investigations show the probability of abuse, the matter and findings should be referred to the Director of Resources (unless the Director of Resources is seen to have a substantial interest in the abuse) who will determine, in consultation with the Executive Director, any follow up action including sanctions and prosecution where appropriate.
6. Bribery Act 2010

The Bribery Act 2010 came into force on the 1st July 2011. It has created a new corporate offence of failing to prevent bribery by third party service providers, to which there is a complete defence of having in place adequate procedures designed to prevent service providers from engaging in bribery.

- a. Principal bribery offences
This is giving, offering, receiving and accepting bribes; this covers any advantage given to a person in the course of their work or public function to get that person to behave improperly (usually to show favour in circumstances in which the person should not be showing favour).
- b. Secondary bribery offences
This is the offence of "failure to prevent bribery" when a third party service provider gives a bribe with the intention of benefitting the Council. If adequate procedures designed to prevent bribery are in place, then this is a complete defence. The onus is on the organisation to prove that it had adequate procedures.

Section 21: External Audit and Inspection

WHY ARE THESE REGULATIONS IMPORTANT?

Public Sector Audit Appointments Ltd is responsible for appointing external auditors to each Council from the 1st April, 2015. The basic duties of the external auditor are governed by statute.

The Council may from time to time also be subject to audit, inspection or investigation by various other external bodies. The External Auditor, government department inspectorates and bodies such as HMRC and the Inland Revenue have statutory rights of access. Rights of access are also sometimes granted under contractual arrangements, including partnerships where the Council is not the lead body. It is important that all officers of the Council respond to external scrutiny in a timely, professional and helpful manner.

1. The Director of Resources will facilitate the co-ordination of the work of internal and external audit together with ensuring appropriate consideration of External Audit reports by the Audit Committee.
2. External Auditors are appointed by Public Sector Audit Appointments Ltd from the 1st April, 2015. The External Auditors have specific responsibilities in relation to the Council's accounts, corporate governance arrangements and value for money:
 - a. For the audit of the Council's financial statements.
 - b. For the Council's Annual Governance Statement.
 - c. For the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources.

The External Auditors provides other services, in particular the audit of external grants claims.

3. Co-ordination of all other inspection and independent review work will be the responsibility of the relevant Heads of Service.
4. Heads of Service will give External Auditors and any other inspectors access at all reasonable times to premises, personnel, documents and assets which they consider necessary for the purposes of their work.

Section 22: Treasury Management and Leasing

WHY ARE THESE REGULATIONS IMPORTANT?

Treasury Management is in place to provide assurance that the Council's money and overall cash flow are properly managed, in a way that balances risk with return but with overriding consideration being given to the security of investments.

The signing of leases and other forms of credit can have a wider financial impact than just the rental payments. It is therefore necessary that the Director of Resources be given the opportunity to evaluate the costs of any potential agreement before it is legally binding.

1. General

The Director of Resources is responsible for all investment, borrowing and leasing undertaken in the name of the Council.

2. Treasury Management

The Director of Resources will:

- a. prepare annually a Treasury Management Policy Statement setting out the duties of Members and officers covering all aspects of treasury management for consideration by the Executive Committee and recommendation to Full Council
- b. prepare annually a Treasury Management Strategy setting out the Council's strategy for consideration and approval by the Executive Committee
- c. prepare annually an Investment Strategy for consideration and approval by the Executive Committee
- d. recommend to the Council, before the commencement of each financial year (when setting the budget) a range of Prudential Indicators, including borrowing limits, to be set for that financial year in accordance with statute and the CIPFA Prudential Code
- e. arrange the borrowing and investments of the Council in such a manner as to comply with the CIPFA Code of Practice on Treasury Management and the Council's Treasury Management Policy Statement and its annual Strategy
- f. make all investments, borrowings and other financing transactions only in the name of the Council

3. Leasing and Similar Credit Arrangements

Leasing and other similar credit arrangements, including new or extended leases of land and property, may only be entered into with the written consent of the Director of Resources. Such arrangements may be defined for this purpose as any lease, contract hire or other contract or series of contracts under which the use of an asset is obtained in exchange for a series of payments which extend beyond the end of the following financial year.

Section 23: Pay and Conditions of Employment

WHY ARE THESE REGULATIONS IMPORTANT?

Staffing costs are the largest single item of expenditure for most Council services. It is therefore important that payments are accurate, timely, made only where they are due and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are paid in accordance with the scheme adopted by Full Council.

Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax can be severe. It is therefore important for all officers to be aware of their role.

1. General

Terms and conditions of employment are to be determined by the Council and the Director of Resources. The Director of Resources is responsible for the administration of all arrangements for the payment of salaries, pensions, travel and subsistence claims and other emoluments to existing and former employees, and for all related matters.

2. Deductions from Pay

The Director of Resources will make proper arrangements for all statutory and other deductions from pay, including tax, national insurance and pension contributions, and payment of such sums to the bodies concerned.

3. Terms of employment

Heads of Service will promptly notify the Director of Resources of:

- a. the terms and conditions applying to new contracts of employment
- b. any changes or events affecting the salaries, wages or emoluments of the Council's employees
- c. all resignations, retirements and terminations of employment

4. Provision of Information

Heads of Service will provide to the Director of Resources:

- a. all relevant information in an agreed format and within agreed time scales to enable the prompt and accurate payment of all elements of pay
- b. notification of the impending departure of any employee.

5. Members' Allowances

Payments to elected Members of the Council will be made by the Director of Resources in accordance with the Council's Members Allowances Scheme.

Section 24: Reports to Members

WHY ARE THESE REGULATIONS IMPORTANT?

New and changing policies of the Council result from consideration of reports from officers. Policies could therefore be set on the basis of insufficient or misleading information if both the financial and risk management implications have not been considered, and if commitments are made these could lead to financial difficulties for the Council.

1. Reports will only be put before the Council, Committees, Forum or Working Parties Members if both the financial and risk management implications for the Council have been considered and presented fairly in the report. Informal advice to Members will also have regard to any significant financial implications.
2. Consultation will take place as appropriate between the authors of reports, the Director of Resources and any other Heads of Service affected, in good time for any financial and risk management implications to be properly identified.
3. Where there are no financial or risk management implications or they are negligible, the report will say so.

Examples of proposals with potential financial implications

Broadly speaking any actual or proposed action or decision that affects the Council's finances in any way has a financial implication.

Listed below are examples of actions or decisions that are likely to have a financial implication. However this list is not exhaustive and it should be borne in mind that other areas of action or decision will undoubtedly have financial implications too.

- *Anything that affects the current year's budget or capital programme, for example:*
 - *a new service*
 - *an improved service level*
 - *cessation of a service*
 - *a reduction in service level*
 - *a new capital project*

- *Anything that affects the budget or capital programme of future years, for example:*
 - *ongoing net cost of a new or improved service*
 - *ongoing net revenue cost of a new capital project*
 - *reduced ongoing effect of service cessation or reduction*
 - *reduced ongoing effect of the sale or disposal of a capital asset*

- *Anything that affects the Council's level of income, for example:*
 - *an increase or reduction in charges*
 - *introduction of a charge for a service currently provided free*
 - *free provision of a service currently provided at a charge*

- *Anything that affects the Council's ability to recover VAT, for example:*
 - *provision of a new exempt or partly exempt service*
 - *a new capital project or existing capital asset to be used for exempt or partly exempt purposes*
 - *transfer of a service or undertaking to another body*
 - *See Section 12 for more detail*

- *Anything that affects the Council's entitlement to government grant, for example:*
 - *action which may result in an increase or reduction of grant entitlement*

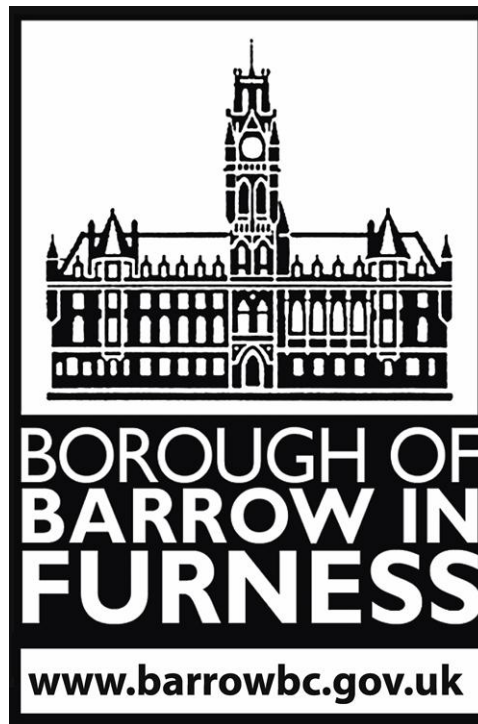
- *Anything that enables the Council to attract outside funding from any source, for example:*
 - *a new partnership*
 - *a new third party funding arrangement or a new agency arrangement*

- *Anything that could potentially expose the Council to legal action, government surcharge or other financial penalty, for example:*
 - *an action which could be subject to legal challenge*
 - *an action which could lead to fines or penalties being imposed on the Council*

- *Any action that may result in the payment of redundancy or other staff severance costs, for example:*
 - *cessation of a service leading to a surplus of staff*
 - *reduction in a service level leading to a surplus of staff*
 - *externalisation of a service (including where TUPE applies)*

- *Any action that would affect the market value of a Council asset, for example:*
 - *a reduction in the maintenance level of an asset leading to a lower asset value*

- *Any action likely to increase the Council's insurance costs, for example:*
 - *the use of a Council asset for what is perceived to be a higher risk purpose*
 - *a worsening claims record*



Contract Standing Orders

Contract Standing Orders

1. General

These Contract Standing Orders apply to the purchase by or on behalf of the Council of works, supplies (goods) and services with a contract value of £100,000 and above, or for contracts of a lower value where tendering is appropriate. Procurement below £100,000 is managed through the Council's Purchasing Procedure which has requirements such as the number of prices for different levels of expenditure.

Except as provided in paragraph 15 below, every contract made by the Council shall comply with these Contract Standing Orders. All contracts shall comply with EU Procurement Directives, Public Contract Directives and UK law. The exceptions in paragraph 15 do not apply where EU Directives and Regulations relating to public sector supply contracts must be complied with.

Any agent or consultant appointed by the Council to supervise or assist with a contract shall be placed under an obligation to comply with these Contract Standing Orders and the Financial Regulations of the Council as if they were a project manager of the Council.

In these Contract Standing Orders the word tender shall mean a price given by a contractor for a suitable specified contract by invitation.

2. Auditing

Contracts are subject to review in accordance with Financial Regulations section 19. This includes the completion of the Contract Management Checklist and Internal Audit stage checks and clearance of the final account prior to payment where appropriate. Where a final account type of contract does not exist, the project manager shall inform Internal Audit at the commencement of the contracting process.

3. Contracting Process

As a minimum, contracts awarded under these standing orders will follow this process; for service contracts the process ends after the second Internal Audit stage review:

- For capital projects, completion of capital appraisal template which includes costs, benefits, risks and alternatives. For planned housing maintenance, this is the stock condition survey turned into a programme of prioritised delivery. For services an appraisal to Management Board or the Executive Committee if appropriate.
- Capital bids are assessed by capital programme group and successful bids are included in the capital programme for approval by the Executive Committee. For planned housing maintenance, this is performed by the Housing Management Forum.

- Any works element is specified and estimated for tendering – this is documented by the project manager.
- Contractor's expressions of interest are sought against the specification, using appropriate method of tender. The Council's contract clauses (Section 14) must be included at this stage.
- Contractors are vetted and appraised. This may be by a pre-qualification questionnaire and a credit report or through an approved framework arrangement where contractors are pre-vetted.
- Selected, interested contractors invited to tender and provided with the form of tender, the date and time for responding and the evaluation criteria.
- Returned tenders entered into the tender opening register, or time and date "stamped" on the electronic systems.
- Late or invalid tenders are returned.
- Valid tenders are formally evaluated.
- The tender evaluation and pricing is reported to the Executive Committee for decision.
- **First Internal Audit stage review.**
- The successful contractor is notified and unsuccessful contractors are notified together with anonymised tender evaluation results.
- The contract is signed and sealed.
- **Second Internal Audit stage review.**
- Once the contract commences, the appropriate contract documentation must be used, including where appropriate payment certificates, variations, extensions of time and completion certificates.
- Contract 50% complete in terms of cost.
- **Third Internal Audit stage review.**
- At practical completion, a project review is reported to the Capital Programme Group as set out in paragraph 13.
- Final account presented.
- **Fourth and final Internal Audit final stage review.**
- Final account paid.

4. Options Appraisal

Any purchase or project must be subject to the principles of options appraisal and it is expected that the project manager will have considered the full implications and alternative means of achieving the same objective.

The resource spent on this and the level of documentation of this process will be proportionate to the value and type of the purchase or project.

Options appraisals will be undertaken for:

- all those with a total cost of £100,000 or more, or
- other projects below this as decided by Management Board.

Capital appraisals must be approved by the Capital Programme Group before any report to the Executive Committee and before inclusion in the Council's budget, and the appraisal must be approved before any expenditure has been incurred.

Revenue or service options appraisals will be reported to Management Board before any report to the Executive Committee.

5. Selection of Tenderers

Selecting tenderers is the stage in the procurement process when the competent contractors to bid are identified.

The selection process must incorporate an assessment of the contractors' capacity, including their financial and or economic standing and their technical or professional ability. By applying these rules, which reflect the above EU Treaty principles, the selection of competent contractors will be open and fair.

To determine the means for assessing whether prospective tenderers meet the minimum standards, officers should relate to the purpose, nature, quantity or importance of the contract. For contracts for works or services and goods involving installation, you can assess a supplier's technical ability by taking into account their skills, efficiency, experience and reliability.

Interest is invited through the Chest (electronic tendering portal) and through contact with existing and previous contractors where appropriate.

A pre-qualification questionnaire (PQQ) is a set of questions prepared to assist in assessing the suitability of prospective tenderers. They may be used to draw up a list of suitable organisations to be invited to tender for a particular contract. PQQs may include questions relating to financial standing, health and safety, experience, efficiency, reliability and skills – including current and past contract performance – management and structure, qualifications, training and workforce matters. The Council can require all contractors wishing to be invited to tender for a particular contract to answer a PQQ.

Where a framework agreement is used, this must be approved by the Executive Committee. The selection process for contractors or suppliers must be equivalent to or higher than the evaluation that the Council would usually perform. The project manager should ensure that the selection and vetting process is fully documented and is as robust and challenging as the Council's own procedures to ensure that any risk to the Council is minimised through the framework.

6. Tendering

Tenders will be invited from a minimum of four competent contractors, unless otherwise approved by the Executive Committee.

The tender notice will include:

- a specification of the works or services required;
- the form of tender;
- the date and time for the submission of tenders;
- any details relevant to the tender submission;
- the date that the contract will be let from;
- the evaluation criteria to be used in awarding the contract; and,
- a note stating that the Council is not bound to accept any tender.

Tender invitations should be in a common format and include the standard form of tender and non-collusion certificate.

Sufficient invitation to tender should be issued to obtain a minimum of four tenders from competent contractors. Where there are many competent contractors and tenderers have to be selected (shortlisted) from those, a fair method should be used to ensure that the same contractors are not repeatedly invited to the exclusion of others.

7. Receipt and Opening of Tenders

Tenders will only be considered if they are returned by the time specified, in a plain envelope which is securely sealed, or through an approved electronic system, and bears only the word "Tender" followed by the subject to which the tender relates. The envelope must not bear any distinguishing matter or mark from which it would be possible to identify the tenderer. Written tenders shall be returned addressed to the Democratic Services Manager as required by the public notice or invitation to tender and will remain in their custody after they have been received until the time appointed for opening.

Where tenders are not submitted through an electronic system, the envelopes or other packaging must be retained to identify the date and time of the tender being received.

To ensure the robustness and transparency of the tendering process, all tenders for a particular contract shall be opened at the same time by the project manager together with the Chairman or Vice-Chairman of the Executive Committee and the Democratic Services Manager; or their representatives as delegated. The opening of the tenders must be evidenced in the tender opening register, or by electronic means, and include the date and time of opening.

Tenders opened electronically shall be recorded in the tender opening register for completeness where these are opened by Council officers and Members.

Council tenders should not normally be opened by any other party without prior permission of the Executive Director or the Director of Resources.

8. Late / Invalid Tenders

Any tender received after the specified time for receipt or which does not comply with the tender instructions shall be returned to the tenderer by the Democratic Services Manager. Late tenders shall be opened by the Democratic Services Manager solely for the purpose of returning them to the sender.

9. Errors in Tenders

Where the tender is expressed as a total sum and an examination of the tender reveals errors or discrepancies which would affect the total the tenderer shall be given details of the error and discrepancies and given an opportunity of confirming or withdrawing their offer.

10. Acceptance of Tenders

Only valid tenders may be considered for the contract award; received on time and containing all relevant information. Any project manager assessing tenders must consider all of the valid tenders received in relation to that contract and evaluate them against the predetermined evaluation criteria. The tender evaluation is reported to the Executive Committee who then awards the contract based on the scores achieved against the evaluation performed.

11. Negotiated Contracts

Contracts may only be negotiated where tenders have been requested and no suitable tenders have been received or in exceptional situations where the nature of the contract or the risks involved do not permit overall pricing. In such situations Chief Officers must be consulted and will decide, in conjunction with the relevant Deputy Chief Officer, whether a negotiation process is appropriate and will receive the results of all such negotiations to report to the Executive Committee for decision before entering into a contract.

12. Letting of Contracts

Contracts over £100,000 may only be awarded by the Executive Committee; these provisions exclude the specific exceptions in paragraph 15 below.

In cases where the Council may nominate a sub-contractor to a main contractor, these Contract Standing Orders shall apply to that nomination as they would to tendering procedures for ordinary contracts with the necessary modifications to wording. Detailed guidance and assistance must be obtained for any contract that is above the EU threshold. EU Procurement Directives must be complied with and best value must be demonstrated.

13. Extending Contracts

Where a service contract has no contractual option to extend, the Executive Committee can extend that contract for up to two years with the current contractor on the same basis, or a more beneficial basis to the Council. For works that are on a current or live contract, an extension or additional contract can be approved by the Executive Committee for similar works, in the same geographical area and at the original tender rate; subject to this not exceeding the £100,000 contract limit. There is a presumption against contracts being extended or granted in this way, and this must not be done if the additional goods, services or works could have been included in the original contract. Similarly a contract must not be extended under this paragraph where the combined value of the original and extended contract would exceed the EU threshold limit.

14. Project Review Report

A project review report should be submitted to the Capital Programme Group for contracts let under Contract Standing Orders.

Where a contract has exceeded the approved total costs by the lesser of 10% or £100,000, this will be reported to the Executive Committee in the capital programme update.

Housing planned maintenance project reviews are reported to the Housing Management Forum which then goes on to the Executive Committee.

The project review should be carried out once the project reaches practical completion.

15. Contract Clauses

All contracts awarded under these Orders must be made in writing, signed by both parties, retained by Legal Services, or electronically where authorisation can be recorded, and include the following:

- The works, supplies (goods), services, materials, matters or things to be carried out or supplied.
- The time within which the contract is to be performed.
- Quality requirements and/or standards which must be met.
- Requirements on the contractor to hold and maintain appropriate insurance.
- What happens in the event that the contractor fails to comply with its contractual obligations (in whole or in part).
- Requirements on the contractor to comply with all relevant equalities and health and safety legislation.
- Requirements on the contractor to comply with the Bribery Act 2010 and the Local Government Act 1972 section 117(2).

- The expectation to make use of the Council's Whistleblowing Policy and must bring it to the attention of all relevant employees and/or agents.
- The contractor must not assign, sub-contract, licence or otherwise dispose of any part of their rights or obligations under this contract without the Council's written consent.
- A performance bond, cash deposit or alternative security may be required when a contract exceeds £150,000 or if required by Chief Officers.
- The Council has a duty to disclose the details of contracts when requested under the Freedom of Information Act 2000.
- For any contracts involving the use/sharing of personal data the Council's Data Sharing Agreement must be completed and will form part of the contract.

Where a contract provides for a final payment or retention, there must be a further clause:

- The Final Account, or final payment, will be withheld by the Council until clearance by Internal Audit.

Additionally, where appropriate contracts must include terms for liquidated damages to be paid by the contractor in case of a default.

16. Exceptions to the Contract Standing Orders

Nothing in these Contract Standing Orders shall require tenders to be invited if:

- the Executive Director and Director of Resources in consultation with the Chairman or Vice-Chairman of the Executive Committee, determine that:
 - the relevant goods, work or services are required so urgently as to justify a departure from the rules; or
 - the works, goods or services are of a specialised nature and it would not be practicable to go to more than one contractor or supplier, or this would result in no genuine competition.
- Goods are purchased at auction.
- Works, goods or services are purchased through a consortium, framework, or similar body who operate under similar Codes of Practice or who can demonstrate selection of the best source of supply.
- Works, goods or services are purchased through a mini-competition within a framework.
- The Council is acting as an agent for another body who require their regulations to apply to the contract.

The exercise of any of these, and reasons for it, must be reported to the next meeting of the Executive Committee. For housing planned maintenance, the award through the framework or mini-competition must be reported to the next Housing Management Forum, which goes on to the Executive Committee.

Where the exceptions are exercised, the following criteria apply:

- Authorisation from the Executive Director or Director of Resources is documented.
- Contracts awarded through a consortium, framework or mini-competition within a framework, are awarded by officers.
- Contracts awarded through a consortium, framework or mini-competition within a framework, are reported to Members for noting.

17. Sealing of Documents

All contracts awarded under these Contract Standing Orders require sealing as confirmation of approval by the Executive Committee.

18. European Union

As a public sector body the Council is subject to the European Union (EU) Procurement Directives, which set out a legal framework for public procurement, the purpose of which is to open up the public procurement market and to ensure free movement of goods and services within the EU. The overriding principles of the European Treaty in letting contracts include: Openness, Transparency and Equality of Treatment.

The current EU financial thresholds are valid from the 1st January 2014 (they are reviewed bi-annually). Value is based on a likely spend for a particular project or in the case of a continuous need the likely spend requirement over 48 months.

The thresholds can be found on the website of the Official Journal of the European Union: <http://www.ojec.com/threshholds.aspx>.

When planning a project of this size, officers must allow sufficient time as an EU tender can take six months or more from start to finish. The steps and timescales involved are fixed. The additional time is needed to evaluate the expressions of interest; conduct supplier appraisals including financial issues; conduct site visits; allow presentations; tender evaluations and to take up references.

The Contract Standing Orders raise awareness of EU Regulations only. Officers must seek specific professional advice as deemed appropriate when undertaking contracts that fall above the EU thresholds for tendering.

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 10
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Anti-Fraud Policies</p> <p>Summary and Conclusions:</p> <p>The Council’s Anti-Fraud Policies have been reviewed to ensure that they remain relevant, current and reflect best practice.</p> <p>Recommendations:</p> <p>To recommend the Council to approve the updated Anti-Fraud Policies.</p>		

Report

The following documents have been reviewed and updated to ensure that they are relevant, current and reflect best practice:

The Anti-Fraud and Corruption Policy (**Appendix 3**) sets out the Council’s commitment to the prevention and detection of fraud and corruption. It outlines the responsibilities of staff, Members and management, and sets out the procedures to be followed where suspicion of financial or other irregularity is raised.

The Whistleblowing Policy (**Appendix 4**) applies to all staff, Members and those contractors working for the Council. The Policy sets out the Council’s expectation where serious concerns are raised.

There are no significant amendments since the previous year, other than to expand some items for clarification and some grammatical amendments.

(i) Legal Implications

The recommendation has no implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

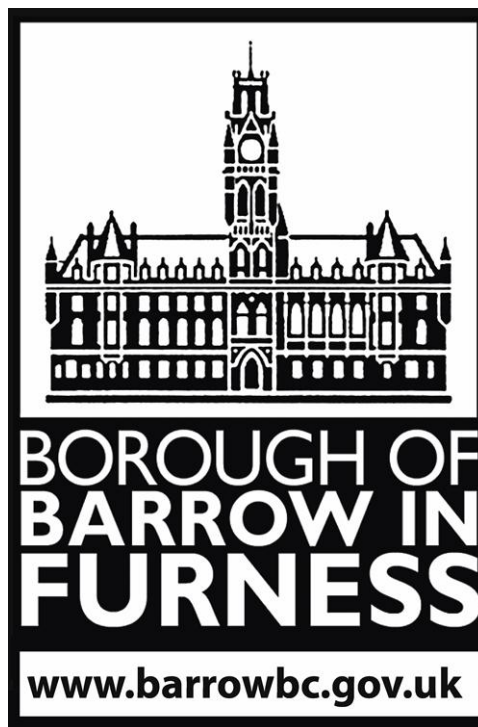
The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



Anti-Fraud and Corruption Policy

Version Control:	
Document Name:	Anti-Fraud and Corruption Policy
Version:	23022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Anti-Fraud and Corruption Policy

Introduction

This Policy outlines the Council's commitment to creating an anti-fraud culture and maintaining high ethical standards.

The Council is determined to prevent its utilisation in activities of theft, fraud, bribery and corruption. In order to ensure that, not only, does it minimise opportunities for fraud and corruption to go undetected, but that waste of resources is also minimised, the Council has set up a series of procedures which are summarised in this Policy.

In terms of proactive measures, the Council is involved with data matching through the National Fraud Initiative, the Housing Benefit Matching Service and also used the National Anti-Fraud Network.

Definitions

Theft

Dishonestly appropriating property belonging to another, with the intention of permanently depriving them.

Fraud

The intentional distortion of financial statements or other records by persons internal or external to the Council, which is carried out to conceal the misappropriation of assets, or otherwise for gain.

Bribery

The offering, promising, or giving of a financial or other advantage, to a person with the intention of bringing about another's improper performance of an activity, or rewarding such improper performance. Bribery can arise where the acceptance of an advantage, in the knowledge that it is offered, promised or given, constitutes an improper performance of an activity.

Corruption

The offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the Council, its Members, or officers. This includes using personal relationships to influence actions.

Risk areas

Fraud can happen whenever staff or people outside the Council complete official documentation and have the opportunity to take financial advantage of the Council, especially where adequate checking and validation does not

occur. Consequently, the following areas are particularly susceptible to theft, fraud, bribery or corruption:

- Claims from contractors and suppliers.
- Travel and expense claims.
- Cash and cheque receipts.
- Petty cash and cash floats.
- Payroll.
- Purchasing and procurement of contracts.
- Delivery of services under contract, where payments are or may be received.
- Stocks and assets, particularly portable or attractive items.
- Investments.
- Benefits.
- The approval of grants.
- Disposal of assets.
- Development or sale of land.
- Inspections.
- The taking of enforcement action.
- Award of consents or licences.
- Money laundering.
- Council tax discounts.

Principles of public life

The principles of public life apply to anyone who works as a public office holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties. They should not act

or take decisions in order to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interest and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decision in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for doing so.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should promote and support these principles by leadership and by example, and should act in a way that secures or preserves public confidence.

Role of Staff

The Council require all staff to report any suspicions of theft, fraud, bribery or corruption, to enable a proper investigation into the circumstances to be undertaken. If a member of staff does not feel comfortable speaking to their line manager, they should contact the Director of Resources, Internal Audit or where it relates to Benefits, the Benefits Team. Alternatively, if a member of staff is concerned about the behaviour of another member of staff, they may prefer to contact the Monitoring Officer or the HR Manager, who will then involve the Director of Resources, if theft, fraud, bribery or corruption is a possibility (the Council has also adopted a Whistleblowing Policy, which staff should be aware of). Staff can also go directly to the External Auditor, or the Police; however, this should only be the case in exceptional circumstances.

Role of Members

All Council Members are expected to report any instances of improper conduct. Members are expected to play an important role through leading by example and being seen to support the Council's Policy. Members are also covered by the Whistleblowing Policy.

Role of Managers

Theft and Fraud - Whilst it is impossible to create a 100% fraud-proof system, Managers must ensure that the system they operate includes a reasonable number of effective controls designed to detect and prevent fraud and error. The actions and controls that Managers should consider are as follows:

- Documenting procedures and controls, and training all staff in their use;
- Ensuring all staff are familiar with the Council's Rules, including revisions etc.;
- Carrying out spot checks to ensure compliance with procedures and regulations;
- Ensuring separation of duties between staff (as far as possible) so that no one person is solely responsible for the initiation through to the completion of a transaction, i.e. authorising a transaction, processing the transaction, collecting cash/cheques where appropriate, receiving goods/services and recording the transaction;
- Assigning appropriate levels of delegation, e.g. orders over a certain value to be signed by a restricted number of staff;
- Rotating staff responsibilities, where possible, to avoid one person always having sole charge over a given area;
- Introducing an adequate 'internal check' (at its simplest, this involves an independent officer checking the work/calculations/documentation prepared by the initiating officer. Internal check may also mean splitting the processing of a transaction between two or more officers; unless there is extensive collusion between staff, this will reduce the opportunity for fraud);
- Ensuring expenditure is authorised prior to expenses being incurred;
- Ensuring expenses/petty cash claims are supported by receipts;
- Minimising cash/cheques/stock holdings (confirming bankings, cash/cheque balances regularly);
- Reviewing budget monitoring statements, be alert to trends, e.g. falling income or increasing travel expenses and follow up variances;
- Ensuring staff take their proper allocation of holidays and that other staff undertake their duties in their absence (cover arrangements must be robust); and
- Regularly reviewing processes to identify weak links that may be vulnerable to potential fraud.

Declarations

Members and officers make declarations about interests and influences. All Members annually declare their pecuniary interests, which are recorded in a register held by Democratic Services and are available for public inspection. Members are required to notify any change in their interests within 28 days of that change.

At Council meetings Members may also formally declare their interest in any matters, which are on the agenda for discussion. Records of these declarations are held by Democratic Services.

Members are required to declare all gifts and hospitality, including those declined. The receipt and register of such declarations is held by Democratic Services.

All staff are required to declare their direct interests and this register is held by the Human Resources Department.

Staff are required to declare all gifts and hospitality, including those declined. The receipt and register of these declarations is held by the Human Resources Department (wherever possible hospitality and gifts should be firmly refused).

Each of the above mentioned records are available for public inspection at any reasonable time.

Scrutiny and Audit Committees

The Council has an Overview and Scrutiny Committee that covers the whole range of Council activities and can look at any aspect of a service under their remit.

The political membership of each Committee is proportionate to the political split of the Council and the Chairman of the Scrutiny Committee is from the major opposition party.

The Council's Audit Committee is charged with responsibility of Governance for the Council and its terms of reference are:

Audit Activity

- To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and planned) and the level of assurance it can give over the Council's corporate governance arrangements.
- To consider summaries of specific internal audit reports.
- To consider reports dealing with the management and performance of the internal audit provider.
- To consider reports from internal audit on agreed recommendations not implemented within reasonable timescale.
- To consider the external auditor's annual letter, relevant reports, and the report to the Management Board and Council.
- To consider specific reports as agreed with the external auditor.
- To comment on the scope and depth of external audit work and to ensure it gives value for money.
- To consider the appointment of the external auditor where appropriate.

Regulatory Framework

- To maintain an overview of the Council's Constitution in respect of Contract Standing Orders, Financial Regulations.
- To promote and maintain high standards of conduct for elected and co-opted members in accordance with the relevant provisions of the Localism Act.
- To review any issue referred to it by the Executive Director, Director of Resources, or any Council body.
- To monitor the effective development and operation of risk management and corporate governance in the Council.
- To monitor Council policies on the anti-fraud and anti-corruption strategy and the Council's complaints process.
- To approve the production of the authority's Annual Governance Statement and to recommend its adoption.
- To consider the Council's arrangement for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- To consider the Council's compliance with its own and other published standards and controls.

Accounts

- To review and approve the annual statement of accounts. Specifically to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statement or from the audit that need to be brought to the attention of the Council.
- To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Financial Regulations

The fundamental core to the Council's Anti-Fraud and Corruption Strategy are the Authority's Financial Regulations and Contract Standing Orders and other policies and procedures which are mentioned in and emanate from those. These documents are regularly reviewed and are available on the Council's Intranet and Internet.

Internal Audit

The Authority has an effective Internal Audit Service which:

- Is answerable to the Director of Resources.
- Can report in detail direct to Management Board.
- Reports quarterly to the Audit Committee.
- Has the authority to bypass the usual reporting procedures and go direct to Members or the external auditor if the necessary situation arises.

Internal Audit review the majority of services and functions of the Council to assist in ensuring the adequacy of the internal control environment. This is performed with services and functions rotating against an assessment of risk, weighted frequency and available resource. In addition, Internal Audit performs periodic spot checks to ensure established controls remain in place.

External Audit

External Audit is provided by an external company, as appointed by the Audit Commission, an independent agency of Government.

The External Auditor's role is set by the Code of Audit Practice, under which they have two specific responsibilities in relation to our accounts and arrangements for securing value for money:

- For the audit of the Council's financial statements and statements on internal control, they provide an opinion whether the statements present fairly the financial position of the Council and its expenditure and income, and whether they have been prepared properly in accordance with relevant legislation and applicable accounting standards.
- For the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources, they have a duty to satisfy itself that the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The Code requires that the external auditor give a conclusion on whether such arrangements are satisfactory. In meeting this responsibility they need to review and, where appropriate, examine evidence that is relevant to our corporate and financial management arrangements and report on such arrangements.

Whistleblowing Policy

The Council has also adopted a Whistleblowing Policy, available on the Intranet.

Whistleblowing encourages and enables employees to raise serious concerns **within** the Council rather than overlooking a problem or 'blowing the whistle' outside.

The policy applies to all employees and those contractors working for the Council on Council Premises. The policy also applies to Members.

Receipt of concerns from members of the public

The free phone facility **0800 389 2330** operated by Internal Audit is available for members of the public to report their concerns. Callers can either give their names and contact details or remain anonymous.

There is also an online form on the Council's website which allows confidential reporting by email.

All reported concerns (except for reports relating to housing benefit or council tax support – see below) will be confidentially investigated by Internal Audit.

All reports relating to housing benefit or council tax support will be investigated by the Revenues and Benefits Department.

Where investigations show the probability of abuse the matter and findings is to be referred to the Director of Resources who will determine, in consultation with fellow members of the Management Board, any follow up action including sanctions and prosecution where appropriate.

Where the Director of Resources is seen to have a substantial interest in the abuse, the matter and findings should be referred to another member of the Management Board or if not appropriate, the external auditor.

The availability of the free phone number is advertised on literature, in publications, on the website and in relevant media from time to time.

The use of the Fraud Hotline (statistics only) is reported quarterly to the Audit Committee.

Fraud response plan

A concern is raised

Internally this may be raised by an officer, or may be detected through management controls or the review work performed by Internal Audit.

Where appropriate, concerns raised internally should be reported to the line manager or Head of Service for an initial investigation to confirm or repudiate suspicions.

External concerns are usually reported to Internal Audit for an initial investigation.

Investigation

Where an initial enquiry suggests fraud etc., the matter is reported to the Director of Resources.

Internal Audit will usually be requested to carry out a formal investigation; reporting to the Director of Resources or the Executive Director as appropriate – ensuring that complete and applicable records are maintained to support the investigation.

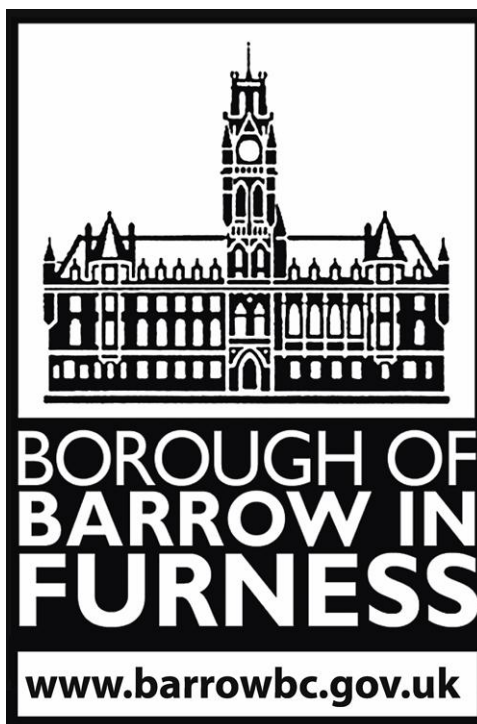
Action

Following full investigation, if the suspicions are proven, the Director of Resources will request the HR Manager to determine whether any officer should be subject to disciplinary action and to implement that action.

The Director of Resources will determine whether it is necessary to inform the external auditor and any other bodies affected by the fraud.

If criminality is suspected, then the matter will be passed to the Police after discussion with the Director of Resources and where Members or officers may be involved, the HR Manager.

Repayment of any loss and prosecution will be sought in all appropriate cases.



Whistleblowing Policy

Version Control:	
Document Name:	Whistleblowing Policy
Version:	23022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Whistleblowing Policy

What is Whistleblowing?

Whistleblowing encourages and enables employees to raise serious concerns **within** the Council rather than overlooking a problem or 'blowing the whistle' outside. Employees are often the first to realise that there is something seriously wrong with an organisation. However, they may not express their concerns as they feel that speaking up would be disloyal to their colleagues or to the Council.

Our commitment

The Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect employees, and others that we deal with, who have serious concerns about any aspect of the Council's work to come forward and voice those concerns, without fear of reprisal. All applicable and genuine disclosures are protected.

Who does the Policy apply to?

The policy applies to all employees, (including those designated as casual, temporary, agency, authorised volunteers or work experience), and those contractors working for the Council, such as staff employed by outsourced functions, agency staff, builders. The policy also applies to Members.

The aims of the Policy

- To encourage you to feel confident in raising concerns and to question and act upon concerns about practice.
- To provide avenues for you to raise concerns in confidence and receive feedback on any action taken.
- To ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied.
- To reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made a disclosure in good faith.

What types of concern are covered?

To qualify for protection under the Public Interest Disclosure Act 1998, the disclosure must relate to one or more of the following:

- that a criminal offence has been committed, is being committed or is likely to be committed,
- that a person has failed, is failing or is likely to fail to comply with any legal obligation to which he is subject,
- that a miscarriage of justice has occurred, is occurring or is likely to occur,

- that the health or safety of any individual has been, is being or is likely to be endangered,
- that the environment has been, is being or is likely to be damaged, or
- that information tending to show any matter falling within any one of the preceding points has been, is being or is likely to be deliberately concealed.

For the purposes of protection, it is immaterial whether the relevant failure occurred, occurs or would occur in the United Kingdom or elsewhere, and whether the law applying to it is that of the United Kingdom or of any other country or territory.

A disclosure of information is not a qualifying disclosure if the person making the disclosure commits an offence by making it.

A disclosure of information in respect of which a claim to legal professional privilege could be maintained in legal proceedings is not a qualifying disclosure if it is made by a person to whom the information had been disclosed in the course of obtaining legal advice.

It should be noted that there is a difference between grievance and protected disclosure – a grievance relates to an employee personally, whereas a disclosure relates to, for example, a criminal offence of another person in the workplace.

Safeguards and victimisation

The Council recognises that the decision to report a concern can be a difficult one to make. If you believe what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and those for whom you provide a service. The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern in good faith.

Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness. This policy encourages you however to put your name to your concern whenever possible. Please note that:

- Staff must disclose the information in good faith.
- Staff must believe it to be substantially true.
- Staff must **not** act maliciously or make false allegations (this will be viewed as gross misconduct).
- Staff must **not** seek any personal gain.

How to raise a concern

As a first step, you should normally raise concerns with your immediate line manager or their superior. This may depend, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that management is involved you should approach a more senior level of

management within your Directorate. It is the Manager's responsibility to ensure the concern is treated seriously such as, provide in confidence facilities if required, investigate and report appropriately.

Members should raise concerns with the Monitoring Officer, Executive Director, Director of Resources or with Internal Audit.

Contractors should raise concerns with the Council officer acting as the contract or project manager or with Internal Audit.

The Financial Regulations require that the Director of Resources shall be notified of all financial or accounting irregularities or suspected irregularities. This policy does not supersede that requirement; it does in fact provide the opportunity to raise concerns directly to Internal Audit through the designated number.

To make a confidential call please ring the dedicated Whistleblowing Hotline free phone number 0800 389 2330. This is an independent service which offers complete anonymity. Concerns can also be raised via the confidential reporting facility on the Council's website.

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 11
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: DWP Delivery Partnership Agreement</p> <p>Summary and Conclusions:</p> <p>The Council has been approached to enter into a Delivery Partnership Agreement with the DWP to facilitate the delivery of Universal Credit related services for 2015-2016. This report requests delegation for officers to sign Delivery Partnership Agreements with the DWP.</p> <p>Recommendations:</p> <p>To recommend the Council to approve the delegation of signing DWP Delivery Partnership Agreements to the Executive Director and the Director of Resources provided that the provision of the services does not alter.</p>		

Report

The Council currently facilitates Universal Credit related services through contracts with Barrow Citizen's Advice Bureau and Liberata UK Limited.

Barrow Citizen's Advice Bureau provides personal budgeting support and online support from referrals made by the DWP.

Liberata UK Limited provides support to the Universal Credit service centre and manually processes Council Tax support information; this was previously automated and will be automated again from November 2015.

The Council will approach these organisations to request that the services be continued from April 2015 to March 2016, apart from manual Council Tax support processing which ends earlier. Contracts, agreements and funding will all be discussed and proposed.

In order to fit in with the timeframe of signing a Delivery Partnership Agreement, Members are recommended to ask that Council delegate this to the Executive Director and the Director of Resources; either of whom could sign the agreement. This would apply for all subsequent year and not just for 2015-2016; until the service provision alters.

Should the arrangements with either Barrow Citizen’s Advice Bureau or Liberata UK Limited no longer be offered, then officers would report back to Members and together with relevant information seek a decision.

The current Delivery Partnership Agreement contains no financial risk to the Council. The proposed Delivery Partnership Agreement for 2015-2016 is structured slightly differently and the contract or agreement with the external organisations will reflect that in order to mitigate any risk to the Council. The key point to note is that the funding will be agreed and then capped, with increased volumes being negotiable on a prospective quarterly basis. Officers shall mitigate any risk to the Council and will highlight these provisions to the external organisations involved.

Claim figures of 1,194 have been estimated by the DWP for 2015-2016 and these include the families which are being brought into the scope of Universal Credit:

	April	May	June	July	August	September	October	November	December	January	February	March
Claims	88	78	125	117	76	118	87	85	80	109	128	103

Percentages are applied to estimate the number of cases for:

- personal budgeting support – average of 5 a month
- online support – average of 5 a month
- support for the service centre – average of 20 a month
- Council Tax support processed manually – average of 20 a month (April to October only)

(i) Legal Implications

The recommendation has no implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE		Part One (D) Agenda Item 12
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Pay Policy Statement</p> <p>Summary and Conclusions:</p> <p>The Council is required to publish its' Pay Policy Statement as part of the Government transparency agenda.</p> <p>Recommendations:</p> <p>To consider the Pay Policy Statement and agree that it be published on the Council's website.</p>		

Report

The Council is required under the Code of Recommended Practice for Local Authorities on Data Transparency 2011, to publish details of salaries paid to senior staff online with effect from 30th March 2012.

This information is updated on an annual basis and the Pay Policy Statement for 2015-2016 is attached at **Appendix 5**. The appendices contained in the Pay Policy Statement will be hyperlinked to the related policies when it is published online.

(i) **Legal Implications**

The recommendation is a requirement under the transparency agenda.

(ii) **Risk Assessment**

The recommendation has no significant implications.

(iii) **Financial Implications**

The recommendation has no implications.

(iv) **Health and Safety Implications**

The recommendation has no significant implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

Barrow Borough Council Pay Policy Statement 2015/16

Background

Under section 112 of the Local Government Act 1972, the Council has the 'power to appoint officers on such reasonable terms and conditions as authority thinks fit'. This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying;

- The detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation;
- Executive committee are responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.

The Pay Policy Statement was approved by full Council on 20th March 2012 coming into immediate effect and is subject to review on an annual basis being approved by 31st March each year.

Other legislation relevant to pay and remuneration

In determining the pay and remuneration of all of its Chief Officers, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

Pay Structure for Chief Officers

The Council uses locally determined rates with spot salaries, which are subject to pay increases negotiated with joint trade unions, via the national pay bargaining arrangements (the JNC for Chief Officers).

All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.

From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

Any temporary supplement to the salary scale for the grade, for example ex-gratia payments and honoraria, is approved in accordance with the Council's constitution, i.e. via Executive Committee and approved at full Council.

Chief Officer Remuneration

For the purposes of this statement, senior manager means 'chief officers' are defined below. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1st April 2014. In addition to the Executive Director, there are 4 employees designated as Chief Officers and receiving salaries over £45,000 per annum. The Council's Organisation Structure is attached at Appendix 1.

Executive Director

Salary currently set at £92,000 pa (spot salary)
Set by Council in January 2012 as part of Budget Strategy for 2012-2015
Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Executives
Will not receive Returning Officer fees
Will not be subject to performance related pay
Will be published as part of transparency agenda

Director of Resources

Salary set at £73,600 pa (spot salary - 80% of Executive Director pay)
Set by Council in January 2014 as part of management restructure.
Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Officers
Will not be subject to performance related pay
Will be published as part of transparency agenda

Assistant Director Regeneration & Built Environment Assistant Director Community Services

Salary set at £47,000 pa (spot salary - 51% of Executive Director pay)
A 10% increase to reflect additional responsibilities
Set by Council in January 2012 as part of Budget Strategy for 2012-2015
Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Officers
Will not be subject to performance related pay

Assistant Director – Housing

Salary set at £47,000 pa (spot salary - 51% of Executive Director pay)
Set by Council in January 2014 as part of management restructure.
Will receive any inflationary increases agreed as part of national negotiations under the auspices of the JNC for Chief Officers
Will not be subject to performance related pay

Recruitment of Chief Officers

The Council's policy and procedures with regard to recruitment of chief officers is set out within the Recruitment Policy (Appendix 2) and as set out in the Constitution. Executive Committee or a sub-committee will make all chief officer appointments.

When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own policies (Recruitment Policy (Appendix 2), Redeployment Policy (Appendix 3) as approved by Council.

The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Additions to Salary of Chief Officers

The level of remuneration is not variable dependant upon the achievement of defined targets.

To meet specific operational requirements it may be necessary for an individual to temporarily take on additional duties to their identified role. The Council's arrangements for authorising any additional remuneration relating to temporary additional duties are set out in the NJC Terms and Conditions for Local Government Services for calculation of honoraria, and the Councils Ex-gratia Payments Policy (Appendix 4).

In addition to basic salary, the following posts receive elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses occurred in the fulfilment of their duties;

<i>Post</i>	<i>Payment Details</i>
Chief Officers	Lump Sum Car Allowances

Payments on Termination

The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within the Early Retirement Policy (Appendix 5) and Redundancy Policy (Appendix 6) in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) Discretionary Compensation) Regulations 2006.

The Council has an enhanced redundancy scheme in place aimed at encouraging volunteers and reducing the need for compulsory redundancies. This scheme uses the statutory calculator (age/length of service) to determine the number of weeks pay volunteers will be entitled to and then applies a multiplier (2) subject to a cap at 52 weeks pay. Actual pay is used in the calculation NOT the statutory maximum.

For volunteers aged over 55 and entitled to early access to pension, there will be no discretionary additions to payments.

The severance terms apply to all employees of the Council.

Any payments falling outside the provisions of the above policies, (pay in lieu of notice, working notice, gardening leave etc) will be made on a case by case basis and shall be subject to a formal decision by Executive Committee and approved by Council.

Settlement Agreements

Under the Enterprise and Regulatory Reform Act 2013 the Council will use Settlement Agreements where there exists a clear and real risk of an Employment Tribunal case and where it is commercially expedient to do so. Settlement Agreements will not be considered as normal protocol when employment terminates.

Settlement Agreements are not necessary in a voluntary or compulsory redundancy scenario. If the Council's redundancy policy and procedure has been complied with and if a Senior Manager's employment has been terminated with proper notice and where any dismissal is fair, a Settlement Agreement is unnecessary. In addition, the Council avoids having to pay the legal fees incurred by the employee for the review of the agreement. The Council will therefore only use Settlement Agreements where there exists a real risk of Employment Tribunal litigation.

Publication

Upon approval by full Council, this statement will be published on the Council's website.

Lowest Paid Employees

The lowest paid persons employed under a contract of employment with the Council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal point with the Council's grading structure.

As at 1st April 2015, this is £13,500 per annum (spinal column point 5).

The current pay levels within the Council (at 31.12.14) gives the multiple between the median full time equivalent earnings and the Chief Executive as 1:4.5.

The ratio between the lowest paid employees and the Chief Executive is 1:6.8.

Accountability and Decision Making

In accordance with the Constitution of the Council, Executive Committee are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

Re-employment / Re-engagement of former Chief Officers

The Council will not normally re-employ/re-engage former chief officers.

Appendices

Appendix 1	Organisation Structure
Appendix 2	Recruitment Policy
Appendix 3	Redeployment Policy
Appendix 4	Ex-gratia Policy
Appendix 5	Early Retirement Policy
Appendix 6	Redundancy Policy

EXECUTIVE COMMITTEE	(R) Agenda Item 13
Date of Meeting: 11th March, 2015	
Reporting Officer: Executive Director and Director of Resources	
<p>Title: The Council Plan</p> <p>Summary and Conclusions:</p> <p>The Council Plan is the overarching plan for the Council and sets out the focus for the priorities and direction for the use of the available resources. The corporate documents that support, inform and guide the Council Plan are the Council Priorities, the Medium Term Financial Plan and the Workforce Strategy. These documents have all been reviewed to ensure that they remain relevant and reflect the outcome of the 2015-2016 budget setting process.</p> <p>Recommendations:</p> <p>To recommend the Council:</p> <ol style="list-style-type: none"> 1. To approve the Council Plan for 2015-2016; 2. To approve the Council Priorities document for 2015-2016; 3. To approve the Medium Term Financial Plan for 2015-2016 to 2019-2020; and 4. To approve the Workforce Strategy. 	

Report

The Council Plan is attached at **Appendix 6**; it is a strategic document that brings together the Council's purpose, vision and corporate policies necessary to enable the Council Plan to be delivered.

The introduction sets out the purpose of the Council Plan and reflects on the local economy. The Council Plan then reiterates the Council's vision, its values and corporate policies. The corporate policies that support the Council Plan are then summarised:

- Council Priorities;
- Medium Term Financial Plan; and
- Workforce Strategy.

The Plan ends with the performance arrangements, so that it is clear that the Council is transparent in communicating its progress and delivery of the Council Plan.

The Council Plan is the focal document that the corporate policies and strategies align to. The Council Plan is intentionally brief as it is a strategic document.

The Council Plan has been updated to reflect the dating of the supporting corporate documents and for the objectives for 2015-2016.

The Council Priorities (Appendix 7) document has been updated and re-formatted to include a responsible officer for each objective. The objectives are for 2015-2016 and these have been updated and added to where appropriate. As explained in the document, service performance indicators have been identified for 2015-2016 and these will provide Members with a regular management overview of the Council's services.

The Medium Term Financial Plan (Appendix 8) has been updated following the 2015-2016 budget setting process. The Plan projects forward to 2019-2020 and identifies the annual shortfall in financing the budget requirement. The shortfall is funded by reserves set aside for this purpose, which allows time for changes to be made to the core budget in order to achieve long term financial stability whilst remaining resilient. The Medium Term Financial Plan is based on a number of assumptions which are highlighted in the document and link to the risk assessment of financial reserve in the Reserves and Balances policy. The current 2019-2020 projection identifies a shortfall of £0.6m which is a drift from the figures reported to this committee on 10th September, 2014, where a balanced 2019-2020 was presented. The drift is caused by particular assumptions projected forward, which will be reviewed when setting the next budgets and Budget Strategy.

The Workforce Strategy (Appendix 9) sets out the Council's aims and objectives for staff and set out clearly what the expectations are with regard to the contribution needed for all members of the workforce.

(i) Legal Implications

The recommendation has no implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

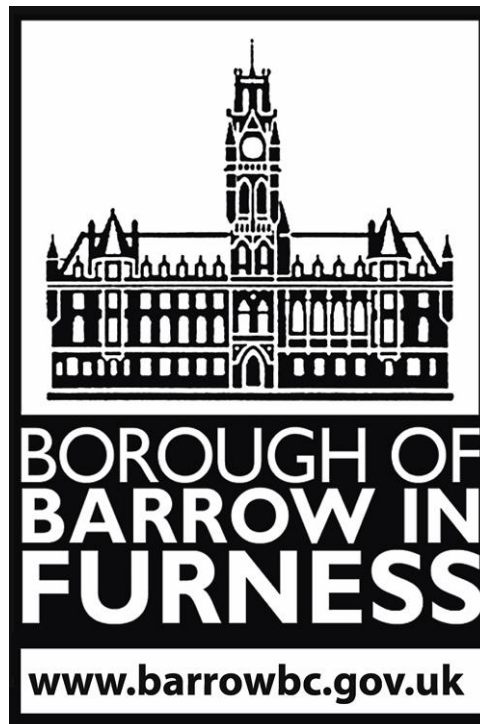
The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



The Council Plan

Version Control:	
Document Name:	The Council Plan
Version:	26022015.1
Author:	Executive Director and Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

The Council Plan: 2015-2016

Introduction

Barrow Borough Council delivers services to people who live in, work in and visit the Borough. The Council Plan is the overarching plan for the Council and sets out the focus for the priorities and direction for the use of the available resources.

The Borough and surrounding Furness area is on the verge of a sustained period of economic growth the like of which it has not seen since the early 1980's. It will spike over the next 6-8 years with capital build, but employment growth in work programmes will roll out to the late 2030's. This growth will come from a number of sources but particularly BAE Systems who are investing £0.4bn to finance a £35bn submarine programme, GSK who are investing £0.3bn in their biopharmaceutical plant in Ulverston, Sellafield; outside the immediate area but our 4th or 5th biggest employer; who will be investing £10bn, plus smaller investments adding up to £12bn presents an amazing opportunity for the Borough: it is a generational opportunity.

Within its limited resources the Council are playing a leading role in this, in making sure the maximum value of the investment remains in the local area in terms of new houses, factories for the supply chain, new skills, new apprentices, and new businesses.

The Council's vision for the Borough is aligned to the opportunities that this economic growth will realise. The vision is delivered through priorities which provide a focus for the use of resources. Each priority has objectives that are outcome or output based, and are managed as part of the Council's business as usual; being incorporated into service delivery as seamlessly as possible. This approach allows the Council to achieve its priorities in a sustainable and efficient manner.

The Council's Vision

The Council's Vision is to enhance the economic and social future of the Borough to meet the needs and aspirations of the community.

To deliver this vision, the Council has agreed the following priorities to deliver tangible benefits to the community and address the headline issues for the Council and its staff:

- Housing
- Regeneration and Public Realm
- Local Economy
- Service Delivery

The Council Plan: 2015-2016

The Council's Values

The Local Code of Corporate Governance sets out the Council's values and these include:

- The Council will maintain shared values including leadership values (openness, support and respect) both for the Council and its officers. These are defined in the constitution and reflect public expectations about the conduct and behaviour of individuals.
- The Council will use shared values as a guide for decision making and as a basis for developing positive and trusting relationships within the Council. This is demonstrated by adherence to the constitution.
- The Council has adopted formal codes of conduct defining standards of personal behaviour for Members and officers.
- The Council maintains the Audit Committee to raise awareness and take the lead in ensuring high standards of conduct are embedded within the Council's culture.
- The Council has put in place arrangements to ensure that Members and staff of the Council are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. The Council has put in place appropriate processes to ensure that these arrangements are workable including declaration of interests and anti-corruption policies.

Corporate Policies

The corporate policies that support, inform and guide the Council Plan are:

- **Council Priorities 2015-2016;**
- **Medium Term Financial Plan 2015-2020; and**
- **Workforce Strategy.**

These are supported by strategies guiding the use of other key resources:

- Asset Management Strategy
- Capital Strategy
- Treasury Management Strategy
- Value For Money Strategy
- Information Technology Strategy

The Council Plan: 2015-2016

The Council's Priorities: 2015 to 2016

Housing

The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.

- Agreed objectives:
 - Bring empty properties back into use
 - Improve the choice and quality of properties in the Town Centre
 - Adopt the Council's Local Plan
 - Achieve and maintain the decent homes standard for the Council's housing stock

Regeneration and Public Realm

The Council is committed to working with partners and service providers to enhance the built environment and public realm.

- Agreed objectives:
 - Improve the amenities of the Borough
 - Improve the streetscape and central courtyard on Barrow Island

Local Economy

The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.

- Agreed objectives:
 - Continue to support the Marina Village Development
 - Support commercial regeneration of Barrow town centre
 - Support the delivery of BAE Systems site investment programme
 - Assist in the delivery of the Barrow Island growth zone
 - Support for low income families
 - Review the use of capital assets to assist the development of the third sector in the Borough

The Council Plan: 2015-2016

Service Delivery

The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

- Agreed objectives:
 - Provide future financial sustainability of the Council
 - Improve the customer experience
 - Provide greater flexibility of transparency data
 - Measure customer satisfaction
 - Implement the Workforce Strategy

The Medium Term Financial Plan: 2015 to 2020

Financial planning is a key tool for strategic management and is an aid to operational decision making. Without financial planning the Council would be unlikely to achieve its Priorities or make the best use of its resources. The Medium Term Financial Plan is a financial representation of the Council's Vision and supports its Priorities.

The Medium Term Financial Strategy is to continue the Budget Strategy's aim of eliminating the deficit in the core budget. This will require the continued use of reserves to set the pace of change and achieve long term financial resilience.

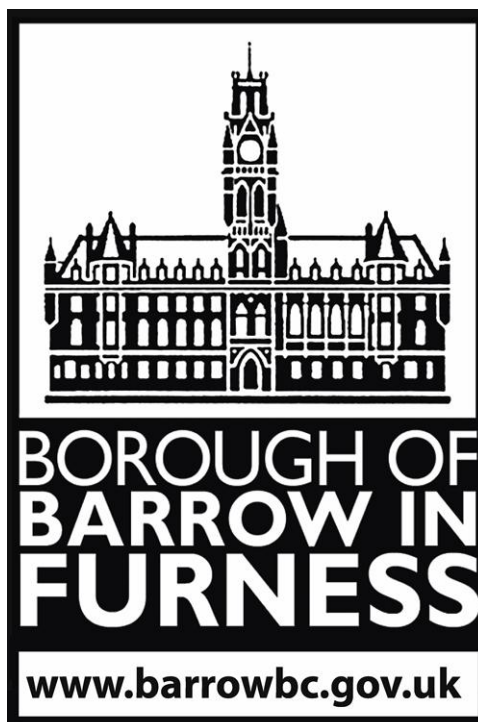
The Workforce Strategy

The Council has undergone significant changes in recent years. The Council relies on the skills and knowledge of the workforce to deliver efficient and effective services to customers.

The Workforce Strategy clarifies the Council's aims and objectives for staff and sets out clearly what the expectations are with regard to the contribution needed from all members of the workforce.

Performance

The Council's performance in delivering its priorities and the outputs for each year is reported to the Executive Committee and presented in the Council's Annual Report, Annual Governance Statement and Statement of Accounts.



Council Priorities 2015-2016

Version Control:	
Document Name:	Council Priorities 2015-2016
Version:	26022015.1
Author:	Executive Director & Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Council Priorities

Introduction

This document sets out the Council's priorities together with the specific objectives which contribute to the delivery of those priorities for 2015-2016. It also sets out a series of service performance indicators that will allow Members to monitor the Council's services at a management level.

This is one of three key policy documents that support the Council Plan; together with the Medium Term Financial Plan and Workforce Strategy.

The Council Plan and supporting documents represent the process of allocating available resources among the Council's priorities and business as usual. These are presented as tangible objectives and service performance measures.

Priorities

The Council's vision is to enhance the economic and social future of the Borough to meet the needs and aspirations of the community. Good business planning must involve setting priorities and working on the most important ones first. The priorities identified by the Council are:

1. **Housing** – the Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.
2. **Regeneration and Public Realm** – the Council is committed to working with partners and service providers to enhance the built environment and public realm.
3. **Local Economy** – the Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for the community.
4. **Service Delivery** – the Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

Performance

Each priority has a number of objectives identified for 2015-2016 and these are shown in the tables on the following pages.

The tables show the action or actions identified to achieve or progress towards delivery of the objective, the outcome of the action, the target and the responsible officer.

The targets are mainly dates of achievement; these are the dates when the outcome can be measured.

As the objectives are largely project based, monitoring too regularly would not provide useful information as there would be little progress to report.

The objectives will be reported to the Executive Committee on a six monthly basis, with the provision that should there be any significant achievements ahead of target then these be reported to the next available Executive Committee.

Any re-programming of the targets will also be reported to the Executive Committee.

Given that the achievement of the objectives is mid-term in relation to the financial year, Members will monitor services through a number of performance indicators.

The indicators have been selected to provide a management overview across the Council's services and will use a red, amber, green system for reporting.

The indicators will be reported quarterly to the Executive Committee.

The service performance indicators will be set at the start of each financial year with the previous year performance, current year target, frequency of reporting (a small number are annual indicators) and the responsible officer.

Objectives and indicators for 2015-2016

The objectives, targets and service performance indicators for 2015-2016 are shown in the following sections.

Objectives**Housing**

No.	Objective	Action	Outcome	Target	Responsible
1.1	Bring empty properties back into use.	Deliver the Clusters of Empty Homes project.	349 properties brought back into residential use by 2017.	80 properties	Assistant Director Regeneration and Built Environment
1.2	Improve the choice and quality of properties in the Town Centre.	Deliver group repair of properties in Rawlinson Street.	Improved properties following group repair scheme.	25 properties	Assistant Director Regeneration and Built Environment
		Establish group repair scheme for Greengate Street.		December 2015	
		Development strategy for vacant land at Arthur Street.	Assess options for development and present to Members.	December 2015	
1.3	Adopt the Council's local plan.	Publication of preferred options.	Approved planning policies guiding the development and use of land in the Borough.	June 2015	Assistant Director Regeneration and Built Environment
1.4	Achieve and maintain the decent homes standard for the Council's housing stock.	Major improvements to dwellings failing the decent homes standard.	The decent homes standard is achieved for all of the Council's housing stock.	75 properties	Assistant Director Housing

Regeneration and Public Realm

No.	Objective	Action	Outcome	Target	Responsible
2.1	Improve the amenities of the Borough.	Review the waste collection, recycling and street cleansing strategy.	Strategy for the services is established which can focus service development.	March 2016	Assistant Director Community Services
		Agree proposals for the crematorium refurbishment.	Refurbished crematorium building and office facilities.	September 2015	
		Agree enhanced heritage offer for the Dock Museum with BAE Systems.	Enhanced facilities and features for visitors.	September 2015	
2.2	Improve the streetscape and central courtyard on Barrow Island	Improve the general streetscape by introducing trees and better quality street furniture. Landscape the central courtyard and areas between adjacent blocks of flats.	Improved streetscape and public realm on Barrow Island funded from the Clusters of Empty Homes grant funding.	December 2015	Assistant Director Regeneration and Built Environment

Local Economy

No.	Objective	Action	Outcome	Target	Responsible
3.1	Continue to support the Marina Village development. The Marina Village development remains a long-term aspiration of the Council. Site assembly continues as purchases become available, subject to valuations being agreed.	Site assembly of remaining 3 parcels of land.	Full site assembled.	2015-2016 and beyond	Executive Director
3.2	Support commercial regeneration of Barrow town centre.	Shop front grant scheme delivered.	Shop fronts and shopping streets improved.	15 shops	Executive Director
		Support town centre partnership and BID process.	BID funded town centre improvements	2015-2016 and beyond	
3.3	Support the delivery of BAE Systems site investment programme.	Work with BAE Systems to facilitate the programme.	Opportunities for the Borough maximised.	2015-2016 and beyond	Assistant Director Regeneration and Built Environment
3.4	Assist in the delivery of the Barrow Island Growth Zone.	Work with Cumbria County Council to facilitate the project.	Serviced plots and rate relief incentives on the Waterfront.	Commence groundworks December 2015	Assistant Director Regeneration and Built Environment
3.5	Support for low income families.	Maintain support for the Council Tax Reduction Scheme.	Financial protection for those on low income.	September 2015	Management Board
		Support discretionary housing payments.	Financial assistance with housing costs.	Throughout 2015-2016	

No.	Objective	Action	Outcome	Target	Responsible
		Support disabled facilities grants.	Support for disabled residents to remain in their homes.	Throughout 2015-2016	
		Monitor the Welfare Reform Action Plan.	Assist Council tenants to mitigate the impacts of welfare reform.	Throughout 2015-2016	
		Facilitate Universal Credit services in partnership with the DWP.	Provide effective services for those claiming Universal Credit.	Throughout 2015-2016	
3.6	Review the use of capital assets to assist the development of the third sector in the Borough.	As properties become available, the future use assessment will include consideration of the third sector.	Opportunity to make best use of Council assets for the community.	2015-2016 and beyond	Management Board

Service Delivery

No.	Objective	Action	Outcome	Target	Responsible
4.1	Provide future financial sustainability of the Council.	Agree a new Budget Strategy for 2016-2020.	Agreed Budget Strategy.	December 2015	Executive Director
4.2	Improve the customer experience.	Redesign website and landing pages (residential, commercial and visitor).	Improved use of the web site.	September 2015	Management Board
		Introduce new online forms for services.	Increase self-service online.	December 2015	
		Review services available online to increase web usage.	Increase services available online.	December 2015	
		Introduce online booking for the Park Leisure Centre facilities.	Self-service available to customers.	June 2015	
		Review the Customer Services Strategy.	Customer focussed services. Consistent service delivery. Links to web site and Web Strategy. Review the strategy for: <ul style="list-style-type: none"> • Self-service opportunities; • Telephone services; • Face to face provision. 	March 2016	
4.3	Provide greater flexibility of transparency data.	Implement the Comprehensive Knowledge Archive Network (online database) for transparency publishing.	Publishing consistency and analysis tools available to users.	June 2015	Management Board

No.	Objective	Action	Outcome	Target	Responsible
4.4	Measure customer satisfaction.	Review current customer satisfaction data collected in all services.	Identify areas where information is required and review best practice across the Council.	March 2016	Management Board
		Develop a plan to collect priority service data in relation to customer satisfaction.	Customer satisfaction information will be reported to Members and will be used to develop services around expectations as far as possible.		
4.5	Implement the Workforce Strategy	Cascade performance appraisals.	Deliver training sessions to managers and supervisors.	From April 2015	Director of Resources
		Review absence management policies.	Assist management in the control of days lost to sickness.	December 2015	
		Carry out second workforce survey.	Survey staff to measure the impact of actions taken from the results of the first survey.	March 2016	

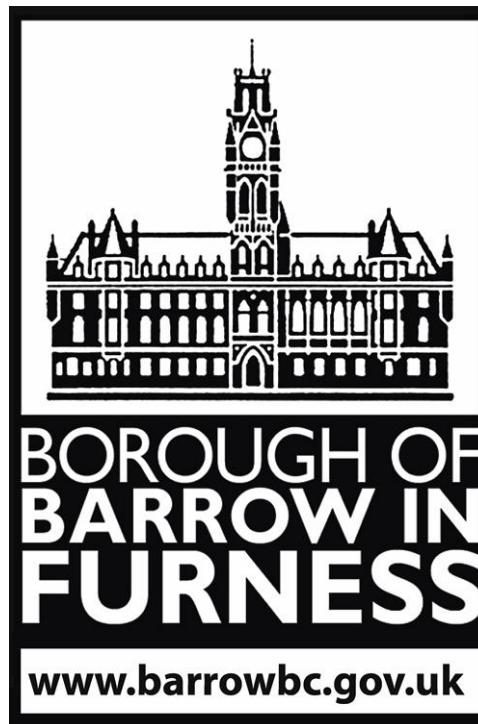
Service performance indicators

The following service performance indicators have been selected to provide Members with a management overview of the Council's operations.

All of the indicators will have targets set at the start of each financial year. Prior year performance will be included in the target setting report and responsible officers will also be identified. The frequency of reporting will be identified as a small number can only be reported once a year.

Monitoring will be quarterly, reported to the Executive Committee, using a red amber green system.

1. Average time to process new housing benefit claims.
2. Average time to process new council tax support claims.
3. Average time to process changes of circumstances for housing benefit claims.
4. Average time to process changes of circumstances for council tax support claims.
5. Park Leisure Centre activity numbers.
6. Dock Museum visitor numbers.
7. The Forum ticket sales.
8. Pay and display ticket sales.
9. % of local land charge searches completed in 5 days.
10. % of council tax collected.
11. % of NNDR collected.
12. NNDR liability on void commercial properties.
13. Average days of sickness per employee.
14. Right To Buy sales.
15. High risk premises due for inspection completed for food safety.
16. Average residual household waste %.
17. Average household recycling %.
18. Number of disabled facilities grants.
19. Planning applications processed; major applications in 13 weeks and others in 8 weeks.
20. Supply of ready to develop housing sites - the number of dwellings that can be built on as deliverable housing sites as % of housing supply requirement.
21. Change in the Borough demographic – increase or decrease in population.



Medium Term Financial Plan

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Document Name:	Medium Term Financial Plan
Version:	25022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Medium Term Financial Plan **2015-2016 to 2019-2020**

A. Introduction

Financial planning is a key tool for strategic management and is an aid to operational decision making. Without financial planning the Council would be unlikely to achieve its priorities or make the best use of its resources.

The Medium Term Financial Plan (MTFP) is a financial representation of the Council's Vision and supports its priorities.

The Council's Vision is to enhance the economic and social future of the Borough to meet the needs and aspirations of the community.

The priorities of the Council are:

- **Housing:** The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.
- **Regeneration and Public Realm:** The Council is committed to working with partners and service providers to enhance the built environment and public realm.
- **Local Economy:** The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.
- **Service Delivery:** The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

This MTFP covers the period from 2015-2016 to 2019-2020. The level of Government support for the Council is only known for 2015-2016.

Medium Term Financial Strategy

The Medium Term Financial Strategy is to continue the Budget Strategy aim of eliminating the deficit in the core budget. This will require the continued use of reserves to set the pace of change and achieve long term financial resilience.

Medium Term Financial Plan **2015-2016 to 2019-2020**

B. Planning process

To ensure a robust and achievable Medium Term Financial Plan is established, the planning process covered a number of key aspects:

- Leadership – leading Members and the Management Board demonstrate strong leadership of finances and strategic direction.
- Priorities – the Medium Term Financial Plan reflects the Councils Vision which is supported by its Priorities.
- Ownership – the Director of Resources produces and updates the Medium Term Financial Plan.
- Achievement – the Director of Resources will monitor adherence to the Medium Term Financial Plan and will quantify and report any significant deviation to the Executive Committee and Management Board.
- Risk management – the Medium Term Financial Plan highlights the key considerations in terms of finance and refers to the Reserves and Balances Policy for the risk assessment of financial reserves.
- Efficiencies – the Management Board will continue to pursue efficiencies and eliminate these from the core budget. This is an on-going process.
- Completeness – the Medium Term Financial Plan incorporates the Councils Priorities, the Budget Strategy – Deficit Reduction, the Councils Budget Setting process for revenue, capital and treasury management, and the Council Tax setting.
- Relevance – the Medium Term Financial Plan will be reviewed periodically throughout the financial year and revised for known financial impacts. This includes a review once the previous financial year outturn is known.

Medium Term Financial Plan **2015-2016 to 2019-2020**

C. The funding gap

The Government support for the Council for 2010-2011 was £9.1 million. For 2015-2016 the Government support is £6.1 million.

Compared to 2010-2011, the settlement now includes around £0.9 million of funding for items not included in the main settlement in 2010-2011; excluding these additional items, the £5.2 million estimated settlement for 2015-2016 is £3.9 million lower in cash terms than the 2010-2011 settlement, a reduction of 43%.

As the financing available for the Council reduces, so must the net expenditure. The balanced budget that is required for the Council uses specific items in determining the Total Revenue Financing. The Total Revenue Financing must be balanced, or matched to the Net Revenue Budget – this is the money spent delivering services.

The items included in Total Revenue Financing are:

- Government Financial Settlement;
- Other general Government grant – these are not ring-fenced, which means that they are not tied to a particular service. If they were for a specific service, they would be netted off against the running costs of that service;
- Council Tax;
- NNDR – through the Business Rates Retention Scheme; and
- Any surplus or deficit from preceding years Collection Fund – this is the over or under recovery of Council Tax and NNDR from the last complete financial year, as at the time the budget is set.

For 2015-2016, the Total Revenue Financing adds up to £11.4 million:

- Government Financial Settlement £6.1 million;
- Other general Government grants £1 million;
- Council Tax £4 million; and
- Collection Fund surplus £0.3m.

The Net Revenue Budget must therefore be £11.4 million to have a balanced budget.

Under the Local Government Finance Act 1992, the Council is charged with setting a balanced budget by the 11th March of the preceding financial year.

Medium Term Financial Plan **2015-2016 to 2019-2020**

D. Budget Strategy – Deficit Reduction

Forecasting the Council's budget at the time of the Budget Strategy produced a cumulative deficit of £5 million unless corrective action was taken. This is still a valid baseline for comparing the reduction going forward:

	2011-12 £m	2012-13 £m	2013-14 £m	2014-15 £m	2015-16 £m
Staff pay	5.6	6.1	6.3	6.5	6.6
Other costs	10.9	11.2	11.4	11.7	12.0
External income	(7.1)	(7.2)	(7.2)	(7.2)	(7.2)
Treasury items	1.5	1.6	1.8	1.8	2.0
Pension costs	1.1	1.1	1.2	1.3	1.3
Net Revenue Budget	12.0	12.8	13.5	14.1	14.7
Government support	(7.1)	(6.2)	(5.5)	(4.8)	(4.9)
Council Tax	(4.3)	(4.4)	(4.6)	(4.7)	(4.8)
Total Revenue Financing	(11.4)	(10.6)	(10.1)	(9.5)	(9.7)
Deficit on the year	0.6	2.2	3.4	4.6	5.0
Restructuring Reserve	(0.6)				
Net deficit	0				

The Budget Strategy, to balance the General Fund budget by 2015-2016, was endorsed by Full Council on the 24th January 2012.

The Budget Strategy identified five key components that would drive the Net Revenue Budget down to match the revenue financing available:

1. Prudent use of balances;
2. Efficiency measures;
3. Reduce staffing costs;
4. Increasing income; and
5. Service reductions.

The £5 million budget reduction required by the Budget Strategy has been achieved from efficiency savings £2.1 million, savings in staff pay £1.9 million and increased income £1 million.

The 2015-2016 budget has been balanced without using reserves and the estimated revenue coming in for the year equates to the budgeted net expenditure, resulting in no Council Tax increase requirement for the year.

Medium Term Financial Plan **2015-2016 to 2019-2020**

E. General Fund revenue budget

The 2015-2016 budget was approved by Full Council on the 3rd March, 2015 as:

	2015-16 £m
Staff pay	4.7
Other costs	10.8
External income	(6.5)
Treasury items	1.4
Pension costs	1.2
One-off movements in reserves	(0.2)
Net Revenue Budget	11.4
Government support	(6.1)
Government grants	(1.0)
Council Tax	(4.0)
Collection Fund surplus	(0.3)
Total Revenue Financing	(11.4)
Net shortfall	0

The projected reserves and balances at the 31st March, 2016 are:

Reserves	31/3/2016 £m
General Fund Balance	2.30
Restructuring Reserve – MTFP	2.87
Restructuring Reserve – transformation	0.25
Renewals Reserve	0.42
Insurance Reserve	0.08
Losses Reserve	0.59
Budget Contingency	0.35
Apprenticeships	0.12
Welfare Support	0.13
CCTV	0.04
Total	7.15

The Councils reserves are set out in the Reserves and Balances policy. Reserves are earmarked for specific purposes through recommendations to Full Council from the Executive Committee.

Medium Term Financial Plan **2015-2016 to 2019-2020**

2016-2017 Projection

The projection for 2016-2017 incorporates the following projections:

- Annual increases:
 - 1% pay award and natural increments
 - 5% inflation on gas, electricity and water charges
 - 3.1% inflation on NNDR
 - 3.2% inflation on grounds maintenance contract
 - 1.8% on recycling, refuse and street cleansing contract
 - 2.6% on revenues, benefits and CRM contract
 - 4.1% on pension costs
 - Natural increments on staff pay
- Neighbourhood Management Team removed from budget as previously agreed.
- Final year of grant from the Weekly Collection Support Scheme – this supports revenue from the previous reduction of recycling credits.
- Additional income from fees and charges (activity and prices at 2.5% where applicable)
- Additional external interest earned on temporarily surplus cash.
- No new borrowing.
- Continued membership of the Cumbria Business Rates Pool.
- 10% reduction in Revenue Support Grant.
- 1.9% Council Tax increase.

	Projection 2016-2017 £m
Staff pay	4.8
Other costs	10.8
External income	(6.6)
Treasury items	1.4
Pension costs	1.2
One-off movements in reserves	(0.4)
Net Revenue Budget	11.2
Government support	(5.9)
Government grants	(1.0)
Council Tax	(4.0)
Total Revenue Financing	(10.9)
Net shortfall	0.3

Medium Term Financial Plan **2015-2016 to 2019-2020**

2017-2018 Projections

The projection for 2017-2018 incorporates the following projections:

- Annual increases:
 - 1% pay award and natural increments
 - 5% inflation on gas, electricity and water charges
 - 3.1% inflation on NNDR
 - 3.2% inflation on grounds maintenance contract
 - 1.8% on recycling, refuse and street cleansing contract
 - 2.6% on revenues, benefits and CRM contract
 - 4.1% on pension costs
 - Natural increments on staff pay
- Additional income from fees and charges (activity and prices at 2.5% where applicable)
- Additional external interest earned on temporarily surplus cash.
- No new borrowing.
- Continued membership of the Cumbria Business Rates Pool.
- 10% reduction in Revenue Support Grant.
- 1.9% Council Tax increase.

	Projection 2017-2018 £m
Staff pay	4.8
Other costs	11.0
External income	(6.7)
Treasury items	1.4
Pension costs	1.3
One-off movements in reserves	(0.1)
Net Revenue Budget	11.7
Government support	(5.7)
Government grants	(0.8)
Council Tax	(4.1)
Total Revenue Financing	(10.6)
Net shortfall	1.1

Medium Term Financial Plan **2015-2016 to 2019-2020**

2018-2019 Projections

The projection for 2018-2019 incorporates the following projections:

- Annual increases:
 - 1% pay award and natural increments
 - 5% inflation on gas, electricity and water charges
 - 3.1% inflation on NNDR
 - 3.2% inflation on grounds maintenance contract
 - 1.8% on recycling, refuse and street cleansing contract
 - 2.6% on revenues, benefits and CRM contract
 - 4.1% on pension costs
 - Natural increments on staff pay
- Ending of housing benefit administration responsibilities and functions.
- Review of revenues service.
- Additional income from fees and charges (activity and prices at 2.5% where applicable)
- Additional external interest earned on temporarily surplus cash.
- No new borrowing.
- Continued membership of the Cumbria Business Rates Pool.
- 10% reduction in Revenue Support Grant.
- 1.9% Council Tax increase.

	Projection 2018-2019 £m
Staff pay	4.9
Other costs	10.4
External income	(6.6)
Treasury items	1.4
Pension costs	1.3
Net Revenue Budget	11.4
Government support	(5.4)
Government grants	(0.8)
Council Tax	(4.2)
Retained business rates	(0.1)
Total Revenue Financing	(10.5)
Net shortfall	0.9

Medium Term Financial Plan **2015-2016 to 2019-2020**

2019-2020 Projections

The projection for 2019-2020 incorporates the following projections:

- Annual increases:
 - 1% pay award and natural increments
 - 5% inflation on gas, electricity and water charges
 - 3.1% inflation on NNDR
 - 3.2% inflation on grounds maintenance contract
 - 1.8% on recycling, refuse and street cleansing contract
 - 4.1% on pension costs
 - Natural increments on staff pay
- Ending of housing benefit administration responsibilities and functions.
- Review of revenues service.
- Additional income from fees and charges (activity and prices at 2.5% where applicable)
- Additional external interest earned on temporarily surplus cash.
- No new borrowing.
- Continued membership of the Cumbria Business Rates Pool.
- 10% reduction in Revenue Support Grant.
- 1.9% Council Tax increase.

	Projection 2019-2020 £m
Staff pay	4.9
Other costs	9.8
External income	(6.5)
Treasury items	1.4
Pension costs	1.4
Net Revenue Budget	11.0
Government support	(5.3)
Government grants	(0.8)
Council Tax	(4.2)
Retained business rates	(0.1)
Total Revenue Financing	(10.4)
Net shortfall	0.6

Medium Term Financial Plan 2015-2016 to 2019-2020

F. Funding the Medium Term Financial Plan

The reserves available to fund the Medium Term Financial Plan as set aside in the restructuring reserve. Any actions to secure savings early will allow reserves to be retained and be used support the Council in the longer term.

The restructuring reserve for the Medium Term Financial Plan currently stands at £2.87 million. The projections will be reviewed again at the year-end (31st March) and the outturn will be analysed to see if there are any recurring items to build into the projected figures.

Reserves are the only tool that the Council has to set the pace of changes to the organisation.

The projected reserves over the life of the Medium Term Financial Plan are estimated to be:

	31/3/16 £m	31/3/17 £m	31/3/18 £m	31/3/19 £m	31/3/20 £m
General Fund Balance	2.30	2.30	2.30	2.30	2.30
Restructuring Reserve – MTFP	2.87	2.57	1.47	0.57	-
Restructuring Reserve – transformation	0.25	0.20	0.15	0.10	0.05
Renewals Reserve	0.42	0.37	0.32	0.27	0.22
Insurance Reserve	0.08	0.06	0.04	0.02	-
Losses Reserve	0.59	0.59	0.59	0.59	0.59
Budget Contingency	0.35	0.26	0.17	0.13	0.09
Apprenticeships	0.12	0.03	-	-	-
Welfare Support	0.13	0.07	0.07	0.07	0.07
CCTV	0.04	-	-	-	-
Total	7.15	6.45	5.11	4.05	3.32

The Councils reserves are set out in the Reserves and Balances policy. Reserves are earmarked for specific purposes through recommendations to Full Council from the Executive Committee.

The minimum General Fund balance for 2015-2016 is £2.3 million.

The losses reserve also has a minimum level as the items that this covers are not included in the General Fund balance; these are different in nature and do not lend themselves to risk analysis, being fully payable when they are triggered. The losses reserve includes the partial exemption VAT threshold, the MMI scheme of arrangement and any uninsured losses.

Medium Term Financial Plan 2015-2016 to 2019-2020

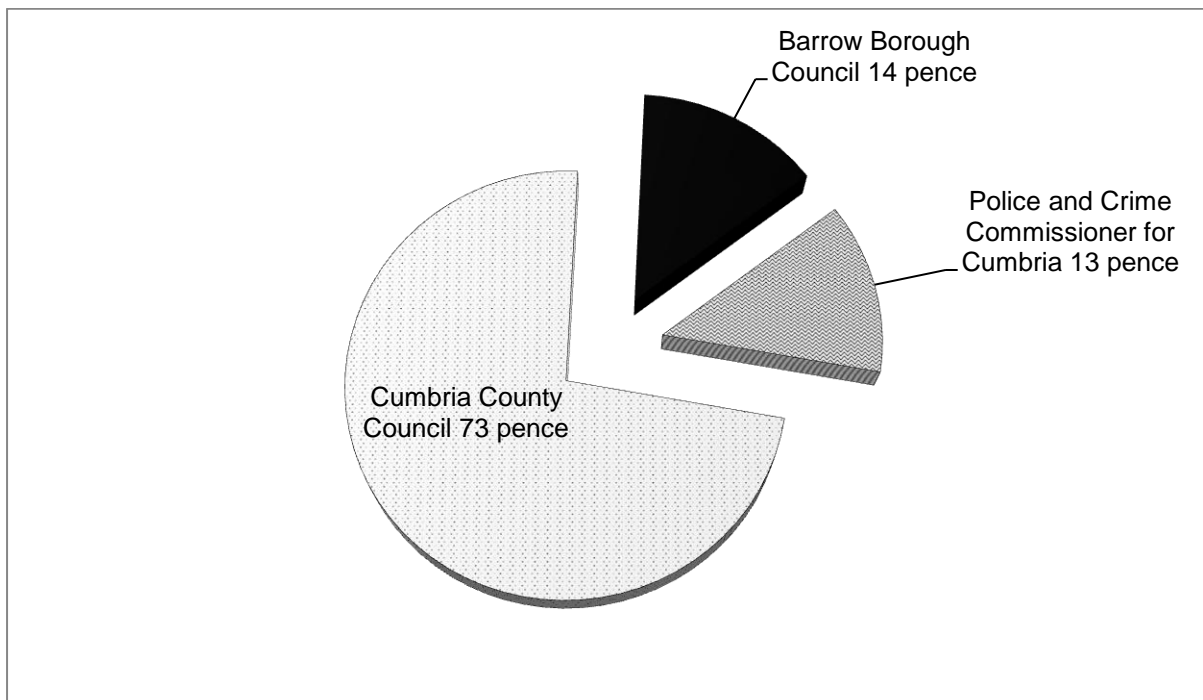
G. Council Tax

The Council Tax for 2015-2016 was set by Full Council on the 3rd March, 2015. The Barrow Borough Council demand on the Collection Fund to meet the 2015-2016 General Fund budget was set at £3,918,260.

Across the whole Borough, the dwellings are split over the Council Tax bands as follows:

Band	2015-2016	Split
A	19,760	59%
B	5,425	16%
C	4,625	14%
D	2,288	7%
E	976	3%
F	234	1%
G	69	-
H	9	-
Total	33,386	100%

Each £1 of the unparished Council Tax bill belongs to:



Medium Term Financial Plan **2015-2016 to 2019-2020**

H. Risk

Estimates contain an element of risk from items such as inflation, the financial markets, Government support, customer demand and the anticipation of future events.

The Council's Reserves and Balances Policy sets out the risk assessment applied to estimates.

Some of the key financial considerations are:

- Allowances for inflation may be insufficient.
- Employer pension contributions may increase.
- National insurance contributions may increase.
- The staff re-grading scheme is not budgeted for.
- Usage of gas and electricity may be estimated too low.
- NNDR and water rates may change.
- Professional services may be required to support key functions.
- The possibility of driving further efficiency savings from the budget.
- Major contracts come up for consideration during the life of this Plan.
- Cash flow requirements must be constantly reviewed.
- The cost of new borrowing.
- Interest rate fluctuations.
- The next triennial pension fund valuation will apply to 2017-2020.
- It is likely that Government funding will reduce beyond current estimates.
- Continuation of the Cumbria business rates pool.
- The impact of Universal Credit and other welfare reforms.

Medium Term Financial Plan **2015-2016 to 2019-2020**

I. Capital

The Capital Programme and Financing for 2015-2016 to 2017-2019 was approved at Full Council on the 3rd March, 2015.

The Capital Programme includes financing from borrowing and the revenue implications are included in the General Fund revenue budget. There is a shortfall in the level of usable capital receipts which is explained after the table:

	2014-15	2015-16	2016-17	2017-18
	£m	£m	£m	£m
Investment				
Public housing	1.8	1.8	1.8	1.8
Private housing	0.6	0.6	0.6	0.6
Housing market renewal	0.5	2.0	0.5	0.5
Public buildings	0.8	0.6	0.1	0.1
Industrial & commercial properties	1.1	0.1	0.2	0.2
Other public assets	1.2	0.2	0.1	0.1
Community initiatives	0.7	-	-	-
Asset investment fund	-	0.1	0.2	0.8
Total	6.7	5.4	3.5	4.1
Financing				
Major repairs reserve	1.8	1.8	1.8	1.8
Grants and contributions	2.1	1.5	0.6	0.6
Borrowing	-	0.9	0.9	1.0
Reserves	2.8	0.6	-	0.5
Capital receipts	-	0.6	0.2	0.2
Total	6.7	5.4	3.5	4.1

The programme requires £0.6 million of usable capital receipts to be fully funded. The projects in future years will not be commissioned until sufficient funding is in place as usual.

Capital receipts are closely monitored as the proposed capital programme is reliant on usable capital receipts for financing each year. Where capital receipts are not achieved, projects will be reviewed and prioritised against the financing available.

Medium Term Financial Plan **2015-2016 to 2019-2020**

J. Treasury

The Treasury Management Strategy for 2015-2016 was approved by Full Council on the 3rd March, 2015. This Strategy sets out the Prudential Indicators that control all of the Council's treasury activities, the borrowing strategy, the annual investment strategy and credit and counterparty risk management.

The borrowing requirements of the Capital Programme are included in the Treasury Management Strategy.

CIPFA defines treasury management as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Council is required to set the maximum level of debt, beyond which external debt is prohibited. This limit can only be set or revised by Full Council. This Prudential Indicator is the Authorised Limit for External Debt; the limit and the expected external debt is shown below:

	2014-2015 £m	2015-2016 £m	2016-2017 £m	2017-2018 £m
Authorised Limit	55.0	55.0	55.0	55.0
External debt	39.5	39.5	39.5	39.5

The external debt is long term debt and is split between the General Fund and the Housing Revenue Account as follows:

	External debt £m	Average interest rate
General Fund	13.4	4.37%
Housing Revenue Account	26.1	3.32%

Medium Term Financial Plan **2015-2016 to 2019-2020**

K. Housing Revenue Account

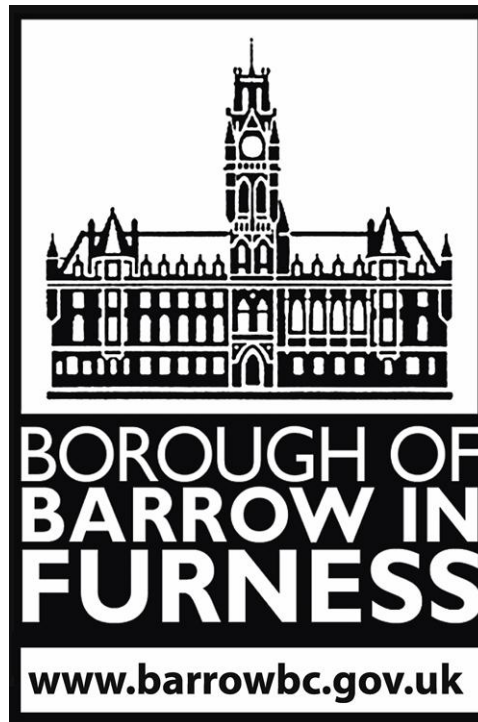
From the 1st April 2012 the Housing Subsidy system ended. The Housing Revenue Account is self-financing as set out in its 30 year Business Plan; the rent from the dwellings pays for the upkeep and management of the dwellings.

The Housing Revenue Account budget for 2015-2016 was approved by Full Council on the 3rd March, 2015. It is a balanced budget with a 2.2% rent increase for dwellings and garages.

The Housing Revenue Account remains a ring-fenced account as determined by the Local Government Housing Act 1989.

The Housing Revenue Account balance at the 31st March, 2016, is projected to be £2.2 million. The Major Repairs Reserve balance at the 31st March, 2016, is projected to be £0.6 million.

It is estimated that the dwelling stock at the 1st April, 2015, will be 2,657 properties.



Workforce Strategy

Version Control:	
Document Name:	Workforce Strategy
Version:	24022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Workforce Strategy

Introduction

At a time of severe austerity with significant financial pressures on all areas of the Council's business, it is vital that the Council clarifies its' aims and objectives for staff. These need to be identified within an overall workforce strategy which is aligned to Council priorities and objectives.

This strategy describes the high level objectives for the workforce, identifies performance measures by which progress can be judged and puts forward a range of priorities which will provide a work programme of future activity with regard to workforce development.

The key message is that the Council is operating in a volatile uncertain environment where the only constant is reduced resources and increased demands on Council services.

Objectives

The objectives of the Workforce Strategy are:

- 1) To develop innovative managers capable of leading teams through periods of significant change.
- 2) To develop a flexible workforce enabled by appropriate technology to deliver value for money across priority services.
- 3) To establish succession plans whereby priority for the filling of senior management roles is given to internal applicants.
- 4) To improve employee engagement by empowering staff to make decisions based on up to date knowledge and experience and, where necessary, appropriate qualifications.
- 5) To foster a culture of continuous improvement by embedding transformation and service redesign within the performance management framework of the Council.
- 6) To establish effective communications mechanisms within all services to ensure two-way communication is embedded across the Council.

Workforce Development Priorities

The Council's workforce development priorities are:

1) Leadership Development

Managers need to be ready to deal with the challenges of leading teams during a time of constant change. Managers need to think innovatively and be able to design or redesign services to maximise efficiency and effectiveness.

The Council's leadership development programmes will be expected to focus on these expectations.

The Council will consider new ways of delivering development activities for senior managers and will seek to utilise peer to peer coaching for individuals where appropriate.

2) Transformation and Change

Austerity is here to stay and transforming the way the Council works and questioning the systems and processes used will be crucial if the Council is to balance the books in the future. Transforming service delivery and researching new ways of doing things will be essential.

The Council has an established Business Improvement Team which will continue to take the lead in identifying service improvements. The Council recognises that it is important to embed transformational values and thinking across the Council in order to maximise the opportunities for cost savings.

There is an expectation that people at all levels of the organisation have at least a basic knowledge and understanding of how IT works and, more importantly, can utilise IT applications to deliver efficient outcomes.

The Council believes that there is scope to improve IT knowledge and skills across the whole Council to make sure that all staff understand the full benefits available.

Smart phone technology will be introduced to key frontline services where there is a clear business case that either savings can be made or time can be saved.

A fully integrated CRM service backed up with improved web based customer interactions will free professional officers from unnecessary administration.

3) Health and Wellbeing

The Council remains committed to enhancing the health and wellbeing of its workforce and will develop a range of policy initiatives designed to improve the morale and commitment of our staff.

Salary sacrifice schemes are currently in place for the purchase of additional annual leave and childcare vouchers, and these will continue to be supported in order to offer staff a range of incentives to improve work/life balance.

Sickness absence management will continue to be a priority and will be constantly monitored with a view to achieving year on year improvements.

4) Communications

The Council firmly believe that all employees deserve the chance to make meaningful contributions to the way priorities are set and resources allocated.

The Council has already made sure that each department/service head organises regular staff meetings allowing the time and space for all staff to have their say.

In addition, the Council is committed to running slice groups for the whole organisation, which will be arranged when required and will concentrate on topical issues of the day.

The workforce development plan is set out on the following pages.

Workforce Development Plan				
Key Tasks	Action	Measure	Responsible	Timescales
Workforce priority 1. Leadership Development				
Performance appraisal for Management Board then Management Group.	<ul style="list-style-type: none"> • Agree annual schedule for Management Board and then Management Group appraisals • Review current scheme • Training plan • Communicate to managers 	<ul style="list-style-type: none"> • Scheme introduced • Training delivered • Appraisals completed • Objectives met 	Executive Director and HR Manager	Autumn 2014 start with 2015-2016 full implementation
Competency framework for Management Group	<ul style="list-style-type: none"> • Draft and agree initial list of competencies • Use competency framework to identify training needs 	<ul style="list-style-type: none"> • Links achievement to appraisals • Training delivered 	Corporate Support Manager and HR Manager	2016-2017
Workforce priority 2. Transformation and Change				
Review Business Improvement Team	<ul style="list-style-type: none"> • Management Board invited volunteers • Competencies reviewed • Business awareness training 	<ul style="list-style-type: none"> • Priorities driven by Management Board • Best practice shared across the Council • Team endorsed by Members • Identifiable cost savings 	Director of Resources and Corporate Support Manager	2014 and ongoing

Workforce Development Plan				
Key Tasks	Action	Measure	Responsible	Timescales
Refocus Business Improvement Team priorities	<ul style="list-style-type: none"> Review competencies Review mobile working policy for effectiveness and impact Review responsibilities and limitations Progress opportunities to implement electronic forms Focus on particular processes or services 	<ul style="list-style-type: none"> Priorities driven by Management Board Cost benefit analysis and framework for each project Time savings/indirect savings Best practice shared across the Council 	Management Board and Corporate Support Manager	2014 and ongoing
Workforce priority 3. Health and Wellbeing				
Expand salary sacrifice options and review the benefits	<ul style="list-style-type: none"> Research option Benefits statement 	<ul style="list-style-type: none"> Increase take-up Increased awareness of benefits 	HR Department	Quarter 4 2015
Employer supported volunteers policy	<ul style="list-style-type: none"> Meeting with representatives from Cumbria Volunteers Service Member approval Draft policy/procedure 	<ul style="list-style-type: none"> Impact on employees/community Employee take-up 	HR Department	From quarter 1 2014

Workforce Development Plan				
Key Tasks	Action	Measure	Responsible	Timescales
Sickness absence management	<ul style="list-style-type: none"> Review occupational health provision Discuss statistics and policy with managers North West Employers Management Group briefings 	<ul style="list-style-type: none"> Improved absence statistics Improved compliance with absence policy Link compliance to managers competencies 	HR Department	From quarter 1 2014
Workforce priority 4. Communication				
Slice groups	<ul style="list-style-type: none"> Invite topics from staff or Management Board Organise slice group 	<ul style="list-style-type: none"> Actionable outcomes 	Director of Resources	2014 and ongoing
Management Group six-monthly meetings	<ul style="list-style-type: none"> Communicate Workforce Strategy Review of Management bulletin and its dissemination to all staff Discuss departmental meetings 	<ul style="list-style-type: none"> Communication of key issues, Council priorities and objectives 	Executive Director	Quarter 4 2013 and ongoing
Leader and Executive Director briefings	<ul style="list-style-type: none"> All staff series of meetings held twice a year All staff asked to contribute to the agenda 	<ul style="list-style-type: none"> Positive feedback from staff Improved awareness of activity and issues across the whole Council 	Executive Director	2013 and ongoing

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 14
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Strategy Documents</p> <p>Summary and Conclusions:</p> <p>The Council's Asset Management, Capital and Value For Money strategies have all been reviewed to ensure that they remain relevant and current.</p> <p>Recommendations:</p> <p>To recommend the Council to approve the updated Asset Management, Capital and Value For Money strategies.</p>		

Report

The following documents have been reviewed and updated to ensure that they are relevant and current:

The Asset Management Strategy (**Appendix 10**) sets out the strategic objectives for the asset portfolio. The Strategy is only the implementation of the Council's strategic objectives and helps in identifying the optimal asset base that is necessary to support service delivery requirements.

The Capital Strategy (**Appendix 11**) outlines the considerations relating to the retention and maintenance of properties in the asset base and how capital projects are included in the Capital Programme in a rational and objective manner which maximises the contribution of the Capital Programme towards the achievement of the Council's priorities.

The Council's Value For Money Strategy (**Appendix 12**) outlines the Council's aim not to spend as much (Economy), to spend it well and not wastefully (Efficiency) and to spend it wisely on what is needed (Effectiveness) to achieve the Council's priorities.

There are no significant amendments since the previous year, other than to expand some items for clarification and some grammatical amendments.

(i) Legal Implications

The recommendation has no implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The recommendation has no implications.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

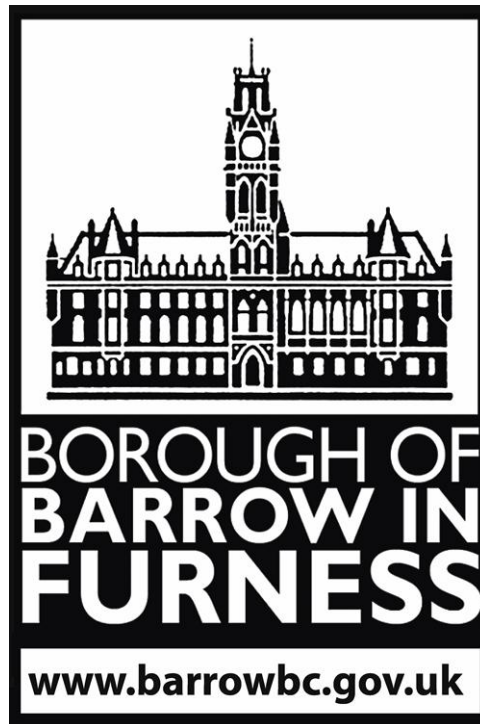
The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil



Asset Management Strategy

Version Control:	
Document Name:	Asset Management Strategy
Version:	24022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Introduction

The Asset Management Strategy sets out the strategic objectives for the asset portfolio. The Strategy is only the implementation of the Council's strategic objectives and helps in identifying the optimal asset base that is necessary to support service delivery requirements.

The Strategy comprises a number of high level plans that set out how the Council will use its assets in an efficient and effective manner over each asset group.

The underlying principle in developing the asset management strategy is that each asset will deliver a future economic benefit to the Council by supporting service delivery, whether directly or indirectly.

The Council's Asset Management Strategy has four elements:

- Operational property
- Non-operational property
- Surplus property
- Property acquisition

Operational Property Strategy

- The Council will own a highly rationalised portfolio of property to deliver services and which provides users with a good standard of efficient, accessible accommodation and facilities by making buildings cleaner, greener and safer, in the right location and at the right cost.
- All service property will be efficient and effective in supporting delivery of the Council's priorities.
- The Council will occupy freehold property where appropriate.
- The Council will hold leasehold property only when necessary to deliver accommodation required on a flexible basis, or when freehold is not available.
- The Council will develop partnership working with other local authorities, public sector bodies, the community and voluntary sector to co-locate services.

The following principles are to be applied to enable delivery of the operational property strategy:

- Investment should be made only through the three year Capital Programme where:
 - The property is required for the medium or long term use of the Council, and
 - The investment achieves one of the following:
 - enhances service delivery
 - improves sustainability
 - improves utilisation
 - increases efficiency
 - adds value
 - It addresses statutory obligations.

Non-operational Property Strategy

- The Council will own property that helps to deliver the corporate priorities.
- The Council will investigate new medium and long-term development opportunities that will support delivery of Barrow Urban Design Framework and economic development policies.
- The Council will own property that provides a regular sustainable income stream, as a component of the Medium Term Financial Plan.
- The Council will strive to improve the performance of the income stream through effective Estate management and development.

The following principles are to be applied to enable delivery of non-operational property strategy:

Commercial property will only be held where it achieves one of the following:

- It provides an acceptable financial return.
- There is potential for Council involvement to deliver economic development objectives.
- It contributes effectively to the delivery of other Council priorities.
- It improves future sustainability of income.
- It addresses legal or contractual liabilities and obligations.

Surplus Property Strategy

The Council will dispose of assets that it does not require at a time and in a manner which best suits the needs of the community.

In the absence of overriding factors, the following principles are to be applied to enable delivery of the surplus property strategy:

- All operational and non-operational property will be disposed of unless it meets the needs of the community and achieves one of the following:
 - It is occupied efficiently and effectively for services in the right location, at the right price.
 - It can be used to deliver social, economic or environmental benefits.
 - It is a long-term strategic investment.

Property Acquisition Strategy

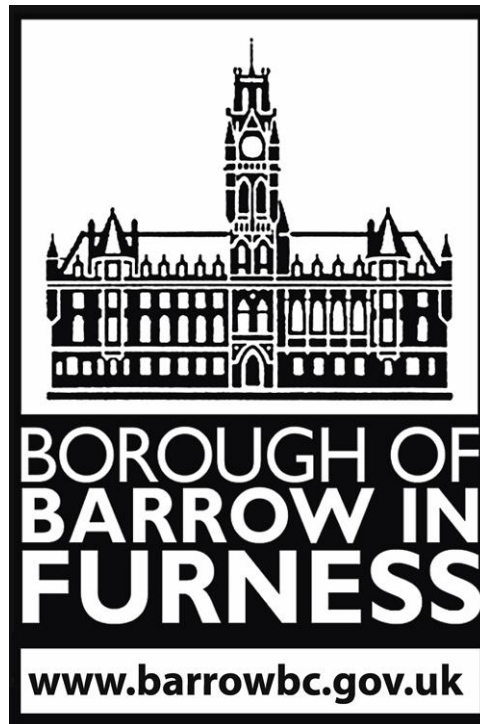
The Council will only acquire assets if there is a business case to support the improvement in service delivery in the Capital Programme.

The Council will acquire assets that assist with the delivery of social and economic development policies if there is a business case in the Capital Programme.

The Council will develop opportunities, in partnership, to assemble sites to deliver Council objectives.

The following policy principles should be applied to enable delivery of the property acquisition strategy:

- Property will only be acquired in one of the following circumstances:
 - Where the service cannot be improved or delivered effectively without it.
 - Where it is required to deliver social and economic policies.
 - Where it is required to support the delivery of other Council priorities.



Capital Strategy

Version Control:	
Document Name:	Capital Strategy
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Author:	Director of Resources
Approved by:	Executive Committee and Full Council
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Capital Strategy

Introduction

The purpose of this document is to show how the Capital Strategy determines the process for retaining and maintaining properties in the asset base and how capital projects are included in the Capital Programme in a rational and objective manner which maximises the contribution of the Capital Programme towards the achievement of the Council's Priorities.

In terms of volume, the majority of the Council's assets are the Housing Revenue Account dwellings. Day to day maintenance and any plans for improvements are incorporated into the Housing Revenue Account Business Plan. This covers a 30-year period and is updated annually.

Barrow Borough Council's Vision

To enhance the economic and social future of the Borough to meet the needs and aspirations of the community.

- The Council continues to support delivery of its vision and has reorganised itself into a more efficient organisation focussing on strategic improvements to deliver better value to our customers.
- One of the Council's main objectives must be to achieve a balanced budget through an effective and responsible deficit reduction strategy to provide a sustainable platform to deliver our priorities. To this end we have identified the Council's priorities for 2013-2016 as:
 - **Housing:** The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.
 - **Regeneration and Public Realm:** The Council is committed to working with partners and service providers to enhance the built environment and public realm.
 - **Local Economy:** The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.
 - **Service Delivery:** The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

These Priorities will be used as the basis for all future business planning and to direct the activity of any spare capacity and resources.

The Priorities do not feature equally in the capital strategy because some objectives incur predominately ongoing revenue costs.

The Capital Programme is related to the Council's Priorities as follows:

Council Priority	Capital Programme elements
The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.	Public housing Private housing Housing market renewal
The Council is committed to working with partners and service providers to enhance the built environment and public realm.	Housing market renewal Public buildings Other public assets Community initiatives
The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.	Public buildings Other public assets
The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.	Public buildings Other public assets

Resource Allocation

The Government introduced a new system for the management of capital finance in 2004-2005 contained in The Local Authorities (Capital Finance and Accounting) Regulations (2003), which became operative from 1st April 2004. The act sets out a new financial power for local authorities to use unsupported prudential borrowing for capital investment provided that the Council can afford the revenue consequences of any proposed borrowing. The key objectives of the prudential system are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. Under the regulations local authorities have been given the freedom to determine the amount of external borrowing they are prepared to undertake when considering their own capital spending and financing decisions.

At the outset of each Capital Programme planning cycle, the level of resources available to fund the Programme is reassessed in light of the most recent information. The current Programme is then reviewed to establish the level of resources needed to fund the committed Programme. This information is then used to establish the resources available to fund new schemes.

It is the Council's policy to maximise capital receipts through a review of existing property use. A rigorous approach has been adopted to the identification and disposal of surplus assets that are no longer required to meet the Priorities of the Council. Management Board annually considers the property portfolio and identifies property for sale. The Council views this as the most cost effective way to finance the Capital Programme.

The Council has been very successful at securing external funding from the Government and private sources, to achieve the delivery of its Capital Programme. The Council has been able to fund the majority of its Capital Programme from external funding in previous years.

For externally funded projects, the Council's policy is not to include schemes in the overall Programme until such time as the sources of funding have been confirmed. This is specifically to address issues over slippage within the Programme and to avoid the Council entering into an open-ended commitment which then deprives other important schemes of resources. However, it is vital that when such schemes have secured sufficient partner funding, that the Council has the capability to fund its share of the overall scheme cost and can add such schemes to the Programme if it desires.

Getting value for money is a priority for the Council and the Capital Programme should provide high quality, value for money public services. The Council recognises that best value is based on whole life costs and therefore the on-going revenue implications of capital spend are identified when bids for capital resources are assessed and when schemes are approved; when a new capital project is proposed any impact on revenue expenditure is anticipated and costed. These revenue costs are used to inform the revenue budget planning process and are considered alongside other priorities in the revenue budget when the overall budget is set.

In order to ensure that resources available for capital investment are used efficiently and effectively, the Council prioritises all capital projects in line with its Priorities, available resources and longer term revenue savings. This is achieved by the submission of bids for capital resources being appraised by the Capital Programme Group which includes the Executive Director and Director of Resources, for their consideration and comment. There is an Appraisal Request form and Bid Guidance Notes for managers to use. This process includes all elements of Capital Investment apart from planned housing maintenance.

The resulting draft Programme is then reported to the Executive Committee for recommendation to Council for approval.

Managing and Monitoring the Capital Programme

Detailed management, monitoring and review in terms of both the delivery of outcomes, Priorities and financial performance are the responsibility of the Capital Programme Group, working in conjunction with the responsible manager. Progress reports incorporating any recommended variations to the Programme are presented to the Capital Programme Group and the Executive Committee. Any 'learning' arising from the monitoring/review process is used to inform the strategy on an ongoing basis. The Council's Financial Regulations and Contract Standing Orders stipulate how the financial aspects of the Capital Programme and each capital scheme should be managed and the Capital Programme Group ensures compliance with these requirements.

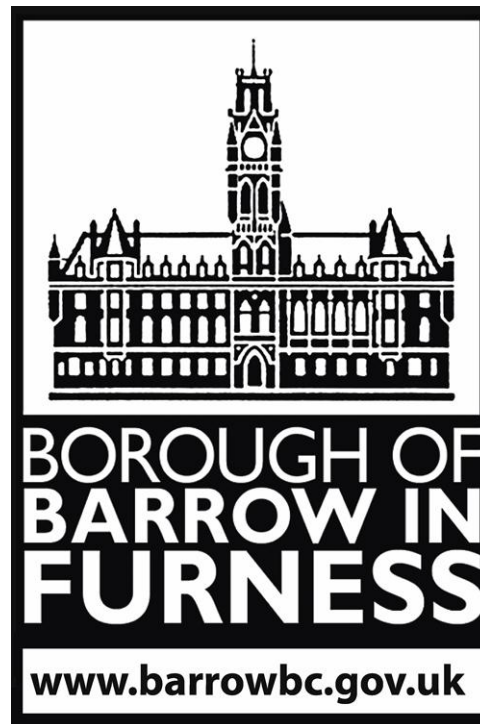
The Council is committed to consulting with the community, its partners and service users on the key issues affecting the quality of life in Barrow-in-Furness. It has always been important to ensure that resources and services are designed, delivered and improved to meet the changing needs and expectations of our community, our partners and our service users. To achieve this commitment the Council consults and involves the community on any major or controversial capital schemes and makes its policies, decisions and services accessible to comment from residents, businesses, agencies and major partners.

Revising the Capital Strategy

The Capital Strategy is reviewed annually to ensure it remains valid. The Council reviews the allocation of its Capital Resources on an annual basis to ensure that its Programme of investment is in line with the actual resources available to support its spending needs and priorities.

Summary

The Council will continue to prioritise its capital spending in line with its Priorities and other criteria. New and innovative ways of increasing capital finance and funding will continue to be explored. The Council will annually review its approach to capital expenditure having regard to outcomes of Service Reviews and Inspections, and outcomes of the Capital Programme.



Value for Money Strategy

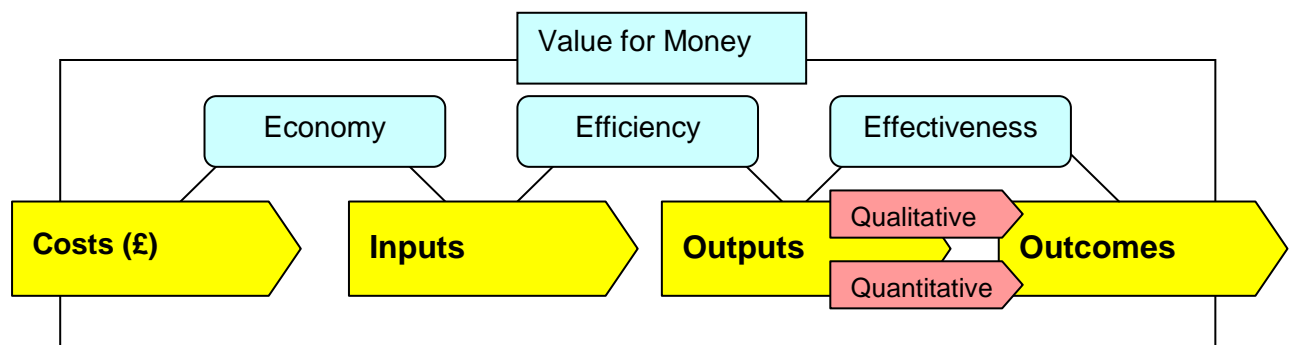
Version Control:	
Document Name:	Value for Money Strategy
Version:	24022015.1
Author:	Director of Resources
Approved by:	Executive Committee and Full Council
Date Approved:	March 2015
Review Date:	February 2016

Value for Money Strategy

Introduction

Value For Money (VFM) can be defined as the relationship between Economy, Efficiency and Effectiveness. It is a term used to assess whether the Council has obtained the maximum benefit from the goods and services it procures and provides within the constraint of limited resources facing the Council.

The VFM Strategy for Barrow Borough Council is not to spend as much (Economy), to spend it well and not wastefully (Efficiency) and to spend it wisely on what is needed (Effectiveness) to achieve the Council's Priorities.



There are three recognised ways of efficiency savings and therefore VFM by:

- Reducing inputs of resources whilst maintaining the same level of service delivery.
- Improving the level of service delivery whilst maintaining the same level of resources input.
- Improving the level of service delivery by a higher proportion than an increase in the level of resources input; investing for results.

VFM is therefore not about reducing the level of service delivery or providing less quality services.

VFM remains a major consideration for decision makers in providing quality public services. It is also a cornerstone of the concept of public accountability.

In delivering the identified Priorities the Council is committed to achieving VFM in all aspects of its activities.

Council Priorities

Housing: The Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.

Regeneration and Public Realm: The Council is committed to working with partners and service providers to enhance the built environment and public realm.

Local Economy: The Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.

Service Delivery: The Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

Raising Awareness

To realise VFM as an organisation, raising awareness is vitally important and this is achieved by:

- Publishing the VFM Strategy on the Council's Intranet and Internet.
- Following best practice and continually reviewing business processes.
- Making the best use of the Council's assets and resources.
- In preparing budget estimates, Heads of Service are encouraged to consider VFM and efficiencies when setting their spending plans.
- Ensuring that the Council's Purchasing Procedure are adhered to.
- Setting appropriate and robust Contract Standing Orders.
- Invest to save projects.
- Training and development for staff and Members.
- Maximising returns from revenue and capital investments.

Achieving VFM

The Council's Medium Term Financial Plan includes allowance for various items that are known to increase over time, including contractual inflation. However, there is an expectation that efficiency savings will be realised over the term of the Plan in order to fund those items that increase over time but are less predictable or certain and those items identified but not yet built into the Financial Plan.

EXECUTIVE COMMITTEE		Part One (D/R) Agenda Item 15
Date of Meeting:	11th March, 2015	
Reporting Officer:	Director of Resources	
<p>Title: Council Finances and Performance</p> <p>Summary and Conclusions:</p> <p>This report provides a summary of the Council's finances and performance for 2014-2015, as at the end of December 2014. The report includes all revenue, capital and treasury items which include: the General Fund, the Housing Revenue Account, the Collection Fund and also the financial reserves.</p> <p>Recommendations:</p> <ol style="list-style-type: none"> 1. To note the quarter 3 financial information. (D) 2. To approve the reserve movements which totals a net use of £6,370 from reserves as set out in Section D. (D) 3. To note the progress on the Council's priorities set out in Section J. (D) 4. To recommend the Council to approve the revised budget for 2014-2015 of £12,058,730. (R) 		

Report

A. General Fund revenue budget

The General Fund revenue budget was reported on 10th September, 2014 as £12,056,960.

The Council has received a New Burdens grant in relation to Real Time Information data matching work that the Benefits Team has undertaken. This has increased the total budget to £12,058,730.

The budget remains balanced with no call on reserves.

The budget revisions that have been reported in quarters 1, 2 and 3 are all included in the proposed revised budget for 2014-2015 shown at **Appendix 13**. Members are asked to recommend that Council approve the revised budget.

The net expenditure against the revised budget, as at 31st December, 2014, is shown in the following table:

Item	Budget £	Actual £	
Staff pay	4,714,720	3,451,605	73%
Other staff costs	159,940	101,692	64%
Transport	104,100	69,889	67%
Property	2,233,530	1,638,590	73%
Supplies & services	3,443,660	2,663,949	77%
Contracts	6,645,100	4,975,132	75%
Benefits (net of subsidy)	120,390	93,038	77%
External income	(7,146,170)	(5,493,947)	77%
Net Expenditure	10,275,270	7,499,948	73%

Other staff costs are over 10% behind the expectation for quarter three and this relates to training expenditure. The opportunity to fund management training from other sources has meant that the Council's own budget provision has not been called on. The other funding will not recur, so the training budget has not been reduced in future years. There will be a one-off saving in 2014-2015.

There are no other significant variances to report for quarter three.

B. Main Income Streams

The Council's main income streams in terms of value are:

Commercial property rents (excluding ring-fenced properties)

The commercial property rent income is in the region of £1m per annum. The income achieved compared to the budget for the first three quarters of 2014-2015 has resulted in a year to date net loss of £24k.

Cemetery and Crematorium services

The income for these services is in the region of £0.7m per annum. The income for the first three quarters of 2014-2015 is £490k. At this point last year the income was £502k; as previously reported in 2013-2014 the actual income for this service was higher than previous years.

Car parking pay and display sales

The income for these sales is in the region of £0.6m per annum. The income for the first three quarters of 2014-2015 is £453k. At this point last year the income was £450k.

Park Leisure Centre facilities

The income for these facilities is in the region of £0.6m per annum. The income for the first three quarters of 2014-2015 is £430k. At this point last year the income was £465k.

The Sports Hall has lost the 5-a-side football bookings to the Soccer Centre which will be replaced by the Council's share of that venue income, estimated at £45k.

There are a number of initiatives in development for 2015 that will have a positive impact on the Park Leisure Centre's income generation.

Recycling reward

The recycling reward is in the region of £0.5m per annum. The reward for the first three quarters of 2014-2015 is £446k. At this point last year the reward was £425k; the reward is based on tonnage and the rate per tonne has increased this year.

C. Treasury Management

The capital programme for 2014-2015 was reported on 21st January, 2015 as £6.709m and this total has not altered.

The Council's existing borrowing of £39.5m is all fixed rate PWLB loans maturing over the mid to long term. The debt belongs to the General Fund £13.4m and the HRA £26.1m. No loans are maturing in 2014-2015.

The total interest on the loans is £1.45m for the year with each loan having interest payments at six month intervals.

The limit for external debt for 2014-2015 is £55m and this has not been exceeded.

The interest receivable on matured temporary surplus cash deposits for the first quarter of 2014-2015 is £62k. As at 31st December, 2014, the Council's funds were placed with:

Financial institution	Invested	
Building Societies:		
• Manchester Building Society	£3m	
• National Counties Building Society	£3m	
• Newcastle Building Society	£3m	
• Nottingham Building Society	£3m	
• Skipton Building Society	£3m	
• West Bromwich Building Society	£1m	
Total of fixed term deposits		£16m
HSBC overnight deposit account		£0.65m
Total funds invested		£16.65m

D. General Fund Reserves

The Council's current projections of reserves as at 31st March, 2015, are shown in the following table:

Reserves	31/3/2015
General Fund Balance	£2.300m
Restructuring Reserve – MTFP	£2.870m
Restructuring Reserve – transformation	£0.250m
Renewals Reserve	£0.907m
Insurance Reserve	£0.100m
Losses Reserve	£0.590m
Budget Contingency	£0.459m
Apprenticeships	£0.204m
Welfare Support	£0.185m
CCTV	£0.055m
Total	£7.920m

The Council also holds ring-fenced reserves that can only be used for the purpose they were created and it is outside of the Council's power to change their use. The current projections of balances as at 31st March, 2015, are shown in the following table:

Reserves	31/3/2015
Woodbridge Haven	£0.074m
James Freel Close	£0.458m
Earmarked revenue grants	£0.606m
Total	£1.138m

The movements in the reserves are set out below:

- Used from renewals reserve for condition surveys £2,460
- Added to budget contingency reserve £6,180:
 - £23,670 Environmental Health service support
 - (£16,500) additional interest earned on temporary surplus cash invested
 - (£19,680) NNDR budget reductions on commercial properties
 - £6,330 other budget variations
- Used from earmarked revenue grants used £10,090

E. Efficiency Support Grant

The Council has received £1.175m of Efficiency Support Grant for 2014-2015 and this is currently allocated as follows:

- Staff savings and senior management restructuring - £99k
- Revenue reduction from capital investment - £291k
- Transformation programme - £200k
- Invest to save - £540k
- Other efficiency measures - £45k

The projects and purchases have been commissioned in accordance with the aims of the Efficiency Support business plan to achieve efficiency savings by reducing costs or increasing revenue.

F. Housing Revenue Account

The Housing Revenue Account revenue budget was set on 4th March, 2014, as a balanced budget. The forecast to year-end estimates the use of £176,550 from the balance; this primarily relates to the office relocation.

The direct costs net of external income as at 31st December, 2014, are shown in the following table:

Item	Budget £	Actual £	
Dwelling rents	(10,279,850)	(7,694,914)	75%
Other income	(1,570,990)	(990,807)	63%
Supervision and management	2,947,780	1,950,587	66%
Repairs and maintenance	3,650,300	2,529,226	69%
Total	(5,252,760)	(4,205,908)	80%

The other income affecting the budget expectation relate to the tenant water charges and leaseholder service charges. The tenant water charge income raised is lower than budgeted and the tenant water charge paid to United Utilities is also lower than budgeted at this point in the year. The leaseholder service charges have yet to be raised.

The main supervision and management items that are behind expectations at this point in the year are the tenant water charges and the upgrade of furnished properties. There are also savings from staff turnover.

The repairs actual expenditure is behind profile and this is due to the profiling of the planned maintenance programme and some delays in contractor invoicing.

G. Collection Fund

Council Tax – the percentage of Council Tax collected at 31st December, 2014, is 83.06%. For the previous year, at this point, the collection rate was 82.9%.

NNDR – the percentage of NNDR collected at 31st December, 2014, is 84.26%. For the previous year, at this point, the collection rate this was 89.05%.

The NNDR difference is still caused by the take-up of the option to pay over 12 instalments rather than the default of 10. There are 208 NNDR accounts currently paying by 12 instalments including five of the larger accounts that are collected. Payments are being made and the profile will be amended to reflect this change for 2015-2016.

H. Discretionary Housing Payments

The Council received £93k from the DWP to fund applications for Discretionary Housing Payments. The awards from the fund made for the first three quarters total £68k. At this point last year the awards totalled £59k.

I. Medium Term Financial Plan

The Medium Term Financial Plan is presented on the agenda today accompanying the Council Plan.

J. Performance

The Council's priorities and the progress against the 2014-2015 objectives are set out in this section.

1. Housing - the Council is committed to continuing to provide a greater choice of good quality housing and regenerate the oldest and poorest housing in the Borough.

Objective 1.1: bring empty properties back into use - the Council is currently arranging the agreement to advance Cluster of Empty Homes funding to the private landlord of the four blocks of Barrow Island flats within the bid. It is anticipated that the first drawdown will take place in quarter 4.

Objective 1.2: improve the choice and quality of properties in the Town Centre - funding for the final Renewal Area group repair schemes has been identified within the Capital Programme and is programmed to take place over the next two years. The clearance area is currently under a period of exclusivity whilst a potential developer can formulate a proposal to take the site forward.

Objective 1.3: adopt the Council's Local Plan - the draft Local Plan was presented to the Executive Committee on the 10th September, 2014.

Objective 1.4: achieve and maintain decent homes standard for the Council's stock - the Council's dwelling stock is to achieve the decent homes standard through the planned programme of improvements.

2. Regeneration and the Public Realm - the Council is committed to working with partners and service providers to enhance the built environment and public realm.

Objective 2.1: improve the amenities of the Borough - the contracts for waste management and street cleansing and for ground maintenance are under review by officers. The waste management and street cleansing strategy will be produced in 2015-2016.

The replacement jetty on Roa Island has been completed.

Objective 2.2: improve the streetscape and central courtyard on Barrow Island - the Barrow Island environmental improvement scheme has been tendered and the scheme is expected to be commence during quarter 4.

The Farm Street Play Area ('the Rec') was completed in July 2014 using Big Lottery and Waste Recycling Environmental Limited (WREN) funding.

Objective 2.3: support the new athletics facility at Furness Academy - the Council has committed the Sports Facilities reserve to the new facilities.

3. Local Economy - the Council is committed to work on mitigating the effects of cuts in public spending, their impact on the local economy and working to secure a long term economic recovery for our community.

Objective 3.1: continue to support the Marina Village development - the Council has set aside funding to allow preliminary market testing to be carried out to determine regional and national house builder views of the local market and the Marina Village residential site. Two of the six remaining parcels of Marina land have been acquired.

Objective 3.2: support the strategy for advanced manufacturing in Furness - the Strategic Economic Plan for Cumbria bid for £24m from the Government's Local Growth Fund. The Plan was submitted by Cumbria Local Enterprise Partnership (LEP) and concentrates on four strategic priorities including advanced manufacturing growth - this priority includes the Barrow Waterfront with a bid of £7.2m; the project already has £1m earmarked from the Cumbria Infrastructure Fund.

Objective 3.3: young person's employment scheme for the Council - the Council set aside reserves to fund five apprentices positions for three year contracts in setting the 2014-2015 budget. The aim of the scheme is to train and upskill the apprentices with transferable skills and hopefully an interest in the professions required within local government. The five apprentices have been appointed and started with the Council on the 8th September, 2014.

Objective 3.4: support for low income families - the Council has set the 2015-2016 Local Council Tax Reduction Scheme at its meeting in October 2014; the Council resolved to continue the current scheme which has no impact on council tax support recipients.

The Council has a welfare support reserve which contains the funding allocated to the welfare advice agencies that are currently supported, together with the funds to top up the discretionary housing payments that are awarded. The Council continues to provide disabled facilities grants.

4. Service Delivery - the Council strives to provide good quality, efficient and effective services while reducing overall expenditure.

Objective 4.1: achieve the budget reductions identified for the Council - the Council has achieved the aim of the Budget Strategy and the 2014-2015 and 2015-2016 General Fund revenue budgets are now projected to balance without the use of reserves. The Council has earmarked commitments for all of the £1.175m Efficiency Support Grant received for 2014-2015 and built in the savings that should achieve. The Medium Term Financial Plan shows the projected revenue budget out to 2019-2020 and this includes a number of policies and assumptions that have to be realised in order to achieve the projected results.

Objective 4.2: partnership working and shared services - the University Hospitals of Morecambe Bay NHS Foundation Trust have awarded this work to the private sector.

The discussions concerning property rationalisation continue with Cumbria County Council; the County Council have moved into Craven House.

Objective 4.3: improving the customer experience - the Council is implementing a new web content management system. The impact of this will be a redesigned website, potentially more self-service, the promotion of user registration and the website will be mobile friendly.

An on-line booking system at the Park Leisure Centre is being progressed at present.

Objective 4.4: measure customer satisfaction - this objective is re-scheduled into 2015-2016. There is no current progress to report.

Objective 4.5: implement the workforce strategy - the performance appraisals have cascaded from the Executive Director to Management Board as programmed for 2014-2015.

The role of the Business Improvement Team has been formalised and membership has changed. The governance arrangements for the Team allow interactions between Management Board, the IT Steering Group, the Incentive Incentive scheme and departmental managers.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no significant implications.

(iii) Financial Implications

The financial implications are set out in the body of the report.

(iv) Health and Safety Implications

The recommendation has no significant implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

General Fund
Revised Budget 2014-2015

APPENDIX 13

	Revised Budget 2014-2015 £
Staff pay	4,714,720
Pension accounting	21,000
Staff other costs	138,940
Transport	104,100
Property	2,233,530
Supplies and services	3,443,660
Contracts	6,645,100
Benefits	21,193,120
Benefits grants	(21,072,730)
External income	(7,146,170)
Direct Costs	10,275,270
Internal income from HRA and Capital	(735,530)
Capital charges	1,594,570
Indirect Costs	859,040
Net Expenditure	11,134,310
External interest earned	(96,500)
External interest paid	584,650
Minimum Revenue Provision	959,280
Capital expenditure financed from revenue resources	3,144,130
Items excluded from Council Tax - capital charges	(1,594,570)
Items included in Council Tax - pension deficit funding	1,135,410
Movements in reserves	(3,514,720)
Unbudgeted grants	306,740
Net Revenue Budget	12,058,730
Budget Funded by:	
Revenue Support Grant	(3,113,620)
Retained Business Rates	(9,029,160)
Retained Business Rates Tariff	6,162,620
Business Rates - prior year deficit	273,520
New Homes Bonus	(372,860)
New burdens	(108,020)
Weekly Collection Support Scheme	(250,000)
Other Government grants	(1,630,030)
Council Tax - Barrow Borough Council precept	(3,971,460)
Council Tax - prior year surplus	(19,720)
Total Revenue Financing	(12,058,730)

EXECUTIVE COMMITTEE	(R) Agenda Item 16
Date of Meeting: 11th March, 2015	
Reporting Officer: Executive Director	
<p>Title: Redundancy Payments – Suspension of Enhanced Compensation Arrangements</p> <p>Summary and Conclusions:</p> <p>In 2010 Council agreed an enhanced package of voluntary redundancy compensation as an incentive for employees to consider voluntary redundancy. The scheme has operated since then and needs to be reviewed.</p> <p>Recommendations:</p> <p>To recommend the Council:-</p> <ol style="list-style-type: none"> 1. To agree that as of 30th June, 2015 the period of entitlement for calculation of voluntary redundancy compensation is the statutory maximum of 26 weeks; and 2. To agree that all other provisions of the redundancy policy agreed in Minute 20 of Executive Committee 15th December, 2010 be continued. 	

Report

Background

In December 2010, to support a policy of incentivising a voluntary reduction in staff numbers to meet the Budget Strategy, Members agreed to an enhanced package of voluntary redundancy compensation (Min 120 Executive Committee, 15th December, 2010 refers). The scheme was only ever intended to be temporary in nature. Members agreed that the Council should continue its discretion to pay compensation on the basis of actual pay and to double the number of weeks entitlement under the statutory formula to a maximum of 52 weeks.

These arrangements have been in place for all voluntary redundancies since 2010. The additional funding required to support this policy was provided through the restructuring fund. The incentive was a significant contribution to the voluntary reduction in headcount and the fact that no compulsory redundancies were made to ensure the staff reductions necessary to meet the Budget Strategy.

The purpose of the policy was to incentivise voluntary redundancy and in view of likely future government cuts to our formula grant. The Policy may be revised in the future.

However, as the scheme has now been in place for over four years the incentivisation aspect of the policy has diminished significantly and I feel it should be reviewed.

Officers are currently in the early stages of preparing a new budget strategy for the incoming administration in May 2015 and the costs of any new enhanced redundancy compensation is a matter for them.

However, the current policy in my view is expensive and no longer achieving its original objective and should be suspended on 30th June, 2015. Should Members wish to reintroduce an enhanced compensation package in the future, a further report would be brought to Committee.

Council would continue its long term policy of paying compensation on the basis of actual pay, but would reduce the number of weeks entitlement to the statutory maximum of 26 weeks.

This proposal will be notified to the Trade Unions for their comments prior to consideration by Council.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE		Part One (D) Agenda Item 17
Date of Meeting:	11th March, 2015	
Reporting Officer:	Executive Director	
<p>Title: Lease of Mayoral Car</p> <p>Summary and Conclusions:</p> <p>The lease of the Mayoral car expires at the end of June, 2015. Alternative arrangements would result in savings to the General Fund and still allow civic duties to be carried out.</p> <p>Recommendations:</p> <p>To agree that the current lease on the Mayoral car is not renewed.</p>		

Report

Background

The lease on the Mayoral car expires in June 2015. The car is currently used to transport the Mayor to local and more distant functions. The car is driven by a Town Hall Steward with appropriate training.

The cost of the vehicle is £6,641 per annum. Clearly use of the vehicle is demand driven and, therefore, pricing any alternative options has to be based upon assumed rather than actual usage. Nonetheless, assuming a combination of taxi and vehicle hire charges across an average month, savings of £3,000 could be achieved on current lease vehicle charges.

Only one other local authority in Cumbria retains a Mayoral car.

It is appropriate to consider this matter now to have a settled policy for the election of a Mayor by the new administration following elections in May, 2015.

(i) **Legal Implications**

The recommendation has no legal implications.

(ii) **Risk Assessment**

Mayoral chains are only covered by the Council's insurance when a Steward is present. This will require purchase of a set of extra chains for some civic duties when the Mayor is unaccompanied.

(iii) Financial Implications

An estimated saving of £3,000. One off expenditure of approximately £600 for an additional set of Mayoral chains.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

Part One

EXECUTIVE COMMITTEE	(D) Agenda Item 18
Date of Meeting: 11th March, 2015	
Reporting Officer: Executive Director	
Title: Planning Policy - Annual Monitoring Report (AMR) and Strategic Housing Land Availability Assessment Review and Interim Housing Land Statement 2014	
Summary and Conclusions:	
The purpose of this report is to advise members of the publication of the 2013/14 Annual Monitoring Report (AMR) and the Strategic Housing Land Availability Assessment Review and Interim Housing Land Statement 2014.	
Recommendation:	
To note the content of the Annual Monitoring Report and the Strategic Housing Land Availability Assessment Review and Interim Housing Land Statement 2014.	

Report

The purpose of this report is to advise Members of the publication of the 2013/14 Annual Monitoring Report (AMR) and the Strategic Housing Land Availability Assessment Review and Interim Housing Land Statement 2014 produced by the Planning Policy Section.

This is the tenth Annual Monitoring Report to be published and a full colour copy is available to view in the Member's Room or on the Council's website.

The AMR is required by legislation and regulations to demonstrate progress in producing the planning policy documents set out in the Council's Local Development Scheme (LDS).

Barrow Borough's current Local Development Scheme (February 2014) reflects the requirements of the National Planning Policy Framework (NPPF), and the Council's decision to produce a single Local Plan document. Progress has been on the Local Plan, the Issues and Options Draft Local Plan underwent consultation in September/October 2014 and the Preferred Options Draft will be published shortly, with the expected date for adoption Autumn 2016.

As the production of a single Local Plan requires the review of all saved policy this is currently being progressed as new policies are developed in the Preferred Options Draft. The AMR provides a list of saved policies and documents together with an

indication of when saved policies are likely to be cancelled or replaced. It also provides an up to date list of background studies which are produced as an evidence base to inform the Local Plan.

The AMR contains a range of data and statistics including housing data which should be read in conjunction with the Strategic Housing Land Availability Assessment Review and Interim Housing Land Statement 2014. This sets out the housing requirement for the Borough in the interim period until the new Local Plan is adopted. This document identifies a five year supply of deliverable housing sites which means Saved Local Plan Policies relevant to the supply of housing can be considered to be up to date.

Copies of both documents can be found on the Council's website or hard copies are available in the Members Room.

(i) Legal Implications

Elements of the AMR's content are statutory requirements.

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Correspondence held by the Executive Director.

Copy of AMR and Housing Paper available to view in Members Room and on Councils website at www.barrowbc.gov.uk/planningpolicy

EXECUTIVE COMMITTEE	(D) Agenda Item 19
Date of Meeting: 11th March, 2015	
Reporting Officer: Executive Director	
<p>Title: Cumbria County Council Statement of Intent on Prioritisation and Funding of Infrastructure</p> <p>Summary and Conclusions:</p> <p>Cumbria County Council has requested that District Councils sign a Statement of Intent with regards to infrastructure planning, provision and prioritisation.</p> <p>Recommendations:</p> <p>To agree that the Statement of Intent on Prioritisation and Funding of Infrastructure be signed.</p>	

Report

Given the reductions in finance available at County and District Council levels across Cumbria, Cumbria County Council has prepared a Statement of Intent on the identification, prioritisation and funding of infrastructure projects and requested that all District Councils agree to sign.

The Statement, attached at **Appendix 14** has three elements. Firstly, a commitment to work with Cumbria County Council to identify the infrastructure required to support planned developments. Secondly, that both Councils will seek to identify sources of funding for its provision and finally that both Councils will work together to prioritise infrastructure projects.

I have discussed the Statement with Planning colleagues and it largely enshrines work already underway particularly with regard to preparing an I.D.P. It is also important that there is no commitment to individual developer contribution schemes or the Council's own funding for this purpose.

(i) **Legal Implications**

The recommendation has no legal implications.

(ii) **Risk Assessment**

The recommendation has no implications.

(iii) Financial Implications

The recommendation has no financial implications.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

STATEMENT OF INTENT

The purpose of the Statement of Intent is to set out how both Councils will continue to work together to identify, prioritise and fund the infrastructure necessary to support development proposed in the Barrow Local Plan.

Principle 1 - The Infrastructure Delivery Plan (IDP)

Barrow Borough Council and Cumbria County Council will commit to work together on the development of the Infrastructure Delivery Plan, identifying the infrastructure which would be necessary to support the level of development envisaged in the Barrow Local Plan.

Principle 2 - Funding the Infrastructure

While recognising that Barrow Borough Council is the Local Planning Authority, both Councils will seek to identify the funding necessary for the delivery of the IDP, from sources such as Community Infrastructure Levy, Section 106 Agreements, Section 278 Agreements, New Homes Bonus, Local Growth Fund bids, and whatever other sources of funding may be available.

Principle 3 - Prioritisation of Delivery

Both Councils will work together to agree the prioritisation of schemes within the IDP, to support developments as they come through the Planning process and are delivered.

Leader – Barrow Borough Council

Signature _____ Date _____

Chief Executive – Barrow Borough Council

Signature _____ Date _____

Leader - Cumbria County Council

Signature _____ Date _____

Chief Executive – Cumbria County Council

Signature _____ Date _____

EXECUTIVE COMMITTEE		Part One (R) Agenda Item 20
Date of Meeting:	11th March, 2015	
Reporting Officer:	Property Information Manager	
<p>Title: Property Information Team Fees Amendments</p> <p>Summary and Conclusions:</p> <p>To request Members approve the update and introduction of fees.</p> <p>Recommendations:</p> <p>To recommend the Council:-</p> <ol style="list-style-type: none"> 1. To approve the charges for Ordnance Survey Plan in paper or electronic formats; 2. To approve the new charges for Property History Information Packs (electronic format); and 3. To approve a new charge of £10.00 for the provision of an assisted enhanced personal search service. 		

Report

Background

(i) Ordnance Survey Plans

The Property Information Team currently only provides Ordnance Survey location plans to the public through its partner Centre Maps. We have to date not been providing block plans to the public, so we are therefore proposing to start providing this service. The proposed charges are shown below along with existing charges for site plans and the copying of plans. Where a site plan and block plan is ordered at the same time a discount of 10% will be given.

A block plan is a plan at a scale of 1:500 or less and shows the proposed development in relation to the site boundary.

A location plan is a plan at a scale of 1:1250 or 1:2500 showing the site and adjacent buildings and roads.

ORDNANCE SURVEYS MASTERMAP DETAILED MAPPING

Printed (NO VAT)

Paper Size	Style	Scale	Copies	Cost
A4	B & W	1:500	6	£10.00
A4	B & W	1:1000	6	£20.00
A4	B & W	1:1250	6	£26.00
A4	B & W	1:2500	6	£64.00
A3	B & W	1:500	6	£14.00
A3	B & W	1:1000	6	£40.00
A3	B & W	1:1250	6	£51.00
A3	B & W	1:2500	6	£95.00
A2	B & W	1:1250	1	£100.00
A1	B & W	1:1250	1	£120.00
A0	B & W	1:1250	1	£160.00

Emailed PDF (VAT)

Paper Size	Style	Scale	Copies	Cost
A4	B & W	1:500	N/A	£11.00 + VAT
A4	B & W	1:1000	N/A	£22.00 + VAT
A4	B & W	1:1250	N/A	£25.00 + VAT
A4	B & W	1:2500	N/A	£63.00 + VAT
A3	B & W	1:500	N/A	£12.00 + VAT
A3	B & W	1:1000	N/A	£38.00 + VAT
A3	B & W	1:1250	N/A	£49.00 + VAT
A3	B & W	1:2500	N/A	£93.00 + VAT
A2	B & W	1:1250	N/A	£90.00 + VAT
A1	B & W	1:1250	N/A	£105.00 + VAT
A0	B & W	1:1250	N/A	£140.00 + VAT

Emailed DXF, DWG and GML (VAT)

Paper Size	Style	Scale	Copies	Cost
A4	N/A	1:1250	N/A	£65.00 + VAT
A3	N/A	1:1250	N/A	£115.00 + VAT
A2	N/A	1:1250	N/A	£205.00 + VAT
A1	N/A	1:1250	N/A	£235.00 + VAT
A0	N/A	1:1250	N/A	£285.00 + VAT

Ordnance Surveys Open Data

Printed (NO VAT)

Paper Size	Style	Scale	Copies	Cost
A4	Colour	Any	1	£5.00
A3	Colour	Any	1	£10.00
A2	Colour	Any	1	£15.00
A1	Colour	Any	1	£20.00
A0	Colour	Any	1	£25.00

Emailed PDF (VAT)

Paper Size	Style	Scale	Copies	Cost
A4	Colour	Any	1	£5.00 + VAT
A3	Colour	Any	1	£8.00 + VAT
A2	Colour	Any	1	£12.00 + VAT
A1	Colour	Any	1	£16.00 + VAT
A0	Colour	Any	1	£20.00 + VAT

Plan Copying (Architects Drawings Only)

Paper Size	Style	Scale	Copies	Cost
A4	Black and White	Any	1	£0.10
A3	Black and White	Any	1	£0.20
A2	Black and White	Any	1	£7.50
A1	Black and White	Any	1	£10.00
A0	Black and White	Any	1	£12.50

(ii) Property History Information Packs

This new service provided by the Development Services department is available as an optional extra when requesting an official Local Land Charge Search or as a one off request. It provides an owner with a single account of the history of their property (as far as our records allow). The information is digitally stored on a USB key device for ease of access, and is provided in a presentation case for safe keeping. The documents provided are important legal documents which should be kept as they will help an owner when they come to sell or re-mortgage a property. The following documents will be provided where they exist:-

- Planning application decision notice
- Planning application approved plans
- Building control application decision notices
- Building control approved plans
- Building control completion certificates

- Tree preservation orders
- Conservation area orders
- Listed building text
- Current local plan documents
- Help guides for householders.

Where the request for the pack forms part of a Local Land Charge Search, the following will also be provided;

- Result of local land charge search
- Added value document

The costs of the packs are different for domestic and commercial properties and whether information prior to the 1974 is required, due to the additional work involved in manually extracting non digitalized information from the archives.

	Domestic	Commercial
1974 onwards	£25.00	£40.00
Pre 1974	£50.00	£80.00

Members of the public will still have the option to request all of above information under the Environmental Information Regulations 2004.

(iii) **Assisted Personal Search Service**

Personal search companies currently have the option of making use of our enhanced personal search system or making requests for information under the Environmental Information Regulations 2004. When they choose to make use of our enhanced system they must come into the council offices to access the system. We have had several requests to produce this information for the company and email it to them based on the location plans they provide. It is therefore proposed to initiate a £10.00 charge for an assisted enhanced personal search service, but ensuring that any information emailed out has the appropriate disclaimers attached.

(i) Legal Implications

The recommendation for implementation of a assisted enhanced personal search service and the property history information packs do not affect an individual's right to make a request under the Environmental Information Regulations these service's will be offered as an optional enhanced service

(ii) Risk Assessment

The recommendation has no implications.

(iii) Financial Implications

The recommendation has financial implications adopting the proposed changes will increase income to the Authority.

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE	(R) Agenda Item 21
Date of Meeting: 11th March, 2015	
Reporting Officer: Assistant Director – Community Services	
<p>Title: Increase in Charges for Schedule Two Waste</p> <p>Summary and Conclusions:</p> <p>The Environment Protection Act 1990 makes a statutory requirement on the Waste Collection Authority to collect household type waste under Schedule 2 of the Act from schools, colleges and charity shops that accept household goods for re-use. These establishments pay for collection only and not disposal charges. The charges for this service were set around 15 years ago and are inconsistent across the establishments. The charges have not been subject to review since they were set. This report proposes a new scale of charges, (set out in the report), and proposes to introduce this scale from 1st September 2015.</p> <p>Recommendations:</p> <p>To recommend the Council to agree the increase in charges for the service, and to agree to their implementation from 1st September 2015.</p>	

Report

The Environment Protection Act 1990 makes a statutory requirement on the Waste Collection Authority to collect household type waste under Schedule 2 of the Act from schools, colleges and charity shops that accept household goods for re-use. These establishments pay for collection only and not disposal charges. The Council as Waste Collection Authority collects this type of waste from most of the schools and colleges and many of the charity shops in the Borough. A recent investigation into the pricing structure has revealed that these prices were set at least 15 years ago and that the prices vary and do not compare with commercial waste prices charged by other waste providers. In addition, the prices have not been reviewed since they were set.

This report asks members to approve the following price per container for Schedule 2 waste.

240 litre bin £3.00 per weekly collection
660 litre bin £6.00 per weekly collection
1100 litre bin £8.00 per weekly collection

Members should be aware that although this scale of charges will represent an increase for participating establishments, it is approximately 30% cheaper than the prices charged by commercial providers.

Should this report be approved by members, it is proposed to introduce the new fees from 1st September 2015, i.e. the commencement of the new academic year. This will allow schools and colleges who do not wish to continue with the Borough collection to make alternative provision.

(i) Legal Implications

The recommendation has no legal implications.

(ii) Risk Assessment

There may be a small number of schools who will look elsewhere for the service.

(iii) Financial Implications

There will be an increase in income following the introduction of the new scale of charges.

(iv) Health and Safety Implications

The recommendation has no, minor or significant implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE	(D) Agenda Item 22
Date of Meeting: 11th March, 2015	
Reporting Officer: Assistant Director – Community Services	
<p>Title: 242/244 Dalton Road</p> <p>Summary and Conclusions:</p> <p>Members agreed to vacate 242/244 Dalton Road by the end of 2014/15 and offer the property at a peppercorn rent to a community / third sector organisation. This report asks members to note that a local Social Enterprise, Inspire Furness, will take up occupancy for an initial period of one year from mid-April 2015. This organisation will host a number of projects and staff, all of which are aimed at improving the quality of life for local residents.</p> <p>Recommendation</p> <p>To note the alternative use of the premises which was in line with their previous decision. (Minute 99 2014/15)</p>	

Report

Background

Members agreed to vacate 242/244 Dalton Road by the end of the 2014/15 financial year and offer the property leasehold at a peppercorn rent to a community/third sector organisation. (Minute No. 99 - 2014/15).

This report asks members to note that a local Social Enterprise, Inspire Furness will take up occupancy for an initial period of 1 year from mid-April 2015. Inspire Furness will host a number of projects and staff within the building. These projects include the Love Barrow Families project, the Timebank initiative and the Inspire Barrow project. Inspire Furness have also agreed to make a hot desk available for any Council officer or department to undertake surgery type activity.

(i) Legal Implications

A license to occupy will be developed.

(ii) Risk Assessment

Not Applicable.

(iii) Financial Implications

There will be an annual saving of approximately £25k in building running costs

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil

EXECUTIVE COMMITTEE	(R) Agenda Item 23
Date of Meeting: 11th March, 2015	
Reporting Officer: Monitoring Officer	
<p>Title: Review of Constitution</p> <p>Summary and Conclusions:</p> <p>S.37 of Local Government Act 2000 provides that every Council must have a constitution and that it must contain certain prescribed information. It is a statutory requirement that the constitution is kept up to date.</p> <p>To reflect both the introduction of The Anti-Social Behaviour, Crime and Policing Act 2014 ('the 2014 Act') and to provide clarity to committee and officers responsibilities, the following section of the Constitution needs updating:</p> <p>(a) Part 3(1) – Responsibility for Functions (Policy & Other Committees)</p> <p>(b) Part 3(2) – Responsibility for Functions (Officer Delegations)</p> <p>Additionally Parts 4 and 5 of the Constitution are presently under review and it is considered necessary that members have an input prior to submission to this Committee.</p> <p>Recommendations:</p> <p>To recommend that Council approve the following amendments of the Constitution:</p> <ol style="list-style-type: none"> 1. Clarification of the Terms of Reference for Licensing Committee and the Licensing Regulatory Committee in Part 3(1) in relation to matters of policy. 2. That the delegations contained in the Council's Constitutions Part 3(2) be amended to authorise the Assistant Director Community Services, Assistant Director Housing, Assistant Director Regeneration and Built Environment and Environmental Health Manager* to exercise the Council's functions and enforcement powers under the 2014 Act, including:- <ol style="list-style-type: none"> (i) Securing civil injunctions (when in force); (ii) Issuing closure notices and securing closure orders; (iii) Issuing community protection notices*; (iv) Implementing public space protection orders; and (v) Appointing authorised officers. (3) To establish a Constitution Working Group with a membership of 4 to consider Part 4 and 5 of the Constitution 	

Report

Parts 3(1) and 3(2)

To ensure compliance with s.37 of Local Government Act 2000 the Constitution is reviewed and requires updating to include new legislation and provide clarity to the terms of reference of the Licensing Committee.

New legislation

The 2014 Act came into force on 20th October 2014 and introduces new provisions and powers relating to anti-social behaviours.

The 2014 Act implements measures that aim to:

- focus the response to anti-social behaviour on the needs of victims;
- empower communities to get involved in tackling anti-social behaviour;
- ensure professionals have access to fast, effective powers to protect the public; and
- speed up the eviction of most anti-social tenants.

The provisions of the 2014 Act consolidate 19 existing anti-social behaviours powers into 6 more flexible powers. Two new measures; the community trigger and community remedy, have been introduced to help focus the response to such behaviour on the needs of victims.

Accordingly the powers contained within the 2014 Act require delegation to appropriate officers to enable them to use these powers.

Licensing Committee

The Terms of Reference currently state: -

To deal with all functions relating to licensing and registration set out in the Licensing Act 2003 and Gambling Act 2005 and any amendments thereof or regulations made thereunder insofar as they are not specifically designated in the Act as being the function of the Council or some other body. For the avoidance of doubt this includes setting the amount of any charges to be made.

It is recommended that the wording be changed to: -

To deal with all functions relating to licensing and registration set out in the Licensing Act 2003 and Gambling Act 2005 and any amendments thereof or regulations made thereunder insofar as they are not specifically designated in the Act as being the function of the Council or some other body. For the avoidance of doubt this includes setting the amount of any charges to be made and to consider proposals to change policy under these Acts and make recommendations to the Executive Committee.

Licensing Regulatory Committee

The Terms of Reference currently state: -

To deal with private hire, hackney carriage and other licensing and registration functions (other than Licensing Act 2003 and Gambling Act 2005 functions designated to be the responsibility of the Licensing Committee by virtue of the implementation of relevant legislation). This will include all functions under all legislation details in Part B of Schedule 1 to the Local Authorities (Functions and Responsibilities)(England) Regulations 2000 as amended (other than the Licensing Act 2003 and Gambling Act 2005 functions) and all other Licensing functions for which the Council may be responsible. This includes all powers in respect of any approval, consent, licence, permission or registration for which the Committee is responsible including, but not limited to: -

- a) To grant, vary, alter, amend, suspend or revoke any approval, consent, licence, permission or registration;*
- b) To impose any condition, limitation or other restriction or other terms on any approval, consent, licence, permission or registration;*
- c) To determine whether and in what manner to enforce any failure to comply with any approval, consent, licence, permission or registration and;*
- d) To amend, vary, modify or revoke any condition, limitation or term imposed on any approval, consent, licence, permission or registration.*
- e) To set the amount of any charge to be made unless prescribed by Central Government.*

It is recommended that the wording to part (e) be changed to: -

- e) To set the amount of any associated fee or charge (unless prescribed by Central Government).*

And the following added: -

- f) To consider proposals to change policy under these Acts and make recommendations to the Executive Committee.*

Parts 4 and 5

Members will recall that at its meeting on 3rd December 2014 the Committee approved amendments to Parts 1 to 3 of the Constitution. Officers are now revising Part 4 Rules of Procedure and Part 5 Codes and Protocols. It is considered necessary that Members have an input prior to submission to this Committee and that a Constitution Working Group be established.

It is recommended that a Constitution Working Group with a membership of four be established to consider Parts 4 and 5 of the Constitution

(i) Legal Implications

The 2014 Act provides new provisions and powers for dealing with anti-social behaviour. The recommendations will ensure our officers are properly authorised to exercise the available powers.

Use of the powers contained in the 2014 Act may result in additional legal action by the Council. For example we will become the prosecuting authority for any breaches of public space protection orders and community protection notices.

The review, revised document and recommendation ensure compliance with s.37 of Local Government Act 2000.

(ii) Risk Assessment

The recommendations have no implications

(iii) Financial Implications

The recommendations have no implications

(iv) Health and Safety Implications

The recommendation has no implications.

(v) Equality and Diversity

The recommendation has no detrimental impact on service users showing any of the protected characteristics under current Equalities legislation.

(vi) Health and Well-being Implications

The recommendation has no adverse effect on the Health and Wellbeing of users of this service.

Background Papers

Nil