

# Council

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**Wednesday 7 October 2015**

**2.00 pm**

**Council Chamber, Town Hall,  
Pinstone Street, Sheffield, S1 2HH**

**The Press and Public are Welcome to Attend**

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## COUNCIL

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**Wednesday 7 October 2015, at 2.00 pm**  
**Council Chamber, Town Hall, Pinstone Street, Sheffield, S1 2HH**

**The Press and Public are Welcome to Attend**

### MEMBERS OF THE COUNCIL

THE LORD MAYOR (Councillor Talib Hussain)  
THE DEPUTY LORD MAYOR (Councillor Denise Fox)

1	<i>Arbourthorne Ward</i> Julie Dore Mike Drabble Jack Scott	10	<i>Dore &amp; Totley Ward</i> Joe Otten Colin Ross Martin Smith	19	<i>Mosborough Ward</i> David Barker Isobel Bowler Tony Downing
2	<i>Beauchief &amp; Greenhill Ward</i> Julie Gledhill Roy Munn Richard Shaw	11	<i>East Ecclesfield Ward</i> Pauline Andrews Steve Wilson Joyce Wright	20	<i>Nether Edge Ward</i> Nasima Akther Nikki Bond Mohammad Maroof
3	<i>Beighton Ward</i> Helen Mirfin-Boukouris Chris Rosling-Josephs Ian Saunders	12	<i>Ecclesall Ward</i> Penny Baker Roger Davison Shaffaq Mohammed	21	<i>Richmond Ward</i> John Campbell Lynn Rooney Paul Wood
4	<i>Birley Ward</i> Denise Fox Bryan Lodge Karen McGowan	13	<i>Firth Park Ward</i> Sheila Constance Alan Law Garry Weatherall	22	<i>Shiregreen &amp; Brightside Ward</i> Peter Price Sioned-Mair Richards Peter Rippon
5	<i>Broomhill Ward</i> Jayne Dunn Aodan Marken Brian Webster	14	<i>Fulwood Ward</i> Sue Alston Andrew Sangar Cliff Woodcraft	23	<i>Southey Ward</i> Leigh Bramall Tony Damms Gill Furniss
6	<i>Burngreave Ward</i> Jackie Drayton Ibrar Hussain Talib Hussain	15	<i>Gleadless Valley Ward</i> Steve Jones Cate McDonald Chris Peace	24	<i>Stannington Ward</i> David Baker Katie Condliffe Vickie Priestley
7	<i>Central Ward</i> Lewis Dagnall Robert Murphy Sarah Jane Smalley	16	<i>Graves Park Ward</i> Ian Auckland Steve Ayris Denise Reaney	25	<i>Stocksbridge &amp; Upper Don Ward</i> Jack Clarkson Richard Crowther Keith Davis
8	<i>Crookes Ward</i> Rob Frost Anne Murphy Geoff Smith	17	<i>Hillsborough Ward</i> Bob Johnson George Lindars-Hammond Josie Paszek	26	<i>Walkley Ward</i> Olivia Blake Ben Curran Neale Gibson
9	<i>Darnall Ward</i> Dianne Hurst Mazher Iqbal Mary Lea	18	<i>Manor Castle Ward</i> Jenny Armstrong Terry Fox Pat Midgley	27	<i>West Ecclesfield Ward</i> John Booker Adam Hurst Zoe Sykes
				28	<i>Woodhouse Ward</i> Mick Rooney Jackie Satur Ray Satur

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John Mothersole

Chief Executive

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Contact:

Paul Robinson, Democratic Services

Tel: 0114 2734029

[paul.robinson@sheffield.gov.uk](mailto:paul.robinson@sheffield.gov.uk)

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## **PUBLIC ACCESS TO THE MEETING**

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The Council is composed of 84 Councillors with one-third elected three years in four. Councillors are democratically accountable to the residents of their Ward. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them

All Councillors meet together as the Council. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints the Leader and at its Annual Meeting will appoint Councillors to serve on its Committees. It also appoints representatives to serve on joint bodies and external organisations.

A copy of the agenda and reports is available on the Council's website at [www.sheffield.gov.uk](http://www.sheffield.gov.uk). You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday. You may not be allowed to see some reports because they contain confidential information. These items are usually marked \* on the agenda.

Members of the public have the right to ask questions or submit petitions to Council meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Council meetings are normally open to the public but sometimes the Council may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

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## **FACILITIES**

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There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

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**COUNCIL AGENDA  
7 OCTOBER 2015**

**Order of Business**

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**1. APOLOGIES FOR ABSENCE**

**2. DECLARATIONS OF INTEREST**

Members to declare any interests they have in the business to be considered at the meeting.

**3. MINUTES OF PREVIOUS COUNCIL MEETING**

To receive the record of the proceedings of the meeting of the Council held on 2nd September 2015 and to approve the accuracy thereof.

**4. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS**

To receive any questions or petitions from the public, or communications submitted by the Lord Mayor or the Chief Executive and to pass such resolutions thereon as the Council Procedure Rules permit and as may be deemed expedient.

**5. MEMBERS' QUESTIONS**

5.1 Questions relating to urgent business – Council Procedure Rule 16.6(ii).

5.2 Supplementary questions on written questions submitted at this meeting – Council Procedure Rule 16.4.

5.3 Questions on the discharge of the functions of the South Yorkshire Joint Authorities for Fire and Rescue and Pensions – Section 41 of the Local Government Act 1985 – Council Procedure Rule 16.6(i).

(NB. Minutes of recent meetings of the two South Yorkshire Joint Authorities have been made available to all Members of the Council via the following link -

<http://sheffielddemocracy.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13165&path=0>)

**6. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES**

To consider any changes to the memberships and arrangements for

meetings of Committees etc., delegated authority, and the appointment of representatives to serve on other bodies.

## **7. CHANGES TO THE CONSTITUTION**

Report of the Chief Executive.

## **8. NOTICE OF MOTION GIVEN BY COUNCILLOR JOHN BOOKER**

That this Council:-

- (a) believes that UKIP's position has been quite unfairly and misleadingly labelled 'anti-Europe', but that the Party is not 'anti-Europe', although it is firmly opposed to political integration within Europe;
- (b) regrets that, back in 1972, British citizens were told we were joining a 'common market', but that what we actually joined was a supranational political union where, we believe, we have lost our rights of self-government in the stealth creation of a united states of Europe, which has its own flag, national anthem, parliament, central bank, court of justice, a vast civil service, and fledgling military and police forces;
- (c) notes that the tentacles of the European Union stretch into almost every area of our national life, for example, the EU has significant influence over British financial services, fishing, energy and trade; it seeks to dictate UK business and employment legislation and immigration rules; and it seeks greater control over our law enforcement services, our foreign affairs and tax policy;
- (d) further notes that there is a significant momentum behind plans for a EU-wide army and police force, and that the EU 'shares' responsibility with Britain for many other policy areas, including animal welfare, consumer protection, public health, space programmes, social policy, humanitarian aid and vocational training, to mention but a few;
- (e) further regrets that on these and many other issues, our elected Westminster politicians are effectively impotent; and believes they pretend to have the power to influence these matters, but actually they have none, and it is what this Council believes to be an out-of-sight, unaccountable, pan-European bureaucratic elite which has the final say and they do not consider Britain's best interest; and
- (f) expresses the wish for Great Britain to be a free and fair, independent, sovereign democracy, to leave the EU and re-join the world, and believes that Britain has nothing to lose and everything to gain by this action.

**9. NOTICE OF MOTION GIVEN BY COUNCILLOR JULIE DORE**

That this Council:

- (a) notes that:
  - (i) more than 4 million Syrians have been forced to flee their homeland over the last five years as a result of the Syrian war; and
  - (ii) although the vast majority of Syrian refugees are living in temporary camps in neighbouring countries such as Turkey, Lebanon and Jordan, increasing numbers are seeking sanctuary in Europe;
- (b) believes the Government's response to the refugee crisis has been grossly inadequate and calls on the Government to do more;
- (c) is proud of Sheffield's reputation as the 'City of Sanctuary', having participated in the Government's Gateway Protection Programme for the last 11 years;
- (d) believes Sheffield has a strong tradition of helping those fleeing war and persecution, and believes our city should play its part in the current crisis;
- (e) welcomes the Council's offer to the Government to resettle Syrian refugees this year and notes that the costs involved in supporting these families for the first year will be met by the Government;
- (f) is in dialogue with the Government about meeting any additional costs of resettlement, if the needs of the new arrivals require;
- (g) thanks local people for their generosity in donating items at the Town Hall including tents, sleeping bags and winter clothing for vulnerable people stranded in refugee camps in France; and
- (h) thanks the volunteers, voluntary sector, and those who give funding to them to help refugees in our city, including Voluntary Action Sheffield, Assist, City of Sanctuary, Northern Refugee Centre and many others.

**10. NOTICE OF MOTION GIVEN BY COUNCILLOR PAUL WOOD**

That this Council:

- (a) objects to the proposed amendment to the Trade Union Bill, which it believes is an unnecessary attack on workers' rights and civil liberties that undermines the collective bargaining powers of trade unions;

- (b) is totally opposed to this draconian proposal;
- (c) notes that this country has a proud tradition of liberty and democracy built up over many years, of which trade unions play a key role;
- (d) believes that these proposals indicate the Government's intention to weaken trade unions, resulting in making it easier to attack workers' rights and pay and conditions of employment; that the Bill clearly demonstrates that this Government is not on the side of working people; and that the proposals would weaken the ability for workers to have a voice that is heard and represented by their trade union in the negotiation and protection of their terms and conditions of employment;
- (e) further believes that these are unfair and undemocratic changes and will make it much harder for public sector workers, who have suffered many years of pay restraint, to ever take industrial action over pay or challenge the behaviour of bad employers, and that it will make it more difficult for trade unions to organise, protest and reflect their members' points of view, and therefore the proposals represent attacks on civil liberties; and
- (f) calls on the Government to think again and reconsider these plans.

#### **11. NOTICE OF MOTION GIVEN BY COUNCILLOR COLIN ROSS**

That this Council:

- (a) notes that under Liberal Democrat Secretary of State for Energy and Climate Change, the Rt. Hon Ed Davey MP, the previous Coalition Government advanced the cause of green energy;
- (b) regrets that much of this good work is being undone by the present Government;
- (c) specifically, notes that financial incentives for the installation of solar panels on the roofs of Council houses are being cut from January 2016;
- (d) understands that there are approximately 1,200 Council houses due to have new roofs in the time frame and this provides an ideal opportunity for the solar panels to be installed at the same time;
- (e) believes this would enable Council tenants to benefit from a renewable carbon free energy source and save on their energy bills; and
- (f) therefore calls upon the Administration to act rapidly to make use of

the window of opportunity before the financial incentives are withdrawn.

## **12. NOTICE OF MOTION GIVEN BY COUNCILLOR MARY LEA**

That this Council:

- (a) notes that:
  - (i) 1 in 4 people will experience a mental health problem in any given year;
  - (ii) the World Health Organisation predicts that depression will be the second most common health condition worldwide by 2020;
  - (iii) mental ill health costs some £105 billion each year in England alone;
  - (iv) people with a severe mental illness die up to 20 years younger than their peers in the UK; and
  - (v) there is often a circular relationship between mental health and issues such as housing, employment, family problems or debt;
- (b) believes that:
  - (i) as a local authority we have a crucial role to play in improving the mental health of everyone in our community and tackling some of the widest and most entrenched inequalities in health;
  - (ii) mental health should be a priority across all the local authority's areas of responsibility, including housing, community safety and planning; and
  - (iii) all Councillors, whether members of the Executive or Scrutiny and in our community and casework roles, can play a positive role in championing mental health on an individual and strategic basis; and
- (c) resolves to:
  - (i) sign the Local Authorities' Mental Health Challenge run by Centre for Mental Health, Mental Health Foundation, Mental Health Providers Forum, Mind, Rethink Mental Illness, Royal College of Psychiatrists and YoungMinds;
  - (ii) commit to appoint an elected member as 'mental health



champion' across the Council;

- (iii) seek to identify a member of staff within the Council to act as 'lead officer' for mental health;
- (iv) support positive mental health in our community, including in local schools, neighbourhoods and workplaces;
- (v) work to reduce inequalities in mental health in our community; and
- (vi) work with local partners to offer effective support for people with mental health needs.

**13. NOTICE OF MOTION GIVEN BY COUNCILLOR JAYNE DUNN**

That this Council:

- (a) notes concerns raised by South Yorkshire Migration and Asylum Action Group about G4S' performance in their implementation of the Home Office's commercial contract COMPASS to house asylum seekers in Sheffield;
- (b) is pleased that the practice of forced bedroom sharing between unrelated adults in G4S-managed properties will be stopped following changes to the Council's Houses of Multiple Occupation policy, which is currently out for consultation; and
- (c) asks the Chief Executive to write to the Rt. Hon. James Brokenshire MP, the Minister of State for Immigration, to express the Council's strong concerns at the reported treatment of asylum seekers covered by the COMPASS contract, and call for a review of COMPASS with the well-being and fair treatment of those claiming asylum being its clear priority.

**14. NOTICE OF MOTION GIVEN BY COUNCILLOR IAN AUCKLAND**

That this Council:

- (a) welcomes that progress is being made and that three potential developers for the Sheffield Retail Quarter have been announced;
- (b) welcomes that a planning application has been made;
- (c) fully supports the concept of enhancing the city centre and retail offer for Sheffield;
- (d) notes that the Council has had high level professional advice to get to this stage, which has resulted in substantial costs for the Council; and

- (e) therefore would expect that we have now reached a stage where the scheme is close to being finalised and would expect no more delays or major alterations to the scheme which would incur further costs.

**15. NOTICE OF MOTION GIVEN BY COUNCILLOR BRIAN WEBSTER**

That this Council:

- (a) believes that climate change is one of the most significant challenges facing the world today, and that policy-makers and elected representatives at all levels of government have a moral responsibility to take the necessary actions to mitigate it;
- (b) notes that vital international climate talks ('COP21') are scheduled to start in Paris, France on 30th November 2015, and believes that citizen pressure on all national governments will be crucial to ensure they put forward strong commitments to action on climate in order to help create a zero-poverty, zero-carbon world;
- (c) therefore, calls upon central government to approach the COP21 talks with a commitment to adopting substantial cuts to UK emissions in the short term, taking into account the UK's position as a leading global emitter of greenhouse gases both historically and today, with a view to reaching a global agreement to limit global temperature rises to below 2 degrees Celsius;
- (d) recalls that there is huge job potential from climate action, with the third edition of the 'One Million Climate Jobs' report (supported by trade unions and environmental groups) demonstrating how 150 million new jobs could be created worldwide by an effective mitigation programme, or 1 million in the UK, which could equate to 10,000 jobs in Sheffield;
- (e) believes that city-level action is feasible and can be significant, as shown by Climate Smart Cities worldwide, and that action taken in Sheffield could also contribute towards addressing many other priorities including fuel poverty, poor air quality and local economic regeneration;
- (f) instructs officers to use appropriate opportunities (for example responses to relevant consultations, and discussions on any 'devolution deal') to encourage central government to act on reducing UK emissions, especially calling for government to enable and fund large-scale local energy-savings schemes and renewable energy generation led by local councils;
- (g) urges the Administration to examine how a large-scale climate action programme in Sheffield of home insulation, public transport,

energy efficiency and renewable energy generation could help to deliver the Council's priorities on health, economy and fairness, and to plan how to achieve these benefits;

- (h) believes that the Council should take the opportunity of news coverage of COP21 to increase awareness and interest locally in the need for, and potential benefits of, climate action in Sheffield and nationally, by:
  - (i) responding with energy and imagination to the report of the Green Commission, and publicising how climate action can help Sheffield's citizens; and
  - (ii) using appropriate avenues to publicise the 'Time for the Climate' event on Saturday 28th November 2015, being run by Sheffield Climate Alliance, to all Council employees, for example through a suitable public display (e.g. a banner on the Town Hall), and in media releases;
- (i) calls on Members to consider participating in the 'Time for the Climate' event on 28th November, and to help to raise awareness of this and the national 'Time to Act' demonstration in London on 29th November, through their networks and with their constituents; and
- (j) instructs officers to send a copy of this motion to the Secretary of State for Energy and Climate Change.

## **16. NOTICE OF MOTION GIVEN BY COUNCILLOR ROGER DAVISON**

That this Council:

- (a) notes the announcement from the Royal Mail on the proposed closure of the Ecclesall Road sorting office;
- (b) believes the alternative sorting office on Pond Street in the City Centre would lead to difficulties collecting undelivered post and parcels for those in S11 with disabilities or problems with transport arrangements;
- (c) is also worried about parking arrangements for private transport users at the Pond Street office; and
- (d) therefore calls on the Council to:
  - (i) ask the Royal Mail to consider the difficulties the residents of S11 would experience by moving the collection and distribution of mail presently carried out at the above sorting office to Pond Street; and

- (ii) ask that Royal Mail consults with local people, Council representatives and the local MPs before taking any action.

**17. NOTICE OF MOTION GIVEN BY COUNCILLOR SUE ALSTON**

That this Council:

- (a) congratulates the Women's Institute on their Centenary Year and wishes them every success in the future;
- (b) acknowledges the positive impact they have made to the lives of women and families throughout the Country; and
- (c) requests that a copy of this Notice of Motion be forwarded to the National Federation of Women's Institutes.

**18. NOTICE OF MOTION GIVEN BY COUNCILLOR SARAH JANE SMALLEY**

That this Council:

- (a) recalls that, following the submission of a petition of over 10,000 signatures to the full Council meeting on July 1st, the Cabinet Member for Environment and Transport established a 'Tree Forum' to discuss issues around street trees in Sheffield;
- (b) further, recalls that the petition that was presented cited the signatories' concerns:
  - (i) over the management of trees in the course of the Streets Ahead contract with highways contractor Amey, especially as it related to the felling of mature, healthy street trees and planting of new tree sapling programme, and;
  - (ii) that there had been insufficient public consultation around the tree felling and replacement programme, including its implementation on individual streets;
- (c) therefore regards the establishment of the Tree Forum as a potential first step in restoring public faith and trust in Sheffield City Council's management of the City's tree stock, including street trees;
- (d) however believes that, under current arrangements, the Tree Forum has not lived up to its potential, and in fact risks serving to validate the current tree felling and replacement policy rather than offering the opportunity for genuine changes to the Council's policy direction to be made;
- (e) notes that the topic of the first Tree Forum on 23rd July 2015 was

the Council's 'six Ds' criteria for tree felling, and that the topic of the second Tree Forum on 2nd September was 'sensitive engineering solutions', and further believes that, although these are worthy topics for public discussion and debate as well as expert engagement, it is deeply concerning that they may not have been settled to the Administration's satisfaction prior to the first two and a half years of the Streets Ahead Programme (including mass street tree felling) being conducted;

- (f) therefore urges the Administration to revisit its attitude towards the Tree Forum and to seize the opportunity that further meetings of the Forum could present for genuine and positive engagement with the public on issues surrounding trees, including street trees; and
- (g) further, urges the Administration to ensure that the Tree Forum and the wider public have the opportunity to have a genuine voice in the development of the forthcoming Tree Strategy for Sheffield, whose development was announced by the Cabinet Member for Environment and Transport on 8th June 2015.

#### **19. NOTICE OF MOTION GIVEN BY COUNCILLOR BRIAN WEBSTER**

That this Council:

- (a) notes with regret the Government's decision to abolish the centrally administered Independent Living Fund (ILF), effective from 1st July 2015, and that responsibility for any continuance of payments to former ILF recipients now lies with local authorities;
- (b) recalls that the ILF had been established in 1988 to help people with disabilities to live independently rather than relying on residential care;
- (c) notes with dismay reports from the disability charity Scope that "the closure of the Independent Living Fund ... [is] likely to lead to fewer disabled people being able to live independently.", and from Disabled People Against Cuts that the impact of the closure of the ILF would be "devastating" to disabled people;
- (d) believes that, wherever appropriate, individuals with disabilities who wish to live independently should be given the support they need to do so;
- (e) therefore believes that, locally, ILF money should be ring-fenced to those individuals who are both eligible for adult social care and who need support to live independently;
- (f) further, calls upon the Government to:
  - (i) reinstate the Independent Living Fund as a centrally

administered and paid fund for the support of disabled individuals who wish to live independently; and

- (ii) failing clause (f)(i) above, to maintain the central government payment to local authorities for the administration of localised ILF payments at at least the 2015 level for at least the duration of the current Parliament; and
- (g) instructs that a copy of this motion be sent to the Secretary of State for Work and Pensions.

A handwritten signature in black ink, appearing to read "John Netherde", with a horizontal line underneath it.

Chief Executive

Dated this 29 day of September 2015

**The next ordinary meeting of the Council will be held on 4 November 2015 at the Town Hall**

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## ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

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If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period\* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

\*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
  - under which goods or services are to be provided or works are to be executed; and
  - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
  - the landlord is your council or authority; and
  - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
  - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
  - (b) either -
    - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
    - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.



Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email [gillian.duckworth@sheffield.gov.uk](mailto:gillian.duckworth@sheffield.gov.uk).

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# Agenda Item 3

Minutes of the Meeting of the Council of the City of Sheffield held in the Council Chamber, Town Hall, Pinstone Street, Sheffield, S1 2HH, on Wednesday 2 September 2015, at 2.00 pm, pursuant to notice duly given and Summonses duly served.

## PRESENT

THE LORD MAYOR (Councillor Talib Hussain)  
THE DEPUTY LORD MAYOR (Councillor Denise Fox)

1	<i>Arbourthorne Ward</i> Julie Dore Mike Drabble Jack Scott	10	<i>Dore &amp; Totley Ward</i> Joe Otten Colin Ross Martin Smith	19	<i>Mosborough Ward</i> David Barker Isobel Bowler Tony Downing
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9	<i>Darnall Ward</i> Dianne Hurst Mazher Iqbal Mary Lea	18	<i>Manor Castle Ward</i> Jenny Armstrong Terry Fox Pat Midgley	27	<i>West Ecclesfield Ward</i> John Booker Adam Hurst
				28	<i>Woodhouse Ward</i> Mick Rooney Jackie Satur Ray Satur



**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Pauline Andrews, Denise Reaney, Zoe Sykes and Steve Wilson.

**2. DECLARATIONS OF INTEREST**

Councillor Ray Satur declared a disclosable pecuniary interest in the item of business numbered 8 on the Summons (Notice of Motion Concerning Changes to Bus Services) as he was employed by First Bus.

**3. MINUTES OF PREVIOUS COUNCIL MEETING**

RESOLVED: On the motion of Councillor Pat Midgley, seconded by Councillor Gill Furniss, that the minutes of the meeting of the Council held on 1<sup>st</sup> July 2015 be approved as a true and accurate record.

**4. PUBLIC QUESTIONS AND PETITIONS AND OTHER COMMUNICATIONS**

4.1 Lord Mayor's Communications

Councillors Shaffaq Mohammed and Andrew Sangar

The Lord Mayor (Councillor Talib Hussain) reported that Councillors Shaffaq Mohammed and Andrew Sangar had both been awarded an MBE in the Queen's Dissolution Honours List 2015 for political service and congratulated both of them on behalf of the Council.

Councillors Jack Scott and Jenny Armstrong

The Lord Mayor (Councillor Talib Hussain), on behalf of the Council, congratulated Councillors Jack Scott and Jenny Armstrong, who were recently married.

4.2 Petitions

Petition Opposing Cuts in Bus Services (1)

The Council received a petition containing 815 signatures opposing the cuts in bus services.

Representations of behalf of the petitioners were made by Sharron Milsom who stated that the proposals regarding bus services represented cuts of between 8 and 10 percent and although some concessions had been made in respect of certain bus services, most of the reductions were to be implemented. The South

Yorkshire Passenger Transport website referred to the proposals as service improvements, which she stated was confusing and misleading. There was no way of seeing what was planned in relation to bus services and most people seemed to be unaware of the changes. The consultation regarding the proposals had been inadequate. The consequences for disabled people were of concern in circumstances where parts of some bus routes had been removed. Whilst the dial a ride service was provided for people who had difficulty using mainstream public transport, this was limited to two pre-booked journeys each week. She questioned whether the Equalities Impact Assessment relating to the changes had been adequate and stated that the changes should be halted and that further consultation was required.

The Council referred the petition to Councillor Terry Fox, Cabinet Member for Environment and Transport.

#### Petition Opposing Cuts in Bus Services (2)

The Council received a petition containing 2817 signatures opposing the cuts in bus services.

Representations on behalf of the petitioners were made by Andy Nash. He stated that people had heard about changes to bus services too late and some places would cease to be connected by bus services. He made specific reference to service numbers 83 and 70. The reduction in bus services might result in increased car use and contribute to congestion and air pollution and many people would be affected, including people wishing to travel to hospital, older people and disabled people. Those on low income or working part time would be particularly affected. The consultation had not been effective as it had taken place over a short time period and people had been given only a limited time to respond. There was not useful information regarding the changes on bus stops, except for timetables. Clear information was required so that people were informed of changes to bus services. He stated that he believed Sheffield had taken a backward step in comparison to other cities and that people's views should be taken into consideration.

The Council referred the petition to Councillor Terry Fox, Cabinet Member for Environment and Transport. Councillor Fox stated that the consultation could have been better in respect of how it was done, where it took place and who was involved. There was publicity regarding the changes to services and the Council had talked to service users. An Equalities Impact Assessment was also considered. Members had a statutory duty to take account of the protected characteristics under the Equalities Act 2010.

The proposals sought to establish a stable public transport network and there had been over 2 million additional paying passengers within the voluntary partnership agreement in Sheffield. It was considered a requirement that in Sheffield there should be a city wide multi-use ticket, priced at £2 per day and for an additional £1, tram travel would be included. This represented a reduction in the cost of bus fares. Having been re-examined, a bus service would go from Dore to the Hallamshire Hospital. Councillor Fox also stated that a strategy for low emission

zones would be released soon. Councillor Fox concluded by saying that consultation could and should be done better.

#### Petition Requesting a Review of the COMPASS Asylum Housing Contract

The Council received a petition containing 37 signatures requesting a review of the COMPASS asylum housing contract.

Representations on behalf of the petitioners were received from John Grayson. He referred to a motion passed by Glasgow City Council, which had called for an urgent review of the COMPASS contract for asylum housing. The petition requested Sheffield City Council to also pass a motion calling for such a review. Such a motion would include the preparation of proposals for the Home Office asylum housing contract, which was in line with the needs of people seeking asylum, ahead of the renewal of the contract which would take place in 2017.

Mr Grayson said that G4S had a poor record with regards the implementation of the contract for asylum housing in Sheffield, including rats in houses and asbestos and referred to the impact on people's health, treatment of women who were pregnant and of people forced to share a bedroom. He referred to a specific case to illustrate the treatment of an asylum seeker by housing them in a poor quality property and made reference to the Home Affairs Select Committee's opinion of the quality of provision by G4S. Mr Grayson stated that there was an opportunity for the Council and other partner organisations to develop a good contract for asylum housing which the Home Office could put forward.

The Council referred the petition to Councillor Jayne Dunn, the Cabinet Member for Housing. Councillor Dunn stated that she fully supported the points that had been made. She reassured the petitioners that Council officers would meet with the Home Office in the next few weeks and agreed that discussion was needed concerning the quality of housing for asylum seekers. With regard to shared rooms, a legal agreement was being put together and a motion would be put to a Council meeting on the subject of accommodation for asylum seekers.

#### 4.3 Public Questions

##### Public Question Concerning Accommodation for Asylum Seekers

Stuart Crosthwaite stated that at the Council meeting on 25 March 2015, Councillor Mazher Iqbal had said that the Council would end the practice of forced bedroom sharing in asylum housing in Sheffield. He asked when the City Council would be taking steps to end the practice of G4S forcing bedroom sharing by amending the Houses in Multiple Occupation (HMO) licenses of existing G4S properties so as to ban bedroom sharing.

Violet Dickenson asked how many asylum seekers in G4S housing had been affected by the practice of room sharing.

Councillor Jayne Dunn, the Cabinet Member for Housing, responded by stating that she would like to reassure people that a new system relating to asylum

accommodation would be in place by the end of September 2015. New asylum seekers were not being placed in shared bedrooms.

Public Question Concerning Highways Construction in High Green

Barrie Bellamy, representing High Green Development Trust, stated that highways construction works were taking place on Pack Horse Lane in connection with the building of a new leisure centre and he asked why stakeholders had not been involved or given an opportunity to put their opinions.

Councillor Terry Fox, the Cabinet Member for Environment and Transport, stated that he had spoken with the relevant Council officers in this regard and as a result, the officers would be meeting with people locally, including the ward Councillors as part of a site visit to ascertain the impact of the highways works. The local Councillors would report the outcome of that site visit to him as Cabinet Member.

Public Question Concerning Costs of Property Repairs

Richard Perks stated that he was a leaseholder living in a property in Parson Cross and the block in which he lived consisted of six flats. A new door entry system was recently installed by Kier, using sub-contractors and the charge to the Council was £13,734 for each door. The Council had also signed an agreement with a Burnley based company for roofing repairs to Council properties in the north of Sheffield only. The charge was £67,976,206.27. He asked how the Council could justify such charges in an age of austerity.

Councillor Jayne Dunn, the Cabinet Member for Housing, stated that the quote to leaseholders to which Mr Perks had referred was being reviewed. The roofing repairs work was subject to a competitive tender and included the roofing works, replacement of roofs and insulation for 32,000 homes. Councillor Dunn said that she would send a detailed response to Mr Perks in writing.

Public Question Concerning Bus Service to Longley Hall Farm

Lisa Banes referred to the withdrawal of buses to Longley Hall estate which would affect people including older and disabled people, who would have to walk a mile to access a bus route.

Councillor Terry Fox, the Cabinet Member for Environment and Transport, stated that routes to the community on Longley Hall Farm were to be restored and he thanked local people in that area who took part in the consultation regarding proposals for bus services.

Public Questions Concerning Child Protection

Martin Brighton stated that the Council Leader had said in June that it was Council policy that complainants or whistleblowers must not be targeted and gagged. He asked if the Council could confirm, with evidence, that those who have reported possible and actual abuse of school pupils have not been targeted or gagged.



Mr Brighton stated that on 3 December 2014, the Cabinet Member for Children, Young People and Families, stated “if any concerns about child protection, please get in touch with me”. He asked: has any person or group since then raised any such concerns and have those concerns since been resolved; and given the local and regional current and historical concerns about child safeguarding, can the Council be absolutely certain that there are not, nor have been any attempts made to cover up reports of child safeguarding concerns in any way, including suppressing the complaints or targeting the complainants?

Councillor Jackie Drayton, the Cabinet Member for Children, Young People and Families, stated that her response to Mr Brighton had referred to him informing her as Cabinet Member, if he had concerns relating to a child protection matter. She said that Mr Brighton had not contacted her in this regard. However, if he did have such concerns, he should make contact with her.

#### Public Question Concerning Organisational Culture and Whistleblowing

Martin Brighton stated that from the Government response to the 9<sup>th</sup> Report of the Communities and Local Government Select Committee 2014/15, the Rotherham Metropolitan Borough Council ruling party and administration were determined as having an ingrained culture of bullying, intimidation and denial. He asked, how is the Sheffield City Council ruling party any different?

Paragraphs 74 and 75 of that report refer to examination of the conduct of Rotherham Borough Council officers who now work for other authorities and also of councillors in other authorities whose history determined culpability of wilful neglect and calls for investigation into those persons. Given the Council’s response to him from 5 November 2008, and since, how much progress has been made on the Government’s recommendations referred to in paragraphs 74 and 75, whilst ensuring politically independent scrutiny compliant to paragraph 78 and whistleblowing compliance to paragraph 80?

#### Public Question Concerning Resolution of Issues

Martin Brighton stated that in the Chamber, the Council Leader was asked how many of the issues raised by him via questions to the Council Leader had been resolved. The Leader declined to say. However, he stated that, had the Leader said ‘one’, it would have been a gross exaggeration. He asked “would the Leader please explain this giant zero to this Chamber.”

#### Public Question Concerning ‘Whitelisting’

Mr Brighton requested that the Council note that the practice of whitelisting has been seen working within the housing department and take appropriate action.

Councillor Julie Dore, the Leader of the Council, responded to all of the questions which Mr Brighton had asked and informed him that in view of the serious nature of the issues raised, he would receive a written response and this would also apply to questions asked at Cabinet meetings.

Petition

Petition requesting the Felling of a Tree Outside Nos. 6 and 8 Eyncourt Road

The Council received a petition containing 17 signatures requesting the felling of a tree outside Nos. 6 and 8 Eyncourt Road. There was no speaker to the petition.

The Council referred the petition to Councillor Terry Fox, Cabinet Member for Environment and Transport. Councillor Fox responded that the petition showed that there were different views and circumstances relating to trees and that a balanced view was required.

**5. MEMBERS' QUESTIONS**

5.1 Urgent Business

There were no questions relating to urgent business under the provisions of Council Procedure Rule 16.6(ii).

5.2 Questions

A schedule of questions to Cabinet Members, submitted in accordance with Council Procedure Rule 16, and which contained written answers, was circulated and supplementary questions under the provisions of Council Procedure Rule 16.4 were asked and were answered by the appropriate Cabinet Members.

5.3 South Yorkshire Joint Authorities

There were no questions relating to the discharge of the functions of the South Yorkshire Joint Authorities for Fire and Rescue or Pensions under the provisions of Council Procedure Rule 16.6(i).

**6. REPRESENTATION, DELEGATED AUTHORITY AND RELATED ISSUES**

RESOLVED: On the motion of Councillor Pat Midgley, seconded by Councillor Peter Rippon, that (a) approval be given to the following changes to the memberships of Boards, etc.

Overview and Scrutiny - Councillor Denise Fox to fill a vacancy  
Management Committee

Scrutiny Committee Substitute - Councillor Ian Auckland to fill a vacancy  
Members

Planning and Highways Committee - Councillor Jack Scott to fill a vacancy  
Substitute Members

- Standards Committee Substitute Members - Councillor Peter Price to fill a vacancy
- Hillsborough Local Area Partnership Lead Ward Member - Councillor Josie Paszek to fill a vacancy
- Ecclesall Local Area Partnership Lead Ward Member - Councillor Roger Davison to replace Councillor Penny Baker
- Stocksbridge and Upper Don Local Area Partnership Lead Ward Member - Councillor Keith Davis to fill a vacancy
- Joint Advisory Committee for the South Yorkshire Archaeology Service - Councillor Katie Condliffe to fill a vacancy
- South Yorkshire Joint Advisory Committee on Archives - Councillor Katie Condliffe to fill a vacancy

(b) representatives be appointed to serve on other bodies as follows:-

- South Yorkshire Fire and Rescue Authority - Councillor Steve Ayris to replace Councillor Colin Ross
- Sheffield Lyceum Trust Ltd - Councillor Jackie Drayton to fill a vacancy
- Sheffield Industrial Museums Trust - Councillor Bryan Lodge to fill a vacancy
- Southey/Owlerton Area Regeneration Board - Councillor Garry Weatherall to fill a vacancy
- Yorkshire Regional Flood and Coastal Committee - Councillor Julie Gledhill to fill a vacancy
- Robin Hood Airport Joint Consultative Committee - Councillor Ian Saunders to fill a vacancy
- Poors Land (Ecclesall Bierlow Charity) - Mr Mike Pye and Mr John Neil to fill vacancies

(c) Jules Jones be re-appointed to serve as a Parent Governor Representative on the Children, Young People and Family Support Scrutiny and Policy Development Committee until 31/7/2016.

(d) Alice Riddell be appointed to serve as a Healthwatch representative observer on the Children, Young People and Family Support Scrutiny and Policy Development Committee.

**7. STANDARDS COMMITTEE - ANNUAL REPORT 2014-15**

The Council received and noted the Annual Report of the Standards Committee which described the work the Committee had undertaken during the Municipal Year 2014/15.

**8. NOTICE OF MOTION GIVEN BY COUNCILLOR IAN AUCKLAND**

**Changes to Bus Services**

It was moved by Councillor Ian Auckland, seconded by Councillor Vickie Priestley, that this Council:-

- (a) notes the recent Sheffield Bus Partnership's public consultation into proposed changes to bus services around Sheffield which ended on 31st July 2015;
- (b) believes that if Sheffield Bus Partnership's proposed changes to bus services go ahead, thousands of people from all across the city face being cut off from the services they need the most, such as hospitals, doctors surgeries, shops and schools, and will leave many residents with, at best hourly, and at worst, no Sunday or evening services at all;
- (c) is concerned that many Sheffield residents who will be affected by the changes have been denied a say due to a number of reasons such as:-
  - (i) the poor timing of the bus consultation during holiday season when many people who rely on buses will be away or off work;
  - (ii) inadequate advertising of the consultation including limited and late publicity on many of the buses that serve routes facing cuts; and
  - (iii) the short consultation period of 25 days (23 days if replying by post), when Cabinet Member for Environment and Transport (Councillor Terry Fox) had up to 40 days to give his response to the proposals;
- (d) notes the Sheffield Liberal Democrats' own bus survey which has received over 3500 replies so far, more than Sheffield Bus Partnership's own consultation;
- (e) welcomes the response from SYPTE to the consultation, reconsidering many of the proposed changes, but believes that this does not go far enough;
- (f) calls for a delay in any changes to bus services until another longer, better advertised, consultation is carried out; and

- (g) calls for a "statutory quality contract" system of bus services to be applied in Sheffield.

(Note: Councillor Julie Dore raised a point of order under Council Procedure Rule 17.14 relating to the accuracy of paragraph (d) of the motion as published in the Summons for this meeting.

With the approval of Council and at the request of Councillor Ian Auckland (the mover of the motion), an alteration was made to the form of the above motion as published in the Summons in accordance with Council Procedure Rule 17.9. The alteration deleted the original Paragraph (d) as published in the Summons and resulted in the re-lettering of the following remaining paragraphs (e) to (h) as paragraphs (d) to (g).)

Whereupon, it was moved by Councillor Robert Murphy, seconded by Councillor Brian Webster, as an amendment, that the Motion now submitted be amended by:-

1. the addition of a new paragraph (b) as follows:-

“(b) recognises the need to better organise bus services in Sheffield and welcomes the efforts to do so on behalf of the Sheffield Bus Partnership, however;”

2. the deletion of all the words after the words “the short consultation period of 25 days (23 days if replying by post)” in original paragraph (c)(iii);

3. the addition of a new paragraph (c)(iv) as follows:-

“(c)(iv) the very limited information provided on the reasoning behind the review and specific proposals;”

4. the relettering of original paragraphs (b) and (c) as new paragraphs (c) and (d);

5. the addition of the following words at the end of paragraph (g) “, targeting communications to passengers on routes still affected by changes and setting out options with clear information on reasoning behind the proposals”.

On being put to the vote, the amendment was negatived.

It was then moved by Councillor Terry Fox, seconded by Councillor Julie Dore, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words “That this Council” and the addition of the following words:-

- “(a) notes reports that across the country, bus routes have been reduced and cut back, leading to drastic reductions in bus patronage across the country

and acknowledges that this issue has been prominent in national media in recent weeks;

- (b) welcomes that due to action taken through the Bus Partnership Agreement, Sheffield has bucked this trend, however, regrets that as Sheffield and Sheffield City Region as a whole has been hit hard due to Government cuts, it has not been possible to exempt Sheffield and the wider region from reductions in services, which will inevitably have an impact on routes;
- (c) welcomes that instead of complaining on the sidelines, the present Administration has taken action to listen to local feedback and force changes from the original proposals and secure the new £2 per day weekly ticket which ensures local people can travel on any local bus service at a price which has been cut by 17%;
- (d) recalls comments by former Liberal Democrat Transport Minister, Norman Baker, "The Sheffield Bus Agreement is good news for the city and shows what can be achieved when local councils, bus operators and transport authorities work together for the benefit of passengers. This partnership will transform passengers' experience by making bus travel easier and cheaper" and recalls that the Liberal Democrats in government favoured pursuing the Bus Partnership Agreement, making it extremely difficult for local authorities to deliver a workable Quality Contract scheme; and
- (e) supports measures that would genuinely bring bus services back under local control which are not currently in place through the statutory Quality Contract."

On being put to the vote, the amendment was carried.

Following a Right of Reply by Councillor Ian Auckland, the original Motion, as amended, was then put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-

- (a) notes reports that across the country, bus routes have been reduced and cut back, leading to drastic reductions in bus patronage across the country and acknowledges that this issue has been prominent in national media in recent weeks;
- (b) welcomes that due to action taken through the Bus Partnership Agreement, Sheffield has bucked this trend, however, regrets that as Sheffield and Sheffield City Region as a whole has been hit hard due to Government cuts, it has not been possible to exempt Sheffield and the wider region from reductions in services, which will inevitably have an impact on routes;
- (c) welcomes that instead of complaining on the sidelines, the present Administration has taken action to listen to local feedback and force

changes from the original proposals and secure the new £2 per day weekly ticket which ensures local people can travel on any local bus service at a price which has been cut by 17%;

- (d) recalls comments by former Liberal Democrat Transport Minister, Norman Baker, "The Sheffield Bus Agreement is good news for the city and shows what can be achieved when local councils, bus operators and transport authorities work together for the benefit of passengers. This partnership will transform passengers' experience by making bus travel easier and cheaper" and recalls that the Liberal Democrats in government favoured pursuing the Bus Partnership Agreement, making it extremely difficult for local authorities to deliver a workable Quality Contract scheme; and
- (e) supports measures that would genuinely bring bus services back under local control which are not currently in place through the statutory Quality Contract.

(Note: 1. Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for paragraph (a) and abstained on paragraphs (b) to (e) of the Motion and asked for this to be recorded.)

## **9. NOTICE OF MOTION GIVEN BY COUNCILLOR MAZHER IQBAL**

### **Sheffield Money**

It was moved by Councillor Mazher Iqbal, seconded by Councillor Geoff Smith, that this Council:-

- (a) is concerned that there are around 50,000 Sheffield residents who are reliant on exploitative payday and doorstep lenders;
- (b) welcomes the establishment of Sheffield Money and believes it will make a valuable contribution in helping people escape the lure of unscrupulous lenders in the City;
- (c) believes that Sheffield Money will:
  - (i) play a key role in helping people to access affordable credit; and
  - (ii) help to tackle the root causes of personal debt by referring people to independent money and debt advice;
- (d) is encouraged that more than 250 people contacted the service in its first week of business; and
- (e) is delighted that the Sheffield Money team have already been recognised

by providers and customers as being knowledgeable and very professional.

Whereupon, it was moved by Councillor Andrew Sangar, seconded by Councillor Colin Ross, as an amendment, that the Motion now submitted be amended by the addition of a new paragraph (f) as follows:-

- (f) whilst welcoming the establishment of Sheffield Money and wishing it success, suggests that regular reports on the state of Sheffield Money be brought to the relevant Scrutiny Committee.

(Note: with the agreement of Council and at the request of Councillor Andrew Sanger (the mover of the amendment), in accordance with Council Procedure Rule 17.9, the above amendment as published in the List of Amendments Received by the Chief Executive was altered by the deletion of all of the words after the words "Scrutiny Committee".)

On being put to the vote, the amendment was carried.

Following a Right of Reply by Councillor Mazher Iqbal, the original Motion, as amended, was then put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-

- (a) is concerned that there are around 50,000 Sheffield residents who are reliant on exploitative payday and doorstep lenders;
- (b) welcomes the establishment of Sheffield Money and believes it will make a valuable contribution in helping people escape the lure of unscrupulous lenders in the City;
- (c) believes that Sheffield Money will:
  - (i) play a key role in helping people to access affordable credit; and
  - (ii) help to tackle the root causes of personal debt by referring people to independent money and debt advice;
- (d) is encouraged that more than 250 people contacted the service in its first week of business;
- (e) is delighted that the Sheffield Money team have already been recognised by providers and customers as being knowledgeable and very professional; and
- (f) whilst welcoming the establishment of Sheffield Money and wishing it success, suggests that regular reports on the state of Sheffield Money be brought to the relevant Scrutiny Committee.

(Note: Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane



Smalley voted for paragraphs (a), (c) (ii), (d) and (f) and abstained on paragraphs (b), (c) (i) and (e) of the Substantive Motion and asked for this to be recorded.)

## **10. NOTICE OF MOTION GIVEN BY COUNCILLOR JACKIE DRAYTON**

### **Welfare Reform and Child Poverty**

It was moved by Councillor Jackie Drayton, seconded by Councillor Mike Drabble, that this Council:-

- (a) is disappointed that as part of the Welfare Reform and Work Bill the Government is planning to:-
  - (i) scrap binding, measurable targets to reduce child poverty;
  - (ii) stop setting targets that aim to reduce the proportion of households with a below average income;
  - (iii) repeal the majority of the Child Poverty Act, including all the targets, the provision for the Child Poverty Commission (replacing it with a Social Mobility Commission), and the duty to publish UK and local child poverty strategies; and
  - (iv) remove the word 'poverty' from the relevant legislation, renaming the Child Poverty Act 2010 the Life Chances Act 2010;
- (b) believes the Government should amend the proposals set out in the Welfare Reform and Work Bill as follows:-
  - (i) include targets against all measures so that government can be held to account for progress and we are all clear about the amount of change that is needed and by when it is needed;
  - (ii) retain the four income related measures (and the additional severe poverty measure set out in the national child poverty strategy) in addition to any new measures;
  - (iii) ensure that families who are working and in poverty are included in the measures used;
  - (iv) retain the legal duties for local authorities and named partners to cooperate to reduce and mitigate child poverty;
  - (v) retain the word 'poverty' in the name of the Act; and
  - (vi) ensure that there is sufficient time to debate and propose amendments to the elements of the Bill relating to changes to the Child Poverty Act as well as the other changes contained within the Bill;

- (c) notes the recent report by the New Policy Institute whose analysis estimates that a further 300,000 children are living in poverty since the Conservative/Lib Dem Coalition Government implemented a raft of welfare cuts in April 2013;
- (d) notes the findings of research carried out by Sheffield Hallam University last year which found that households with children in Sheffield will have lost on average £1,690 per year as a result of the Coalition Government's welfare cuts;
- (e) is concerned that more children will be pushed into poverty over this Parliament as a result of the further cuts to working-age benefits announced in the Chancellor's Budget;
- (f) agrees with the Institute for Fiscal Studies and the Resolution Foundation that cuts to tax credits will lead to increases in child poverty;
- (g) agrees with the Child Poverty Action Group that "No serious plan for the low-paid begins with making them poorer by cutting their tax credits";
- (h) notes the recent report by the Resolution Foundation that showed that two-thirds of those affected by the cuts to tax credits are in work;
- (i) believes that tax credits:-
  - (i) improve the work incentive, and that the dismantling of the tax credit system will damage work incentives; and
  - (ii) have played a key role in reducing child poverty;
- (j) praises the impressive record of the previous Labour Government on child poverty, including the introduction of Child Tax Credit and the national minimum wage, the rolling out of Sure Start centres, and improvements to childcare, all of which helped to support families on low incomes and lift children out of poverty;
- (k) recognises the current Administration's attempts to reduce child poverty in Sheffield, including the establishment of Sheffield Money, the Fairness Commission, and the on-going implementation of its recommendations; and
- (l) welcomes the Council's new Tackling Poverty Strategy which will take action to make things better for children and adults who are in poverty now, and tackle some of the root causes of poverty.

Whereupon, it was moved by Councillor Colin Ross, seconded by Councillor Steve Ayris, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the addition of the

following words:-

- (a) recalls previous resolutions this Council has passed denouncing the Government's planned cuts to the welfare system;
- (b) is disappointed that four of Sheffield's five Labour MPs failed to oppose on the second reading of the Government's Welfare Reform and Work Bill, including former deputy leader of the Council Harry Harpham MP;
- (c) notes that the eight Liberal Democrat MPs, including Sheffield Hallam MP, the Rt. Hon. Nick Clegg, voted against the Bill;
- (d) recognises that these cuts will have devastating effects on many of our city's residents, as latest estimates suggest that:
  - (i) 22,000 Sheffield residents and their families will lose an average of £260 per year;
  - (ii) 3,500 of which are hardworking people whose families will have to make up an average £280 shortfall per year in lost tax credits; and
  - (iii) around 4,200 residents in the Employment and Support Allowance work related activity group, considered only temporarily too ill to work, will lose a further £30 per week as their allowance is brought down to the level of Jobseekers Allowance;
- (e) recalls previous resolutions this Council has passed remarking that the impact of the previous Coalition Government's cuts to welfare in Sheffield were 'hitting hardest the poorest in the City';
- (f) regrets that after five years of attacking the Liberal Democrats in the Coalition Government on welfare cuts, Labour MPs have, through silence, nodded through much deeper and unnecessary ideological cuts to the welfare budget which will hit the working poor hardest;
- (g) recognises the Liberal Democrats' role in the previous Government as a moderating force, blocking many of the harshest measures put forward by the Conservatives, such as:-
  - (i) reducing Employment Support Allowance to £30 a week, bringing it in line with Job Seekers Allowance;
  - (ii) withdrawal of housing benefit from 18 – 21 year olds; and
  - (iii) scrapping of maintenance grants for students;
- (h) notes the Labour Party leadership's position of abstaining on the Welfare Bill because they agreed with measures such as:-
  - (i) reducing the welfare cap to £20,000 per household (£23,000 in

London); and

- (ii) limiting child tax credits to two children;
- (i) calls on the Leader of the Council to write to Nick Clegg and Louise Haigh, MPs, to thank them for voting against the Welfare Bill; and
- (j) calls on the Leader of the Council to send a copy of this resolution to the four Sheffield MPs who failed to oppose the Welfare Bill.”

On being put to the vote, the amendment was negated.

(Note: Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for Paragraphs (a) to (f) and (h) to (j) and abstained on paragraph (g) of the amendment and asked for this to be recorded.)

Following a Right of Reply by Councillor Jackie Drayton, the original Motion was then put to the vote and carried, as follows:-

RESOLVED: That this Council:-

- (a) is disappointed that as part of the Welfare Reform and Work Bill the Government is planning to:-
  - (i) scrap binding, measurable targets to reduce child poverty;
  - (ii) stop setting targets that aim to reduce the proportion of households with a below average income;
  - (iii) repeal the majority of the Child Poverty Act, including all the targets, the provision for the Child Poverty Commission (replacing it with a Social Mobility Commission), and the duty to publish UK and local child poverty strategies; and
  - (iv) remove the word ‘poverty’ from the relevant legislation, renaming the Child Poverty Act 2010 the Life Chances Act 2010;
- (b) believes the Government should amend the proposals set out in the Welfare Reform and Work Bill as follows:-
  - (i) include targets against all measures so that government can be held to account for progress and we are all clear about the amount of change that is needed and by when it is needed;
  - (ii) retain the four income related measures (and the additional severe poverty measure set out in the national child poverty strategy) in addition to any new measures;
  - (iii) ensure that families who are working and in poverty are included in the measures used;

- (iv) retain the legal duties for local authorities and named partners to cooperate to reduce and mitigate child poverty;
  - (v) retain the word 'poverty' in the name of the Act; and
  - (vi) ensure that there is sufficient time to debate and propose amendments to the elements of the Bill relating to changes to the Child Poverty Act as well as the other changes contained within the Bill;
- (c) notes the recent report by the New Policy Institute whose analysis estimates that a further 300,000 children are living in poverty since the Conservative/Lib Dem Coalition Government implemented a raft of welfare cuts in April 2013;
- (d) notes the findings of research carried out by Sheffield Hallam University last year which found that households with children in Sheffield will have lost on average £1,690 per year as a result of the Coalition Government's welfare cuts;
- (e) is concerned that more children will be pushed into poverty over this Parliament as a result of the further cuts to working-age benefits announced in the Chancellor's Budget;
- (f) agrees with the Institute for Fiscal Studies and the Resolution Foundation that cuts to tax credits will lead to increases in child poverty;
- (g) agrees with the Child Poverty Action Group that "No serious plan for the low-paid begins with making them poorer by cutting their tax credits";
- (h) notes the recent report by the Resolution Foundation that showed that two-thirds of those affected by the cuts to tax credits are in work;
- (i) believes that tax credits:-
- (i) improve the work incentive, and that the dismantling of the tax credit system will damage work incentives; and
  - (ii) have played a key role in reducing child poverty;
- (j) praises the impressive record of the previous Labour Government on child poverty, including the introduction of Child Tax Credit and the national minimum wage, the rolling out of Sure Start centres, and improvements to childcare, all of which helped to support families on low incomes and lift children out of poverty;
- (k) recognises the current Administration's attempts to reduce child poverty in Sheffield, including the establishment of Sheffield Money, the Fairness Commission, and the on-going implementation of its recommendations;

and

- (l) welcomes the Council's new Tackling Poverty Strategy which will take action to make things better for children and adults who are in poverty now, and tackle some of the root causes of poverty.

(Note: 1. Councillors Richard Shaw, Rob Frost, Joe Otten, Colin Ross, Martin Smith, Penny Baker, Roger Davison, Shaffaq Mohammed, Sue Alston, Andrew Sangar, Cliff Woodcraft, Ian Auckland, Steve Ayris, David Baker, Katie Condliffe and Vickie Priestley voted for paragraphs (a), (b) and (e) to (h) and against paragraphs (c), (d) and (i) to (l) of the Motion and asked for this to be recorded.

2. Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for paragraphs (a) to (h) and (j) to (l) and abstained on paragraph (i) of the Motion and asked for this to be recorded.)

## **11. NOTICE OF MOTION GIVEN BY COUNCILLOR STEVE AYRIS**

### **Affordable Housing**

It was moved by Councillor Steve Ayris, seconded by Councillor Penny Baker, that this Council:-

- (a) notes the new Government's proposal to extend the Right to Buy to housing association tenants;
- (b) notes the shortage of affordable rented homes in Sheffield with around 20,000 people on this Council's housing waiting list and is concerned that the current government plans risk making matters far worse;
- (c) notes that a recent opinion poll showed that just 16% of the public believed that extending Right to Buy to housing association tenants would be the most useful way of tackling the affordability crisis; the public's top choice was to help housing associations or councils to build more affordable homes, selected by 46% of the public;
- (d) is concerned that by allowing housing association tenants to purchase their homes at a large discount, the Right to Buy policy will lead to longer waiting lists for homes and fewer social houses, and do nothing to tackle our city's affordable housing needs;
- (e) believes these measures will force housing associations to simply be catching up with replacing homes rather than building affordable housing to give more people homes they need and only benefit the lucky few;
- (f) notes that even the Conservative Mayor of London has said he did not want to see councils "deprived at a rapid rate of their housing stock" if more homes were not being built to replace them;

- (g) recognizes the desire by many to own their own homes and suggests that proposals put forward by the Liberal Democrats, such as a “Rent to Own” model and Shared Ownership housing, would represent a better way of reaching this goal;
- (h) also notes that there are existing routes for housing association tenants to own their own properties – some housing association tenants already have the Right to Acquire; and
- (i) proposes that:
  - (i) this Council works with other neighbouring authorities and housing associations to oppose the current Government proposals; and
  - (ii) a copy of this motion is sent to our local MPs asking them to support the Council’s position; to speak up in Parliament for more social housing and not less and to push for a genuine “one for one” replacement but not at the cost of losing more council housing.

Whereupon, it was moved by Councillor Jayne Dunn, seconded by Councillor Sioned Mair-Richards, as an amendment, that the Motion now submitted be amended by:-

1. the addition of a new paragraph (c) as follows:-
  - (c) welcomes the current Administration’s plans to deliver new Council housing in Sheffield;”
2. the deletion of original paragraph (g) and the addition of a new paragraph (g) as follows:-
  - (g) understands and supports people’s aspirations to own their own home and supports a range of measures put forward by the Labour Party to achieve this, including the abolition of stamp duty for first time buyers on properties worth up to £300,000; First Call, a policy that will give first-time buyers the first choice of up to half of the homes being built in their area; and local first, an initiative to ensure local buyers have the opportunity to purchase properties;”
3. the deletion of original paragraph (i) and the addition of a new paragraph (i) as follows:-
  - (i) resolves to continue working with all stakeholders, including neighbouring authorities and Core City partners and local MPs, to oppose the current Government proposals and to promote more social housing and to improve on the disastrous legacy the last Parliament and Coalition Government had for social housing.”
4. the re-lettering of original paragraphs (c) to (i) as new paragraphs (d) to (j).

On being put to the vote, the amendment was carried.

(Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for parts 1, 3 and 4 and abstained on part 2 of the amendment and asked for this to be recorded.)

The original Motion, as amended, was then put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-

- (a) notes the new Government's proposal to extend the Right to Buy to housing association tenants;
- (b) notes the shortage of affordable rented homes in Sheffield with around 20,000 people on this Council's housing waiting list and is concerned that the current government plans risk making matters far worse;
- (c) welcomes the current Administration's plans to deliver new Council housing in Sheffield;
- (d) notes that a recent opinion poll showed that just 16% of the public believed that extending Right to Buy to housing association tenants would be the most useful way of tackling the affordability crisis; the public's top choice was to help housing associations or councils to build more affordable homes, selected by 46% of the public;
- (e) is concerned that by allowing housing association tenants to purchase their homes at a large discount, the Right to Buy policy will lead to longer waiting lists for homes and fewer social houses, and do nothing to tackle our city's affordable housing needs;
- (f) believes these measures will force housing associations to simply be catching up with replacing homes rather than building affordable housing to give more people homes they need and only benefit the lucky few;
- (g) notes that even the Conservative Mayor of London has said he did not want to see councils "deprived at a rapid rate of their housing stock" if more homes were not being built to replace them;
- (h) understands and supports people's aspirations to own their own home and supports a range of measures put forward by the Labour Party to achieve this, including the abolition of stamp duty for first time buyers on properties worth up to £300,000; First Call, a policy that will give first-time buyers the first choice of up to half of the homes being built in their area; and local first, an initiative to ensure local buyers have the opportunity to purchase properties;
- (i) also notes that there are existing routes for housing association tenants to own their own properties – some housing association tenants already have



the Right to Acquire; and

- (j) resolves to continue working with all stakeholders, including neighbouring authorities and Core City partners and local MPs, to oppose the current Government proposals and to promote more social housing and to improve on the disastrous legacy the last Parliament and Coalition Government had for social housing.

(Note: 1. Councillors Richard Shaw, Rob Frost, Joe Otten, Colin Ross, Martin Smith, Penny Baker, Roger Davison, Shaffaq Mohammed, Sue Alston, Andrew Sangar, Cliff Woodcraft, Ian Auckland, Steve Ayriss, David Baker, Katie Condliffe and Vickie Priestley voted for paragraphs (a) to (g) and (i) and against paragraphs (h) and (j) of the Substantive Motion and asked for this to be recorded.

2. Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for paragraphs (a) to (g), (i) and (j) and abstained on paragraph (h) of the Substantive Motion and asked for this to be recorded.)

## **12. NOTICE OF MOTION GIVEN BY COUNCILLOR NIKKI BOND**

### **Homophobic Bullying**

It was moved by Councillor Nikki Bond, seconded by Councillor Mick Rooney, that this Council:-

- (a) believes that homophobic bullying is unacceptable and must be stamped out;
- (b) is proud to have received national recognition for the fifth year in a row for its work in schools to provide lesbian, gay, bi-sexual and transgender students with mental health and social support, having been ranked in the top 10 local authorities in Stonewall's Education Equality Index 2015; and
- (c) thanks all those involved, including officers, schools, young people, the Emotional Health and Wellbeing Service and Fruitbowl – Sheffield's LGBT youth group, who have worked hard for us to receive this recognition.

Whereupon, it was moved by Councillor Penny Baker, seconded by Councillor Katie Condliffe, as an amendment, that the Motion now submitted be amended by the addition of a new paragraph (d) as follows:-

- (d) notes the good work done by the Liberal Democrats in the previous Coalition Government to stamp out homophobic bullying, including a £2 million package to be offered to charitable and not-for-profit organisations that come forward with creative ideas to stamp out homophobic, biphobic and transphobic bullying in our schools.

On being put to the vote, the amendment was negated.

The original Motion was then put to the vote and carried as follows:-

RESOLVED: That this Council:-

- (a) believes that homophobic bullying is unacceptable and must be stamped out;
- (b) is proud to have received national recognition for the fifth year in a row for its work in schools to provide lesbian, gay, bi-sexual and transgender students with mental health and social support, having been ranked in the top 10 local authorities in Stonewall's Education Equality Index 2015; and
- (c) thanks all those involved, including officers, schools, young people, the Emotional Health and Wellbeing Service and Fruitbowl – Sheffield's LGBT youth group, who have worked hard for us to receive this recognition.

### **13. NOTICE OF MOTION GIVEN BY COUNCILLOR LEIGH BRAMALL**

#### **City Events**

RESOLVED: On the Motion of Councillor Leigh Bramall, seconded by Councillor Isobel Bowler, that this Council:-

- (a) notes the success of recent summer events, including:
  - (i) Doc Fest;
  - (ii) Sheffield Design Week;
  - (iii) Sheffield Sky Ride;
  - (iv) Tramlines Music Festival;
  - (v) Sheffield by the Seaside;
- (b) thanks all staff and volunteers who worked incredibly hard to make the events possible;
- (c) encourages local people to attend upcoming events, including:
  - (i) Art in the Gardens, 5th - 6th September;
  - (ii) Great Yorkshire Run, 27th September;
  - (iii) Last Laugh Sheffield Comedy Festival, 1st – 31st October;
- (d) welcomes the increased city centre footfall that such events provide, and the positive impacts for the local economy; and

- (e) notes that many events in the city are funded by local businesses and thanks local businesses for their contributions.

**14. NOTICE OF MOTION GIVEN BY COUNCILLOR JOHN BOOKER**

**Local Government**

It was moved by Councillor John Booker, seconded by Councillor Keith Davis, that this Council:-

- (a) believes that the problems with the Strong Leader and Cabinet/Executive system are:-
- (i) the fact that the 'Cabinet' (or 'Executive') can be composed exclusively of members from one political party;
  - (ii) the fact that the leader has such a monopoly of power;
  - (iii) the fact that members of the Cabinet/Executive are chosen by the Leader;
  - (iv) the fact that the Cabinet/Executive is often not geographically representative;
  - (v) the lack of genuine debate at Cabinet/Executive meetings, with most decisions being taken in advance;
  - (vi) the under-utilisation and marginalisation of backbench Councillors;
  - (vii) the lack of opportunities for backbench Councillors to build up expertise;
  - (viii) the fact that residents do not have equality of representation - those residents with a Councillor who is a Cabinet (or Executive) Member have a Councillor with more influence than those residents with non-Cabinet (or Executive) Councillors, although this can cut both ways if a Cabinet/Executive Councillor uses their position on the Cabinet/Executive to excuse them from engaging in local issues;
  - (ix) backbench Councillors have little incentive to engage actively with their residents as they have little, or no, influence in the decision-making process; and

- (x) the 'strong leader' model personalises local politics in an unhealthy way;
- (b) believes that the problems with Councillors are:-
  - (i) that Councillors are not sufficiently representative of the community as a whole;
  - (ii) that too many Councillors fail to actively engage with the residents in their wards;
  - (iii) that too many Councillors fail to seek out and represent the concerns of their residents;
  - (iv) that too many Councillors fail to alert their residents in advance to forthcoming issues of potential importance; and
  - (v) that too few Councillors have the courage of their convictions to speak out when their party is taking a position which they personally are uncomfortable with;
- (c) believes that the problems with party politics at the local level are:-
  - (i) that too many decisions are taken along party political lines, when party politics is actually irrelevant to the issue at hand;
  - (ii) that there are too many angry exchanges of abuse between members of the political parties, which undermine rational debate;
  - (iii) that it is difficult for residents to stand as independent Councillors, because they have no support structure; and
  - (iv) that party politics at the local level leads to polarised debates and a lack of consensus-building;
- (d) believes that the problems which residents face in trying to influence the decisions which affect them are:-
  - (i) that residents are often not aware of decisions which will affect them or their community until the decision has already been made, and this gives residents the impression that everything is a 'fait accompli';
  - (ii) that where consultation does take place, it is often too late in the decision-making process to make any real difference;

- (iii) that consultation exercises often appear weighted in favour of the Council's preferred option; and
  - (iv) that the Council's interpretation of the results of consultation exercises appears at times to manipulate respondents' viewpoints to justify a pre-determined Council goal;
- (e) believes that the problems with encouraging public engagement are:-
- (i) that many residents feel a general sense of political apathy and are not interested in becoming engaged at the local level;
  - (ii) that many residents feel resentful about the way in which decisions have been made locally and do not trust the Council's intentions;
  - (iii) that many residents feel that their Councillors are powerless to represent them;
  - (iv) that many residents have no contact with their Councillors at all;
  - (v) that many residents do not have the confidence or the knowledge to engage with the Council;
  - (vi) that many residents have never been to a Council meeting and would not know when or where they take place;
  - (vii) that many residents feel that the Council simply doesn't listen or even care what they think;
  - (viii) that many residents are not part of an active residents' association, and feel that their voice will simply not be heard; and
  - (ix) that there is a general failing to engage young people in the political process, and schools too often see politics as 'dirty'!
- (f) believes that the long-term running down of local government is due to:-
- (i) the fact that local government is starved of funding;
  - (ii) the fact that the Government uses 'carrots and sticks' to

persuade and force local councils to fulfil its own goals;

- (iii) the fact that decision-making is increasingly centralised - in spite of the provisions of the Localism Act; and
  - (iv) the fact that the local council doesn't have sufficient officers or the resources to prioritise the adoption of a pro-active approach to engaging with local people; and
- (g) believes that the committee system provides a more democratic form of governance for local authorities, and therefore requests that the necessary steps be taken for this Council to change its governance arrangements to the committee system.

Whereupon, it was moved by Councillor Robert Murphy, seconded by Councillor Brian Webster, as an amendment, that the Motion now submitted be amended by the addition of new paragraphs (h) and (i) as follows:-

- (h) notes the comprehensive rejection in 2012 of a proposal to run Sheffield with a mayoral system, by a near 2:1 margin; and
- (i) believes any proposal to run Sheffield or its region by a mayoral system should be subject to a further referendum.

On being put to the vote, the amendment was negated.

Whereupon, it was moved by Councillor Andrew Sangar, seconded by Councillor Colin Ross, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the addition of the following words:-

- (a) recognises the importance of local people in local decision making;
- (b) believes that local Members play a vital role in this;
- (c) regrets the Labour Administration's decision to end Community Assemblies, which devolved power over some spending to local communities and enabled meaningful decisions to be made on how budgets were spent in their area;
- (d) believes that Local Area Partnerships have proved to be a poor substitute for Community Assemblies; and
- (e) calls on the Administration to devolve more decision making to local areas."

On being put to the vote, the amendment was negated.

The original Motion was the put to the vote and was not carried.

(Note: Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for the Motion except for paragraph (a) (ix) on which they abstained and asked for this to be recorded.)

**15. NOTICE OF MOTION GIVEN BY COUNCILLOR VICKIE PRIESTLEY**

**Welfare Reform and Work Bill**

It was moved by Councillor Vickie Priestley, seconded by Councillor Katie Condliffe, that this Council:-

- (a) recalls previous resolutions this Council has passed denouncing the Government's planned cuts to the welfare system;
- (b) is disappointed that 4 of Sheffield's 5 Labour MPs chose to abstain on the second reading of the Government's Welfare Reform and Work Bill, including former deputy leader of the Council, Harry Harpham MP;
- (c) notes that the eight Liberal Democrat MPs, including Sheffield Hallam MP, the Rt. Hon. Nick Clegg, voted against the Bill;
- (d) recognises that these cuts will have devastating effects on many of our city's residents, as latest estimates suggest that:
  - (i) 22,000 Sheffield residents and their families will lose an average of £260 per year;
  - (ii) 3,500 of which are hardworking people whose families will have to make up an average £280 shortfall per year in lost tax credits; and
  - (iii) around 4,200 residents in the Employment and Support Allowance work related activity group, considered only temporarily too ill to work, will lose a further £30 per week as their allowance is brought down to the level of Jobseekers Allowance;
- (e) recalls previous resolutions this Council has passed remarking that the impact of the previous Coalition Government's cuts to welfare in Sheffield were 'hitting hardest the poorest in the City';
- (f) regrets that after 5 years of attacking the Liberal Democrats in the coalition government on welfare cuts, Labour MPs have, through silence, nodded through much deeper and unnecessary ideological cuts to the welfare budget which will hit the working poor hardest;
- (g) recognises the Liberal Democrats' role in the previous Government as a moderating force, blocking many of the harshest measures put forward by

the Conservatives; and

- (h) proposes that a copy of this resolution be sent to the four Sheffield MPs that abstained on the Welfare Bill.

Whereupon, it was moved by Councillor Mazher Iqbal, seconded by Councillor Bryan Lodge, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the addition of the following words:-

- (a) is opposed to the Government's Welfare Reform and Work Bill and believes it will push more people into poverty;
- (b) is stunned by the outrageous hypocrisy of the main opposition group's concern for those set to lose out as a result of the Government's Welfare Reform and Work Bill, when their Party were partners in a Coalition Government which:
  - (i) implemented the hated and unfair bedroom tax;
  - (ii) cut tax credits;
  - (iii) froze the uprating of working-age benefits at 1%, breaking the vital link between benefits and inflation;
  - (iv) made a total mess of the work capability assessments, with 40% of claimants found fit for work appealing, and almost 40% of those appeals proving successful;
  - (v) oversaw a massive increase in the use of benefit sanctions;
  - (vi) delivered a 10% cut in funding for council tax benefit, when the scheme was localised; and
  - (vii) presided over a huge backlog in claims for personal independence payments, leaving disabled people short of vital benefits while waiting for their claim to be processed; and
- (c) recalls that the main opposition group supported the vast majority of the previous Government's cuts to welfare which hit the poorest in the city the hardest and believes that their feigned opposition to welfare cuts is nothing more than cynical political opportunism."

On being put to the vote, the amendment was carried.

The original Motion, as amended, was then put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-



- (a) is opposed to the Government's Welfare Reform and Work Bill and believes it will push more people into poverty;
- (b) is stunned by the outrageous hypocrisy of the main opposition group's concern for those set to lose out as a result of the Government's Welfare Reform and Work Bill, when their Party were partners in a Coalition Government which:
  - (i) implemented the hated and unfair bedroom tax;
  - (ii) cut tax credits;
  - (iii) froze the uprating of working-age benefits at 1%, breaking the vital link between benefits and inflation;
  - (iv) made a total mess of the work capability assessments, with 40% of claimants found fit for work appealing, and almost 40% of those appeals proving successful;
  - (v) oversaw a massive increase in the use of benefit sanctions;
  - (vi) delivered a 10% cut in funding for council tax benefit, when the scheme was localised; and
  - (vii) presided over a huge backlog in claims for personal independence payments, leaving disabled people short of vital benefits while waiting for their claim to be processed; and
- (c) recalls that the main opposition group supported the vast majority of the previous Government's cuts to welfare which hit the poorest in the city the hardest and believes that their feigned opposition to welfare cuts is nothing more than cynical political opportunism.

(Note 1. Councillors Rob Frost, Joe Otten, Colin Ross, Martin Smith, Penny Baker, Roger Davison, Shaffaq Mohammed, Sue Alston, Andrew Sangar, Cliff Woodcraft, Ian Auckland, Steve Ayris, David Baker, Katie Condliffe and Vickie Priestley voted for paragraph (a) and against paragraphs (b) and (c) of the Substantive Motion and asked for this to be recorded.

2. Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for paragraph (a) and abstained on paragraphs (b) and (c) of the Substantive Motion and asked for this to be recorded.)

**16. NOTICE OF MOTION GIVEN BY COUNCILLOR JULIE DORE**

### **Electrification of the Midland Mainline**

It was moved by Councillor Julie Dore, seconded by Councillor Jack Scott, that this Council:-

- (a) condemns the Government's decision to shelve indefinitely the electrification of the Midland Mainline between Sheffield and London;
- (b) is dismayed that just seven weeks after the General Election the Government reneged on its election pledge to electrify key rail lines in the North, and views the decision as evidence that the North is not considered a priority by the Government;
- (c) questions the Government's claim that they had no knowledge of this before the election;
- (d) calls on the Government to reaffirm its commitment to electrification and to provide a definitive timetable as to when Yorkshire can expect to have the rail upgrades that it needs and was promised before the General Election;
- (e) notes a report by engineering consultants Arup which estimated that electrification would reap economic benefits totalling £95m for Sheffield City Region over a 60 year period, in addition to significant environmental benefits; and
- (f) believes that the pausing of infrastructure projects, such as the electrification of the Midland Mainline:
  - (i) makes a mockery of the Government's commitment to the "Northern Powerhouse"; and
  - (ii) has a detrimental impact on businesses and commuters in Sheffield and across the north of England.

Whereupon, it was moved by Councillor Ian Auckland, seconded by Councillor Colin Ross, as an amendment, that the Motion now submitted be amended by:

1. the deletion of paragraph (c) and the relettering of paragraphs (d) to (f) as new paragraphs (c) to (e); and
2. the addition of a new paragraph (f) as follows:-
  - (f) calls on the Council to lobby the Government on a cross party basis to reinstate the electrification of the Midland Main Line.

On being put to the vote, the amendment was negatived.

The original Motion was then put to the vote and carried, as follows:-

RESOLVED: That this Council:-

- (a) condemns the Government's decision to shelve indefinitely the electrification of the Midland Mainline between Sheffield and London;
- (b) is dismayed that just seven weeks after the General Election the Government reneged on its election pledge to electrify key rail lines in the North, and views the decision as evidence that the North is not considered a priority by the Government;
- (c) questions the Government's claim that they had no knowledge of this before the election;
- (d) calls on the Government to reaffirm its commitment to electrification and to provide a definitive timetable as to when Yorkshire can expect to have the rail upgrades that it needs and was promised before the General Election;
- (e) notes a report by engineering consultants Arup which estimated that electrification would reap economic benefits totalling £95m for Sheffield City Region over a 60 year period, in addition to significant environmental benefits; and
- (f) believes that the pausing of infrastructure projects, such as the electrification of the Midland Mainline:
  - (i) makes a mockery of the Government's commitment to the "Northern Powerhouse"; and
  - (ii) has a detrimental impact on businesses and commuters in Sheffield and across the north of England.

(Note: 1.Councillors Rob Frost, Joe Otten, Colin Ross, Martin Smith, Penny Baker, Roger Davison, Shaffaq Mohammed, Sue Alston, Andrew Sangar, Cliff Woodcraft, Ian Auckland, Steve Ayris, David Baker, Katie Condliffe and Vickie Priestley voted for paragraphs (a), (b) and (d) to (f) and against paragraph (c) and asked for this to be recorded.

2. Councillors Aodan Marken, Brian Webster, Robert Murphy and Sarah Jane Smalley voted for paragraphs (a), (b) and (d) to (f) and abstained on paragraph (c) and asked for this to be recorded.)

**17. NOTICE OF MOTION GIVEN BY COUNCILLOR PENNY BAKER**

**Jessica Ennis-Hill and Joe Root**

RESOLVED: On the Motion of Councillor Penny Baker, seconded by Councillor Roger Davison, that this Council:-

- (a) congratulates Jessica Ennis-Hill, CBE, on becoming the 2015 world champion in the heptathlon at the World Athletics Championships; and
- (b) further congratulates Joe Root for his part in regaining The Ashes and becoming the world No 1 ranked Test batsman.

**18. NOTICE OF MOTION GIVEN BY COUNCILLOR JOHN BOOKER**

It was moved by Councillor John Booker, seconded by Councillor Keith Davis, that this Council:-

- (a) recalls that the Labour Representation Council, formed in 1900, allowed political funds to be raised from members of the unions;
- (b) also recalls that the Trade Union Act 1913 gave Trade Unions the right to divide its subscriptions into a Social Fund and a Political Fund;
- (c) notes that the 38 affiliated Trade Unions to the Labour Party collect the political fund automatically; that all members opted in unless they "opt out", and that members do not receive any discount of their subscription fees if they "opt out", with no explanation why;
- (d) believes that nearly five million union members are unwittingly paying large amounts of money directly to the Labour Party, and further believes that this policy is undemocratic and morally bankrupt;
- (e) strongly asserts that every union member should have the choice to pay money to whichever political party they choose, or not to pay anything at all, and that these conditions should be clearly defined, so everyone understands them;
- (f) places on record that, in an attempt to balance this injustice, Trade Unions ballot their members every ten years to continue the political fund, but believes that awareness is low amongst union members and their published material, in effect, steers their members into voting yes to keep the political fund going, and that Section 72 of the Trade Union and Labour Relations (Consolidation) Act 1992 is quoted, but Section 82, which relates to "opting out", is not;
- (g) believes that this issue has had a long and troubled history, and has got to change, noting that even Winston Churchill discussed this matter a hundred years ago; and
- (h) further confirms strong support to the Trade Union Movement, but believes that democracy, transparency and fairness must be the cornerstones of these organisations when it comes to the Political Levy.

Whereupon, it was moved by Councillor Julie Dore, seconded by Councillor Mary Lea, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the addition of the following words:-

- (a) believes that trade unions play a vital role in representing the interests of ordinary working people, challenging low pay, erosion of employment rights and health and safety concerns;
- (b) condemns the Government's Trade Union Bill, and views it as an ideologically-driven attack on workers' civil liberties that will restrict basic workers' rights and, at worst, criminalise those campaigning for a fairer deal at work; and
- (c) believes that the economy prospers only when business and employees work together harmoniously and that the Trade Union Bill risks souring that relationship and holding back our economy.

On being put to the vote, the amendment was carried.

It was then moved by Councillor Andrew Sangar, seconded by Councillor Ian Auckland, as an amendment, that the Motion now submitted be amended by the deletion of all the words after the words "That this Council" and the addition of the following words:-

- (a) recognises the importance of reforming the way political parties are financed;
- (b) asserts that every union member should have the choice to pay money to whichever political party they choose, or not to pay anything at all, and that these conditions should be clearly defined, so everyone understands them;
- (c) believes that this must go hand in hand with reforms to cap large donations;
- (d) notes attempts by the Liberal Democrats in the previous Government to reform party funding; and
- (e) further notes that these proposals were blocked by Labour and Conservative MPs.

On being put to the vote, the amendment was negatived.

The original Motion, as amended, was then put as a Substantive Motion in the following form and carried:-

RESOLVED: That this Council:-

- (a) believes that trade unions play a vital role in representing the interests of

ordinary working people, challenging low pay, erosion of employment rights and health and safety concerns;

- (b) condemns the Government's Trade Union Bill, and views it as an ideologically-driven attack on workers' civil liberties that will restrict basic workers' rights and, at worst, criminalise those campaigning for a fairer deal at work; and
- (c) believes that the economy prospers only when business and employees work together harmoniously and that the Trade Union Bill risks souring that relationship and holding back our economy.



## Report to Council

**Report of:** Chief Executive

**Date:** 7 October 2015

**Subject:** Changes to the Constitution

**Author of Report:** Dave Ross – Democratic Services  
0114 273 5033

### Summary:

This report provides details of proposed changes to the Financial Procedure Rules (Financial Regulations) in Part 4 of the Constitution and minor/consequential changes approved by the Director of Legal and Governance under delegated authority.

### Recommendations:

That the Council:-

- (a) considers adopting the changes to the Financial Procedure Rules (Financial Regulations) in Part 4 of the Constitution, as set out in the report and Appendices A and B; and
- (b) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, as outlined in the report and Appendix C.

### Background Papers:

None

**Category of Report:** OPEN

## Statutory and Council Policy Checklist

<b>Financial implications</b>
NO
<b>Legal implications</b>
YES
<b>Equality of Opportunity implications</b>
NO
<b>Tackling Health Inequalities implications</b>
N/A
<b>Human rights implications</b>
N/A
<b>Environmental and Sustainability implications</b>
N/A
<b>Economic impact</b>
N/A
<b>Community safety implications</b>
N/A
<b>Human resources implications</b>
N/A
<b>Property implications</b>
N/A
<b>Area(s) affected</b>
None
<b>Relevant Cabinet Portfolio Leader</b>
Cllr Julie Dore/Councillor Ben Curran
<b>Relevant Scrutiny Committee if decision called in</b>
Not applicable
<b>Is the item a matter which is reserved for approval by the City Council?</b>
Yes
<b>Press release</b>
NO



**1. Introduction**

- 1.1 This report provides details of proposed changes to the Council's Constitution and changes approved by the Director of Legal and Governance under delegated authority.

**2. Background**

- 2.1 To ensure that the Constitution is kept up to date, there is a regular review process and, where changes are required, these are submitted to Full Council for approval.
- 2.2 In addition, the Director of Legal and Governance, in consultation with the Lord Mayor, has delegated authority to make any minor and consequential drafting changes to the Constitution.

**3. Proposed Changes and Reasons**

- 3.1 The Financial Procedure Rules (Financial Regulations) were last updated in July 2014 and are an important part of the Council's financial governance arrangements. They provide the rules for the Council to follow so as to protect public money and give clarity for both Members and Officers regarding responsibilities for financial management.
- 3.2 Following an annual review by Finance Officers, in consultation with the Leader and the Cabinet Member for Finance and Resources, a number of changes are proposed to the sections in the Financial Regulations on (a) Financial Planning and the process for the Annual Revenue Budget Monitoring, (b) the Capital Programme and the approval for expenditure to undertake feasibility works on potential capital projects, (c) Income Management in relation to credit notes and refunds and (d) Purchasing relating to purchasing cards and authorisations. A summary of the proposed changes and a revised version of the Financial Regulations are attached at Appendices A and B.

**4. Minor/Consequential Changes to the Constitution**

- 4.1 The Director of Legal and Governance, in consultation with the Lord Mayor, approved on the 23 July 2015 minor/consequential changes to the Officer Employment Procedure Rules, the Officers' Code of Conduct, the Protocol for Member/Officer Relations and the Management Structure and Statutory/Proper Officers. All Councillors were previously informed of these changes which are detailed at Appendix C.

**5. Legal Implications**

- 5.1 Except where delegated by Council (see paragraph 2.2 above), variations to the Constitution may only be made by Full Council.

6. **Financial Implications**

6.1 There are no financial implications.

7. **Recommendations**

7.1 That the Council:-

- (a) considers adopting the changes to the Financial Procedure Rules (Financial Regulations) in Part 4 of the Constitution, as set out in the report and Appendices A and B; and
- (b) notes the minor/consequential changes to the Constitution made by the Director of Legal and Governance, in consultation with the Lord Mayor, under delegated authority, as outlined in the report and Appendix C.

**Chief Executive**



# **Sheffield City Council Financial Regulations 2015**

**Summary of changes from the 2014 Regulations**

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**Foreword**

This document summarises the main changes from the 2014 to the 2015 Financial Regulations. It is not intended to replace due consideration of the current Regulations.

If you have any queries on the content of the Regulations please contact your [Finance Business Partner](#).

## **1. Financial Planning (Chapter 3)**

### **1.1. Annual Revenue Budget Monitoring**

The Director of Finance will prepare budget monitoring reports in consultation with Executive Directors. The Director of Finance will produce an annual timetable for budget monitoring reporting and the following principles will apply:

- Monitoring reports, prepared on an accrued basis, will be reported to Portfolio Management Teams on a monthly basis.
- Monthly monitoring reports will be presented to Executive Management Team (except months 4, 8 and 11).
- Monthly overall monitoring reports will be presented to the Cabinet (except months 4, 8 and 11).

## **2. Capital Programme (Chapter 5)**

The Director of Finance, in conjunction with the Cabinet Member for Finance, can approve expenditure up to the value of £100,000 to permit the Council to undertake feasibility works on potential capital projects provided that:

- The Director of Finance has been provided with evidence to enable him/ her to reasonably conclude that the project is viable and practical so that any recommendations from the study can be implemented and the study will not be an abortive cost.
- The entire project (i.e. feasibility and subsequent construction works) is fully funded.
- The works meet the requirements of the capital accounting rules to be eligible for classification as capital spend.

## **3. Income Management (Chapter 7)**

### **3.1. Credit Notes & Refunds**

Credit notes must be authorised by only the manager responsible for the budget affected and not jointly with the Director of Finance or his/ her designated Officers.

## **4. Purchasing (Chapter 8)**

### **4.1. Purchasing Cards**

A small number of credit and procurement cards exist for use within the Council where special conditions exist. The use of credit/ procurement cards are intended to complement, rather than replace the purchase order procedure, and should only be used in exceptional circumstances, when the use of a purchase order is not feasible.

The Director of Finance shall approve all officer applications for procurement/ credit cards and may withdraw his/ her approval for the Officer to use the card at their discretion.

For each card, monthly credit and individual transaction limits will be determined by the Director of Finance on approval of the application. Requests for alterations to the limits will be considered where a valid business case exists at his/ her discretion.

The Director of Finance shall ensure that a register of all procurement cards issued is kept containing employee details, credit and transaction limits and date of issue.

The Executive Directors must inform the Director of Finance, in order that action may be taken to cancel stolen or lost cards or those issued to employees who have resigned from the Council.

**4.2. Authorisation to pay Utility Bills and Recurring Payments**

These will be authorised in line with the procedures as approved by the Director of Finance and by Officers with the appropriate level of approval within the Council's finance system.

**4.3. Authorisation of Multiple, One-Off and Foreign Payments**

Multiple and One-Off payments must only be used in exceptional circumstances and must be approved by both the Director of Finance and the Director of Commercial Services.

**4.4. Authorisation Foreign Payments**

These will be authorised in line with the procedures as approved by the Director of Finance and the limits as detailed in the Authorisation Matrix.

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**Sheffield City Council  
Financial Regulations  
2015**

**VERSION:**

**DATE OF ISSUE:**

**AUTHOR:**

**APPROVED BY:**

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## APPENDIX B

### Key Terms and Definitions

Accountable Body (for external funding)	Grant funders expect that their money is well managed and used in line with their requirements. The organisation whose financial services and financial rules and regulations will be used to manage the funding is called the <b>Accountable Body</b> . This Body is legally responsible for ensuring that these requirements are met, including, for example, that proper audit trails are in place, contracts with suppliers are effectively managed, that the project has sufficient cashflow and generally meeting the liabilities (e.g. clawback) that flow from the conditions of the funding.
Annual Revenue Budget	This is the Council's total Revenue spending plans for the year including the level of Council Tax for the coming year. It is set by Council following receipt of the Annual Budget Report.
Asset(s)	The CIPFA Code of Practice on Local Authority Accounting in the UK 2015/16 defines an asset as 'a resource controlled by the authority as a result of past events and from which future economic benefits or service potential is expected to flow to the authority'.
Budget	As per Article 4 of the Council's Constitution the annual Budget includes the allocation of financial resources to different service and projects, including: <ul style="list-style-type: none"><li>• Revenue expenditure</li><li>• Proposed contingency funds including reserves and balances</li><li>• Setting the Council Tax (and any other local tax which may be within the control of the Council)</li><li>• Decisions relating to the control of the Council's borrowing requirement</li><li>• Capital expenditure, and</li><li>• The Treasury Management Strategy</li></ul>
Budget carry forward	A budget carry forward is an underspend of a specified amount of budget which is planned for, and transferred to an earmarked reserve to be spent in a future year(s) for a specified purpose. For the purposes of these Regulations this is treated as a Virement (See below).
Budget Implementation Plan	Business planning is an ongoing process which ensures that we understand needs, agree priorities and strategic outcomes for the medium to long-term, and allocate and develop financial and non-financial resources needed to deliver them. The decisions and information from the process – both quantitative and qualitative – facilitate the production of the Budget Implementation Plans (BIPs) in the Council's Budget Book.
Capital Programme	This is the sum of all the Council's individual capital projects and sub-programmes that the Council is planning to undertake during the <b>coming 5 years</b> , together with the funding that will support the Programme. The Capital Programme is made up of a number of different projects ranging from large scale projects such as Building Schools for the Future to smaller projects such as children's play equipment. The number and size of the projects may change which means that Capital Programmes may not be comparable in terms of size and scope over time.

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Capital Project	A project which uses capital resources to acquire assets, and/or build, improve, increase the market value of, or substantially lengthen the useful life of an asset.
Capital Reporting and Approval Timetable	This sets out the deadlines for submission of Capital Approval Forms, dates of review meetings, monitoring and forecasting cycles, reporting dates and finance system schedules.
Capital Spending	Spending to purchase, build, improve, increase the market value of or substantially lengthen the useful life of an asset. Examples include the Decent Homes Programme, Building Schools for the Future and the Local Transport Plan.
Chief Property Officer	This means the Director of Capital and Major Projects, or such other Director who may be nominated as such from time to time by the Executive Director, Place.
Corporate Plan	The <a href="#">Corporate Plan</a> sets out the vision for the Council and Sheffield. It includes what the Council will do over the next three years in order to deliver the vision.
Director	An Officer who is a member of the Council’s Director’s Group.
The Executive	The Executive means the Leader of the Council and the Members selected by him/ her to form the Cabinet. In line with arrangements made by the Leader’s Scheme, the members of the Executive, individually and/ or collectively, discharge the Council’s executive functions, either themselves or through further lawful delegations of authority.
Executive Director	For the purposes of these Regulations, ‘Executive Director’ means an Officer designated in the Council’s staffing structure as an Executive Director.
Executive Functions	Those local authority powers and duties which in law are the responsibility of the Executive.
External Funding	As defined by the Chartered Institute of Public Finance and Accountancy, External Funding is “discretionary money not accounted for within the Formula Spending Share (the normal funding from central government) or equivalent, distributed by various UK and EU agencies on a business case and/ or competitive basis requiring an application”.
Finance Business Partners	Members of the Finance Service with specific responsibility for supporting Executive Directors and their teams through the provision of financial advice and decision support.

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Finance Service	The Council's consolidated financial support service led by the Director of Finance.
Financial Policies	The Council has a detailed set of financial policies which underpin these regulations.
Financial Protocol	The Financial Protocol summarises the relationship between Executive Directors and the Director of Finance and is signed annually by all parties.
Forward Capital Programme	This is the term used to describe the projects that are intended (planned) to be in the Council's Capital Programme for the following financial year. Information is usually prepared and collated in the autumn/ winter for presentation to Council in March.
Inclusion	This is the term used for the incorporation of approved capital projects in the Forward Capital Programme <b>and</b> the addition of projects to the Forward Capital Programme at any time in the financial year, e.g. where a stream of funding is identified in December that needs to be spent before the end of March.
Leader	The Leader of the Council or, if the Council's executive arrangements are changed to a mayoral model, the Mayor (but not the Lord Mayor) of the Council.
Leader's Scheme	The scheme of delegation and/ or other arrangements for exercising the Council's executive functions made from time to time pursuant to Section 9E Local Government Act 2000 by the Leader.
Medium Term Financial Strategy	The Council's Medium Term Financial Strategy presents an overview of the Council's Financial position over at least the next three year period including revenue and capital spending plans linked to priorities.
Policy Framework	As per Article 4 of the Council's Constitution the Policy Framework means the following plans and strategies: <ul style="list-style-type: none"> <li>• Development Plan documents (Section 15, Planning and Compulsory Purchase Act 2004)</li> <li>• Licensing Authority Policy Statements under the Licensing Act 2003 and the Gambling Act 2005</li> <li>• Local Transport Plan</li> <li>• Sustainable Community Strategy</li> </ul>
Portfolio	The name given to a group of departments managed by an Executive Director. The Executive Directors combine to make up the Council's Chief Officer Board (Executive Management Team).
Property Asset Management	CIPFA describes property asset management essentially a mechanism to enable and ensure that property assets are managed and used efficiently and effectively in support of the main objectives of an organisation. This will need to be undertaken within any financial constraints and statutory obligations.

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Revenue Spending	Any expenditure by the Council that falls outside the definition of Capital Spending. Typically the day-to-day running costs of the Council such as salaries, rent, utility bills and payments to service providers.
Section 151 Officer	Under Section 151 of the Local Government Act 1972 and s114 of the Local Government Finance Act 1988, the Chief Finance Officer has a statutory responsibility to ensure that the Council makes arrangements for the proper administration of its financial affairs. The Executive Director – Resources is the responsible officer (Chief Finance Officer) for the purposes of s151.
Senior member of the Finance Service	These are the officers designated in the <a href="#">Financial Protocol</a> appended to these Regulations.
Sundry Debt	Miscellaneous income that is due to the Council that can be collected by payment up front or by raising a sundry debt invoice. Local taxation, housing benefit overpayments and rental income are not included in this definition.
Transfer to a specific reserve	A transfer to a specific reserve is funding that is being put to one side as part of the service’s budget strategy. The funding will be used in future years for reinvestment back into the service area. For the purposes of these Regulations this is treated as a Virement (See below).
Utilities/ Utility Bill	As approved by the Director of Commercial Services, payments for the following services are considered to be Utilities (Gas, Electricity, Water, Telecomms, Mail Services and Photocopiers).
Variation/ Change in Scope (Capital)	This is where there are changes in the agreed capital project cost or outputs. This could be an increase in the cost of the project, a change in available funding, or what will be delivered (the outputs). For example, funding to refurbish six schools is reduced such that only three can now be delivered. This would create a financial variation and change of scope which require approval in accordance with the Leader’s Scheme and/ or the Constitution where applicable.
Variations (Revenue)	Variations are changes to the total amount of expenditure across either a Portfolio, Service or the Council as a whole <b>that result</b> in a change to the Council’s <b>overall level of resources</b> as set out in the Budget <b>approved by Council</b> .
Virement	Virement is defined by CIPFA as the transfer of underspending on one budget head to finance additional spending on another budget head. Virements are also used to move budgets where a function is moved from one Portfolio or Service to another.
Write -Off	Removing a debt from the Council’s accounts using money that has been set aside as part of the bad and doubtful debt provision. It relates to debts that are correctly due to the Council but for whatever reason are no longer collectable.

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## **1. Background**

### **1.1. The purpose and authority of the Financial Regulations**

These Regulations form part of the Council's Constitution and as such carry with them the same authority. They set out the financial management policies of Sheffield City Council and are the key part of the Council's financial governance arrangements.

They are intended to help Members and Officers manage the Council's finances in line with best practice and should be read and implemented in the wider context of the Council's decision making framework including the Constitution and the Leader's Scheme.

As per [Section 2.2.7](#) of these Regulations, the Director of Finance is required to formulate and maintain any standards, procedures and processes as she/ he deems necessary to support the effective implementation of these Regulations.

It is important that these Regulations are, and continue to be, relevant to the Council. They are regularly reviewed so as to be consistent with the Council's Constitution, Leader's Scheme of Delegation and all other related documentation. They are also reviewed in line with accounting best practice, legislation, and changing service needs.

Any changes to these Regulations must be proposed by the Director of Finance and approved by Council.

Officers should initially contact their Finance Business Partner if they wish to raise any issues with the content of these Regulations.

### **1.2. Accountability for compliance**

All officers, including those working for the Council on a voluntary basis, are accountable for following the rules set out in these regulations. It is important that Managers at all levels in the Council ensure that they and the staff and volunteers under their control, are familiar with these Regulations and the rules they contain.

The Directors of Business Strategy are responsible, within their Portfolios, for ensuring compliance with these Regulations.

These Regulations are a key element of the Council's governance arrangements. All Directors are required to sign the Annual Governance Statement (AGS) to confirm that they fully comply with the prescribed governance arrangements of the Council including these Regulations.

Non-compliance with these Regulations may result in the withdrawal of delegated financial authority and/ or the application of disciplinary procedures.

Adherence to the processes associated with the Council's finance system (Integra (formally Oracle Enterprise One (OEO)) and Qtier) is also essential to ensuring that officers are complying with these Regulations.

The term "officers", where used in these regulations, refers to both Council employees and those working for the Council on a voluntary basis.

### **1.3. Accounting Policies**

The Director of Finance is responsible for selecting Accounting Policies and ensuring that they are applied consistently. The Accounting Policies are set out in the Statement of Accounts which is prepared as at 31<sup>st</sup> March each year. The key controls in the Accounting Policies are:

- Systems of internal control are in place to ensure that financial transactions are lawful.
- Proper accounting records are maintained.

- Financial statements are prepared which present fairly the financial position of the Authority and its expenditure and income.

### **1.4. Risk management**

These Financial Regulations and associated finance systems and processes are a key part of the Council's risk management framework and associated risk strategies. By following these Regulations, the Council's finance processes, and ensuring that the financial risks and opportunities of any activity are fully considered and recorded in line with the risk management framework. Officers will demonstrate compliance with corporate risk management requirements.

### **1.5. Internal Control**

Internal Control is the system put in place by the Council to conduct its business in an orderly and efficient manner. It is used to safeguard its assets and resources, to deter and detect errors, fraud and theft, to ensure accuracy and completeness of its accounting data, to produce reliable and timely financial and management information and ensure adherence to the Councils policies and plans.

As part of the Annual Governance process, Directors and Executive Directors must confirm that they have satisfactory arrangements in place to manage internal controls within their Portfolio. This includes the requirement for individual managers to be responsible for the effectiveness of the internal control system within their Service.

Directors and Executive Directors are also required to highlight deficiencies in the control framework and to identify significant incidents that have occurred.

An Annual Governance Statement is prepared and signed by the Council's Section 151 Officer, Chief Executive and Council Leader. The statement describes the Council's governance framework and highlights any significant deficiencies.

The Audit Committee (or any future committee that may be given this function) is responsible for approving the Annual Governance Statement which is published along with the Council's Annual Accounts.

### **1.6. Training and development**

#### **1.6.1. Director of Finance and Executive Directors**

These are jointly responsible for working co-operatively to ensure the effective implementation of these Regulations and management of the Council's financial arrangements. This will involve a commitment to:

- Influencing the culture of financial management through training and development of Portfolio managers and Finance Service staff.
- Identifying any training requirements that their staff need to comply with these Regulations and to meet the required financial competencies.

#### **1.6.2. Director of Finance**

The Director of Finance is responsible for:

- Producing documentation that supports these Regulations and which set out in more detail the Council's procedures and processes for carrying out work related to financial management and administration.
- Ensuring that appropriate training is made available to support these Regulations and associated procedures and processes.

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- Ensuring that the e training and guidance provided as part of the Council's finance system (Integra (formally Oracle Enterprise One (OEO)) and Qtier) are in line with these Regulations.

### 1.6.3. Executive Directors

Executive Directors are responsible for ensuring:

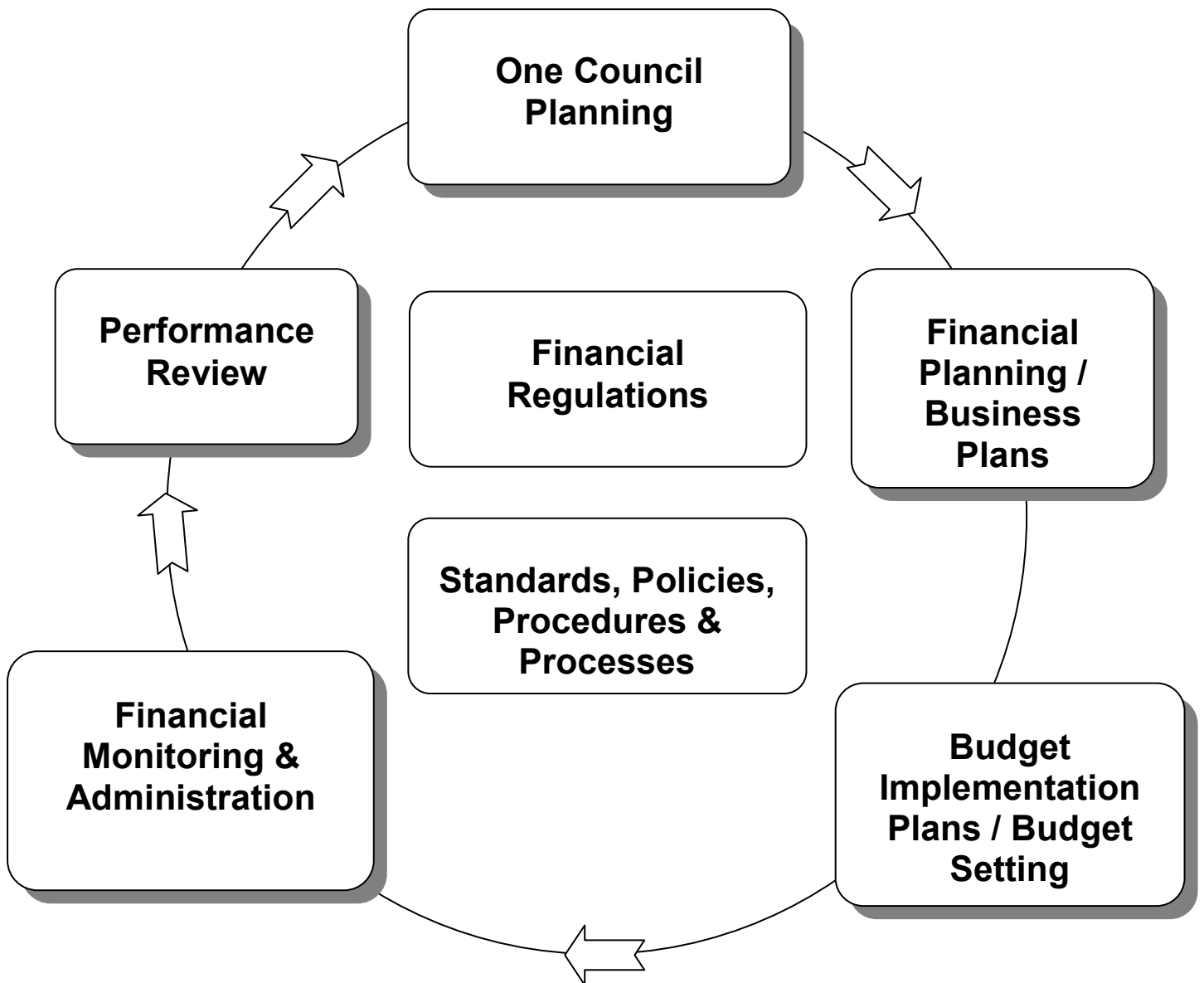
- The training opportunities which have been made available are taken up by their staff as required.
- Their staff follow the guidance and other documentation that is made available to them.

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**2. Financial Management**

**2.1. The Cycle**

The following diagram illustrates the financial management process starting with service planning and ending with the review of performance before the cycle starts again. These Financial Regulations and the financial policies and procedures issued by the Director of Finance are shown as supporting the financial management process.



**2.2. Responsibilities and Delegated Authority**

Many of the Council’s responsibilities for finances are delegated within a framework of powers from Full Council to its committees (e.g. Audit Committee) and Officers, or, in the case of Executive Functions, by the Leader, primarily through the Leader’s Scheme (e.g. to Cabinet, Individual Cabinet Members, Locality Areas and Officers). Scrutiny Committees also have a role in the Council’s financial management process.



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### 2.2.1. Full Council

Functions reserved to Full Council include setting the Council's Annual Revenue Budget, the Housing Revenue Account, the overall Capital Programme and Council Tax levels, and approving or adopting the Policy Framework.

Functions exercised by [Full Council](#) are set out in Article 3 of the Council's [Constitution](#) and/ or prescribed by law.

If the Cabinet, individual Members of the Cabinet and any officers, Locality Areas or joint arrangements which discharge Executive Functions have any doubt whether a proposed decision is in accordance with the approved, Revenue Budget or Capital Programme, they must take advice from the Director of Legal and Governance and the Executive Director of Resources or Director of Finance.

If the advice of either of those officers is that a decision would not be in line with the approved, Annual Revenue Budget or Capital Programme, then, subject to the rules of [virement](#), and subject to the urgency procedure the decision may only be taken by the Council.

### 2.2.2. The Executive

The [Executive](#) has overall responsibility for ensuring that the Council's expenditure remains within the resources available to it.

The Leader decides which parts of the Executive may exercise which executive functions and will generally do this through the [Leader's Scheme of Delegation](#).

**If any lawfully made provision of the Leader's Scheme contradicts any provision of these Regulations, the Leader's Scheme shall prevail.**

#### 2.2.2.1. Cabinet

The Cabinet will receive a monthly budget monitoring report outlining the financial position for the whole Council.

The Cabinet will receive the out-turn report following the end of the financial year to approve decisions on the carry-forward/ carry-back of resources from one year to the next.

The Cabinet may receive financial information during the year if an in-year decision on the Council's budget is required.

#### 2.2.2.2. Individual Cabinet Members

Functions which may be exercised by individual Cabinet Members are set out in the [Leader's Scheme of Delegation](#).

All Cabinet Members will receive monthly budget monitoring reports for their areas of responsibility, via the relevant Finance Business Partner.

### 2.2.3. Locality Areas

Locality Areas has executive powers to approve expenditure of any amounts delegated to it by the Executive. Locality Areas cannot spend money other than that allocated by Council or the Executive. Whenever Locality Areas spends money, it must comply with these Regulations, [Standing Orders](#), [Commissioning and Procurement Guidelines](#) and any other relevant policies or procedures.

Functions exercised by Locality Areas are set out in:

- Article 10 and Part 3 of the Council's [Constitution](#).
- The [Leader's Scheme of Delegation](#).

### 2.2.4. Audit Committee

The Audit Committee of the Council forms a key part of the governance of the Council. The terms of reference for the Audit Committee are set out in the Council's [Constitution](#). The main financial duties are:

- To approve the Council's Statement of Accounts (which includes the Annual Governance Statement) in accordance with the Accounts and Audit (England) Regulations 2015.
- To consider the Annual Letter from the External Auditor in accordance with the Accounts and Audit (England) Regulations 2015 and to monitor the Council's response to any issues of concern identified.
- Monitoring the work of the Council's Internal Audit function.

### 2.2.5. Scrutiny Management Committees

Scrutiny Committees can make recommendations to the decision makers but they do not make resource allocation decisions and therefore cannot approve changes in the budget or financial actions such as transfers to or from reserves. Decisions such as this can only be taken by Full Council or in accordance with the Leader's Scheme or as otherwise directed by the Leader (section 14 Local Government Act 2000).

In relation to financial management and planning, the Scrutiny Management Committee (or any future committee that may be given this function) is responsible for exercising an overview and scrutiny function in respect of:

- All the Council's strategic and longer term planning and corporate development issues.
- The budget setting process and budget monitoring.
- Financial processes and day-to-day management of all the Council's internal resources, including finance, staffing and property.

Where a scrutiny committee considers that a decision of the Executive is, or would be, contrary to, or not wholly in accordance with, the Council's, Annual Revenue Budget or Capital Programme, then it will seek advice from the Director of Legal and Governance and either the Executive Director of Resources or the Director of Finance.

### 2.2.6. Executive Directors

Each Executive Director will be responsible for ensuring:

- The proper financial management of their Portfolio services.
- That a clear, written accountability framework is in place for the budgets held by each Service and Budget Manager.
- That appropriate arrangements are in place for the discharging of their financial responsibilities by Directors and Managers within their Portfolios.
- Compliance with these Regulations by staff within their Portfolio.

Any arrangements must be fully compliant with these Regulations and the Council's financial policies and procedures. They will not diminish the ultimate financial responsibilities of Executive Directors.

### 2.2.7. Executive Director of Resources

The Executive Director of Resources is the responsible officer (Chief Financial Officer - CFO) for the purposes of s151 of the Local Government Act 1972 and s114/114A of the Local Government Finance Act 1988. The Executive Director of Resources therefore has a statutory responsibility to ensure that the Council makes arrangements for the proper administration of the Council's financial affairs. This includes ensuring the production and monitoring of these Regulations.

The Executive Director of Resources, as a member of the Council's Executive Management Team will ensure that the s151 role is discharged at this strategic level. On a day-to-day basis all s151 responsibilities may be discharged by the Director of Finance, who will act on behalf of the Executive Director of Resources in ensuring proper discharge of these statutory responsibilities. Nothing in this paragraph diminishes the ultimate financial responsibilities of the Executive Director of Resources. Whenever these Regulations provide that something will, must or may be done by the Director of Finance, this may also be done instead by the s151 Officer.

### 2.2.8. The Director of Finance

The Director of Finance is:

- Authorised to sign any and all grant claims, statutory returns or other documents that require the authority of the s151 officer on behalf of the Council.
- Responsible for recommending amendments to these Regulations to the Council where she/ he considers these to be in line with any changes to recommended best practice or essential service requirements or as otherwise appropriate. Minor and consequential amendments may be made by the Director of Legal and Governance in consultation with the Lord Mayor.
- Responsible for fully documenting financial standards, policies, procedures, forms, etc. which support these Financial Regulations by setting out in more detail the Council's procedures for carrying out finance work.
- Responsible for ensuring that appropriate training is made available to support these procedures. Executive Directors are responsible for ensuring that these training opportunities are taken up by their staff.

### 2.2.9. The Financial Protocol

The respective roles and responsibilities of Executive Directors and the Director of Finance in financial management are specified in a [Financial Protocol](#) document which will be signed annually by the Director of Corporate Resources, each Executive Director and their respective Director of Business Strategy.

## 2.3. **Asset Management**

The Executive is responsible for the Council's Asset Management Strategy and ensuring that the Council has an up-to-date Asset Register. Such responsibility is to be discharged in accordance with the [Leader's Scheme of Delegation](#).

### 2.3.1. Director of Finance

The Director of Finance has overall responsibility for the financial elements of Council's Asset Register and for ensuring that it complies with all necessary accounting requirements.

The Director of Finance is responsible for approving the use of leases to finance purchases. Revenue costs will be met from within Portfolio cash allocations, agreed as part of the Annual Revenue Budget process.

### 2.3.2. Chief Property Officer

The Chief Property Officer is responsible for Asset Management across the Council.

### 2.3.3. Executive Directors and the Chief Property Officer

Executive Directors and the Chief Property Officer are responsible for ensuring adequate arrangements are in place for maintaining and safeguarding the Council's property assets used for their Portfolios. When market conditions are favourable this includes consideration of the disposal of surplus capital assets as part of the Council's Asset Management Plan.

### 2.3.4. Acquisition and disposal of Capital Assets

Executive Directors and the Chief Property Office are responsible for ensuring that any acquisition of assets is approved in accordance with the requirements of the [Leader's Scheme of Delegation](#).

Disposal of surplus assets must also be done in accordance with the requirements of the Leader's Scheme and the Council's Disposals Framework policy.

## 2.4. Financial Risk Management

Specific responsibilities relating to risk management are set out in the Risk Management Framework and Guidance that was produced and agreed by Corporate Risk Management Group (CRMG).

Executive Directors are responsible for ensuring that risk management and business continuity are embedded at all levels within their area of responsibility in line with the Risk Management Framework and, in respect of financial risk management, ensuring the effective stewardship of public funds.

Financial Risk Management is built into these Regulations and many of the core processes that the Council expects managers to follow on a day-to-day basis. The Council's Risk Management Strategy is based on good risk management being an integral part of good management and not a separate activity. Key mainstream processes that promote good risk management include, but are not limited to:

- Budget Monitoring.
- The financial Administration processes in these Regulations.
- The Council's Decision Making processes.
- Programme and Project Risk Management.
- Key Financial Risk Registers.

In line with the requirements of the Risk Management Framework, Directors are responsible for maintaining and monitoring a Service Risks and Assurances log which must include financial risks.

Executive Directors are responsible for identifying and controlling risks in their area and significant financial risks should be reported to the Directors of Business Strategy.

The Director of Finance will report the most significant of these risks to the Council's Executive Management Team on a monthly basis and key risks will be summarised and reported to Members in monthly budget monitoring reports.

### 2.4.1. Money Laundering

Specific responsibilities relating to money laundering are set out in the Anti-Money Laundering Policy. This was produced by Internal Audit on behalf of the Director of Finance.

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In line with the Anti-Money Laundering Policy, the Director of Finance is the Officer nominated to receive disclosures about Money Laundering activity within the Council – the MLRO.

The roles and responsibilities of the MLRO are set out in Appendix B to the Policy.

Executive Directors are responsible for ensuring that this policy is adhered to.

### 2.4.2. Fraud

Officer responsibilities in relation to fraud and corruption are set out in Appendix B of the Council's Code of Conduct: Policy Statement on Fraud and Corruption as set out in the Council's [Constitution](#).

In accordance with [Section 17.1](#) of these Regulations, Executive Directors are responsible for notifying the s151 officer where there is any actual or suspected irregularity affecting the Council's assets.

## 2.5. Insurance

### 2.5.1. Executive Directors

Executive Directors are responsible for:

- Ensuring that prompt notification is given to the Executive Director of Resources of all circumstances involving both existing and new risk, the occurrence of which could result in the Council incurring a substantial liability. This will include details about Members, Officers, service users, third parties, property, vehicles, plant/ other assets, trading activities undertaken with organisations external to the Council, and any alterations affecting existing insurances, as well as potential insurance claims that may result from acts or omissions on the part of the Council.
- Ensuring that the insurance cover chargeable to their Portfolio budgets is accurate and up to date.
- Ensuring insurance renewal information is provided when requested annually by the Insurance & Risk team.
- Immediately notifying the Insurance & Risk Team of any loss, liability or damage or any event likely to lead to a claim and take such action as may be necessary to satisfy any policy conditions.
- Informing the Executive Director of Resources of any vehicle acquisitions or disposals, premises acquisitions or disposals and of any occupations or vacations of premises.

### 2.5.2. The Executive Director of Resources

The Executive Director of Resources will arrange the insurances considered necessary to cover risks to which the Council is exposed.

The Executive Director of Resources will periodically review all insurances in consultation with Executive Directors and determine the premiums to be charged as part of the Annual Budget process.

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### 3. Financial Planning

There are 3 key elements to Financial Planning at Sheffield City Council:

- Medium Term Financial Strategy.
- Annual Revenue Budget.
- Capital Programme.

Each element has a specific purpose and is designed to ensure the robustness of the Council's overall financial arrangements.

#### 3.1. Medium Term Financial Strategy

The Medium Term Financial Strategy (MTFS) is a key requirement of good governance and is a key tool to help the Council deliver its priorities.

In line with the [Leader's Scheme of Delegation](#), the Cabinet is responsible for approving the MTFS and it will be refreshed and updated on an annual basis.

The MTFS links strongly to the [Corporate Plan](#) and the Corporate Plan drives the spending priorities that inform the MTFS. This will include allocating the overall expenditure budgets for Locality Areas. The Director of Finance will be responsible for producing the MTFS in conjunction with Executive Directors and will recommend measures to the Executive that will support the Corporate Plan. This will be supported by policy options, savings and efficiencies, and both financial and non-financial information to assist decision-making.

The MTFS will set an integrated financial plan for at least a three year period and will form the foundation of the Annual Revenue Budget and Capital Programme for the next year and projections for at least the following two years. This will include cash allocation or financial targets for Executive Directors for the forthcoming financial year and guideline allocations / targets for the following two years. The MTFS will also include projections of the Council's reserves and balances.

#### 3.2. Annual Revenue Budget

The Annual Revenue Budget sets the budget proposals for the Council for a one-year period and also sets the City Council element of the Council Tax for the following financial year.

Proposals and policy options for the Council's Annual Revenue Budget will be presented to Cabinet as part of the MTFS by the Director of Finance. The Director of Finance will then be responsible for preparing detailed proposals for the Annual Revenue Budget for the coming year in conjunction with Executive Directors.

Financial estimates will be produced for, and on behalf of Portfolios by the Director of Finance through Finance Business Partners. Executive Directors and the Director of Finance will work collaboratively to agree final spending proposals for inclusion in the Annual Revenue Budget.

The Director of Finance will advise on the inclusion of contingencies to cover exceptional in-year price movements and potential commitments which are uncertain either in terms of their financial impact or timing. Executive Directors will notify the Director of Finance of such items as part of the budget setting process so that an appropriate level of contingencies can be approved by the Council.

As part of the Annual Revenue Budget, the Director of Finance will be responsible for ensuring that the budget proposed meets relevant statutory requirements.



### 3.3. Annual Revenue Budget Approval

The Executive is responsible for agreeing the annual budget for services within Portfolios, including the overall capital programme, within the Budget and Policy Framework.

If agreed, the Executive will recommend the Budget to Full Council for final approval together with a recommended level of Council Tax to be set for the coming financial year.

As per Article 4 of the Council's [Constitution](#), the Council is required to set the Annual Revenue Budget and the appropriate level of Council Tax for the coming financial year by 11th March each year in line with statutory requirements.

Once the Annual Revenue Budget has been approved by the Council, Executive Directors may incur expenditure up to the amount approved for the period covered by that budget. Individual items of expenditure within the budget must still be approved in accordance with the Council's [Standing Orders, Commissioning and Procurement Policy](#) and any other relevant policies, and where the expenditure constitutes an executive function, in accordance with the [Leader's Scheme of Delegation](#).

### 3.4. Annual Revenue Budget Monitoring

#### 3.4.1. Chief Executive and Executive Directors

The Chief Executive and Executive Directors, in consultation with the Cabinet Member for Finance, are responsible for taking appropriate action to ensure that the overall spending of the Council is within available resources.

Executive Directors:

- Must not overspend the approved Revenue Budget for their Portfolio.
- Are responsible for managing their approved Revenue Budgets within the cash allocations and financial targets approved by the Council, unless specific additional resources are provided by the Cabinet during the year.
- Must not make commitments relating to spending in future years without the agreement of the Director of Finance and consultation with the Cabinet Member for Finance. Any such commitments must be within the financial parameters set in the MTFS.
- Are responsible for ensuring that managers within their Portfolios work within the timescales and procedures stipulated from time to time by the Director of Finance.

The Executive Management team may recommend that budget monitoring information is presented to the relevant Scrutiny and Policy Development Committees in consultation with the Chairs of those Committees.

#### 3.4.2. Director of Finance

The Director of Finance will prepare budget monitoring reports in consultation with Executive Directors. The Director of Finance will produce an annual timetable for budget monitoring reporting and the following principles will apply:

- Monitoring reports, prepared on an accrued basis, will be reported to Portfolio Management Teams on a monthly basis (except month 1).
- Monthly monitoring reports will be presented to Executive Management Team (except months 1, 4, 8 and 11).
- Monthly overall monitoring reports will be presented to the Cabinet (except months 1, 2, 4, 8 and 11).

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Monthly monitoring reports will be prepared for the portfolio holding Cabinet Member(s) by the Director of Finance in consultation with the Executive Director.

Consolidated monitoring reports will be presented to the Scrutiny Management Committee if requested.

The relevant Scrutiny and Policy Development Committees of the Council may request more frequent budget monitoring information.

As soon as practical after the end of the financial year, the Director of Finance will report to Cabinet the overall Revenue out-turn position including details of reserves, balances and provisions held by Portfolios.. The report should include recommendations relating to the treatment of any under and over spending by Portfolios.

### 3.5. Virements and Variations to the Annual Revenue Budget

#### 3.5.1. Virements

Executive Directors are responsible for optimising resources and for managing their budgets prudently.

Virements are intended to enable the Executive and Executive Directors to manage budgets with a degree of flexibility, provided they remain within the overall Budget and Policy Framework as determined by full Council.

Key controls for virements are that:

- They must be approved in line with these Regulations.
- They must not create additional overall budget liability, for example by creating future commitments from one-off additional spending.
- Both parties to the virement must agree to it.

Virements will not be permitted from capital financing charges, levies or other areas of spending as prescribed by the Director of Finance without the specific approval of the Director of Finance.

Virements requested by Locality Areas will be proposed by the relevant Director and the process and limits below followed.

#### 3.5.2. Variations

Variations are changes to the Council's overall level of resources as set out in the Revenue Budget Report that is approved by Council.

In accordance with Article 4.02f of the Council's [Constitution](#), any decision about any matter **which would be contrary to or not wholly in accordance with the Budget** must be taken by Full Council. This requirement is subject to the urgency procedure in the Budget and Policy Framework Procedure Rules.

#### 3.5.3. Approval of Virements between Services and Portfolios

Approval of the virement must be in line with the limits shown below and the Leader's Scheme:

- Under £500,000: the virement may be approved by the Director of Finance.
- £500,000 and Over: the virement may only be approved by the Executive in line with the [Leader's Scheme of Delegation](#).

Where a virement would represent a major change of policy it must be approved in accordance with the Leader's Scheme of Delegation regardless of its value.



If the cumulative effect of virements is over £500,000 during a financial year, these must be approved by the Executive (as above).

### 3.5.4. Approval of Virements between reserves and Portfolios

The principle criterion for assessing requests for carry-forwards is that the overall budget of the Portfolio making the request must be underspending, i.e. the Portfolio cannot exceed its approved budget.

Carry-forwards or transfers to earmarked reserves should be linked to the annual revenue budget and, where possible, identified in the business planning process. Requests must be done in line with the financial procedure on such matters.

Requests by Executive Directors to carry forward underspends or establish earmarked reserves, may only be done following review by the Director of Finance and will be presented to the Executive as part of the monthly Revenue Budget Monitoring process. Approved requests will be included, where feasible, in the Budget Implementation Plan for the relevant Service.

The Director of Finance, or delegated Officer, may approve the transfer to reserves of a restricted grant received by the Council i.e. one which has either conditions attached or is ring-fenced, where the related expenditure is not expected to be incurred in the current financial year.

The Director of Finance is responsible for formulating an annual Reserves Strategy for approval in line with the Constitution. As part of their duty to make arrangements for the proper administration of financial affairs, the Director of Finance, or delegated Officer, will manage, in accordance with the approved strategy, the need for transfers to and from reserves, in consultation with the Cabinet Member for Finance. Where the proposed transfer is not consistent with the approved strategy, and does not relate to a restricted grant then, subject to the urgency procedure, the decision may only be taken by Full Council.

Revenue Budget allocations and Budget Implementation Plans are approved in accordance with the Council's [Constitution](#).

### 3.5.5. Approval of Variations

Any change to the overall level of available resources as set out in Budget must be approved by Full Council in line with the Council's [Constitution](#).

Requests for variations may be submitted to the Council for approval as detailed below:

- Under £500,000 **and** not representing a major change of policy: The submission of a request for the variation may be approved by an Executive Director in consultation with the Director of Finance and the relevant portfolio holding Cabinet Member.
- £500,000 and over **or** representing a major change of policy: The submission of a request for the variation may only be approved by the Executive in line with the [Leader's Scheme of Delegation](#).

Variations to the Annual Revenue Budget that require Executive support will be proposed by the Executive Director and actioned by the Director of Finance.

Variations requiring Cabinet support will normally be presented to Cabinet as part of the normal budget monitoring cycle and in line with the requirements of the [Leader's Scheme of Delegation](#).

Any report to the Executive or to the Council recommending a variation to the Annual Revenue Budget must comply with [Section 4](#) of these regulations in respect of the reporting and approval of Financial Implications.

3.5.6. Recording Virements and Variations

All approved Virements and Variations must be recorded on the Council's Finance System.

**3.6. Borrowing and Investment (Treasury Management)**

Only the Director of Finance may enter into any borrowing or investment on behalf of the Council.

The Director of Finance is responsible for formulating an annual Borrowing Strategy and Treasury Management Policy for approval by the Council in line with the [Constitution](#).

The Treasury Management Policy and associated Treasury Management Practices will be issued and updated in accordance with all relevant legislation and recommended Codes of Practice.

The Director of Finance is responsible for providing an annual report to Council on treasury management activities, transactions and decisions over the preceding twelve months. The prime criteria for the effectiveness of treasury management activities are the identification, monitoring and control of risk. Therefore, the analysis and reporting of activities will focus on the risk implications for the Council.

In undertaking the Council's borrowing and investment operations, the Director of Finance will ensure compliance with the Borrowing Strategy, the Treasury Management Policy and all associated Treasury Management Practices.

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### 4. Financial Implications

When decisions need to be taken, then it is important that those taking them have access to properly considered financial information.

Executive Directors are responsible for ensuring that the following reports contain a section entitled 'Financial Implications'.

- Executive Reports, supporting decisions taken by the Leader, the Cabinet, Individual Cabinet Members and Committees.
- Executive Reports supporting Officer Key Decisions.
- Executive Reports supporting Officer Non-Key Decisions that require publication.
- Reports to the Cabinet Members Team and the Executive Management Team.

The financial implications section must summarise the capital and revenue implications of the proposals, together with details of any potential risks.

Officers involved in making Non-Key Decisions, that will not require publication, must also give proper consideration to the financial implications. This includes consultation with their Finance Business Partner where necessary. The implications identified should be documented and retained, in case of future challenge or audit requirement.

Whilst not mandatory, it is nevertheless good practice, for reports made to other meetings, such as less formal Member's meetings, management teams etc., to also include a Financial Implications section.

In line with the provisions of the [Leader's Scheme of Delegation](#), the Executive Director of Resources or Director of Finance will issue guidance as to when matters should be referred to them in advance to enable them to form and communicate an opinion. This guidance must always be followed.

#### 4.1. Sign-off of Financial Implications

The Director of Finance, or an authorised officer on his/ her behalf, is responsible for signing off all Financial Implications summaries and, where applicable, the Appendices to the report.

Only the Director of Finance, as the budget holder for the Council's Capital Financing costs, or Officers specifically authorised to do this on his/ her behalf may approve Financial Implications which affect the cash-flow of the Council.

The Finance Service officer is responsible for ensuring that the Officer who has prepared the report has taken all relevant advice, e.g. specialist financial or taxation advice, before they sign off financial implications.

The name of the Finance Service Officer who has signed-off the financial implications must appear on the Financial Implications Section of the covering checklist.

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## 5. Capital Programme

### 5.1. Background

#### 5.1.1. The Capital Programme

The Capital Programme is made up of a number of schemes/ projects which meet the definition of capital spending. It is the planned list of projects, together with supporting funds, that is agreed by Council in March each year and can cover the next 5 years.

The Programme is made up of a number of different elements which may change from time to time. This means that Capital Programmes may not be comparable in terms of size and scope over time.

Accounting for capital projects will be in accordance with current and approved International Financial Reporting Standards (IFRS) and the Statement of Recommended Accounting Practice (SORP).

### 5.2. Roles and responsibilities

#### 5.2.1. The Executive

The Executive is responsible for ensuring that the Council's expenditure remains within the resources available to the Council. It is responsible for agreeing the Capital Programme before recommending it to Full Council, and for reviewing the monthly monitoring reports.

This responsibility extends to the approval of any requests for in year additions and variations to approved projects to the value stated in [Section 5.3.5](#) and as submitted through the guidelines laid down in these Regulations.

#### 5.2.2. Capital Programme Group

The Capital Programme Group is responsible for:

- Oversight of Capital Management.
- Advising and making recommendations to the Executive Management Team on new project approvals. The recommendations will be made to Cabinet on a monthly basis.
- Approving progress to next stage of delivery, variations to existing projects.
- Approving the use of capital receipts and grants.

#### 5.2.3. Director of Finance

The Director of Finance is responsible for ensuring that capital projects are financially approved and reported in line with these Regulations and for producing a schedule (timetable) for reviewing, approving, managing and reporting capital spending.

In conjunction with the Executive Directors, the Director of Finance is responsible for approving Capital expenditure under the emergency approvals procedure detailed in [Section 5.3.6](#) of these Regulations.

#### 5.2.4. Executive Directors

Executive Directors are responsible for:

- Ensuring that managers within their areas of responsibility comply with these Regulations and the procedures and timescales related to capital project management as defined by the Director of Finance.
- Complying with the relevant requirements of the [Leader's Scheme of Delegation](#), these Regulations and all associated external funding procedures, where a capital scheme is being financed, either wholly or in part through external funding.

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- Complying with the relevant requirements of the [Leader's Scheme of Delegation](#), these Regulations and all associated external funding procedures, where a capital scheme is being delivered through partnership arrangements and, as a result of which, the Council is guaranteeing the liabilities of a third party.
- Approving, in conjunction with the Director of Finance, capital expenditure in line with the emergency approvals procedure and the requirements of the [Leader's Scheme of Delegation](#).
- Ensuring that managers adhere to the [SCC Project Management Guidelines](#) as appropriate.

### 5.2.5. Directors and Project Managers

Directors and Project Managers are responsible for:

- Ensuring that the Council has the relevant legal authority to undertake a Capital Project.
- Ensuring that all arrangements comply with these Regulations, [Standing Orders](#), published Codes of Practice and relevant EU and domestic procurement rules.
- Complying with the requirements of the Leader's Scheme, these Regulations and all associated procedures in relation to external funding where consideration is being given to external funding for a capital project, either wholly or in part.

### 5.2.6. Budget Managers

It is Council Policy that all projects are managed in accordance with the [SCC Project Management Guidelines](#). These define a Project Manager as the officer who is responsible for the day to day running of the project on behalf of the Project Sponsor/ Board. They are also responsible for delivery of the projects to cost, time and specification. To avoid unnecessary duplication of terminology in these Regulations the term Budget Manager can also be read to mean Project Manager.

Budget Managers are responsible for:

- Considering revenue, environmental, property, and opportunity costs related to a project.
- Considering the legal, human resources, equalities impact and sustainability implications of the project.
- Considering the impact of Value Added Tax (VAT) on Capital projects and seek the advice of the Director of Finance if required. On a day-to-day basis this advice will be provided by the Council's Tax Manager.
- Managing the project to cost thus preventing overspends. They must consider the risks of, and the solutions to, any forecasted Capital overspends.

### 5.2.7. Finance Business Partner (Capital) Team

The Business Partner Capital Team is responsible, alongside the Budget Manager, for steering a project through the financial approval process.

The Finance Business Partner Capital Team is also responsible for:

- Reviewing, quality checking and, where appropriate, challenging the Budget Manager's monthly review of actual and forecasted expenditure and income.
- Reporting capital expenditure and its financing in accordance with the Capital Projects Approval Hierarchy ([Section 5.3.4](#)) on a monthly basis.

### 5.3. Capital Programme Approval

The proposed Capital Programme for the coming financial period is collated by the Director of Finance, in collaboration with Executive Directors.

The Programme must be reviewed by the Capital Programme Group prior to recommendation to the Executive Management Team then to Cabinet.

The agreed Programme must be presented annually, by the Director of Finance and the Executive Directors, to Full Council at the same time as the Annual Revenue Budget.

Inclusion of a project within the approved programme does not convey automatic authority for that project to commence.

The Budget Manager must obtain approval for each stage of design, procure, build, and completion through the delegated powers of the Director of Finance or the Chief Property Officer (if appropriate) and the Capital Programme Group and in accordance with the provisions of the [Leader's Scheme of Delegation](#).

#### 5.3.1. The Capital Approval Form

Financial Approval for projects within the Capital Programme, additions and deletions to/ from the programme and variations to approved projects are facilitated through the Capital Approval Form (CAF).

A fully endorsed CAF, including all required documentation, which has been approved at Cabinet (or otherwise in accordance with the [Leader's Scheme of Delegation](#)), is a necessary condition to proceed with a project and will be subject to stage approvals as deemed by the Capital Programme Group.

The CAF requires the following endorsements (signatures):

- For Annual Inclusions and Variations - the signatures of the Project Manager, sponsoring Director, and Finance Business Partner (Capital) Team.
- For Emergency approvals - the signatures of the Project Manager, sponsoring Director, Finance Business Partner (Capital) Team, an Executive Director and the Director of Finance.
- For cases considered sensitive by, or otherwise at the direction of, the Executive Director and/ or the Director of Finance, the signatures of the Project Manager, sponsoring Director, Finance Business Partner (Capital) Team and the Individual Cabinet Member for the Portfolio.

#### 5.3.2. Reports with financial implications

All reports with capital implications or other requests for approvals must be included within the capital programme approval process as described in these Regulations.

#### 5.3.3. Project funding

Capital expenditure cannot take place unless it is fully funded or any funding gaps are approved by the Director of Finance.

In line with [Section 6](#) of these Regulations bids for external funding to support capital projects cannot take place until approved by either the Director of Finance or other authorised Finance Officers.

In line with the [Leader's Scheme of Delegation](#) and [Section 6](#) of these Regulations, offers of such funding cannot be accepted unless the Accountable Body status of the Council has been agreed in line with the [Leader's Scheme of Delegation](#).

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Funding cannot be recognised until all conditions for its receipt have been met. Before this point any shortfall against actual expenditure must be covered by either Portfolio revenue contributions to capital or by specific agreement for each project through corporate funding sources.

Capital Funding cannot be used to fund revenue expenditure.

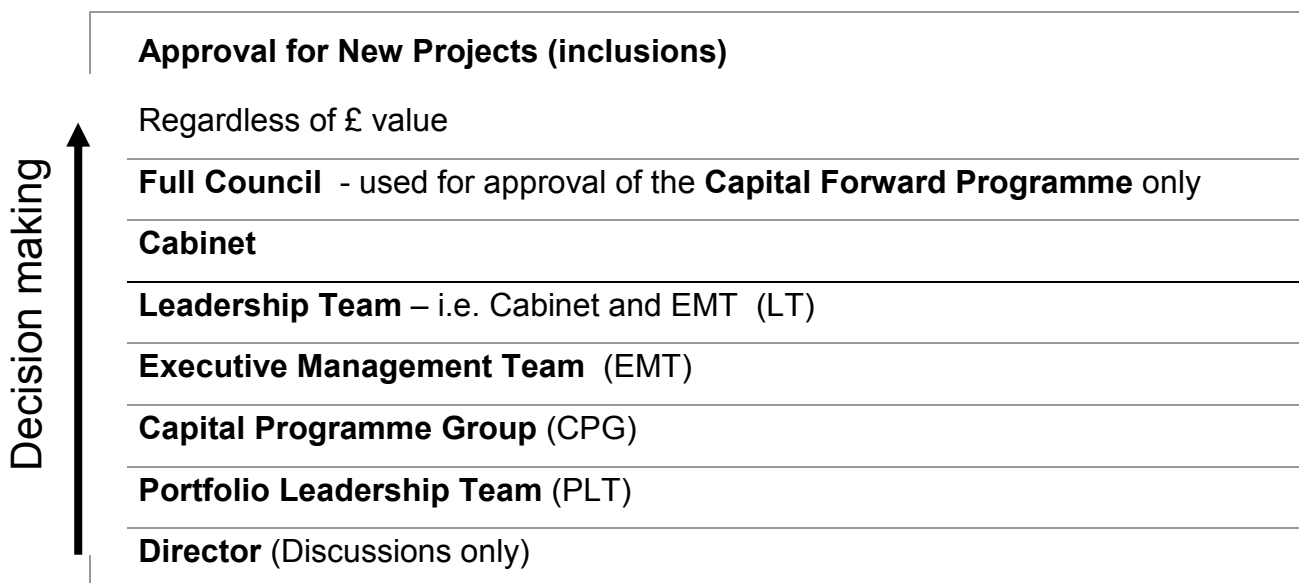
### 5.3.4. Approval for New Projects / Inclusions / Changes

All new capital projects/ inclusions in year and significant changes to the Capital Programme (other than changes requiring the approval of Full Council (Article 4 of the Council's [Constitution](#)) must be approved by Cabinet or otherwise in line with the [Leader's Scheme of Delegation](#), and these Regulations. The approval chain is detailed below.

Approval for projects financed wholly or in part by external funding is conditional on agreement to the Council becoming the Accountable Body for that funding. This agreement must be obtained in line with the requirements of the [Leader's Scheme of Delegation](#) BEFORE any offers of funding are accepted.

Where the project involves the Council guaranteeing the liabilities of a third party then this must also be approved in accordance with the requirements of the [Leader's Scheme of Delegation](#).

### Capital Projects Approval Hierarchy



The Director of Finance, in conjunction with the Cabinet Member for Finance, can approve expenditure up to the value of £100,000 to permit the Council to undertake feasibility works on potential capital projects provided that:

- The Director of Finance has been provided with evidence to enable him/ her to reasonably conclude that the project is viable and practical so that any recommendations from the study can be implemented and the study will not be an abortive cost.
- The entire project (i.e. feasibility and subsequent construction works) is fully funded.
- The works meet the requirements of the capital accounting rules to be eligible for classification as capital spend.



### 5.3.5. Variations to projects in the Capital Programme

Changes to a project's finance require approval as a 'Variation' subject to necessary capital resources being available.

Variation Approval levels on an existing approved project are as follows:

- A variation in cost of up to £25k can be approved by the responsible Director.
- A variation in cost by more than £25k but no more than £100k requires EMT approval.
- A variation in cost by more than £100K but no more than £150K requires approval by the relevant Individual Cabinet Member(s).
- All other variations require Cabinet approval through the monthly monitoring report.

For authorisation purposes, Variations are measured cumulatively from the last approval by the Executive.

### 5.3.6. Emergency approvals

Where an emergency approval is required, this must be provided in accordance with all applicable urgency procedures in the [Constitution](#) and the [Leader's Scheme of Delegation](#).

As an additional requirement, emergency approvals must be referred to the Executive Director of Resources or the Director of Finance or any Officer authorised to act on his or her behalf.

Any such approvals shall be reported retrospectively to Cabinet in the next monthly report by the relevant Executive Director and the Director of Finance. If, by the time the decision is retrospectively reported to Cabinet, no action has been taken an emergency approval may be rescinded by the Cabinet.

### 5.3.7. Virements

Virements are not permitted between Capital schemes. Changes from Cabinet approved amounts must be treated as Variations.

### 5.3.8. Slippage and / or accelerated spend

Where the timing of expenditure deviates from the annual profile approved by Cabinet, Budget Managers should reflect this in their monthly forecast and advise Finance Business Partner Capital of the situation.

Where the forecast has changed such that expenditure will move between financial years, the monthly report to Cabinet will seek approval for this change.

### 5.3.9. Change in Scope

Where the material output of a project will differ from that of the last fully approved version, Budget Managers must seek re-approval in accordance with the requirements for a new project, as described in [Section 5.3.4](#) of these regulations.

### 5.3.10. Revenue implications

The revenue expenditure implications of the proposed Capital Programme will be considered as part of the approval process outlined in these Regulations and as part of the [Annual Revenue Budget](#) and [MTFS](#) processes.

Where a Budget Manager identifies that the project will overspend even after all mitigating action, and that no alternative capital funding source is applicable, then the overspend must be made good from revenue funding.



### 5.3.11. Capital Receipts

Any decision on the use of Capital Receipts will be taken as part of the overall approval for the project through recommendation by the Capital Programme Group as outlined in [Section 5.3.4.](#)

### 5.3.12. Project Stage Approval

Approval for the Design, Procure and Build stages of a project will not be granted without recommendations from the Director of Finance in respect of funding implications. As part of this process the Director of Finance will need to consider both the Revenue and Capital implications of such approvals for the level of contractual commitments in future years.

The Budget Manager must obtain approval for each stage of design, procure, build, and completion through the delegated powers of the Director of Finance or the Chief Property Officer (if appropriate) and the Capital Programme Group. In particular, the Budget Manager should note that only the Capital Programme Group can recommend to the Director of Commercial Services the award of a contract for capital works in line with the Council's Standing Orders.

The build stage of a project cannot proceed until a thorough review has been produced by the Project Manager, approved by the appropriate sponsoring Director and reported to the Capital Programme Group. In line with the [Council's Project Management Guidelines](#), where requested, a Project Review must be undertaken and appended in support of the submission for project stage approval.

### 5.3.13. Procurement

Executive Directors and Directors must ensure that agreed formal procedures are in place with the Head of Design and Project Management and the Director of Commercial Services in respect of all procurement related to capital projects.

Where the project is financed, either wholly or in part through external funding then the requirements of the funder in relation to procurement must also be met.

## **5.4. Financial Management and Reporting of Capital accounts**

### 5.4.1. Financial Management

Inclusion of a project in the Capital Programme and its subsequent progression to completion will be managed through the use of the Council's financial management system.

In line with the requirements of these Regulations, Budget Managers are required to carry out a monthly monitoring and forecasting process in respect of the 'actual to date' and 'forecast' position for both revenue and capital accounts.

### 5.4.2. Reporting

The Director of Finance is responsible, with Executive Directors, for providing a consolidated monthly report to the Executive in relation to Capital accounts.

Monthly capital reporting will be based on a CAF, Project Closure Forms (PCF), financial monitoring and approval request reports.

At year end the Director of Finance will report to the Executive the overall Capital Out-turn position at the same time as the Revenue Out-turn position is reported to the Executive.

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## 6. External Funding / Grants

### 6.1. Background

External Funding in its broadest sense refers to the identification and securing of additional resources, above and beyond those normally provided to organisations, which enables them to develop and enhance the quality of their services, better meet the needs of clients and to do something that could not otherwise be achieved.

The Council relies on a significant amount of external funding to finance the service activity and specific projects/ programmes needed to meet the city's priorities as highlighted in the [Corporate Plan](#).

### 6.2. Roles and responsibilities

#### 6.2.1. The Director of Finance

The Director of Finance is responsible for ensuring that:

- There is proper processes and procedures in place for the completion, assessment, authorisation and submission of applications for external funding and any subsequent claims. In practical terms this responsibility is discharged through the External Funding Team which is part of the Shared Service function within the Finance Service.
- Grant applications are correctly completed and submitted by the required date with a view to maximising the income to the Council in terms of cash flow.
- All completed grant claims and certifications are approved by the Director of Finance or other authorised Finance Officer as published in the Financial Protocol ([Appendix A](#)) and maintained by the Director of Finance.
- All documentation related to match funding, e.g. certificates, letters of comfort, heads of terms, contracts, are approved by the Director of Finance or other authorised Finance Officers as published in the Financial Protocol ([Appendix A](#)).
- All statutory financial returns related to external funding are completed and submitted in line with relevant guidelines.
- The income due from grant claims is received.
- Records are kept for the reconciliation of grants due and received. Such records must have robust audit trails and meet External Audit requirements.

Additionally, the Director of Finance is responsible for agreeing the acceptance of all offers of External Funding made to the Council.

#### 6.2.2. Executive Directors

Executive Directors are responsible for ensuring that:

- All available external funding is claimed, with due regard to risk and other relevant factors. In practical terms this responsibility will be discharged by the Directors and Budget Managers within their Portfolio.
- All applications for external funding within their area of responsibility are made in accordance with all the processes and procedures laid down by the Director of Finance.
- Offers of external funding are only accepted in accordance with the requirements of the [Leader's Scheme of Delegation](#), particularly in relation to agreement to the Council becoming the Accountable Body for the funding and/ or guaranteeing the liabilities of third parties.

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- All the funding body's conditions and criteria including any additional procurement requirements are met.
- All required evidence related to the external funding body's qualifying conditions and/ or criteria is collected and retained as required.
- Where a third party is involved in delivery of an externally funded project for which the Council is the Accountable Body, all necessary evidence is collected and retained.
- Grant claims are prepared and submitted as required.
- Where the City Council is providing match funding, all documentation as required by the funding body is duly authorised by the Director of Finance, or other authorised Finance Officers as published in the Financial Protocol ([Appendix A](#)). Documentation includes but is not confined to Match Funding Certificates, Letters of Comfort and Heads of Contract.
- Risks to the Council are appropriately identified, recorded and managed.
- Any legal implications and risks of working with third parties are appropriately addressed.
- All external funding within their area of responsibility is managed using the Council's systems and processes.

### 6.3. Accountable Body

The **Accountable Body** is legally responsible for ensuring that the requirements of the funder are met. The decision to agree to the Council becoming the Accountable Body for external funding must be taken in line with the requirements of the [Leader's Scheme of Delegation](#) and BEFORE any offers of funding are accepted.

Where the Council is guaranteeing the liabilities of a third party this must also be approved in accordance with the requirements of the [Leader's Scheme of Delegation](#).

### 6.4. Grant / External Funding accounting

All accounting processes related to external funding/ grants will be controlled by the External Funding Team in the Finance Service.

### 6.5. Audits of external funding

Audits of external funding shall be carried out in accordance with the conditions/ criteria related to the funding.

Where there is a charge for the audit this is payable from the relevant Business Unit's budget.

### 6.6. Retention of documentation

All evidence required by the funding body must be collected and retained in line with the conditions/ criteria related to the funding.

Where the retention period in the agreement exceeds the one prescribed in the Financial Records Retention Schedule ([Appendix C](#)) the funder's requirements will take precedence.

Documents pertaining to ERDF supported projects must be retained until at least 3 years after the UK receives its final payment to the programme from the EC or for such longer period as may be prescribed by the funder in a particular case.

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Where the retention periods required by the funder are less than those specified in the Financial Records: Recommended Retention Schedule ([Appendix C](#)) the latter should be followed.

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## 7. Income Management

### 7.1. Background

The Council sets fees and charges for a wide range of the services and goods that it provides. The income that is generated from this is a major source of funding that helps to deliver the Council's key priorities as set out in the [Corporate Plan](#).

This section covers the principles that apply to setting fees and charges, the collection of income, the raising of sundry debtor accounts and debt recovery. These principles are in line with the values as set out in the [Corporate Plan](#).

Separate detailed rules apply to the management of Housing Rent, Council Tax, Business Rates and Benefit Overpayment debt and are therefore not covered by these Regulations.

Refer to [Section 20](#) for Council Supply Agreements.

### 7.2. Roles and responsibilities

#### 7.2.1. The Executive

In accordance with the [Leader's Scheme of Delegation](#), the Executive is responsible for agreeing the overall charging policy for fees and charges levied by the Council even if the actual level of the charge is set by an outside body i.e. Government. In this context Fees and Charges excludes Council house rents, Council Tax, National Non-domestic Rates and Housing Benefit overpayments.

Fees and charges must be set as part of Business Planning process and be in line with the provisions of the 'Fair Fees and Charges' Policy as approved by the Executive. Recommendation of changes to fees and charges should be made as part of the Annual Revenue Budget Report to Council.

Any changes in Fees and Charges that are not approved as part of the Annual Revenue Budget Report to Council must be approved in line with the requirements of the [Constitution](#) and/ or the [Leader's Scheme of Delegation](#) as appropriate.

#### 7.2.2. Individual Cabinet members

In accordance with the [Leader's Scheme of Delegation](#) Individual Cabinet Members are responsible for agreeing, in consultation with the Leader, changes to existing fees and charges in relation to their Portfolio areas other than those set by Full Council as part of the budget process.

#### 7.2.3. Executive Directors

Executive Directors are responsible for:

- Seeking, where appropriate, to recover the full cost of their services through setting fair fees and charges in line with the provisions of the 'Fair Fees and Charges' Policy and all other statutory guidance.
- Having arrangements in place for payment up front wherever possible and for having appropriate arrangements for the storage and banking of cash.
- Ensuring adequate security arrangements for the storage and transportation of cash and requesting insurance cover and immediately informing the Police, Internal Audit and the Insurance and Risk Team where any theft of cash or its equivalent is discovered or suspected.

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- Ensuring that where accounts are raised in respect of charges for works done, goods supplied or services rendered on behalf of the Council and all other income due to the Council are raised and issued to the customer(s) within the required timescales and in accordance with these Regulations and all associated policies and procedures.
- Ensuring that relevant staff use only the standard payment methods to collect payments from customers and that, in the interests of customer choice, more than one option is offered.
- How their Portfolio and, where applicable, their partner organisations, manage each payment option.
- Ensuring that, where partnership working arrangements are in place, the partner organisations only use the standard payment methods as determined by the Director of Finance.
- Ensuring that all systems and processes related to customer payments comply with all relevant legal and security requirements, e.g. the Payment Card Industry Data Security Standard (PCI DSS), which is a set of guidelines designed to help keep customer's payment card data secure.
- Effectively managing the level of debt within their Portfolio, including working with the Income Collection and Management Team to reduce the level of unallocated payments, resolving customer disputes within the required timescales, identifying debts that are clearly irrecoverable and authorising them to be written off.
- Ensuring that all relevant documentation related to the supply is retained and accessible in the event of it being required for debt recovery procedures, up to and including court action.
- Ensuring that their staff are aware of the possibility of money laundering activities and that they comply with the Council's Anti – Money Laundering Policy.

### 7.2.4. Director of Finance

The Director of Finance is responsible for:

- Determining the standard payments methods that may be used to collect income. These must be used by all Services and partner organisations as determined by the Director of Finance. Payments cannot be made by any other means except by express permission of the Director of Finance.
- Providing training and advice on these payment methods. On a day-to-day basis this responsibility will be discharged by the Income Collection and Management Team in the Finance Service.
- Providing training and advice on the raising of invoices. On a day-to-day basis this responsibility is discharged by the Financial Systems Support Group in the Finance Service.
- All debt recovery actions except Housing Rents. In respect of sundry debt this responsibility is discharged by the Income Collection and Management Team in the Finance Service. In respect of local taxation and Housing Benefit overpayment debt this responsibility is discharged by the Revenues and Benefits Team within the Finance Service.
- Providing advice on best practice for cash storage and banking.
- Receiving disclosures about Money Laundering activities within the Council.

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- Having procedures and policies in place for the administration of Direct Debits for the collection of Sundry Debts.

### 7.2.5. Executive Director of Resources

The Executive Director of Resources is responsible for providing insurance cover for cash and cheques awaiting banking as requested by Executive Directors.

### 7.2.6. All officers involved in the sundry debt process

Officers responsible for raising invoices, credit notes, refunds, debt recovery and write-offs must not do so for debts owed by themselves or family members, or where they have a vested interest.

### 7.2.7. Authority to Collect Cash

Only Officers with specific authorisation from their Manager, who have been issued with an appropriately endorsed "Style 1" photo identification card, may collect cash on behalf of the Council.

Before any new photo identification card may be issued authorising the holder to collect cash, the request must be approved by the Director of Finance or his/ her designated Officer in line with the procedure for the issue of photo identification cards.

Managers should maintain a register containing details of the style of card held by each member of staff, and ensure that the card held is appropriate to the Officer's current duties.

### 7.2.8. Separation of duties

The system adopted for the collection and banking of income must incorporate separation of duties between the different functions as a principal form of internal control.

To comply with this principle Managers must ensure that an officer does not carry out functions from both Table 1 and Table 2 (below) in any given time period. This ensures that, for example, an officer does not check that the amount of money they themselves have collected equals the money that has been banked.

**Table 1**

Function	Examples
Identifying charges or taking a booking	Telling a customer the cost of a particular service, e.g. removing a wasp's nest. Booking an appointment for removal of wasps nest.
Billing	Sending an invoice (if appropriate to do so).
Collection and receipt of income	Collecting the payment, irrespective of the method of payment (i.e. cash/ credit card) for removing the nest and giving the customer a receipt for the payment. Receipts might be a 'till receipt' type or hand written one from a preprinted book.

**Table 2**

Function	Examples
Reconciling receipts to income	Adding up the payments received and all the receipts then making sure they come to the same amount.
Banking income	Doing the OEO Banking Journals so the income appears on the finance system as being in the bank. This also puts it into the correct Business Unit.  Arranging for cash to be physically put into the Council's Bank Account. This may be done via the G4S collection service.
Monitoring income received, banked and outstanding	Checking money that has been banked equals the amount that is on the receipts.  Monthly monitoring of outstanding debts.

All transfers of money between members of staff must be evidenced by the recorded signature of the officer receiving the money.

### **7.3. Payment of fees and charges**

#### **7.3.1. Not - Invoiced**

Wherever possible the provision of credit, i.e. payment via an invoice, should be avoided and, wherever appropriate, customers should be asked to pay for services up-front or at the time of service delivery. This avoids the need for invoicing thus reducing both the potential for invoices not being paid by customers and administration costs to the Council.

The Council is legally required to provide a tax invoice, if requested to do so by a customer. Any requests received should be referred to the [Taxation Team](#) within the Finance Service.

See also [Section 7.3.7](#) of these Regulations.

#### **7.3.2. Invoiced**

Payment by sundry debt invoice is, in effect, providing credit to the customer. This must be avoided wherever possible and invoices must only be raised where payment in advance or at the point of service delivery is inappropriate.

All sundry debtor accounts must be raised on the Accounts Receivable section of OEO finance system unless exceptions have been agreed with the Director of Finance.

Invoices should be issued within 10 working days of the:

- Goods or services being supplied.
- Month end where there is an on-going service provision.

In line with standard accounting practice, income will be credited to the relevant Business Unit at the point the invoice is raised - not when it is actually received.



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To comply with all relevant HM Revenue and Customs (HMRC) regulations the date of the invoice must be within 60 days of the actual date of supply. Where this timescale cannot be met, advice must be sought from the Council's Tax Manager.

The information on the Sundry Debt invoice must be correct, complete and supported by all necessary and relevant information. In the event of debt recovery action being taken, up to and including Court proceedings, this information will be required as evidence. Officers raising invoices are also responsible for ensuring that the correct VAT treatment is applied.

To ensure that invoices are raised correctly, they must only be raised by officers who have had appropriate training.

### 7.3.3. Standard Payment methods

Only the payment methods outlined in the tables below can be used by all Services and partner organisations as determined by the Director of Finance. Payments cannot be made by any other means except by express permission of the Director of Finance.

The methods and channels are not recommended for every service or customer group but are all options the Council will support.

The option of payment by cash at Service will be considered by the Finance Service on a case-by-case basis as required.

Costs associated with acquiring/ implementing payment methods will be funded by the Service requesting them.

**Table 1: Not Invoiced**

Not Invoiced / invoiced	Payment Methods	Payment Channel
Not invoiced	Credit or debit card online via the Council website.	On-line - Customer self-service
Not invoiced	Text payment via a mobile telephone.	Telephone - Customer self-service
Not invoiced	Credit or debit card over the phone where a member of staff enters the payment details into an electronic payments system on their PC.	Face to face - Customer assisted service
Not Invoiced	Credit or debit card using chip-and-pin machine [either mobile or at a Council/ partner office.	Face to face - Customer assisted service

**Table 2: Invoiced**

Not Invoiced / invoiced	Payment Channel	Payment Method
Invoiced	Credit or debit card online via the Council website.	On-line - Customer self-service
Invoiced	Credit or debit card using an automated telephone service.	Telephone - Customer self-service
Invoiced	Text payment via a mobile telephone.	Telephone - Customer self-service
Invoiced	Credit or debit card over the phone where a member of staff enters the payment details into an electronic payments system on their PC.	Face to face - Customer assisted service
Invoiced	Credit or debit card using chip-and-pin machine [either mobile or at a Council/ partner office.	Face to face - Customer assisted service
Invoiced	Cash at a Post Office; or PayPoint up to a certain value.	Face to face - Customer assisted service
Invoiced	Cheques and debit card at a Post Office up to a certain value.	Face to face - Customer assisted service
Invoiced	Direct Debit – within the parameters set by the Director of Finance.	Face to face - Customer assisted service
Invoiced	BACS/ CHAPS – within the parameters set by the Director of Finance.	Face to face - Customer assisted service

#### 7.3.4. Credit and Debit card transactions

There are no maximum or minimum transactions values associated with payment by credit or debit card.

The Council will accept all major debit and credit cards with the exception of American Express, Diners Club, JCB and Solo.

Credit cards may be used for both non-commercial debts such as Business Rates and rent arrears and commercial debt, such as hire of sporting facilities and pest control.

#### 7.3.5. Direct Debits

Direct debits must only be used to collect payment:

- For invoices that are raised on a regular basis (e.g. monthly rental agreements).
- Where an arrangement to pay an invoice in instalments has been agreed by the Director of Finance or his/ her designated Officer.

Direct debits should not be used where the annual value to be collected is less than £100. This amount may be varied, from time to time, at the discretion of the Director of Finance.

Where a customer's Direct Debit fails twice in a 12 month period then the option to pay by Direct Debit must be withdrawn and may only be reinstated with the agreement of the Director of Finance or his/ her designated Officer.

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Under the Direct Debit Guarantee scheme, the Council must give customers at least 10 working days' notice if the amount that is due to be collected will change. For accounts where the amount billed varies on a regular basis, such as Home Support, an invoice must be issued, for information purposes only, to ensure compliance with this scheme.

### 7.3.6. Expected income over £50,000

Where receipt of a sum of £50,000 or over is expected, e.g. completion of property purchases, this must be reported to the Council's [Treasury Management & Banking Team](#).

Knowing that a significant receipt is due will help this Team to manage the Council's cash flow which may well reduce the need for short term loans to cover Council expenditure.

### 7.3.7. Money Laundering

Where there are significant cash payments, i.e. £1,000 or more in cash, or up to £2,500 in linked transactions, officers should check the identity of the client in line with the Council's [Anti – Money Laundering Policy](#).

Payments in cash must not be accepted by employees of the Council or any of its agents where the amount is over the limit to be determined by the Council's Money Laundering Reporting Officer. Currently the limit has been determined as £2,500.

### 7.3.8. Credit Notes and Refunds

Credit notes are required for an invoice that has been incorrectly raised. However, credit notes represent a control risk and as such must be properly authorised. Credit notes must be authorised by the manager responsible for the budget affected.

Refunds are required if a customer or other member of the public has paid an incorrect invoice or has paid money into a Council bank account in error. Refunds may only be actioned by the Director of Finance or his/ her designated Officers.

Where a refund is for a significant amount, i.e. £1,000 or more, officers should check the identity of the client in line with the Council's [Anti – Money Laundering Policy](#), fees and interest charges.

### 7.3.9. Credit card fees

Transaction fees associated with accepting a credit card payment will be charged to the customer at the time of payment.

These fees will only recover banking and system transaction costs and not include any additional surcharges such as 'administration' costs.

### 7.3.10. Debit card fees

Debit card transaction fees will be funded centrally from within the Finance Service, subject to annual reviews of costs.

### 7.3.11. Interest on late payment of debt

Interest on late payment of debt by commercial customers will be applicable where agreed by the Director of Finance.

## **7.4. Banking of collected income**

### 7.4.1. Receipting and banking

All income received on behalf of the Council must be receipted and paid into the appropriate bank account without unnecessary delay and in accordance with the procedures approved by the Director of Finance for the banking of income.

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Income must be paid in without deduction unless this is approved by the Director of Finance. Third party and personal cheques must not be cashed from monies held on behalf of the Council.

### 7.4.2. Safe storage of collected income

Executive Directors are responsible for ensuring that all income collected prior to banking is safeguarded and that adequate insurance cover has been arranged.

The amount of cash allowed to be held in any one safe overnight will vary according to the particular insurance arrangements. Where the agreed limit is likely to be exceeded then arrangements must be made to bank the income as soon as possible.

The Director of Finance will advise on best practice for cash storage and banking.

The Executive Director of Resources is responsible for providing insurance cover for cash awaiting banking as requested by Executive Directors and providing the insurance cover requested by Executive Directors.

### 7.4.3. Reconciliation of receipts

Reconciliation of receipts to banked income should be performed on a regular basis and at least monthly, reflecting the value of the receipts. Staff responsible for reconciliation should not be involved in day to day banking or receipting procedures.

## 7.5. Debt Recovery

### 7.5.1. Recovery process

The Council's standard payment terms and conditions are that, unless contractually agreed or in the case of a demand payable by installments, sundry debts are payable immediately and in full.

The Council will undertake robust action up to and including Court action to recover money owed to it. The costs of enforcement action to recover sundry debts, up to and including court action will be borne by the relevant Business Unit.

### 7.5.2. Arrangements to Pay

Where a customer is unable to pay the full amount of a sundry debt invoice immediately then arrangements can be negotiated, in appropriate circumstances, to clear the debt in the shortest possible timescale.

These arrangements can be negotiated by the Income Collection and Management Team in consultation with the Business Unit Manager, or directly by the Manager. In the latter case the Business Unit Manager must inform the Income Collection and Management Team so that the arrangement can be documented and monitored.

Payment arrangements that exceed 12 months must be agreed by the Director of Finance.

If the arrangement to pay is not maintained then debt recovery action will be commenced or continued.

### 7.5.3. Disputed debts

For the purposes of these Regulations a 'dispute' relates to an issue that must be resolved before the customer will pay an outstanding sundry debt.

When a debt is put into dispute, debt recovery action is suspended to allow time for the issue to be resolved.

The relevant Business Unit Manager is responsible for resolving the dispute and for doing so within 28 days. Where the Business Unit Managers considers that a longer timescale is required to resolve the dispute, they must contact the Income Collection and Management Team to request an extension. The request must be supported by

details of the customer, the nature of the dispute and the extra length of time required must be specifically stated.

### **7.6. Bad and Doubtful Debt Provisions**

When an invoice is raised the Business Unit is immediately credited with the income. For that income to be relied upon the debt must be paid within 60 days.

If a debt is not paid by day 60, a charge will be made against the Business Unit to make full provision for the debt not being paid. Exceptions to this are where the:

- Debtor has an agreement to pay and is abiding by it.
- Debt is covered by a Charge (e.g. on property, land, etc.).

Creating a provision for bad or doubtful debt does not mean that recovery action will stop. The Council will continue to take recovery action after the provision is made.

#### **7.6.1. Payments received after 60 days**

Where an outstanding debt is paid after day 60 and before day 91 the Business Unit will be credited with 50% of the income. The remaining 50% will be diverted to help balance the Council's overall budget.

If the debt is paid after day 90, 100% of the income will be diverted to help balance the Council's overall budget and the Business Unit will not receive any.

Exceptions to the '60 day rule' can only be approved by the Director of Finance. A list of the agreed exceptions is maintained by Income Collection and Management Team in the Finance Service.

### **7.7. Bad Debt Write-offs**

If recovery action is unsuccessful, the Council may write-off debts that are correctly due to it but which, for whatever reason, are no longer collectable.

All possible recovery procedures should be pursued and exhausted within 12 months of the invoice date. After this timescale the outstanding debt should be written off unless:

- It is covered by an on-going payment arrangement.
- There is on-going action, up to and including Court action, to recover the debt.
- The debt has been recorded on the Local Land Charges Register.

Writing off a debt involves removing a debt from the Council's accounts using money that has been set aside as part of the bad and doubtful debt provision and will only be done in exceptional circumstances.

Write-offs must be proposed by the relevant Executive Director and approved and actioned by the Director of Finance.

By the time a debt is written off a full provision must have been created for it and reported to Members as part of the monthly budget monitoring process.

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### 8. Purchasing

This section covers the principles related to procurement in the Council, the roles and responsibilities of officers and the principles that apply to the Council's Purchase to Payment (P2P) process. These are standard across all portfolios and must be complied with, unless an exception has been approved in writing in advance by the Director of Finance.

All Orders for goods or services are to be placed on the Council's Finance system or other systems as approved by the Director of Finance. Irrespective of the system used, the controls and processes detailed in these regulations will apply.

All procurement must comply with [Standing Orders](#) and the [Leader's Scheme of Delegation](#).

#### 8.1. Roles and responsibilities

##### 8.1.1. Director of Commercial Services

The Director of Commercial Services is responsible for:

- Ensuring that the Council's [Standing Orders](#) remain technically correct, up to date and fit for purpose.
- Ensuring that the Council's [Standing Orders](#) are adhered to. All unauthorised breaches must be reported to him/ her.
- Considering requests for a waiver of [Standing Orders](#) and actioning them where appropriate.
- Ensuring there are proper processes and procedures in place for the commissioning and procurement of goods and/ or services.
- Providing advice and guidance on the procurement process.
- Ensuring that training and guidance is available for officers involved in the P2P process.
- Approving suppliers used in the commissioning and procurement of goods and/ or services.

##### 8.1.2. Director of Finance

The Director of Finance is responsible for:

- Ensuring that VAT related records, e.g. invoices or credit notes are stored and made available in line with HMRC directives.
- Compliance with the requirements of the Construction Industry Tax Deduction Scheme (CITDS) in relation to the payment of invoices relating to repairs and renovation over the stipulated monetary limits.
- Ensuring that, where required, the employment status of individuals is validated and all related records are stored and made available in line with HMRC directives.
- The approval and administration of all leasing and other credit arrangements. Records will be kept by the Director of Finance of all relevant financial information relating to these arrangements.

##### 8.1.3. Director of Finance and Executive Directors

The Director of Finance and Executive Directors are responsible for ensuring that all purchasing within their area of responsibility complies with the following principles:

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- Expenditure shall not be incurred where it represents a departure from Council policy or where it is not wholly in accordance with the Council's approved Budget unless such expenditure is considered a matter of urgency. In these cases:
  - The Director of Finance must be consulted before incurring such expenditure, and all relevant provisions of the [Leader's Scheme of Delegation](#).
  - The [Constitution](#) must be complied with.
  - Particular attention is drawn to the urgency provisions in the Budget and Policy Framework Procedure Rules in Part 4 of the [Constitution](#).
- Where any consent is required from a Government Department or other relevant body, these shall be obtained before any expenditure or commitment is incurred.
- Appropriate controls must be in place that ensure the integrity of expenditure incurred in the name of the Council and constrains expenditure to within the legal powers of the Council.
- Suppliers providing services to the Council must have the necessary HMRC certification enabling them to be paid through the Council's payments system. Contractors failing to comply with the conditions or to provide evidence of the necessary certification should be set up as temporary employees of the Council and paid through the payroll.

### 8.1.4. The Executive Directors

The Executive Directors are also responsible for ensuring that purchasing to payment arrangements within their area of responsibility comply with:

- These Regulations.
- The Council's [Constitution](#), [Leader's Scheme of Delegation](#) and [Standing Orders](#).
- Procurement policy, strategy and regulation
- The Guide for the Procurement of Consultancy.
- HMRC requirements for checking employment status of individuals or groups of workers.
- Corporate financial policies and standards.
- EU and domestic law.
- Health and Safety Regulations.
- Environmental Policy.

### 8.1.5. Budget Managers

Budget Managers with responsibility for incurring expenditure on behalf of the Council must ensure that:

- The Council is obtaining value for money and that all expenditure complies with the Council's [Standing Orders](#).
- In-House and Corporate Contract providers are used wherever possible. Where this is not considered appropriate, advice must be sought from Commercial Services on choosing an alternative supplier and [Standing Orders](#) must be complied with.
- Compliance with the Council's [Standing Orders](#) and all relevant procurement processes is documented and the evidence retained.
- Any relationships with existing or potential Council contractors are declared prior to the obtaining of quotations or the awarding of contracts.

### 8.1.6. All Officers involved in P2P process

All officers involved in the ordering and purchasing processes must:

- Refer to the Council's [Standing Orders](#) for details of procurement procedures to be followed, with special attention to the need to use In–House and Corporate Contract providers.
- Formally declare any relationships with existing or potential Council contractors prior to the obtaining of quotations or the awarding of contracts.
- Withdraw from any P2P process when either they themselves or a member of their family or one of their close associates are involved directly or indirectly with the transaction.

Note: Officers' attention is drawn to the provisions of Section 117, Local Government Act 1972, under which certain failures by an Officer to declare an interest in a contract with the Council may be punishable as a criminal offence.

### 8.2. **Ordering of goods and services**

A purchase order is required for all purchases of goods and services and one must be processed before requesting the supply.

Exceptions to this would be for the payment of utilities, recurring payments, 'multiple' and 'one-off' payments.

Verbal orders must not be used in normal Council operations and should take place only in wholly exceptional circumstances. Any verbal orders must be followed immediately by the issue of a fully authorised order. Officers making verbal orders can expect to be asked to support their decision by the Director of Finance and Director of Commercial Services.

Different Purchase Order types are in place to meet expenditure requirements including those that are not for the supply of goods or services.

Orders must fully detail the goods and services to be supplied and the budget from which the expenditure is to be met. Final costs or an estimate of the costs of the goods or services ordered (net of VAT) should also be provided.

Orders must only be raised for goods and services provided to the Council or on official Council business. Individuals must not raise official orders for their own private use.

Variations must only be actioned through properly authorised amendments to orders. Issued orders must not be amended verbally with the supplier.

A small number of credit and procurement cards exist for use within the Council where special conditions exist. The use of credit/ procurement cards are intended to complement, rather than replace the purchase order procedure, and should only be used in exceptional circumstances, when the use of a purchase order is not feasible.

The Director of Finance shall approve all officer applications for procurement/ credit cards and may withdraw his/ her approval for the Officer to use the card at their discretion.

For each card, monthly credit and individual transaction limits will be determined by the Director of Finance on approval of the application. Requests for alterations to the limits will be considered where a valid business case exists at his/ her discretion.

The Director of Finance shall ensure that a register of all procurement cards issued is kept containing employee details, credit and transaction limits and date of issue.



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The Executive Directors must inform the Director of Finance, in order that action may be taken to cancel stolen or lost cards or those issued to employees who have resigned from the Council.

### 8.3. Authorisation of expenditure

#### 8.3.1. Purchase Orders

Before authorising an order, Approvers must ensure that the proper approval for the spending has been obtained in line with the Council's decision making framework. In other words, the decision to spend the money must have been taken by Council, the Leader, Cabinet, a committee, an individual Member or an Officer exercising delegated powers.

These Officers must also ensure that the Council's procurement rules and [Standing Orders](#) have been complied with before approving any order.

Authorisation in accordance with the requirements set out below is not a substitute for formal approval as required by [Leader's Scheme of Delegation](#), the Council's [Standing Orders](#) and [Procurement Policy](#).

Before authorising an order, managers, who must have written authority from the relevant Executive Director to do so, should be satisfied that:

- The Order represents legitimate liabilities of the Council.
- The required checks have been evidenced.
- Sufficient budgetary provision exists to cover the payment.
- The expenditure is correctly coded.
- All necessary documentation is attached.

#### 8.3.2. Authorisation to pay Utility Bills and Recurring Payments

These will be authorised in line with the procedures as approved by the Director of Finance by Officers with the appropriate level of approval within the Council's finance system.

#### 8.3.3. Authorisation of Multiple, One-Off and Foreign Payments

Multiple and One-Off payments must only be used in exceptional circumstances and must be approved by both the Director of Finance and the Director of Commercial Services.

#### 8.3.4. Authorisation Foreign Payments

These will be authorised in line with the procedures as approved by the Director of Finance and the limits as detailed in the Authorisation Matrix below.

#### 8.3.5. Authorisation Matrix

The list of Officers authorised to approve Purchase Orders will comply with this section of the Regulations and will be held in the Council's Finance System or other systems as approved by the Director of Finance.

All purchase orders must be approved in line with the Council's authorisation matrix as shown below.

Order Amount	Authorisation Level
£0 - £249	Supervisor / Line Manager
£250 - £499	Middle Manager

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£500 - £2,499	Business Unit Manager
£2,500 - £24,999	Assistant Head of Service / Assistant Director
Over £25,000	Head of Service / Director / Asst Chief Executive / Chief Executive
Orders over £250 must also be reviewed by the Council's Commercial Processes Team to ensure compliance with Council <a href="#">Standing Orders</a> etc.	

The values in this matrix are set at levels deemed necessary by the Director of Finance for the proper control of expenditure.

Where, if after such consultation as he/ she deems to be appropriate, the Director of Finance considers that the values should be revised in order to maintain that control, she/ he may change them at any time.

For the avoidance of doubt, this matrix will apply to all orders including orders connected to the spending of Grant funding, contract payments and partnership arrangements where the Council's finance system is used to make a payment.

The existence of a Cabinet report approving a grant payment or awarding a contract does not over-ride the authorisation matrix.

This matrix will also apply to the authorisation of payments detailed above which do not require a Purchase Order.

### 8.4. Delivery of Goods and Services

Deliveries of goods and services should be checked to ensure that they are in accordance with the official order, taking account of, as a minimum:

- Cost.
- Quantity.
- Quality.
- Fitness for purpose.

Delivery notes must be retained for verification purposes in accordance with the Financial Documents Retention Schedule appended to these Regulations.

Officers are required to enter a receipt on the Council's finance system, or other systems, as approved by the Director of Finance to confirm delivery of the goods or services.

### 8.5. Payments to suppliers

#### 8.5.1. Supplier invoices

Suppliers will be expected to provide an electronic invoice through the Council's procurement system.

Where paper invoices are unavoidable these should be sent directly to the Council's outsourced provider of the accounts payable service for prompt processing and on no account should they be sent directly to the service requesting the supply.

Failure to adhere to this rule may result in delays to the payment process.

Any paper invoices will be scanned and attached to the invoice records by the outsourced provider of the accounts payable service.

### 8.5.2. Payments

No payment will be made unless supported by an appropriately authorised Purchase Order. Exceptions to this are Recurring, Multiple, One-Off, Foreign Payments and purchases made using a Credit or a Procurement Card and as described above.

Where the details on both the supplier invoice and the order are the same, or within tolerance levels agreed by the Director of Finance, the automated matching process will clear the invoice for payment in accordance with the Council's standard payment terms.

Where the details are not the same and are outside the agreed tolerance levels, then the order raiser should either raise a returns note in the P2P system or request a credit note from the supplier to resolve the mismatch.

### 8.5.3. Standard payment terms

The Council's standard payment terms are 30 calendar days from the date that a valid invoice is received by the Council. Any variation to this standard must be agreed by the Director of Commercial Services either as part of the letting of a contract or by ad-hoc exception to the standard terms.

In accordance with the Council's [Standing Orders](#) advice must be sought from Director of Commercial Services where a supplier makes a request for payment in advance.

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## **9. Internal charges**

The Council's internal charging system covers:

- Specific ordering and the consequent recharges.
- Agreed Annual Service Level Agreements and the consequent recharges.
- Overhead apportionment.

A fundamental requirement of the internal charging system is that both customers and suppliers are clear that the system is in operation and that they adhere to the relevant procedural guidance.

### **9.1. Roles and responsibilities**

#### **9.1.1. Executive Directors**

Executive Directors are responsible for ensuring that their managers and staff follow the procedures relating to internal charges, including the requirement for an internal order and the use of specified financial codes.

#### **9.1.2. Director of Finance**

The Director of Finance is responsible for ensuring that there are proper processes and procedures in place to support the internal charging system, including details of specific financial codes.

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## **10. Payroll, Expenses and Petty Cash Floats**

### **10.1. Roles and responsibilities**

#### **10.1.1. Executive Directors**

Executive Directors are responsible for ensuring:

- That payroll information is correct and is provided within the agreed timetables for the running of the payroll.
- That all amendments to the payroll, e.g. Post and Establishment changes, individual contract changes etc., are notified in line with the procedures as approved by the Director of Human Resources.
- That all payments to employees are:
  - Made through the payroll.
  - That they are made only to official employees.
  - In accordance with individual contracts of employment.
  - That all necessary information is supplied so that deductions including PAYE and Superannuation are properly administered.
- That when payroll costs are checked this is done so by officers not responsible for amendments to the payroll.

Executive Directors are responsible for determining any petty cash requirements for their Portfolio subject to approval by the Director of Finance or one of his/ her authorised officers. This amount should represent a balance between the need for ready access to cash for small local payments, the risk of holding cash on the premises and the security arrangements required.

They must ensure that procedures are in place to formally assign responsibility for all floats and that the officer is properly trained in the administration of the float.

#### **10.1.2. Director or Human Resources**

The Director of Human Resources is responsible for approving and controlling arrangements for the payment of all salaries, wages, pensions, expenses and any other payments to all employees and former employees of the Council.

#### **10.1.3. Director of Finance**

The Director of Finance is responsible for:

- Approving the arrangements for payment of all salaries, wages, pensions, expenses etc., made by the Director of Human Resources.
- Formulating and approving procedures related to Payments to Individuals and the administration of Petty Cash Floats.
- Approving changes to the accounting and taxation elements of the payroll system.

### **10.2. Payroll**

The payment of all salaries, wages, pensions, expenses and any other payments to all employees and former employees of the Council must only be made under arrangements approved and controlled by the Director of Human Resources and approved by the Director of Finance.

Amendments to the payroll, e.g. for absences and variations to pay, shall be limited to those Officers authorised to do so.

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Payment of fees to individuals who are not Council employees must be made through the Purchase to Payment system and in accordance with the requirements of HMRC and the relevant procedures as laid down by the Director of Finance and the Director of Commercial Services.

Payment and personnel records must be held securely.

### 10.3. Expenses

Members and officers will only be entitled to travel, subsistence and incidental expenses where these are incurred legitimately in performing duties on behalf of the Council in line with the agreed policy and rates. Claims should be made in line with relevant Council policies including the requirement to forward receipts to the Council's outsourced provider of the payroll service. All such payments will be made through the payroll system.

Payments of expenses to individuals who are not Council employees must be made through the Purchase to Payment system in accordance with the procedures as laid down by the Director of Finance.

Expenses incurred by agency staff should be included in the Agency charge and paid through the Purchase to Payment system.

### 10.4. Petty Cash floats

#### 10.4.1. Payments from a float and re-imburements

The use of monies from petty cash floats must be limited to non-payroll related expenditure up to a maximum of £25 for which there is proper authority and provision in the budget but which do not justify an order being raised through the Purchase to Payment system. Petty cash should not be used for the payment of regular suppliers other than in exceptional circumstances, when prior approval must be obtained from Heads of Service.

Wherever possible purchases should be made in advance and, if applicable, VAT receipts provided before the petty cash is issued.

At the manager's discretion, a maximum of £5 employee related expenses may be paid from a petty cash float where an employee has been requested to travel to meet a service need and has no way of funding this.

Personal or third party cheques must not be cashed or money borrowed from petty cash floats. Private monies are not to be used to supplement the floats.

Cash income from other sources must not be used to reimburse petty cash unless specific arrangements are in place.

#### 10.4.2. Responsibilities of the float holder

Officers who have been assigned responsibility for a float must ensure that they follow the procedures related to the administration of petty cash floats as laid down by the Director of Finance.

#### 10.4.3. Personal credit card transactions

The use of personal credit cards by officers for petty cash transactions shall be limited to exceptional circumstances where petty cash would be appropriate but is not available.

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## **11. Bank Accounts and Credit Cards**

### **11.1. Bank Accounts**

Bank accounts in the name of the authority may only be opened and/ or closed with the authority of the Director of Finance. This includes associated bank accounts which the Council does not directly control, e.g. joint arrangements, etc. The Director of Finance is responsible for all negotiations of banking terms with the Council's Bankers.

All stand-alone systems which actually create payments and do not interface with the financial ledgers must have a separate bank account and consequent local reconciliation responsibilities. These are the Payroll interfaces, and systems which create BACS files or print cheques.

### **11.2. Reconciliations**

Bank reconciliations should be completed on at least a monthly basis by an officer who is not responsible for the processing of payment and receipt transactions through the bank accounts. The Director of Finance is responsible for ensuring that reconciliations, together with supporting documentation, are reviewed and appropriately certified.

### **11.3. Banking transactions**

The Director of Finance is responsible for maintaining an authorised signature list for Banking Transactions. The authorised signatories will be determined and approved by the Director of Finance in consultation with the Individual Cabinet Member for Finance. Authorised Signatories will normally be senior Officers who report directly to the Director of Finance.

A copy of the list is available in the [Financial Protocol](#) appended to these Regulations.

### **11.4. Credit/ Procurement cards etc.**

Credit cards, charge cards and other payment methods held in the Council's name may only be opened, closed and managed by the Director of Finance.

#### **11.4.1. Reconciliations**

Reconciliations of credit cards, etc. accounts should be completed on at least a monthly basis by an officer who is not responsible for the processing of payment and receipt transactions through the bank accounts. The Director of Finance will ensure that reconciliations, together with supporting documentation, are reviewed and appropriately certified.

### **11.5. Banking arrangements**

The Director of Finance will maintain an authorised signature list for Banking Transactions. The authorised signatories will be determined and approved by the Director of Finance in consultation with the Individual Cabinet Member for Finance. Authorised Signatories will normally be senior Officers who report directly to the Director of Finance.

A copy of the list is available in the [Financial Protocol](#) appended to these Regulations.

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## 12. Taxation

### 12.1. Roles and responsibilities

#### 12.1.1. Executive Directors

Executive Directors are responsible for ensuring that the VAT element of any transaction is considered with the objective of maximising VAT recovery where this is consistent with effective delivery of the service and minimising the level of irrecoverable VAT being incurred by the Council. In practice this means that they are responsible for:

- Ensuring that VAT is properly accounted for on all transactions entered into by the Council.
- Keeping VAT records within their area of activity, with a proper allocation of costs to exempt and other activities.
- Complying with all VAT legislation and regulations applicable to the delivery of their service.
- Monitoring and planning for any changes in VAT legislation or regulations which affect their areas of activity.

Executive Directors must also advise the Director of Finance of any capital projects that are under consideration which contain the risk of irrecoverable VAT being incurred by the Council, whether by way of exempt input tax or otherwise.

In circumstances where an individual, rather than a company, is engaged to provide a service to the Council; Executive Directors are responsible for ensuring that all HMRC regulations relating to that engagement are adhered to.

#### 12.1.2. Director of Finance

The Director of Finance is responsible for ensuring that:

- Appropriate taxation advice is available to Executive Directors to ensure compliance with relevant legislation.
- Where the tax implications of a project are of sufficient complexity to warrant additional support then appropriate external advice will be sought. In these circumstances the Director of Finance will rely on the wording of CIPFA's Statement of Professional Practice to determine when appropriate help, advice and guidance is required.
- An appropriately skilled team is available to discharge the Council's VAT responsibilities. This Team will receive all training necessary to provide appropriate service delivery and challenge.

The Director of Finance is also responsible for the preparation and submission of VAT Returns to HMRC. Such Returns are to be submitted at times which maximise the cash flow benefit to the Council, but in any event not later than the deadlines agreed with HMRC.

### 12.2. Penalties and charges

Portfolio budgets will bear the financial impact of any penalties or other charges imposed by HMRC in respect of transactions entered into by that Portfolio.

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### 13. Stores, Stock, Equipment and Security

Executive Directors are responsible for the care, custody and recording of stocks and equipment. This will include the following:

- Controlling access to stores etc. and ensuring that stocks and assets are only used on Council business.
- Ensuring that arrangements are sufficient to ensure that additions to, as well as issues from, stock are controlled and accurately entered on the appropriate records.
- Maintaining a record of stock in hand of each item held to be physically checked at a frequency determined by Executive Directors which reflects such factors as stock values, usage etc.
- Maintaining a register of assets removed from Council premises. This includes but is not limited to assets such as laptops, mobile phones and RAS cards issued to officers.
- Maintaining an inventory of all assets over £100 in value, together with all attractive and portable items below this figure. The inventory should detail make, model, serial number and purchase value. Items should be recorded promptly in the inventory, at the point of purchase. The inventory should as a minimum be checked on an annual basis by physical verification of assets by an officer not involved in its compilation. A list of missing items should be provided to the Heads of Service, who will decide on the action to be taken.
- Reporting obsolete items to the relevant Head of Service for approval to write-off. Following formal, documented approval, the relevant Inventory Records should be amended accordingly.
- Providing the Director of Finance with a certificate of the stock and value held by their Portfolios at the end of each financial year as well as such information as is required in relation to stores for the accounting, costing and financial records.

Assets shall not be removed from the Council's premises, unless on official Council business and should not be used other than for official Council purposes or in line with arrangements sanctioned by the Council, Cabinet, an Executive Director or a Director.

All information assets such as non-public paper records, IT equipment used to access information and the computer network, must be identified, recorded and have an appointed asset owner and be appropriately protected at all times. Further details can be found in the Council's [Information Governance and Security Policy](#).

Some external funding regimes require specific arrangements for recording the equipment that is purchased and used to deliver the objectives of the funding. Executive Directors are responsible for ensuring that all requirements are met in this respect.

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## **14. Retention of Records**

### **14.1. Roles and responsibilities**

#### **14.1.1. Executive Directors**

Executive Directors are responsible for ensuring that all records, as defined by the Council's [Document and Records Management Policy](#) are managed in line with that Policy and that they are retained for a period that satisfies the requirements of HMRC, the Council's External Auditors and any other appropriate Body. The [Financial Records Retention Schedule](#), appended to these Regulations, provides guidance on appropriate retention schedules.

For any service specific records, Executive Directors are responsible for determining the retention periods with the appropriate external bodies.

Where activities, decisions or transactions are being carried out on behalf of the Council, such as in a partnership agreement, Executive Directors are responsible for ensuring that appropriate records management contractual terms are in place, so as to comply with the Council's [Document and Records Management Policy](#).

#### **14.1.2. Director of Finance**

The Director of Finance is responsible for producing and maintaining a schedule on the retention periods covering financial records in accordance with current best practice. The [Financial Records Retention Schedule](#) is appended to these Regulations.

### **14.2. Records for external funding**

As per [Section 6](#) of these Regulations, all evidence required by external funding bodies must be collected and retained in line with the conditions/ criteria as outlined in the funding agreement.

Where the retention period in the agreement exceeds the one prescribed in the [Financial Records Retention Schedule](#), the funder's requirements will take precedence.

Documents pertaining to ERDF supported projects must be retained until at least 3 years after the UK receives its final payment to the programme from the EC.

Where the retention periods required by the funder are less than those specified in the [Financial Records Retention Schedule](#), the latter should be followed.

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## 15. Financial Systems

The Council's finance system (Integra (formally Oracle Enterprise One (OEO)) will be the Council's prime source of accounting and financial information.

### 15.1. Roles and responsibilities

#### 15.1.1. Director of Finance

The Director of Finance is responsible for:

- The Council's accounting system from which the Council's audited Accounts are produced.
- Controlling access to the Council's systems and information.
- Ensuring both the accuracy and security of the data.
- Ensuring that the financial controls of systems interfacing with the corporate accounting system are robust and in line with the Council's information governance policies.

#### 15.1.2. Executive Directors

Executive Directors are responsible for:

- Reconciling relevant feeder systems back to the information reported in the corporate accounting system.
- Ensuring that Portfolio systems, e.g. CareFirst, produce financial returns in a format and to timescales required by the Director of Finance.
- Controlling the access to Portfolio systems and information, and for ensuring both the accuracy and security of the data.
- Ensuring, in consultation with the Data Protection Act and the Information Security Officer that the data held on their systems, whether held as hard copy or in electronic format, is in accordance with EU or domestic data protection legislation. Business Partners from the Business Information Systems (BIS) Team should be consulted for advice and guidance on data protection and information management issues.
- Ensuring that the Director of Finance and their BIS Business Partner are consulted prior to the purchase and implementation of any new computerised financial systems. This includes any income collection systems.

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## **16. Accounting**

The Director of Finance is responsible for the form and content of the Council's Accounts and for producing the Council's Accounts for approval by the Audit Committee.

The Accounts must present a true and fair view of the financial position and transactions in respect of that financial year and be prepared in accordance with statutory requirements and all applicable professional Codes of Practice.

The Accounts will be prepared on an accruals basis.

The Accounts will be prepared on a prudent basis with income only included if it is likely to be received. Proper allowance should be made for known liabilities and losses.

### **16.1. Accounting during the Financial Year**

All Accounts and Accounting Systems must be properly maintained throughout the year to provide timely and accurate information.

All financial transactions must be properly accounted for and adequately supported and referenced back to original documents and working papers, which initiated the transaction.

Holding and Suspense Accounts must be reconciled at least monthly. Reconciliations must be produced and authorised by Officers not directly responsible for the transactions in the accounts.

Control accounts, e.g. debtors, Bank Accounts, etc., must be reconciled monthly.

Access to accounting information will be controlled by the Director of Finance.

### **16.2. Year-end Requirements**

At the end of each financial year the Director of Finance will produce a timetable and notes of guidance for the production of Final Accounts.

All balances on Control Accounts, e.g. Debtor Control, must be justified. Balances may only be carried forward into the next year if there is a reasonable prospect that they will be cleared.

The Accounts for the year should be "closed" at the end of business on 31 March and all income received and payments made to that date must be accounted for. The Officers responsible must certify sums held, i.e. not banked, at the close of business on 31 March.

Accruals must be supported by evidence and the Director of Finance will require copies of evidence for material accruals. The process and amounts will be specified in the year-end guidance issued by the Director of Finance.

The Officers responsible for cash floats and other cash accounts must balance and certify the amount of cash held at the close of business on 31 March.

Officers responsible for stocktaking must certify the value of stock/ stores at close of business on 31 March.

Expenditure and income due for the year, but not paid or received by 31 March must be accounted for. The Officers responsible must certify the transactions concerned.

Appropriate working papers, records and prime documentation must be maintained in support of the above requirements. These will be used to substantiate the Accounts and provide a clear Audit trail.

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## 17. Internal Audit

The Council's S151 Officer is responsible for maintaining a continuous internal audit of all the Council's financial records and operations. S/ he shall be given such facilities, information and explanations as is deemed necessary to enable this to be done. Internal Audit has been provided with the authority to access any Council Officer and information necessary to carry out their duties on behalf of the Section 151 Officer.

The Charter and Terms of Reference for the Internal Audit function are contained in the Chief Internal Auditor's annual report to the Audit Committee.

An Annual Audit plan is prepared by the Chief Internal Auditor and agreed by the Audit Committee and the Council's Section 151 Officer. This is designed to cover the most significant risks faced by the Council.

As part of the audit planning process, and in line with the requirements of the Council's Risk Management Framework, Executive Directors are responsible for managing risk and for informing Internal Audit of the risks that are prevalent in their area. They are also responsible for agreeing and implementing relevant Audit recommendations.

Internal Audit report the output of its activity to the Council's Audit Committee.

### 17.1. Reporting potential or actual theft , fraud or corruption

Executive Directors are responsible for ensuring that they have in place adequate processes for ensuring that the Section 151 Officer is immediately notified of any circumstances indicating the possibility, or actual identification, of irregularity in funds, stores or other property of the Council. The reporting of such matters to the Council's Internal Audit Service shall be considered adequate for discharging this responsibility.

The Council's "Code of Conduct for Employees" and 'Whistleblowing Policy' as contained in the Council's [Constitution](#) requires any Council officer, who becomes aware of potential theft, fraud or corruption, to bring any concerns to the attention of the appropriate manager.

All employees of the Council are required to conduct themselves and carry out their duties in line with the requirements of the Code of Conduct and to comply with all Council agreed policies and procedures.

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**18. Companies, Joint Ventures, Partnerships, Joint Committees etc.**

Where the Council has a controlling interest in Companies, Joint Ventures, Partnerships, Joint Committees, or is the Lead Authority, then these organisations will be required to use the Council's finance system and to follow these regulations.

Where the Council is involved as a minority interest in partnership arrangements or Joint Committees that use their own finance systems, the arrangement must include an agreement on appropriate, robust financial governance control arrangements to the satisfaction of the Director of Finance. In these circumstances the controls in these Regulations will be used as a starting point for that agreement.

No agreement shall be entered into with a Partnership which commits the Council to additional expenditure or other financial risk without approval as set out in the arrangements contained in other sections of these Regulations and the Leader's Scheme. The relevant Executive Director, in conjunction with the Director of Finance will report at least annually to the appropriate portfolio holding Member and the Cabinet Member for Finance on the financial affairs of the partnership body.

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## **19. Grant (Gift) arrangements**

### **19.1. Roles and Responsibilities**

#### **19.1.1. Director of Commercial Services**

The Director of Commercial Services is responsible for ensuring there are proper processes and procedures in place for the commissioning and procurement of goods and/ or services, and for the making of grant aid or 'investing' agreements.

#### **19.1.2. Executive Directors**

Executive Directors are responsible for ensuring that any funds that are established to make individual grants from are properly approved in accordance with the Leader's Scheme.

They are responsible for ensuring that all grant payments to voluntary organisations or other recipients of grant aid are properly approved in accordance with the [Leader's Scheme of Delegation](#), these Regulations and all other relevant documentation.

Where a grant payment is withdrawn or reclaimed, Executive Directors are responsible for ensuring that this is agreed in accordance with the [Leader's Scheme of Delegation](#).

Executive Directors are also responsible for ensuring that the external relationship with any recipient of grant aid is managed in accordance with all guidance provided by the Director of Legal Services.

Executive Directors are responsible for ensuring that any Grant/ Gift arrangements within their area of responsibility are made in line with the [Commissioning and Procurement Policy](#), and all other relevant processes and procedures.

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## **20. Council Supply Agreements**

Executive Directors are responsible for ensuring that Council Supply Agreements within their area of responsibility are approved in accordance with the requirements of the [Leader's Scheme of Delegation](#), including the need to seek the opinion of either the Executive Director of Resources or the Director of Finance.

A Council Supply Agreement means a contractually binding agreement under which the Council agrees to provide works, services or supplies to a third party in return for payment, in money or in-kind, otherwise than in fulfilment of a statutory duty, but does not include an agreement under which the Council receives grant aid.

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## A. Financial Protocol for Financial Year 2015-16

### A.1. Introduction

The Council's Financial Regulations set out the high level financial rules within which all officers are required to work, without exception. More detailed Financial Procedures are available on [FinancePoint](#) that set out how the detailed processes underpinning these Regulations operate.

This annual Financial Protocol complements the Regulations and Policies by describing the roles and relationships of the main parties involved in the Council's financial management arrangements. It is therefore a means to help ensure that these roles and relationships:

- Ensure adherence to Financial Regulations and Policies.
- Help the Council to achieve Sound Financial Management and work towards "World Class" standards.
- Support the statutory ("section 151" – see below) duties of its Chief Finance Officer (CFO).

The Protocol will be refreshed annually by the Director of Finance for signing off by the Executive

Director/ Director as applicable and where appropriate the Director of Business Strategy (DOBS).

Where the Portfolio concerned does not have an Executive Director and/ or a DOBS then the responsibilities of these roles, as defined within this Protocol, shall be assumed on the following basis:

- The Portfolio Director will undertake the responsibilities of the Executive Director.
- The Executive Director/ Director will undertake the responsibilities of the DOBS, as applicable.

The Council faces very challenging times because of the scale of previous and anticipated public expenditure reductions. There is a need for Portfolio Leadership teams to ensure the relevant controls and management culture is in place to deliver the demanding budget reductions.

The Finance service will itself have to reduce its numbers, which will affect the level of support available to Portfolio management teams. This will require greater self-management on the part of business unit managers in line with existing agreed good practice. The Director of Finance, in conjunction with the DOBS, will be responsible for judging that the level of Finance resource is appropriate for the assessed financial risk of each service.

The Executive Director and the DOBS will ensure that service managers afford the necessary attention to discharging their financial responsibilities including the timely and diligent completion of forecasting and reporting responsibilities.

## **A.2. Role of the Executive Director - Resources**

The Executive Director of Resources will be the responsible officer (CFO) for the purposes of s151 of the Local Government Act 1972 and s114 of the Local Government Finance Act 1988. The Executive Director of Resources therefore has a statutory responsibility to ensure that the Council makes arrangements for the proper administration of the Council's financial affairs. This includes ensuring the production and monitoring of the Financial Regulations. The Executive Director of Resources will recommend amendments to the Financial Regulations to the Council where s/he considers these to be in line with any changes to recommended best practice or essential service requirements or otherwise appropriate.

The Executive Director of Resources, as a member of the Council's Executive Management Team, will ensure that the s151 role is discharged at this strategic level. On a day-to-day basis all s151 responsibilities may be discharged by the Director of Finance, who will act on behalf of the Executive Director of Resources in ensuring proper discharge of these statutory responsibilities. The Director of Finance is authorised to sign any and all grant claims, statutory returns or other documents that require the authority of the s151 officer on behalf of the Council. Nothing in this paragraph diminishes the ultimate financial responsibility of the Executive Director of Resources.

## **A.3. Role of the Director of Finance**

### **A.3.1. Statutory Requirements**

The Executive Director of Resources is the Council's responsible officer (CFO) for the purposes of s151 of the Local Government Act 1972 and s114 of the Local Government Finance Act 1988. On a day-to-day basis these duties are discharged by the Director of Finance.

The duties of the CFO can be summarised as:

- s151 – One officer shall have the responsibility to ensure that the local authority makes arrangements for the proper administration of its financial affairs.
- s114/114A - The CFO shall make a report if it appears to him/ her that the Authority, a Committee, an Officer, the Executive or someone on behalf of the Executive:
  - Has made, or is about to make, a decision involving the Authority incurring expenditure which is unlawful.
  - Has taken, or is about to take, action which if pursued would be unlawful and likely to cause loss or deficiency on part of the authority.
  - Is about to make an unlawful entry in the accounts.

The CFO shall also make a report if it appears that expenditure of the Authority is likely to exceed its resources.

### **A.3.2. Contravention of Standing Orders**

In addition to the above statutory requirements, the CFO shall make a report if, in his/ her view, Standing Orders have been contravened.

### **A.3.3. Responsibility for the Finance Service**

The Director of Finance is responsible for the whole of the unified Finance Service within the Council. Beyond its statutory duties the Finance Service will:

- Lead on the Corporate Financial Strategy for the Council, in conjunction with the Executive Management Team.
- Set clear corporate standards for "World Class" financial management and ensure adherence to them.

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- Provide an effective Business Partner service to Portfolios.
- Maximise efficiency and effectiveness by providing excellent shared and self-service financial services.
- Ensure that finance staff are confident and competent in their duties.
- Provide support and training for service managers in finance competencies.

### A.3.4. Financial Implications of Decisions

Where the Council's Financial Regulations require the financial implications of a decision to be signed off, then this will be done either by the Finance Business Partner on behalf of the Director of Finance or directly by the Director of Finance, as appropriate.

DOBS will also need to be involved in this process but they cannot substitute for the Finance Business Partners.

The rules governing the reporting of financial implications can be found in Section 4 of the Financial Regulations.

### A.3.5. Financial Returns and Grant Claims

The Director of Finance or authorised Finance Officers will sign-off all Financial Returns and Grant Claims for the Council. Details of the authorised Finance Officers are shown below and will be published alongside the Constitution as amended from time to time. The authorised Finance Officers will be responsible for signing returns/ claims relating to their managerial areas of responsibility but will also authorise other returns/ claims in the absence of the Director of Finance.

Acting Assistant Director (Strategic Finance) (Financial Planning & Accounting, Resources Business Partner and Financial Systems Support Group (FSSG))	Grants and returns relating to Resources Portfolio, Strategic Finance and other corporate issues.
Assistant Director of Finance (Place, Capital Business Partner and External Funding)	Grants and returns relating to, External Funding, Capital and the Place Portfolio.
Assistant Director of Finance (Children, Young People and Families (CYPF) Business Partner, Revenues & Benefits Client Team and Income Collection & Management (ICAM) Team)	Grants and returns relating to CYPF Portfolio Revenues & Benefits and Debt Recovery.
Assistant Director of Finance (Communities Business Partner)	Grants and returns relating to Communities Portfolio.

A.3.6. Documentation related to banking transactions

The Director of Finance or authorised Finance Officers will sign-off documentation related to banking transactions (see Section 11.3 of Council's Financial Regulations).

Executive Director of Resources
Director of Finance
Acting Assistant Director (Strategic Finance) (Financial Planning & Accounting, Resources Business Partner and FSSG)
Assistant Director of Finance (Place, Capital Business Partner and External Funding)
Assistant Director of Finance (CYPF Business Partner, Revenues & Benefits Client Team and ICAM Team)
Assistant Director of Finance (Communities Business Partner)
Assistant Director of Finance (Project & Commercial; Taxation and Treasury Management)
Senior Finance Manager (Place Business Partner)
Senior Finance Manager (Communities Business Partner)
Senior Finance Manager (Revenues & Benefits Client Team and ICAM Team)
Senior Finance Manager (CYPF Business Partner)
Senior Finance Manager (Resources Business Partner and FSSG)
Senior Finance Manager (Strategic Finance)

A.3.7. Approval of virements between Services and Portfolios

The Director of Finance or authorised Finance Officers will sign-off requests for virements under £500,000 between Portfolios and Services (see Section 3.5.33.5.3 of the Council's Financial Regulations).

Director of Finance
Acting Assistant Director (Strategic Finance) (Financial Planning & Accounting, Resources Business Partner and FSSG)
Assistant Director of Finance (Place, Capital Business Partner and External Funding)
Assistant Director of Finance (CYPF Business Partner, Revenues & Benefits Client Team and ICAM Team)
Assistant Director of Finance (Communities Business Partner)

A.3.8. Emergency approval of capital schemes

All requests for emergency approvals of capital schemes must be referred to the Executive Director of Resources or the Director of Finance or the Finance Service Officers authorised to act on his or her behalf.

Director of Finance
Assistant Director of Finance (Place, Capital Business Partner and External Funding)

A.3.9. The Finance Business Partner

The Director of Finance will designate Finance Business Partner resources to provide financial advice and support to each Portfolio. The Finance Business Partners will be part of the unified Finance Service and their line report will be within the Director of Finance's structure. They will be held accountable for their performance to the Portfolio, via the DOBS role on behalf of the Executive Director and Portfolio Leadership Team. The ultimate responsibility for performance of the Finance Business Partner role remains with the Director of Finance.

The Director of Finance will ensure that arrangements are in place to effectively manage the relationships between Finance Business Partners and their services, DOBS and Executive Directors.

**A.4. Role of the Executive Director**

A.4.1. Responsibility to run services within cash allocation

The Executive Director reconfirms his/ her responsibility to run services within the cash allocation agreed at the special meeting of the Sheffield City Council on 6<sup>th</sup> March 2015, subject to subsequent adjustments approved within the Council's Financial Regulations, Constitution and Leader's Scheme of Delegation of Executive Functions.

A.4.2. Framework of Financial Accountability

In order to meet the statutory requirements and to protect the Council's overall financial interest the Executive Director agrees that:

- They will develop and maintain a clear, written accountability framework for the budgets held by each service and Business Unit/ Cost Centre manager which will be linked to the sign off of this Protocol.
- Arrangements are in place to ensure that the Portfolio has a clear framework for ensuring compliance with the Council's Financial Regulations and Financial Policies.
- Their DOBS will liaise with the Finance Business Partners and provide assurance annually to the Executive Director and Executive Director of Resources that the arrangements are sound.

Executive Directors are responsible for ensuring that these arrangements are working effectively, that there are proper arrangements for making managers accountable for the use of financial resources and for reviewing financial management performance.

A.4.3. Provision of financial advice to Portfolio

Finance Business Partners will act on behalf of the Director of Finance in their Portfolio and will be given the access to information and meetings that this requires.

The Finance Business Partner will be the professional financial adviser to the Portfolio and will agree the Financial Implications of reports, as required by the Council's Financial Regulations.

## **A.5. Joint Responsibilities of the Director of Finance and Executive Directors**

The Executive Directors and Director of Finance will work co-operatively within the Council's Financial Regulations to ensure the effective management of the Council's financial arrangements. This will involve a commitment to influence the culture of financial management in the Council through joint working of core and business partner finance staff and the relationships between Finance Business Partners and service managers in areas such as:

- Ensuring there are adequate forums for staff meetings and communications, e.g. between Finance Business Partners and DOBS and between Finance Business Partners and other Directors.
- Training and development of finance staff and service managers to meet required financial competencies.

Rotation and secondment of Finance Service staff to meet service needs and individual development needs.

## **A.6. Role of the DOBS**

### A.6.1. General responsibilities of the DOBS

The DOBS is responsible for ensuring that:

- The Executive Director of Resources' s151 responsibilities can be discharged.
- Portfolio business is conducted in a manner that meets the highest standards of financial management.

The resources of the Portfolio's services are targeted at priorities and demonstrate value for money (vfm).

### A.6.2. Reporting of financial issues

In relation to financial issues and implications the DOBS is responsible for:

- Making an immediate report to the Director of Finance on any financial issues of significance.
- Ensuring that financial implications are brought to the attention of PLT or other decision making bodies in the Portfolio.

Ensuring that decisions are not taken without sign off of the financial implications by the Finance Business Partner, where required by the Financial Regulations.

### A.6.3. Framework of Financial Accountability

The DOBS is responsible for:

- Developing and maintaining a framework for financial accountability with the Finance Business Partners, which will be linked to the sign off of this Protocol.
- Providing annual assurance to the Executive Director and Director of Finance on the accountability frameworks for budgets and compliance with financial regulations.
- Working closely with the Finance Business Partner(s) for the Portfolio to agree a more detailed protocol on roles with the Director of Finance and Finance Business Partner for key processes, such as the financial strategy and budget monitoring.

### A.6.4. Collaboration and Communication

The DOBS is responsible for ensuring that:

- The Finance Business Partner has direct access to Portfolio Leadership Teams or other meetings in the Portfolio when required.

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- There are opportunities for regular liaison with the Finance Business Partners and Director of Finance.
- The Finance Business Partner or corporate shared services are the only means through which financial services and advice are provided to the Portfolio (preventing “grow back” of financial services).

**A.6.5. Recruitment to post of DOBS**

The Executive Director of Resources will be involved in agreeing role descriptions and all recruitment processes to the DOBS posts.

**Signed:**

Acting Executive Director of Resources.....

Executive Director of Place.....

Director of Finance.....

DOBS & Regulation (Place) .....

Date: .....

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**B. Financial Implications template**

The Financial Implications template can be accessed [here](#)

**C. Financial Records: Recommended Retention Schedule**

(Note that all figures used relate to years, e.g. Current + 6 is Current Year's records plus the previous 6 years documents).

**C.1. Accountancy/Financial**

General example of type of Record	Recommended Retention	Action after retention
Abstract of accounts	Current + 6	Destroy as confidential records
Annual Budget	Current + 6	Destroy as confidential records
Annual statements	Current + 6	Destroy as confidential records
Budgetary control records	Current + 6	Destroy as confidential records
Costing records	Current + 6	Destroy as confidential records
Estimate working papers	Current + 2	Destroy as confidential records
Financial ledgers	Current + 6	Destroy as confidential records
Grant claim records	Current + 6	Destroy as confidential records
Investment records	Current + 2	Destroy as confidential records
Journals	Current + 6	Destroy as confidential records
Leasing Records	Current + 2	Destroy as confidential records
Record re closing ledgers	Current + 6	Destroy as confidential records
School Fund records	Current + 6	Destroy as confidential records
Telephone call records	Current + 2	Destroy as confidential records
VAT claims	Current + 6	Destroy as confidential records
VAT records	Current + 3	Destroy as confidential records
Voluntary fund accounts	Current + 6	Destroy as confidential records

**C.2. Bank related records**

Type of Record	Recommended Retention	Action after retention
Bank pay-in books/slips	Current + 6	Destroy as confidential records
Bank reconciliation	Current + 6	Destroy as confidential records
Bank statements	Current + 6	Destroy as confidential records
Cancelled cheques	Current + 2	Destroy as confidential records
Cheque books and counterfoils	Current + 6	Destroy as confidential records
Cheque lists (creditors/ payrolls)	Current + 2	Destroy as confidential records
Loan records and correspondence	Current + 2	Destroy as confidential records
Paid cheques	Current + 4	Destroy as confidential records
Returned cheque records	Current + 2	Destroy as confidential records



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C.3. Contracts

Type of Record	Recommended Retention	Action after retention
<b>Pre Contract Advice</b>		
The process of calling for expressions of interest	2 years after contract let or not proceeded with	Destroy as confidential records
<b>Specification and Contract Development</b>		
The process involved in the development and specification of a contract	Ordinary Contract: 6 years after the terms of contract have expired.  Contracts Under Seal: 12 years after the terms of the contract have expired.	Destroy as confidential records  Destroy as confidential records
<b>Tender Issuing and Return</b>		
The process involved in the issuing and return of a tender (Opening Notice)	1 year after start of contract	Destroy as confidential records
<b>Evaluation of Tender</b>		
Successful tender document	Ordinary Contract: 6 years after the terms of contract have expired.  Contracts Under Seal: 12 years after the terms of the contract have expired.	Destroy as confidential records  Destroy as confidential records
Unsuccessful tender document	1 year after start of contract	Destroy as confidential records
<b>Post Tender Negotiation</b>		
The process in negotiation of a contract after a preferred tender is selected	1 year after the terms of contract have expired	Destroy as confidential records
<b>Awarding of Contract</b>		
The process of awarding contract	Ordinary Contract: 6 years after the terms of contract have expired.  Contracts Under Seal: 12 years after the terms of the contract have expired.	Destroy as confidential records  Destroy as confidential records
<b>Contract Management</b>		
Contract operation and monitoring	2 years after terms of the contract have expired.	Destroy as confidential records
Management and	Ordinary Contract:	

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amendment of contract	6 years after the terms of contract have expired.	Destroy as confidential records
	Contracts Under Seal: 12 years after the terms of the contract have expired.	Destroy as confidential records

### C.4. Creditor records

Type of Record	Recommended Retention	Action after retention
Copy orders	Current + 2	Destroy as confidential records
Credit notes	Current + 6	Destroy as confidential records
Creditor invoices	Current + 6	Destroy as confidential records
Delivery notes	Current + 2	Destroy as confidential records
Imprest documentation (petty cash)	Current + 2	Destroy as confidential records
Period payment records	Current + 6	Destroy as confidential records

### C.5. Income records

Type of Record	Recommended Retention	Action after retention
Cash books	Current + 6	Destroy as confidential records
Correspondence (income)	Current + 2	Destroy as confidential records
Debtor accounts (records non-current)	Current + 2	Destroy as confidential records
Dinner/milk registers	Current + 6	Destroy as confidential records
Income posting slips and tabulations	Current + 2	Destroy as confidential records
Periodic income records	Current + 2	Destroy as confidential records
Receipt books	Current + 2	Destroy as confidential records
Record of receipt books issued	Current + 2	Destroy as confidential records
Registrar's quarterly returns	Current + 2	Destroy as confidential records
Sales records	Current + 2	Destroy as confidential records

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<b>Type of Record</b>	<b>Recommended Retention</b>	<b>Action after retention</b>
Expired insurance contracts	Current & Permanent preservation	Destroy as confidential records
Insurance claim (fire)	Current + 4	Destroy as confidential records
Insurance claim (vehicle)	Current + 4	Destroy as confidential records
Insurance claim (public employer's liability)	Current + 6	Destroy as confidential records
Insurance policy documentation	Current & permanent	Destroy as confidential records
Insurance register	Current & permanent	Destroy as confidential records

**C.7. Miscellaneous records**

<b>Type of Record</b>	<b>Recommended Retention</b>	<b>Action after retention</b>
Capital works tabulations	Current + 2	Destroy as confidential records
Car leasing and mileage records	Current + 6	Destroy as confidential records
Car Loans	Current + 6	Destroy as confidential records
Computer system documentation	Current + 2	Destroy as confidential records
Inland Revenue docs	Current + 6	Destroy as confidential records
Internal requisitions	Current + 1	Destroy as confidential records
Inventory records	Current + 6	Destroy as confidential records
Land searches	Current + 6	Destroy as confidential records
Member allowance (statutory registers)	Current + 2	Destroy as confidential records
Minutes	Current + 2	Destroy as confidential records
Postal remittance registers	Current + 2	Destroy as confidential records
Road fund licence records	Current + 2	Destroy as confidential records
School meal records	Current + 2	Destroy as confidential records
Small holdings records	Current + 2	Destroy as confidential records
Stock lists	Current + 2	Destroy as confidential records
Travel claims	Current + 6	Destroy as confidential records
Vehicle logs	Current + 2	Destroy as confidential records

## C.8. Payroll Records

Type of Record	Recommended Retention	Action after retention
BACS amendments and output	Current + 3	Destroy as confidential records
Copy payslips	Current + 6	Destroy as confidential records
Correspondence	Current + 6	Destroy as confidential records
Payroll adjustment documentation	Current + 6	Destroy as confidential records
Part – time employees' claim forms	Current + 6	Destroy as confidential records
SSP records	Current + 4	Destroy as confidential records
SSP variations	Current + 3	Destroy as confidential records
Staff transfer records	Current + 6	Destroy as confidential records
Starters forms	Current + 2	Destroy as confidential records
Tax and NI records	Current + 6	Destroy as confidential records
Tax code notifications	Current + 2	Destroy as confidential records
Timesheets and Pay Returns	Current + 6	Destroy as confidential records
Union documentation	Current + 2	Destroy as confidential records
Personnel files	Current + 2	Destroy as confidential records
Staff contracts	Current + 6	Destroy as confidential records
Unsuccessful applications	Current + 1	Destroy as confidential records

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## APPENDIX C – MINOR/CONSEQUENTIAL CHANGES

Sections Changed	Brief Summary
Part 4 - Officer Employment Procedure Rules	A minor amendment at para 7.3 (f) to indicate that the HR Protocol for Political Assistants is held by the Director of Human Resources.
Part 5 – Officers’ Code of Conduct	To reflect the refreshed Council Policies on Handling Information, the new government terminology on protected/non-protected convictions and being consistent with the Schools Model Code of Conduct, the transfer of public health to local authorities in April 2014 and the inclusion of a new section on disqualification from childcare to reflect the recent Government Statutory Guidance.
Part 5 – Protocol for Member/Officer Relations	A consequential change arising from the previous removal of Part B Miscellaneous Matters from of the Council Procedure Rules. In section 16 of the Protocol for Member/Officer Relations under the sub-heading Members Concerns about Officers, reference to “Part B of the Standing Orders” has been replaced with “Officer Employment Procedure Rules”.
Part 7 – Management Structure and Statutory/Proper Officers	Minor amendments to update the allocated Proper Officers for certain specific responsibilities relating to the Head of Democratic Services and Director of Legal and Governance.

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