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**Monday, 28 April 2025**

**Chair: Councillor R Holloway  
Vice-Chair: Councillor S Michael**

**Members of the Committee:**

**Councillor R Cozens  
Councillor P Farmer  
Councillor S Forde  
Councillor A Freeman  
Councillor J Hall**

**Councillor P Harris  
Councillor S Haynes  
Councillor C Penny  
Councillor M Shakeshaft  
Councillor T Thompson**

|                 |  |
|-----------------|--|
| <b>MEETING:</b> | <b>Audit and Governance Committee</b>                                    |
| <b>DATE:</b>    | <b>Wednesday, 7 May 2025 at 6.00 pm</b>                                  |
| <b>VENUE:</b>   | <b>Civic Suite, Castle House, Great North Road, Newark,<br/>NG24 1BY</b> |

**You are hereby requested to attend the above Meeting to be held at the time/place  
and on the date mentioned above for the purpose of transacting the  
business on the Agenda as overleaf.**

If you have any queries please contact Karen Langford on [Karen.Langford@newark-sherwooddc.gov.uk](mailto:Karen.Langford@newark-sherwooddc.gov.uk).

## **AGENDA**

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# Agenda Item 4

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Audit and Governance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Wednesday, 16 April 2025 at 6.00 pm.

PRESENT: Councillor R Holloway (Chair)  
Councillor S Michael (Vice-Chair)

Councillor R Cozens, Councillor S Forde, Councillor J Hall, Councillor S Haynes and Councillor C Penny and Mr C Richardson (Non-Voting Co-Optee)

ALSO IN ATTENDANCE: Councillor I Brown

APOLOGIES FOR ABSENCE: Councillor P Farmer, Councillor A Freeman, Councillor P Harris, Councillor M Shakeshaft and Councillor T Thompson

156 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

157 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

That no Member of Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

158 MINUTES OF THE MEETING HELD ON 19 FEBRUARY 2025

AGREED that the minutes from the meeting held on 19 February 2025 be approved as a correct record and signed by the Chair.

The Chair informed the meeting that report item 10 would be taken after item 5.

159 ANNUAL EXTERNAL AUDIT STRATEGY MEMORANDUM 2024/25

The Committee considered the report from the Business Manager for Financial Services presenting the External Audit Strategy Memorandum for the 2024/25 Statement of Accounts work for Members to review and comment.

The representative from Mazars, Mark Surridge presented the External Auditor's report having joined the meeting through Teams and Livestreamed.

The External Audit Strategy Memorandum at Appendix A of the report sets out the proposed work of the Council's external auditors for 2024/25, relating to the audit of the financial statements and the commentary on the Council's Value for Money arrangements.

AGREED (unanimously) that the External Audit Strategy Memorandum be noted.

160 STRATEGIC RISK MANAGEMENT

The Committee considered the report from the Safety and Risk Manager providing an update to Members highlighting the Council's 2025/26 Strategic Risk Register and its current status.

The report highlighted that in accordance with the Risk Management Policy, a facilitated strategic risk workshop was undertaken with the Senior Leadership Team (SLT) in February 2025. This workshop evaluated all existing strategic risks and identified emerging risks for the forthcoming year.

AGREED (unanimously) that the Committee noted amendments to the Strategic Risk Register and highlighted any issues of concern.

161 PROJECTED GENERAL FUND AND HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL OUTTURN REPORT TO 31 MARCH 2025 AS AT 31 DECEMBER 2024

The Committee considered the report from the Business Manager for Financial Services to update with the forecast outturn position for the 2024/25 financial year for the Council's General Fund and Housing Revenue Account revenue and capital budgets. The report showed performance against the approved estimates of revenue expenditure and income.

The report ensured the Council has overall financial sustainability for the current financial year compared to the budgeted position.

AGREED (unanimously) that:

- (a) the Committee noted the General Fund projected favourable outturn variance of £0.250m;
- (b) the Committee noted the Housing Revenue Account projected favourable outturn variance of £0.500m to the Major Repairs Reserve;
- (c) the Committee noted the Capital Programme revised budget and financing of £42.166m; and
- (d) the Committee noted the Prudential indicators at Appendix A.

162 STATEMENT OF ACCOUNTING POLICIES 2024/2025

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with updates made to the Council's accounting policies in relation to the closedown of the 2024/2025 financial year.

The report provided a review at Appendix A with reference to not a lot of change to policies.

AGREED (unanimously) that Members approved the amended Statement of

Accounting Policies for 2024/2025.

163 UNDERLYING PENSION ASSUMPTIONS FOR 2024/2025 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the pension fund actuary in calculating the IAS 19 (International Accounting Standard 19 - Employee Benefits) figures to be reported in the 2024/2025 Statement of Accounts.

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of pension figures for 2024/2025.

164 UNDERLYING VALUATION ASSUMPTIONS FOR 2024/2025 STATEMENT OF ACCOUNTS

The Committee considered the report from the Assistant Business Manager for Financial Services providing Members with information regarding the assumptions made by the Valuers in calculating the figures to be reported in the 2024/25 Statement of Accounts, as per the revaluation model approach taken by the Council under IAS 16 (International Accounting Standard 16 – Property, Plant and Equipment).

AGREED (unanimously) that Members noted and approved the assumptions used in the calculation of asset valuation figures for 2024/2025.

165 COUNTER-FRAUD ACTIVITIES FROM 1 MAY 2024 TO 31 MARCH 2025

The Committee considered the report from the Business Manager for Financial Services informing Members of counter-fraud activity undertaken since the last update reported on 1 May 2024.

The report gave an element of the role of the Audit & Governance Committee is to provide assurance to the Council that its anti-fraud arrangements are operating effectively. In order to do this, counter-fraud activity reports are brought to the Committee twice a year. These reports detail the number of cases detected, amounts lost, the outcome of cases and amounts recovered, together with any other counter fraud work that has been undertaken.

AGREED (unanimously) that Members noted the report.

166 FRAUD RISK ASSESSMENT

The Committee considered the report from the Business Manager for Financial Services informing Members of the update of the Fraud Risk Register undertaken during March 2025.

The report reminded Members that a fraud risk assessment was first undertaken in June 2014 and a fraud risk register produced and presented to the Audit and Accounts Committee.

The fraud risks are assessed annually and the register updated. The amended Fraud

Risk Register as at April 2025 was attached at Appendix A to the report.

The exempt appendix was not discussed in the open meeting or the exempt discussed during the meeting.

AGREED (unanimously) that Members noted the content of the report.

167 AUDIT AND GOVERNANCE COMMITTEE WORK PLAN

The Committee considered the joint report of the Assistant Director Legal & Democratic Services, Monitoring Officer and the Business Manager for Financial Services which attached the Committee's Work Plan for consideration.

The Committee noting that an additional Committee meeting would take place on 7 May 2025, to consider the Governance reports.

AGREED (unanimously) that the Work Plan be noted.

168 DATE OF NEXT MEETING - 7 MAY 2025

Meeting closed at 6.57 pm.

Chair



Report to: Audit and Governance Committee 7 May 2025

Director or Business Manager Lead: Nick Wilson, Business Manager – Financial Services

Lead Officer: Nick Wilson, Business Manager - Financial Services

| Report Summary                   |  |
|----------------------------------|--|
| <b>Report Title</b>              | Review of Contract Procedure Rules   |
| <b>Purpose of Report</b>         | To review the Council’s Contract Procedure Rules, approve the revisions where appropriate and recommend to Council for adoption.                           |
| <b>Recommendations</b>           | That members consider and comment upon the revised Contract Procedure Rules and recommend to Council for approval.   |
| <b>Reason for Recommendation</b> | In order to ensure that the Contract Procedure Rules have been cyclically reviewed, are fit for purpose and ensure they are robust whilst being practical. |

## 1.0 Background

- 1.1 Contract Procedure Rules (CPRs) set out the principles, roles and processes involved in procurement at the Council. All procurements must comply with these Rules, the Council’s Financial Procedure Rules, English law, and European law in force in England.
- 1.2 Contract Procedure Rules were last reviewed in May 2022 when the Council adopted the Cabinet system of Governance, hence they are due for a review and refresh.
- 1.3 Also in light of the changes in the Procurement Act 2023 there are a number of changes that need to be made in order to ensure compliance with the act.

## 2.0 Proposals

- 2.1 The CPRs have been reviewed in conjunction with Welland Procurement. Suggested changes have come from the updates to the Procurement Act 2023, together with their knowledge of CPRs from other authorities.

2.2 In order to ensure that these remain practical, these were reviewed by officers from within the Housing Service as they are a service who will procure a number of contracts. The legal team have also had input into the review to ensure that they were comfortable with the proposals.

2.3 Post the approval of the revisions of the CPRs by Full Council, training sessions will be put on for officers in order to ensure officers are clear on the new rules.

### **3.0 Changes in CPRs**

3.1 The main changes within the CPRs relate to at which points Welland Procurement should be engaged. Rather than leaving unclear, as to whether or not Welland should be engaged, the new rules refer that on each occasion a procurement is likely to be above £75,000 Welland must be engaged.

3.2 This isn't to suggest that Welland must be involved in all procurements above £75,000. They will give advice on the best route to market and review whether or not officers have the requisite skills to use frameworks themselves, if that's deemed the most appropriate route. Where not, Welland will assist with the procurement.

3.3 There is further clarification regarding the approval to procure (which is after the budget has been secured) and the approval to award (post the signature of the contract). It also details those officers (and when it is necessary for those officers) who can sign the contract, barring in mind that £75,000 is still the limit for having the contract sealed.

### **Background Papers and Published Documents**

NIL

## CONTRACT PROCEDURE RULES

Reviewed and Updated May 2025

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## **1 Introduction**

The purpose of these Contract Procedure Rules is to set out the principles, roles and processes involved in procurement at the Council. All procurements must comply with these Rules, the Council's Financial Procedure Rules, English law, and European law in force in England.

All procurements must realise value for money through the optimum combination of whole life costs and quality of outcome.

These Rules seek to protect the Council's reputation by minimising the risk of allegations of corruption, dishonesty, and failure to meet legal obligations; as such they must be followed in all commercial activity undertaken on behalf of the Council and within a partnership arrangement, regardless of the source of funding.

These Rules should be read in conjunction with the Council's Financial Regulations and Purchasing Card Procedure (as appropriate). These Rules (together with the Council's relevant policies and procedures) set out how the Council will have regard to the importance of the following Procurement Act 2023 objectives:

- delivering value for money;
- maximising public benefit;
- sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions;
- acting, and being seen to act, with integrity; and
- having regard to the fact that small and medium-sized enterprises may face particular barriers to participation and consider whether such barriers can be removed or reduced.

If there is any change to the law which affects these Rules, then that change must be observed until these Rules can be revised. If these Rules conflict in any way with the law, then the law takes precedence.

These Rules are supported by detailed, practical guidance available in the Procurement Toolkit, which can be accessed via the [procurement portal](#). The Procurement Toolkit covers:

- The Procurement Cycle
- Assessing Needs
- When does TUPE apply?
- Assessing Risks
- Valuing Your Requirement
- Understanding Social Value
- Sustainable Procurement
- Procurement timetable
- Specification
- Evaluation Methodology and Criteria
- Terms and Conditions
- Due Diligence

- The Procurement Process
- Procuring via a Framework Agreement
- Contract Management and Review
- Variation
- Extensions

If, after reading these Rules, you require further guidance or clarification, or you are not sure how best to comply with them, then please contact your Line Manager, the Business Manager – Financial Services or Welland Procurement.

Any values stated within these Rules are exclusive of VAT, staff costs and fees.

Grant money received shall be deployed in line with these Rules unless the grant conditions state otherwise.

These Rules do not apply in the following circumstances:

- 1.1 The purchase or lease of property, land acquisition, interest in land, transaction in land or disposal. This does not extend to any service, supplies, or works contracts that may be required to make the land, existing buildings, or immovable property ready for acquisition, disposal, or leasing.
- 1.2 Direct employment of permanent or fixed term employees, for the avoidance of doubt these Rules do apply to consultancy and employment agency contracts.
- 1.3 Instructing barristers or solicitors (as long as those costs do not exceed the relevant Public Procurement Threshold).
- 1.4 The lending or borrowing of money by the Council.
- 1.5 Contracts between Local Authorities as defined by Clause 3 of Schedule 2 of the Procurement Act 2023 .
- 1.6 Contracts between Local Authorities as defined by Clause 1 of the Local Authorities (Goods and Services) Act 1970.
- 1.7 Section 75 NHS Act 2006 arrangements (although details must be recorded on the Council's Contract Register).
- 1.8 Quick Reference Guide: Contract Procedure Rules**
  - 1.8.1 A decision to procure is required before procurement commences AND a decision to award must be obtained before a contract is awarded.
  - 1.8.2 Procurements with a [total value](#) of £5,000 or more are subject to Transparency Regulations and will need to be entered on to the Council's Contracts Register.

1.8.3 The table over is a quick reference guide only and is supported by the details Contract Procedure Rules in this document.

| <u>Total Contract Value</u>   | Procurement Guidance  | Governance Guidance  |
|---|---|--|
| Under £10,000   | <p><b>Notices Required:</b> None</p> <p><b>Method:</b> At least <b>one written quotation</b> required (Rule <a href="#">6.3</a>).</p> <p><b>Note:</b> Budget Holders are responsible for all awards over £5,000 being entered on the Contracts Register.</p>  | <p><b>Governance Process:</b> Decision does not require a formal officer decision notice. A Purchase Order (PO) must be raised before award, and this will be deemed sufficient authority to award the contract with a copy of all documentation kept on the file for audit purposes.</p> <p><b>Finance Process:</b> Must be within budget. A Purchase Order (PO) should be raised before award and authorised by Budget Holder in accordance with the Budget and Policy Framework.</p> <p><b>Legal Process:</b> PO Ts &amp; Cs are on the intranet. Please ensure these are fit for purpose for the contract before award. If bespoke terms are required, please instruct Legal Services before procuring. PO to be approved / signed by the relevant Budget Holder (Rule <a href="#">6.6</a>) prior to award of the Contract once all due diligence has taken place. All documentation to be kept on file for audit purposes. All awards over £5,000 must be entered on the Contracts Register.</p> <p><b>Signing:</b> Can be signed by Business Manager</p> |
| Between £10,000 and £74,999 where the process is closed process (The Council knows the suppliers that are due to engage with) | <p><b>Notices Required:</b> All Contracts over £20,000 must have a formal award notice issued by Welland Procurement (on Find a Tender Service).</p> <p><b>Method:</b> At least <b>3 quotations</b> should be sought using RFQ template. At least <b>2 quotations</b> should be from locally based suppliers (this is not necessary when using a framework) (Rule <a href="#">7.3</a>).</p> | <p><b>Governance Process:</b> All contracts below £20,000 do not require a formal decision record unless it is deemed high risk, politically or financially sensitive or other circumstances dictate a formal record is required e.g., recording a delegation to award from a Committee / Cabinet. The Purchase Order (PO) must be raised before award, and this will be deemed sufficient authority to award the contract with a copy of all documentation kept on the file for audit purposes.</p> <p>All Contracts between £20,000 and £74,999 will require a decision record authorising the award of the contract <b>BEFORE</b> the Contract is awarded. This decision can be made by the relevant Officer. If the matter is high risk, politically or financially sensitive it should be</p>   |

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|  |  | <p>made by the Director and/or relevant Portfolio Holder – please liaise with your Director for guidance.</p> <p><b>Finance process:</b> Must be within budget. A Purchase Order must be raised prior to award and signed off by the Budget Holder. Purchase Order can be authorised by a Director in accordance with the Budget and Policy Framework.</p> <p><b>Legal Process:</b> Standard T's and C's to be used. Purchase Order / Decision notice and printed copies of the Contract (No. of copies = No. of parties to the Contract) to be provided to legal signed by the relevant Business Manager/Director as per delegations (Rule <a href="#">7.12</a>) unless sealing applies (Rule <a href="#">13.11</a>). The award must be entered on the Contracts Register. All awards over £20,000 must have a Contract Finder Award Notice – consult Welland Procurement.</p> <p><b>Signing:</b> Contract signed by relevant Business Manager/Director (Rule <a href="#">7.12</a>) unless sealing applies (Rule <a href="#">13.11</a>).</p> |
| <p><b>Between £10,000 and £74,999 where the process is an open process (The Council does not know the suppliers that are due to engage with)</b></p> | <p><b>Welland Procurement</b> must be instructed.</p> <p><b>Notices Required:</b> Find a Tender Service Advertising and Award notices. (Rule <a href="#">8</a>).</p> <p><b>Method:</b> A single stage (open) tender is required. Tenders at this level are run via Welland Procurement's e-tendering system.</p> | <p><b>Governance Process:</b> All contracts below £20,000 do not require a formal decision record unless it is deemed high risk, politically or financially sensitive or other circumstances dictate a formal record is required e.g., recording a delegation to award from a Committee / Cabinet. The Purchase Order (PO) must be raised before award, and this will be deemed sufficient authority to award the contract with a copy of all documentation kept on the file for audit purposes.</p> <p>All Contracts between £20,000 and £74,999 will require a decision record authorising the award of the contract <b>BEFORE</b> the Contract is awarded. This decision can be made by the relevant Officer. If the matter is high risk, politically or financially sensitive it should be made by the Director and/or relevant Portfolio Holder – please liaise with your Director for guidance.</p>   |

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|---|---|---|
|   |   | <p><b>Finance process:</b> Must be within budget. A Purchase Order must be raised prior to award and signed off by the Budget Holder. Purchase Order can be authorised by a Director in accordance with the Budget and Policy Framework.</p> <p><b>Legal Process:</b> Standard T's and C's to be used. Purchase Order / Decision notice and printed copies of the Contract (No. of copies = No. of parties to the Contract) to be provided to legal signed by the relevant Business Manager/Director as per delegations (Rule <a href="#">7.12</a>) unless sealing applies (Rule <a href="#">13.11</a>). The award must be entered on the Contracts Register. All awards over £20,000 must have a Contract Finder Award Notice – consult Welland Procurement.</p> <p><b>Signing:</b> Contract signed by relevant Business Manager/Director (Rule <a href="#">7.12</a>) unless sealing applies (Rule <a href="#">13.11</a>).</p>   |
| <p><b>Between £75,000 and relevant Public Procurement Threshold</b></p> | <p><b>Welland Procurement</b> must be instructed.</p> <p><b>Notices Required:</b> Find a Tender Service Advertising and Award notices. (Rule <a href="#">8</a>).</p> <p><b>Method:</b> A single stage (open) tender is required. Tenders at this level are run via Welland Procurement's e-tendering system, or use of an approved framework.</p> | <p><b>Governance Process:</b> Unless prior budgetary provision has been approved all contracts with a total value of £150,000 (revenue) and £300,000 (capital) must not be awarded without it having followed the Key Decision process. Key Decisions can be made by the relevant Portfolio Holder or Cabinet. If matter is high risk, politically or financially sensitive it should be made by Cabinet – please liaise with the relevant Director. All contracts must be on the Forward Plan for at least 28 days before the decision to award can be taken (at a Cabinet meeting or by decision notice). Once the decision notice is signed, there is a call-in period of 3 days which will have to pass before the Contract can be awarded.</p> <p><b>Finance process:</b> Must be within budget. Once awarded a Purchase Order must be raised. Purchase Orders can be authorised by a Director in accordance with the Budget and Policy Framework.</p> <p><b>Legal Process:</b> Decision Notice required. Forward Plan timelines to be considered. Contract must be sealed (Rule <a href="#">15.11</a>).</p> |

|  |   |   |
|--|---|---|
|  |   | <p><b>Signing:</b> The relevant Business Manager/Director must instruct the legal business unit to seal the contract (Rule <a href="#">15.11</a>).</p>  |
| <p><b>Over relevant Public Procurement Threshold</b></p> | <p><b>Welland Procurement</b> must be instructed.</p> <p><b>Notices Required:</b> Find a Tender Service Advertising and Award notices (Rule <a href="#">10</a>).</p> <p><b>Method:</b> A method defined by Public Procurement Legislation . Tenders at this level are run via Welland Procurement's e-tendering system, or use of an approved framework</p> | <p><b>Governance Process:</b> Unless prior budgetary provision has been approved all contracts with a total value of £150,000 (revenue) and £300,000 (capital) must not be awarded without it having followed the Key Decision process. The decision should normally be made by Cabinet. All contracts must be on the Forward Plan for at least 28 days before the decision to award can be taken (at a Cabinet meeting or by decision notice). Once the decision notice is signed, there is a call-in period of 3 days which will have to pass before the Contract can be awarded. Please liaise with Democratic Services for support.</p> <p><b>Finance process:</b> Must be within budget. Once awarded a Purchase Order must be raised. Purchase Orders can be authorised by a Director in accordance with the Budget and Policy Framework.</p> <p><b>Legal Process:</b> Decision Notice required. Forward Plan timelines to be considered. Contract must be sealed (Rule <a href="#">15.11</a>).</p> <p><b>Signing:</b> The relevant Director must instruct the legal business unit to seal the contract (Rule <a href="#">15.11</a>).</p> |
| <p><b>Market engagement</b></p>                          | <p><b>Welland Procurement</b> must be instructed prior to any market engagement.</p> <p><b>Notices Required:</b> Market engagement process (UK2) must be completed for any market engagement</p> <p><b>Method:</b> Discussion with Welland Procurement regarding approaching the market and the mandatory notices. Find a Tender Service</p>                | <p><b>Governance Process:</b> All engagement with the market (irrespective of value) needs to be completed through the Find a Tender service.</p>   |

2 Roles and Responsibilities

Officers

- 2.1 The Officer responsible for the procurement must comply with these Contract Procedure Rules and the Financial Regulations. The Officer is also responsible for ensuring that any Agents acting on behalf of the Council do so in compliance with these Rules and must seek written confirmation of their agreement. Wilful or negligent breach of these Rules will be deemed to amount to gross misconduct and treated as a disciplinary matter
- 2.2 As part of the service planning process Officers are expected to highlight all required procurement support through the annual Procurement Service Plan in advance of the next financial year.
- 2.3 Officers are responsible for the contracting activity, and must ensure:
- (a) Continued compliance with the Council's requirements;
  - (b) Value for money;
  - (c) Compliance with these Rules as well as any legal and statutory requirements;
  - (d) Compliance with any relevant Council policy; and
  - (e) Contracts are signed/sealed before the commencement of any Works, Services or Goods delivered (unless prior written approval is given by the Chief Executive, the Section 151 Officer, and the relevant Director – these Officers must consider the risks and any mitigation of risk before giving approval).
- 2.4 The Officer is responsible for ensuring the Welland Procurement Unit are aware of the timescales for upcoming procurement work, especially for contracts in excess of £75,000, or requiring an open process, in sufficient time.
- 2.5 The Officer must have regard to the guidance contained in the Procurement Toolkit which can be accessed via the [procurement portal](#).
- 2.6 Before beginning a commercial activity the Officer responsible for it must carry out an appraisal and consider:
- The requirements from any relevant Best Value or other review;
  - The need for the expenditure and its priority e.g., has a business case been developed which sets out the service objectives, the criteria for evaluation and the options for delivery;
  - Defining the objectives of the purchase;
  - The risks associated with the purchase over its life and how to manage them;
  - What procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, and collaboration with other purchasers;
  - If a contract has already been let by the Council for the benefit of Council staff, and whether it would be suitable to make of this;
  - If a suitable framework exists, and whether it would be suitable to call off of it;

- Consulting users as appropriate about the proposed procurement method, contract standards, and performance and user satisfaction monitoring; and
- Selecting the most appropriate procurement method.

The Procuring Officer's approach to the appraisal tasks should be proportionate to the complexity, risks, and value of the procurement.

- 2.7 The Officer must keep the records detailed in these Rules.
- 2.8 The requirements for the various procurement procedures (based on [total value](#)) are detailed below. Where a procedure is required that would be above the Public Procurement threshold (in terms of [total value](#)), the Officer **must** contact Welland Procurement before embarking on the procurement.
- 2.9 Officers must take all necessary legal, financial, and other professional advice (e.g., HR, Comms etc.) and ensure the necessary decisions are in place before embarking upon any procurement process. Please speak to the Business Manager – Elections and Democratic Services for any queries relating to approvals.
- 2.9.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. Budget approval ensures you have provision to fund any commitment within your own budget, and where sufficient budget isn't available the additional required funding has been sought and approved via members or delegated decision via the Section 151 Officer to access funding from reserves. Further information on this (and the process) can be found within the Financial Procedure Regulations; if in doubt, please speak to the Budget Holder or the Business Manager – Financial Services. This will provide you with your permission to procure.
- 2.9.2 Officers must ensure that, where they are anticipating engaging with Welland procurement, procurement documentation is provided to Welland in a timely fashion to ensure correct scrutiny together with information to the Legal Business Unit.
- 2.9.2.1 For contracts with a total value under £75,000, Welland must be engaged with at least four weeks in advance and then the final agreed procurement documentation (agreed with Welland) must be received at least three working days prior to the publication date. Contractual information should be passed to the Legal Business Unit as soon as is feasibly possible, but as a minimum two weeks prior to the publication date.
- 2.9.2.2 For contracts with a total value above £75,000, Welland must be engaged with as part of the pre-procurement process and a timeline will be developed alongside Welland. Contractual information should be passed to the Legal Business Unit as soon as is feasibly possible, but as a minimum two weeks prior to the

publication date to ensure that the Ts&Cs are completed prior to publication.

2.9.2.3 For contracts above the current goods and services Public Procurement Threshold, Welland must be part of the project team and be involved in the review of the specification. Contractual information should be passed to the Legal Business Unit as soon as is feasibly possible, but as a minimum two weeks prior to the publication date to ensure that the Ts&Cs are completed prior to publication.

2.10 The provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) apply to a relevant business transfer where the transferor (incumbent supplier) has a dedicated team of employee(s) that carry out the service activity that is to be transferred. In practice this will often apply where a Council service is:

- ‘out-sourced’
- brought back ‘in-house’ / in-sourced
- where a contract that former Council employees are undertaking comes up for renewal and is awarded again to the same supplier or to a new supplier
- transferred from one external organisation to another
- TUPE is also likely to apply where a supplier who has been awarded a contract subsequently awards or sub-contracts all or part of it to another supplier, whilst retaining the contract with the main client

TUPE can apply irrespective of whether there has been a formal procurement exercise or not. Officers must ask the current Supplier whether or not any employee of the Council or of the Supplier may be affected by any transfer arrangement (TUPE). Where this is relevant, the Officer must ensure that the Transfer of Undertaking (Protection of Employment) issues are considered and obtain relevant advice before undertaking the procurement process. This will include liaising with Nottinghamshire County Council where any employee of the Council or of the Supplier is a member of the Local Government Pension Scheme (LGPS). Guidance on whether TUPE applies must be referred to Human Resources or Legal services in the first instance, before proceeding, so that the scope of any legal obligations may be identified. If TUPE does apply this must be factored into the procurement strategy / plan and timescales.

Suppliers must seek their own legal guidance on the application of TUPE; the Council must not offer any such advice. The Council’s only involvement with TUPE is to facilitate through the provision of TUPE information; it must not get involved in other TUPE related matters.

‘TUPE Information’ templates are available on the Welland [procurement portal](#). This information will need to be completed by the current supplier which Officers will issue to the market as part of the procurement documentation on which potential suppliers are invited to bid. This information must be gathered prior to going out to market, and Officers would need to review the information to ensure it has been anonymised (TUPE information is confidential – please discuss with Welland Procurement whether TUPE information should be published with the tender pack, or to individual bidders, subject to the return of TUPE

Confidentiality Agreement), and whether or not there are any LGPS (Local Government Pension Scheme) members. Officers can refer to the Procurement Toolkit available on the [Welland Procurement portal](#) for guidance on considerations for LGPS members.

- 2.11 Officers must ensure that the contracts for which they are responsible for are effectively managed and monitored to ensure they deliver the requirement as intended. This must be in line with the Contract Management toolkit which is available on the Intranet.
- 2.12 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract. Where contracts are over the current goods and service or works Public Procurement threshold a credit check must be completed on the potential supplier. This must be facilitated through the Financial Services Business Unit or Welland Procurement. Where the score is below 50, the Section 151 Officer must be consulted prior to the award of the contract.
- 2.13 Where an Officer has a potential conflict of interest within a procurement process, the Officer must declare this immediately to the relevant Director and Monitoring Officer and Welland Procurement. The Officer may be required to withdraw from the procurement process. Any Officer who fails to declare such a conflict of interest may be subject to disciplinary proceedings and sanctions.

A 'Conflict of Interest Declaration – Confidentiality Agreement' form can be obtained from the [procurement portal](#).

- 2.14 Officers must ensure details of bidders and their submissions are kept confidential (subject to [Freedom of Information](#) considerations).
- 2.15 Officers shall complete the Council's electronic Contract Register (to record all approved exemptions and contracts with an estimated [total value](#) of £5,000 and above including any changes over the contract life e.g., extensions).
- 2.16 Officers shall notify Welland Procurement of any contracts awarded with an estimated [total value](#) of £20,000 and above (including any changes over the contract life e.g., extensions), so that a Find a Tender Service Award Notice can be published.

#### **Senior Leadership Team**

- 2.17 The Senior Leadership Team must ensure that staff are aware of their responsibilities under these Rules, receive adequate training and guidance and that they and their Officers comply with these Rules at all times.
- 2.18 The Senior Leadership Team should facilitate Value for Money being achieved in all procurements.

- 2.19 The Senior Leadership Team must ensure that they have in place a scheme of delegation that records in writing what action Officers are authorised to take under these Rules.
- 2.20 In the interests of forward planning, the Senior Leadership Team should facilitate the process of preparing, maintaining, and reviewing a rolling schedule in respect of procurement activities with a [total value](#) over £75,000.
- 2.21 The Senior Leadership Team is responsible for ensuring a process is in place so that the Council’s Contracts Register is updated as required following procurement activity.
- 2.22 Where an Officer within the Senior Leadership Team has a potential conflict of interest within a procurement process, the Officer must declare this immediately to the relevant Director and Monitoring Officer. The Officer may be required to withdraw from the procurement process. Any Officer who fails to declare such a conflict of interest may be subject to disciplinary proceedings and sanctions.

A ‘Conflict of Interest Declaration – Confidentiality Agreement’ form can be obtained from the [procurement portal](#).

- 2.23 Ensure that all completed contracts are passed to the Legal Business Unit for safe keeping.

### **3 Non-Compliance with these Rules**

- 3.1 Where an Officer becomes aware of any non-compliance with these Rules (which cannot be remedied), they must declare this to the relevant Director and Monitoring Officer.

### **4 Total Value**

- 4.1 Total Value is the maximum potential contract value. This is an estimation of the annual value, multiplied by the maximum contract length (including any extensions). This calculation is to be used for contracts that fall under the Procurement Act 2023. All references to “value” within these Rules refer to Total Value and those values must be estimated and calculated in accordance with the rules governing estimating the value of a contract under [Schedule 3](#) of the Procurement Act 2023.

Where a proposed work or provision of services may result in contracts being awarded in the form of separate lots, account shall be taken of the total estimated value of all such lots. Where the aggregate value of the lots is equal to or greater than the relevant [Public Procurement Threshold](#). Please speak to Welland Procurement for further guidance on aggregation.

- 4.1.1 For works contracts, the calculation of the estimated value shall take account of both the cost of the works and the total estimated value of the

supplies and services that are made available to the contractor by the Council if they are necessary for executing the works.

- 4.1.2 For services contracts which do not indicate a total price, the basis for calculating the estimated contract value shall be based on the total estimated cost over the full contract period.
- 4.1.3 For the appointment of consultants, the Estimated Total Contract Value shall be calculated using the requisite rate for the consultant, multiplied by the total duration of the assignment required to complete all the specified activities and deliverables of the consultant for their entire appointment. Any change in scope of the assignment would require additional procurement.
- 4.2 For Concessions contracts (where the supplier makes money from the right given by the Council to provide), contract values are based on what it is worth to the supplier or the cost the Council would incur to provide the contract. The Total Value for these contracts shall be the total turnover of the concessionaire generated over the duration of the contract, as estimated by the Council, considering:
- (a) the value of any form of option and any extension of the duration of the concession contract;
  - (b) revenue from the payment of fees and fines by the users of the works or services other than those collected on behalf of the Council;
  - (c) payments or any other financial advantages, in any form, from the Council to the concessionaire, including compensation for compliance with a public service obligation and public investment subsidies;
  - (d) the value of grants or any other financial advantages, in any form, from third parties for the performance of the concession contract;
  - (e) revenue from sales of any assets which are part of the concession contract;
  - (f) the value of all the supplies and services that are made available to the concessionaire by the Council, provided that they are necessary for executing the works or providing the services;
  - (g) any prizes or payment.
- 4.3 Contracts shall not be subdivided with the effect of preventing it from falling within the scope of these Rules, thresholds, or any relevant Procurement Act 2023 and accompanying Regulations.
- 4.4 Re-occurring Contracts shall not be put in place with the effect of preventing it from falling within the scope of these Rules, thresholds, or any relevant Public Procurement Legislation. Spend must be aggregated where it is appropriate to do so, whether that is within Council departments, or across multiple departments for the same scope of work; to ensure value for money is achieved and reduce the duplication of work. Examples of where aggregate spend would be appropriate includes (but is not limited to):
- One department spot purchasing similar pieces of work on a regular basis throughout the financial year;

- Multiple Council departments purchasing the same services under different contracts; and
  - Individual contracts being kept under a certain threshold to avoid procurement obligations within these Rules (e.g. annual renewals of contracts).
- 4.5 It is the responsibility of each individual Officer to review the contracts register prior to entering into any contract, to understand if the Council is already in a contractual relationship in relation to the proposed goods/services/work. If the Council is, then the Officer would need to investigate whether the contract covers their own requirement, or if there is scope for variation in the current contract. Please speak to Welland Procurement and Legal to ensure contractual and procurement compliance.
- 4.6 Where the Council may be contributing only part of the total value of a contract, it is nevertheless the Estimated Total Contract Value that should be applied in determining the correct procedures to be applied under these Rules. Examples of where this would be appropriate includes (but is not limited to):
- Collaborations between departments within the Council;
  - Collaboration between the Council and at least one other Contracting Authority; and
  - Where the Council is only part funding a project, in partnership with another funding source.
- 4.7 In the event that the estimated Total Contract Value is below the [Public Procurement Threshold](#), and following a quotation process the proposed winning bidder's Total Bid Value exceeds the relevant [Public Procurement Threshold](#), the Officer must not award the contract without consulting with Welland Procurement and Legal as to the risks associated with awarding the contract.

## **5 Contract Term**

- 5.1 The term of a Contract must not exceed five years in total (including any potential extension options), without the written approval of the relevant service Director. This must be gained prior to the procurement process commencing.
- 5.2 Framework agreements must not exceed four years. Call-off contracts based on framework agreements may be longer than four years and may extend beyond the expiry date of the framework.

## **6 Procurements Valued Under £10,000**

- 6.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process.

- 6.2 Council Officers may decide it is appropriate to [reserve contracts for services](#) at this value to the local area (county) or SME's/voluntary sector. Please refer to the appropriate guidance in this document (and consult Welland Procurement) before any reservations are made.
- 6.3 Where the contract has a [total value](#) below £10,000, Officers are required to seek at least one written quotation (email is acceptable). Value for money remains a primary objective and so Officers may decide to seek more than one quotation to ensure that objective is achieved.
- 6.4 Quotations can be submitted via email, preferably in PDF format to prevent tampering or accusations thereof; the onus will be on the bidder to make this decision. Quotations are not to be "opened" prior to the deadline for return (not applicable if only one quote is being sought).
- 6.5 The quotation(s) must be received before any order is processed and must include the following information:
- (a) A description of the goods, services or works to be supplied;
  - (b) When and where they will be supplied;
  - (c) The total value of the requirement; and
  - (d) Payment terms.
- 6.6 The Contract or Purchase Order must be approved/signed by the relevant Budget Holder in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules) via the Council's Corporate Financial System (electronic Purchase Order).

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

- 6.7 Where the value of the contract is £5,000 and above, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.
- 6.8 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **7 Procurements Valued Between £10,000 and £74,999**

- 7.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process.
- 7.2 Council Officers may decide it is appropriate to [reserve contracts for services](#) at this value to the local area (county) or SME's/voluntary sector. Please refer to the appropriate guidance in this document (and consult Welland Procurement) before any reservations are made.
- 7.3 Where the contract has a [total value](#) between £10,000 and £74,999 at least three comparable quotations must be sought in writing (email is acceptable), with at least two quotations being sought from locally based suppliers. Where local quotations cannot be sought the Officer must keep a written record of the

reason. Those quotations can be invited from identified suppliers as advertising is not mandatory. If the Council chooses to advertise a quotation opportunity for any reason, the officer should contact Welland Procurement for assistance with this.

- 7.4 Where Welland are instructed to support the procurement, the Officer must complete a Procurement Initiation Document (PID), available on the [procurement portal](#), prior to the commencement of the procurement process (at pre-procurement stage).
- 7.5 It is recommended that the Request for Quotation Template document is used which can be obtained from the [procurement portal](#). In any case the criteria for selecting the most advantageous quotation must be established before the quotations are invited and be made clear in the procurement documentation. The quotations must contain (as a minimum):
- (a) A specification (covering the goods, services or works to be supplied, the “where” and “when” they are to be supplied, and any relevant performance and contract management details)
  - (b) Instructions to bidders:
    - a. Evaluation criteria
    - b. How to respond
    - c. How clarification messages are to be asked (who sent to, any deadlines for messages)
    - d. Information bidders need to include within response
    - e. Deadline for responses (day and time); and
    - f. The short form terms and conditions to be applied (please contact the Legal Business Unit for details).

In some instances, Officers may need to consider [TUPE](#) implications.

- 7.6 Where fewer than three potential suppliers can be identified, the Officer must keep a written record of the reason and all potential suppliers should be invited to quote. It is accepted that the Officer may receive fewer than three quotations even where three or more suppliers have been invited to quote.

The Procurement Act 2023 introduces statutory rules specifying conditions of participation and the new mandatory and discretionary grounds for excluding suppliers (including at section 29, on the grounds of national security) and the introduction of the Government’s debarment list including the actions that the Council must take if it decides to exclude a supplier from a procurement in reliance on one of the exclusion grounds.

- 7.7 As part of the procurement process (quotation), potential bidders can seek clarification on either the information published or the process itself.

The nature of any clarification or response from the Council must not materially change the scope/substance of the requirement. If it does, Officers may need to abandon the process and restart, using revised documentation. Please discuss this with Welland Procurement.

- All requests for clarification and questions relating to the quote (and its associated documents) must be submitted as per the instruction document (via email or the eTendering system)
- The Council must respond to all clarifications as soon as possible (via email or the eTendering system)
- A copy of all requests for clarifications and the responses must be anonymised and published to all potential bidders (who have either been invited to quote, or have expressed an interest in the quote) where the clarification and response are not considered confidential
- If a potential bidder wishes the Council to treat a clarification as confidential and therefore not publish the response to all, it must state this when submitting the clarification. If in the opinion of the Council, the clarification is not confidential, the Council will publish it in an anonymised format
- Officers must state a deadline for receipt of clarifications
- Officers must keep a record of communications between potential bidders and the Council

Unless it is part of a clarification and the above is observed, Officers must not:

- Contact suppliers/potential bidders
- Send information to suppliers/potential bidders

If a supplier/potential bidder contacts an Officer, they should advise them that messages must be submitted as per the instruction document; via email or the eTendering system.

- 7.8 Quotations can be submitted via email, preferably in PDF format to prevent tampering or accusations thereof; the onus will be on the bidder to make this decision. Quotations are not to be “opened” prior to the deadline for return, if one is given.
- 7.9 The Officer must keep copies of the Council’s procurement documentation as well as copies of all quotations received and any communication between the Council and the successful bidder.
- 7.10 Evaluation of the quotations received must be carried out using the evaluation criteria identified in the procurement documentation. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The ‘Conflict of Interest Declaration – Confidentiality Agreement’ on the [procurement portal](#) gives further guidance on evaluation principles and best practice; it is advisable to ask all evaluators to complete, sign and return this document to the Council lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring. Clarification questions may be asked where responses would not result in a material change of the bid received.

Award of the Contract

- 7.11 The contract or terms and conditions must be signed by the Business Manager for the relevant Business Unit or an available Director,. This will act as the approval to award the contract.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to the Legal Business Unit for advice and guidance on the use of electronic signatures.

- 7.12 The resultant contract must be added to the Council’s Contract Register to ensure compliance with Transparency Regulations. Officers must then provide the Legal Business Unit with any paper copies of the Contract for the subsequent storage and safe keeping.

- 7.13 An award notice is required on Find a Tender Service for all Contracts with a [total value](#) of £20,000 or above. Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.

- 7.14 It is the Officer’s responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract. This must follow the process as set out at paragraph [2.12](#).

**8 Procurements Valued between £75,000 relevant national public procurement threshold**

- 8.1 Officers will need to ensure they have the budget available prior to embarking upon a procurement process (as per [2.9](#) of this document).

- 8.2 Council Officers may decide it is appropriate to [reserve contracts for services](#) at this value to the local area (county) or SME’s/voluntary sector. Please refer to the appropriate guidance in this document (and consult Welland Procurement) before any reservations are made.

- 8.3 Welland Procurement must be notified in respect of all contracts with a [total value](#) between £75,000 and the relevant national Public Procurement Threshold. Welland will be able to advise on the most appropriate route to market.

- 8.4 Where Welland are instructed to support the procurement, the Officer must complete a Procurement Initiation Document (PID), available on the [procurement portal](#), prior to the commencement of the procurement process (at pre-procurement stage).

- 8.5 The procurement must be advertised on Find a Tender Service, Welland Procurement is responsible for managing this advertising.

- 8.6 The procurement will be managed using an electronic tendering system; the Officer must therefore contact Welland Procurement to access that system.
- 8.7 Council Officers must conduct the Tender process using Welland Procurement’s templated procurement documents (unless agreed otherwise by the Head of Welland Procurement). Open Tender Document One must be used to ensure that the required Standard Suitability Questions are used. The Officer must ensure that all relevant procurement documents are finalised before the procurement is advertised, these will include at least the Specification, Long Form Terms and Conditions of Contract (please speak to the Legal Business Unit to source this), [TUPE information](#) (where applicable) and pricing & quality evaluation criteria.

The specification must cover the scope of the requirement i.e., the goods, services or works to be supplied, the “where” and “when” they are to be supplied as well as any relevant performance and contract management details. A template is available on the [procurement portal](#).

- 8.8 As part of the procurement process (tender), potential bidders can seek clarification on either the information published or the process itself.

The nature of any clarification or response from the Council must not materially change the scope/substance of the requirement. If it does, Officers may need to abandon the process and restart, using revised documentation. Please discuss this with Welland Procurement.

- All requests for clarification and questions relating to the tender (and its associated documents) must be submitted as per the instruction document (the eTendering system)
- The Council must respond to all clarifications as soon as possible (the eTendering system)
- A copy of all requests for clarifications and the responses must be anonymised and published to all potential bidders (who have expressed an interest in the tender) where the clarification and response are not considered confidential
- If a potential bidder wishes the Council to treat a clarification as confidential and therefore not publish the response to all, it must state this when submitting the clarification. If in the opinion of the Council, the clarification is not confidential, the Council will publish it in an anonymised format
- Officers must state a deadline for receipt of clarifications
- Officers must keep a record of communications between potential bidders and the Council

Unless it is part of a clarification and the above is observed, Officers must not:

- Contact suppliers/potential bidders
- Send information to suppliers/potential bidders

If a supplier/potential bidder contacts an Officer, they should advise them that messages must be submitted as per the instruction document; via the eTendering system.

- 8.9 Tenders will be received via the electronic tendering system. An Officer or a representative of Welland Procurement will be responsible for opening tenders.
- 8.10 Tenders must be evaluated in accordance with the advertised evaluation criteria, clarification questions may be asked as long as the response would not have the effect of materially changing the tender received. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The 'Conflict of Interest Declaration – Confidentiality Agreement' on the [procurement portal](#) gives further guidance on evaluation principles and best practice; this form must be completed, signed, and returned to the procurement lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
- 8.11 All tenders in this category must be evaluated online through the eTendering system portal.
- 8.12 The bidder with the highest evaluation score will be awarded the contract. If this is not the case, the advice of Welland Procurement must be sought prior to award. The contracting Officer must perform due diligence on the supplier prior to the signing of the contract in accordance with paragraph [2.12](#) above.
- 8.14 All bidders must be notified of the Award decision simultaneously in writing (via the Council's electronic tendering system) by the Officer (or the Welland Procurement Unit), whether or not their bid was successful.
- 8.15 As the contract will require sealing, please see Section [13.11](#) below, the relevant Business Manager/Director must give the approval to award the contract to the Legal Business Unit
- 8.16 The resultant contract must be added to the Council's Contract Register to ensure compliance with Transparency Regulations. Officers must then provide the Legal Business Unit with any signed paper copies of the Contract for the subsequent storage and safe keeping.
- 8.17 The Officer must keep the following records for 6 years:
- (a) A record of all decisions from pre to post procurement;
  - (b) The method of obtaining tenders;
  - (c) Tender documents produced by the Council;
  - (d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
  - (e) A written record of the evaluation;
  - (f) A record of the Award approval;

- (g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter; and
- (h) Communications to and from bidders during the procurement process.

8.18 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [8.17](#) above.

8.19 An award notice is required on Find a Tender Service; Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.

8.20 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **9 Procurements for Works Contracts Valued above the relevant national public procurement threshold**

9.1 Officers will need to ensure they have the budget available prior to embarking upon a procurement process (as per [2.9](#) of this document).

9.2 Welland Procurement must be instructed for all procurements with a [total value](#) above the national procurement threshold. Welland will be able to advise on the most appropriate route to market.

9.3 Officers will need to ensure they have the budget available prior to embarking upon a procurement process (as per [2.9](#) of this document).

9.4 Where Welland are instructed to support the procurement, the Officer must complete a Procurement Initiation Document (PID), available on the [procurement portal](#), prior to the commencement of the procurement process (at pre-procurement stage).

9.5 The procurement must be advertised on Find a Tender Service, Welland Procurement is responsible for managing this advertising.

9.6 The procurement will be managed using an electronic tendering system; the Officer must therefore contact Welland Procurement to access that system.

9.7 Council Officers must conduct the Tender process using Welland Procurement's templated procurement documents (unless agreed otherwise by the Head of Welland Procurement). Open Tender Document One must be used to ensure that the required Standard Suitability Questions are used. The Officer must ensure that all relevant procurement documents are finalised before the procurement is advertised, these will include at least the Specification, Long Form Terms and Conditions of Contract (please speak to the Legal Business Unit to source this), [TUPE information](#) (where applicable) and evaluation criteria.

The specification must cover the scope of the requirement i.e., the goods, services or works to be supplied, the “where” and “when” they are to be supplied as well as any relevant performance and contract management details. A template is available on the [procurement portal](#).

- 9.8 Tenders will be received via the electronic tendering system. An Officer or a representative of Welland Procurement will be responsible for opening the tenders.
- 9.9 As part of the procurement process (tender), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.8](#) of this document.
- 9.10 Tenders must be evaluated in accordance with the advertised weighted evaluation criteria, clarification questions may be asked as long as the response would not have the effect of materially changing the tender received. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The ‘Conflict of Interest Declaration – Confidentiality Agreement’ on the [procurement portal](#) gives further guidance on evaluation principles and best practice; this form must be completed, signed, and returned to the procurement lead. Welland Procurement can act as the independent moderator but cannot undertake any scoring.
- 9.11 All tenders in this category must be evaluated online through the eTendering system.
- 9.12 The bidder with the highest evaluation score will be awarded the contract. If this is not the case, the advice of Welland Procurement must be sought prior to award. The contracting Officer must perform due diligence on the supplier prior to the signing of the contract in accordance with paragraph [2.12](#) above.
- 9.13 All bidders must be notified of the Award decision simultaneously in writing (via the Council’s electronic tendering system) by the Officer (or the Welland Procurement Unit), whether or not their bid was successful.
- 9.14 As the contract will require sealing, please see Section [13.11](#) below, the relevant Director must give the approval to award the contract to the Legal Business Unit
- 9.15 The details of the resultant contract must be added to the Council’s Contract Register to ensure compliance with Transparency Regulations. Officers must

then provide the Legal Business Unit with any signed paper copies of the Contract for the subsequent storage and safe keeping.

- 9.16 The Officer must keep the following records:
- (a) A record of all decisions from pre to post procurement;
  - (b) The method of obtaining tenders;
  - (c) Tender documents produced by the Council;
  - (d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
  - (e) A written record of the evaluation;
  - (f) A record of the Award approval;
  - (g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter; and
  - (h) Communications to and from bidders during the procurement process.
- 9.17 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [9.16](#) above.
- 9.18 An award notice is required on Find a Tender Service; Welland Procurement is responsible for such award notices. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice.
- 9.19 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **10 Purchasing from a Framework Agreement or Dynamic Purchasing System (DPS)**

- 10.1 Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Business Manager about any further approvals required outside of these Rules. Approval to procure must be obtained as per [2.9](#) of this document.
- 10.2 Welland Procurement must be notified in respect of all contracts with a [total value](#) above £75,000 irrespective of whether the officer is expecting to procure via a framework or DPS. Welland will be able to advise on the most appropriate route to market.
- 10.3 A contract of any value can be procured via a framework agreement or DPS. Compliance with these Rules and relevant national law is achieved through compliance with the framework agreement/DPS terms and conditions. This will involve:
- reviewing relevant Framework/DPS guidance document(s)

- reviewing the correct process for call off (which may be through further competition or direct award)
- following the stated call off process, as laid out in the Framework/DPS documentation

Officers must ensure they are fully conversant with the eligibility of the Council to use the framework, as stated within the Framework Agreement. If these Rules are not sufficiently detailed for the Officer to be assured of the eligibility and requisite process, they must engage with Welland Procurement to seek advice on the validity of the Framework Agreement.

As part of the procurement process (call off), potential bidders can seek clarification on either the information published or the process itself. This must be conducted as per [8.8](#) of this document.

- 10.4 For the avoidance of doubt, a framework agreement or DPS is considered a compliant procurement route where:
- (a) It has been entered into by the Council in compliance with these Rules; or
  - (b) Another contracting authority, purchasing consortium or Central Government has tendered the framework agreement or DPS in compliance with national procurement law and the Council is named as a potential user of the arrangement.
- 10.5 It is recommended that the Further Competition Template document is used which can be obtained from the [procurement portal](#) or Welland Procurement; if template documentation is provided by the Framework/DPS Owner, Officers can make use of this.

In any case the criteria for selecting the most advantageous submission must be established before call offs submissions are invited and be made clear in the procurement documentation. The call offs must contain (as a minimum):

- (a) The goods, services or works to be supplied;
- (b) The “where” and “when” they are to be supplied;
- (c) Instructions to bidders:
  - (i) Evaluation criteria
  - (ii) How to respond
  - (iii) How clarification messages are to be asked (who sent to, any deadlines for messages)
  - (iv) Information bidders need to include within response
  - (v) Deadline for responses (day and time); and
  - (vi) The terms and conditions to be applied to the call off (as per Framework/DPS guidance document, please use the terms stated, these must be agreed by Legal Services).

In some instances, Officers may need to consider [TUPE](#) implications.

- 10.6 Contract award must be approved as per [2.9](#) of this document.

- 10.7 All bidders must be notified of the Award decision simultaneously in writing (via the method used to run the procurement process i.e., email, ProContract or other system used by the Framework/DPS owner) by the Officer (or the Welland Procurement Unit or the Framework/DPS owner), whether or not their bid was successful.
- 10.8 The contract must be signed/sealed in line with the appropriate Rule, dependent on the [total value](#) of the contract.
- Procurements valued under £10,000 see [Rule 6.6](#)
  - Procurements valued between £10,000 and £74,999 see [Rule 7.12](#)
  - Procurements valued between £75,000 and Current Goods and Services Public Procurement Threshold see [Rule 8.15](#)
  - Procurements for Works Contracts Valued between the Goods and Services Public Procurement Threshold and the Works Public Procurement Threshold see [Rule 9.14](#)
  - Procurements valued over the Relevant Public Procurement Threshold see [Rule 10.16](#)

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to the Legal Business Unit for advice and guidance on the use of electronic signatures.

- 10.9 Where the Council is using an external framework, and the [total value](#) of the contract is £5,000 or above, the resultant contract must be added to the Contract Register to ensure compliance with Transparency Regulations.

Where the Council has set up a framework, only the framework is necessary to be recorded on the register. It is not necessary to record the individual call-offs from the framework.

- 10.10 Signed contracts that have a [total value](#) of £10,000 or more must be scanned in. Officers must then provide the Legal Business Unit with any signed paper copies of the Contract for the subsequent storage and safe keeping.
- 10.11 Where the contract has a [total value](#) of £20,000 or above an award notice is required on Find a Tender Service. The Officer must formally advise Welland Procurement of the award details, so that they can publish the award notice.
- 10.12 The Officer must keep the following records:
- (a) A record of all decisions from pre to post procurement;
  - (b) The method of obtaining tenders;
  - (c) Tender documents produced by the Council;
  - (d) Tenders received from bidders. The successful tender should be retained for at least the life of the contract. Unsuccessful tenders should be retained for the first 12 months of the contract;
  - (e) A written record of the evaluation;
  - (f) A record of the Award approval;
  - (g) A signed copy of the Contract which should be retained for the life of the contract and in normal circumstances for 6 years thereafter; and

(h) Communications to and from bidders during the procurement process.

10.13 Where an Agent has managed the procurement on behalf of the Council, the Officer must ensure that the above documents are returned to the Council upon completion of the process and stored as detailed in clause [11.15](#) above.

10.14 It is the Officer's responsibility to carry out [due diligence](#) on successful suppliers, both at Contract Award, and for the duration of the Contract.

## **11 Setting up a Framework Agreement/DPS**

11.1 Where an officer feels a framework or DPS could be advantageous to the Council, they should contact Welland Procurement in order to progress this further.

## **12 Public Services (Social Value) Act 2012 and Health Care Services**

12.1 The Public Services (Social Value) Act requires people who commission public services to think about how they can also secure wider social, economic, and environmental benefits.

12.2 Before starting a procurement process, the Officer should think about whether the services they are going to buy, or the way they are going to buy them, could secure the above benefits for their area or stakeholders.

12.3 The Council must consider, in the form of a Social Value appraisal whilst recognising the principal of proportionality;

- (a) how what is proposed to be procured might improve the economic, social, and environmental well-being of the relevant area, and
- (b) how, in conducting the process of procurement, it might act with a view to securing that improvement.

12.4 The Officer must consult Welland Procurement for advice on specifying requirements under Social Value, and how to evaluate tenders against these requirements. Further information and guidance is also available in the Procurement Toolkit, which can be accessed via the [procurement portal](#).

12.5 The Health Care Services (Provider Selection Regime) Regulations 2023 require that when procuring relevant Health Care Services, the it is expected that the Council complies with those Regulations in that the Council must act with a view to securing the needs of the people who use the services; improving the quality of the services; and improving efficiency in the provision of the services transparently, fairly and proportionately.

12.6 When acting with a view to the matters in paragraph 14.5, the lead officer may, in consultation with Welland Procurement, consider the value of providing services in an integrated way, including with other health care services, health-related services or social care services.

**13 Other Matters to Consider**

These Rules are relevant to all Contracts with a [total value](#) above £10,000.

**13.1 Conflict of Interest**

13.1.1 Clause [2.13](#) and [2.19](#) define when a conflict of interest must be declared.

13.1.2 For contracts with a [total value](#) of £75,000 or more, all Officers, Members and other stakeholders involved in procuring for the Council must sign a Declaration of Interest form at the start of the procurement process. This form is available on the [procurement portal](#).

For contract with a [total value](#) of between £10,000 and £75,000, it is advisable that all Officers, Members, and other stakeholders involved in procuring for the Council sign a Declaration of Interest form at the start of the procurement process. This form is available on the [procurement portal](#).

13.1.3 This form must be kept on file during the procurement itself and the contract term.

13.1.4 Before publishing a tender or transparency notice, a conflicts assessment will need to be prepared. This will need to be kept under review and revised as necessary. When publishing certain notices, it will need to be confirmed that a conflicts assessment has been prepared and revised accordingly.

**13.2 Abnormally Low Bids**

13.2.1 Under s 19(3)(c) of the Procurement Act 2023 , the Council may request an explanation of the price or costs proposed in a tender where that price or those costs appear to be abnormally low in relation to the requirement. However, the Council may disregard any tender that it considers to be abnormally low for the performance of the contract.

13.2.2 Advice should be sought from Welland Procurement during this investigation process to ensure that the requirements of the Procurement Act 2023 are adequately complied with.

**13.3 Errors in Tenders**

13.3.1 If it is identified that a bidder has made an error or omission that is “obvious”, the Officer can request the bidder to correct this, as long as:

- (a) the Section 151 Officer or the Chief Executive has given written approval, and agrees that the error or omission was “obvious”;
- (b) it has been determined that the bidder has gained no unfair advantage from correcting the error or omission; and
- (c) any such corrections are recorded, along with the approval decision.

**13.4 Receiving Late Submissions**

13.4.1 Where a Tender/Quote has been received late (beyond the stated response deadline), the Officer must get written approval to either accept or reject the submission from the relevant Section 151 Officer or the Chief Executive **before** opening any of the responses. Late submissions must only be accepted in exceptional circumstances.

13.4.2 The Officer must record:

- (a) the circumstances behind the late response;
- (b) how late the response was received;
- (c) if any advantage could have been gained by the bidder in submitting the late response (i.e., having longer to respond to the opportunity compared with other bidders); and
- (d) the Director's decision to accept or reject the late response (based on the above points).

### **13.5 Receiving Irregular Tenders**

13.5.1 Irregular tenders are those that:

- (a) do not comply with the terms of the tender documents (i.e., fail to supply key information); or
- (b) make reservations (i.e., if the pricing submitted contains conditions, when these are explicitly prohibited within the tender documentation).

13.5.2 If the Officer receives an irregular Tender, they shall immediately report this to the relevant Director.

13.5.3 The Director may accept the irregular tender if it has been determined that the bidder has gained no unfair advantage from the irregularity.

13.5.4 Any acceptance or rejection of irregular tenders shall be recorded in writing.

### **13.6 UK GDPR Requirements**

13.6.1 The UK General Data Protection Regulations impose greater obligations on the Council to protect an individual's information.

13.6.2 Officers conducting a procurement process should ensure that the UK GDPR screening questions, available from Welland Procurement, are completed as early as possible in the planning stages of that procurement.

13.6.3 Should any of the UK GDPR screening questions be answered positively, further advice must be sought from the Council's Data Protection Officer before any further action is taken.

13.6.4 Officers shall consider the information governance requirements of the contract if they anticipate any Personal Data is to be processed as part of the contract e.g., data protection, security of information, records management.

13.6.5 Where Personal Data may be processed as part of the contract, a Privacy Impact Assessment tool shall be completed. This will help the Council identify the most effective way to comply with their data protection obligations and meet individuals' expectations of privacy.

13.6.6 Where requirements are identified by the Privacy Impact Assessment, the Officer shall ensure that any requirements of contractors are considered and built into the specification and assessed where necessary as part of the evaluation.

13.6.7 Any queries relating to this should be directed to the Council's Data Protection Officer.

### **13.7 Freedom of Information**

13.7.1 The Council has specific obligations under the FOI Act 2000, regarding disclosure of information. Officers have an obligation to record and maintain accurate records relating to Contracts, as well as complying with FOI requests.

13.7.2 Bidders should be asked to identify any information they supply that is confidential or commercially sensitive, and detail why they consider this the case. This justification should be considered when responding to FOI requests.

13.7.3 Any queries relating to this should be directed to the Council's Data Protection Officer.

### **13.8 Modern Slavery**

13.8.1 The Council is committed to ensuring that modern slavery does not exist within its supply chains.

13.8.2 All procurements with a [total value](#) of £75,000 or more are required to include the Standard Selection Question regarding Modern Slavery Act compliance.

13.8.3 Where procurement is considered high risk in terms of modern slavery, for example transport and waste related procurements, additional award questions should be considered with advice from Welland Procurement.

13.8.4 Where a supplier is required to comply with the Modern Slavery Act, i.e., their turnover is above £36 million, that compliance should form part of the contract management (as per [13.10](#)).

13.8.5 A Modern Slavery Helpline is available on Tel: 08000 121 700 or [online](#). The Helpline provides information and advice about modern slavery, a 24-hour telephone reporting line and an online reporting function through the website.

### **13.9 Safeguarding Provisions in Contracts and Grant Arrangements**

13.9.1 Any service engaged by the Council should be provided based on agreed terms or a contract. Safeguarding compliance should be included in all arrangements. All services commissioned by the Council must operate within the requirements of the Council's Safeguarding Policy and meet the relevant legislative standards. Where appropriate, procuring officers will need to ensure that contractors demonstrate that they meet these requirements.

13.9.2 It is expected that the lead officer on any commissioning project be responsible for ensuring that any contract includes proper provision for the safeguarding of children, young people, and adults with care and support needs; this also includes making reasonable requests for evidence from suppliers that the requirements stated in the Safeguarding Policy (where applicable) are in place or ready to be implemented. Where there is any confusion about the need for the inclusion of safeguarding in a contract arrangement clarification and/or advice should be sought from the Safeguarding Lead.

### **13.10 Due Diligence**

13.10.1 It is the Officer's responsibility to carry out due diligence on successful suppliers, both at Contract Award, and for the duration of the Contract. This will involve requesting, obtaining, and maintaining records (and asking for appropriate evidence) of relevant due diligence, annual inspections, and any future expiration/renewals. This should include (but not be limited to):

- (a) Insurance certificates (new certificates to be requested upon expiry of the individual insurance policy);
- (b) Details as required by the selection/suitability criteria asked as part of the procurement process (annually, upon anniversary of Contract start date):
  - i. Supplier policies
    - Quality Management
    - Environmental
    - Equality
    - Health and Safety
    - Data protection/GDPR
  - ii. Licences/certificates/registrations
  - iii. Business continuity plans
  - iv. Required training (and updates for staff (Council and supplier)
  - v. Staff certifications/qualifications (Council and staff); and
- (c) A financial appraisal, which must include a financial credit check and / or a review of submitted financial information (as per the standard selection questionnaire). The request must be made to the Financial Services Business Unit to perform the credit check. Where contracts are over the current goods and service Public Procurement threshold a credit check must be completed on the potential supplier. This must be facilitated through the Financial Services Business Unit or Welland Procurement. Where the score is below 50, the Section 151 Officer must be consulted prior to the award of the contract.

13.10.2 Before the contract commences (and regularly throughout the duration of a contract), contract managers should request and inspect key health and

safety records to provide assurance that controls are operating effectively. The frequency of requests and types of records to be reviewed should be agreed and outlined as part of the procurement process. Records should include but not be limited to:

- Up to date Health and safety policies
- Risk Assessments
- COSHH assessment
- Induction and training records
- Fire safety logbooks (if applicable)
- PAT certificates
- Health and Safety inspections (as well as any actions arisen, and how they are being followed up on, reviewed and regularly monitored) and whether these are carried out by the Council or the supplier
- Accident reporting

13.10.3 Throughout the duration of the contract, Council Officer's must keep a record (and ask for appropriate evidence) of relevant due diligence as well as any future expiration/renewals.

### **13.11 Sealing a Contract**

13.11.1 A contract must be sealed where:

- 13.11.1.1 The [total value](#) is over £75,000;
- 13.11.1.2 The Council wishes to enforce the contract for more than six years after its expiry; or
- 13.11.1.3 The price paid or received under the contract is a nominal price and does not reflect the value of the goods, services or works; or
- 13.11.1.4 There is any doubt about the authority of the person signing for the other contracting party; or
- 13.11.1.5 A Bond is established on behalf of the Supplier(s) or their guarantors; or
- 13.11.1.6 Required by the Parties to the agreement; or
- 13.11.1.7 Where the Monitoring Officer deems it appropriate.

13.11.2 Where contracts are completed by each side adding their common seal, the affixing must be attested by or on behalf of the Council in accordance with the Constitution. The Monitoring Officer is responsible for the process of sealing a contract.

13.11.3 If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to Legal Services for advice and guidance on the use of electronic signatures.

### **13.12 Reserving below Threshold Procurements (for Services contracts only)**

Officers can consider reserving below threshold services contracts to local and/or SME (Small and Medium Sized Enterprises) status organisations as part of a procurement process.

This will be managed by officers on a case-by-case basis, after assessing the market to ensure there is sufficient competition (based on the reserved criteria). This will help support the local economy and encourage entrepreneurship and small businesses in the area.

Being able to reserve the procurement by supplier location would mean being able to run a competition and specify that only suppliers located in a geographical area can bid (Nottinghamshire). Additionally, reserving the procurement for Small and Medium sized Enterprises (SMEs) would mean that only SMEs can bid, encouraging entrepreneurship, and attracting new and smaller organisations to work with and for the Council.

13.12.1 If Council Officers wish to reserve below threshold Services procurements as per the guidance set out in this section, they must:

- (a) Consult with Welland Procurement;
- (b) Comply with all other Rules within this document;
- (c) Provide rationale for reserving a contract; and
- (d) Receive written approval from the relevant Director for this approach.

13.12.2 Council Officers may consider the following options for the procurement of below threshold Services contracts (applying either both or just one option):

- (a) Reserve the procurement by supplier location - this means being able to run a competition and specify that only suppliers located in a geographical area can bid. This could be by county to tackle economic inequality and support local recruitment, training, skills, and investment. Where a county reservation is to be applied, only a single county may be reserved. Supplier location should be described by reference to where the supplier is based or established and has substantive business operations and not by location of corporate ownership.
- (b) Reserve the procurement for Small and Medium sized Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs) - this means being able to run a competition and specify that only SMEs and VCSEs can bid.

13.12.3 Definitions:

- (a) Small and Medium sized Enterprise (SME): Any business with fewer than 250 employees and either an annual turnover below £45m or a total balance sheet less than £40m.
- (b) Voluntary, Community and Social Enterprises (VCSEs): Any organisation (incorporated or not) working with a social purpose. This ranges from small community-based groups / schemes, through to larger registered charities and social enterprises, public service mutuals and cooperatives that operate locally, regionally, and nationally. This term is often interchangeable with the terms 'third sector' or 'civil society' organisations.

- (c) Supplier Location: Where the supplier is based or established in a particular location and has substantive business operations in that location. In this context, this means having a registered office, factory, or other permanent base in that location from which meaningful business operations have been conducted for at least 12 months. For example, if the reservation is for the UK or a county such as Nottinghamshire, this should not preclude foreign suppliers from participating as long as they are based or established and have substantive business operations in the UK in the first example or in Nottinghamshire in the second example.

- 13.12.4 When considering either of the above, Council Officers would need to:
- (a) Make reservation decisions on a case-by-case basis, and record justifications for the decision to reserve a contract;
  - (b) Make the reservation clear in the procurement documentation in terms of any intention by including the standardised definitions of SME / VCSE and supplier location;
  - (c) Eliminate bidders that do not meet the stated criteria, following on from written approval being received from the relevant Director; and
  - (d) Ensure value for money can still be met, and an open competitive process is followed.

### **13.13 Procuring with External Grant Monies**

- 13.13.1 Procuring contracts using external grant monies can bring about additional risks to the Council due to additional regulatory or grant funder requirements in the way the money is controlled and additional scrutiny that the procurement process may receive. Therefore, Officers must be fully aware of all requirements of the relevant funding body and ensure full compliance.
- 13.13.2 Officers shall ensure that they engage, in advance of undertaking a procurement activity, with Welland Procurement, providing full access to any relevant additional guidance.
- 13.13.3 NOTE: Specifically for ERDF funding, the Officers shall appraise the intended procurement activity against the ERDF published 'common mistakes' guidance prior to initiating any procurement activity to ensure none of the common mistakes have been made.

## **14 Exemptions to Contract Procedure Rules**

- 14.1 The exemptions listed in this Section do not apply to procurements with a [total value](#) above the relevant Public Procurement Threshold. Exemptions are not a substitute for instances where procurement planning has not been exercised and Officers find themselves with insufficient time to undertake a competitive process. Officers must still consider commercial awareness and achieve value for money.

- 14.2 Officers must obtain a fully approved exemption in advance of awarding a contract and must ensure that the actual spend does not exceed the [total value](#) stated in the approved exemption.

Officers will need to ensure they have the relevant budget approved and available prior to embarking upon a procurement process. This approval will be from the Budget Holder, in accordance with budget authorisation limits (as outlined in the Financial Procedure Rules). Please see [2.9.1](#) for further information. Officers also need to speak to their Business Manager about any further approvals required outside of these Rules.

- 14.3 Signed contracts that have a [total value](#) of £10,000 or more must be scanned in Officers must then provide the Legal Business Unit with any signed paper copies of the Contract for the subsequent storage and safe keeping.

If a Council Officer or Supplier needs to sign contract documentation electronically, please speak to the Legal Business Unit for advice and guidance on the use of electronic signatures.

- 14.4 Exemptions must be approved by the Chief Executive, the Section 151 Officer, and the relevant Director. A copy of the form is available from Finance Services. The following are exemptions under these CPRs:

- 14.4.1 No genuine competition: proprietary or patented goods or services; requirement of such a specialist nature that it can genuinely only be fulfilled by one person or organisation; compatibility with existing goods or services is required and where those existing goods or services can only be sourced from the same supplier.

- 14.4.2 There is a sound business case and/or an independent review that there is no value for money in running a full procurement process. Supporting evidence will need to demonstrate market testing and enquiries to other suppliers. This must not be used to avoid competition or where decisions to procure have been postponed and there are insufficient timelines to procure.

- 14.4.3 Genuine emergencies: critical preventative or remedial work where there is a real and imminent risk to the safety of people or property arising from hitherto unforeseen ‘catastrophic’ events or incidents, for example fire, bombing, landslide etc.

- 14.4.4 Urgent Situations not of the Council’s own making: the urgency must have been reasonably unforeseeable (e.g., existing supplier going into liquidation) and genuinely be a case of time is of the essence. Urgency arising from the Council’s own making (e.g., lack of planning) shall not justify an exemption. Where this exemption is used, a compliant procurement must be implemented as soon as possible.

- 14.4.5 Collaborative/Joint Procurement: where another authority/public body is acting as the 'lead buyer' and provided that the Officer can demonstrate those arrangements comply with relevant Legislation and best practice.
- 14.4.6 Grants which the Council may receive or make except where the grant is the form of payment for a contract for services where the Council specifies the output or outcomes to be delivered. The awarding of grants by the Council or on behalf of the Council must be carried out under the principles of openness, fairness, non-discrimination, and value for money. Officers cannot choose to treat procurement as a grant in order to avoid conducting a competitive process. **This exemption cannot be used if the grant funding guidance states a procurement process must be conducted (such as ERDF funding); Officers must be fully aware of all requirements of the relevant funding body and ensure full compliance.** Please discuss with Welland Procurement before any exemption on this basis is requested.
- 14.4.7 Contracts for the execution of either mandatory works or provision of goods or services which must be provided by a Statutory Provider other than the Council. This includes but is not limited to public utility companies and other legal authorities.
- 14.5 All contracts must be added to the Contract Register (on ProContract) to ensure compliance with Transparency Regulations.
- 14.6 An award notice is required on Find a Tender Service for all Contracts with a [total value](#) of £20,000 or above. Welland Procurement is responsible for such award notices. Officers must formally advise Welland of the award details, so that they can publish the award notice.
- 14.7 A distinction must be made by the lead officer between contracts exempt from these Rules and contracts as defined as Exempt Contracts under Schedule 2 of the Procurement Act 2023 and advice must be sought from Welland Procurement in regard to this.
- 14.8 The publication of a Transparency Notice is required for all direct awards awarded under section 41 and 43 of the Procurement Act 2023. Officers must consult with and formally advise Welland regarding the direct award details so that Welland can publish a Transparency Notice.
- 15 Contract Management**
- 15.1 Contract Management**
- 15.1.1 The Contracting Officer must ensure that they add the Contract (where the contracting value is greater than £5,000) to the Central Contracts Register. This either being via Welland Procurement, where Welland have been involved in the procurement exercise, or Admin Services where not. A flow diagram describing this is included at appendix 3.

- 15.1.2 The named Contract Manager should be noted in the Contract Register. All contracts must have a named Contract Manager for the entirety of the contract and that Contract Manager is responsible for the application of these Rules.
- 15.1.3 For all contracts with a [total value](#) over £75,000, the Contract Manager must identify the risks by maintaining a suitable risk register and ensure that suitable contingency measures are in place.
- 15.1.4 During the life of the contract, the Contract Manager must monitor the overall performance of the contract closely in order to ensure any issues of underperformance are addressed as soon as possible and any areas of added value are identified as soon as possible.
- 15.1.5 Officers must ensure that the contracts for which they are responsible are effectively managed and monitored to ensure they deliver the requirement as intended. This must be in line with the Contract Management Toolkit which is available on the Intranet here.
- 15.1.6 Where a supplier intends to sub-contract, Officers must assess whether it is appropriate for the supplier to obtain quotations from locally based suppliers as part of this process.

## 15.2 **Variations**

- 15.2.1 In any case where a modification/variation (independently or cumulatively) means that the [total value](#) of a contract would exceed the relevant Public Procurement Threshold, or where there is any material change to the contract, the contract must be treated as a new procurement under these Rules.

If any modification/variation (independently or cumulative) means that the [total value](#) of a contract would exceed a threshold set out in these Rules, Officers must seek advice from Welland Procurement.

Officers need to consult the applicable procurement regime on making contract modifications which will depend on which regime the original contract was awarded pursuant to. For modifications under the Procurement Act 2023, highlight the new requirement to publish contract change notices (and copies of contracts for some procurements). Officers must seek advice from Welland Procurement.

- 15.2.2 A material change is one which:
- 15.2.2.1 Would have allowed the admission of other Bidders or the acceptance or another tender; or
  - 15.2.2.2 Extends the scope of the contract considerably to goods, services or works not initially covered by the Specification; or

- 15.2.2.3 Changes the economic balance in favour of the contractor in a manner not provided for in the procurement documents.
- 15.2.3 For clarity, a change will be deemed immaterial if the value of the modification is both below the relevant Public Procurement Threshold and below 10% of the original contract value (15% for works contracts).
- 15.2.4 All variations to contracts shall be in writing, following approval from the relevant Director or Business Manager.
- 15.2.5 All modifications/variations to a contract (that was originally above the [Public Procurement Threshold](#) and therefore advertised on OJEU or Find a Tender Service) must have a Modification Notice published. Please discuss this with Welland Procurement prior to any variation being entered.
- 15.2.6 Any novation of a contract is restricted by the Procurement Act 2023 which states that except as provided for in paragraph 9 of Schedule 8 (modification permitted on corporate restructuring), a contracting authority may not modify a public contract so as to change the supplier.

### **15.3 Extensions**

- 15.3.1 A contract should not be extended beyond its initial term unless the contract documents allow it (the potential extension option was advertised) and it complies with the Procurement Act 2023.
- 15.3.2 A Framework Agreement shall only be extended if the contract documents and framework allow, and the original term and extension together should not exceed four years except in exceptional circumstances.
- 15.3.3 Where a business need has been identified which means that a contract is required to be extended beyond the term permissible in the original contract documents, advice must be sought from Welland Procurement and the Council's Legal Business Unit in the first instance and authority sought from the Monitoring Officer or the Section 151 Officer if such an extension is proposed.

If any extension (independently or cumulative) means that the [total value](#) of a contract would exceed a threshold set out in these Rules, Officers must seek advice from Welland Procurement.

The Officer must be satisfied that such an extension would achieve value for money and be reasonable in all circumstances. The Officer must record the reasons for these conclusions in writing (i.e., the relevant decision record).

All extensions to a contract (that was originally above the [Public Procurement Threshold](#) and therefore advertised on OJEU or Find a Tender Service) must have a Modification Notice published. Please discuss this with Welland Procurement prior to any extension being entered.

## 16 The Appointment of Consultants to Provide Services

16.1 Consultants, including technical and management consultants, shall be selected, and commissions awarded, in accordance with the procedures detailed within these Contract Procedure Rules (relevant to the estimated [total value](#) of the consultancy contract). This includes, but is not limited to:

- Approvals obtained (as per [2.9](#) of this document)
- A compliant competitive procurement route being followed, as per the estimated total value of the consultancy contract
- Tender documentation being used as appropriate
- The formation of an outcome-based specification, which must cover the scope of the requirement i.e., the services to be supplied, the “where” and “when” they are to be supplied as well as any relevant performance and contract management details. A template is available on the [procurement portal](#)
- Terms and conditions, evaluation criteria and any relevant deadlines stated as part of the procurement process
- Evaluation carried out fairly, as per the relevant Rule of this document
- Carry out [due diligence](#), both at Contract Award, and for the duration of the Contract
- The resultant contract must be added to the Council’s Contract Register (on ProContract) to ensure compliance with Transparency Regulations. Officers must then provide the Legal Business Unit with any signed paper copies of the Contract for the subsequent storage and safe keeping
- An award notice is required on Find a Tender Service for all Contracts with a [total value](#) of £20,000 or above. If an Officer has managed the procurement process without assistance from Welland Procurement, they must formally advise them of the award details, so that they can publish the award notice

16.2 The engagement of a consultant shall follow the agreement of a brief that adequately describes the scope of the services to be provided (inclusive of ALL potential phases of work and associated costs) and shall be subject to completion of a formal letter or contract of appointment.

16.3 Consultants shall be required to provide evidence of, and maintain professional indemnity insurance policies to the satisfaction of the relevant Chief Officer after consultation with the Section 151 Officer or in his absence the Deputy Section 151 Officer for the periods specified in the respective agreement and any subsequent liability.

16.4 All consultancy appointments should clearly stipulate that the copyright in any report or other work or information created as a result of the contract shall be assigned by the contractor to the Council absolutely with full title guarantee.

- 16.5 It is the responsibility of the person arranging the consultancy contract to determine whether or not payments are to be made to the consultant's employer, to the consultant directly or to a personal service company (PSC; this is a limited company owned by the consultant and is commonly used to reduce tax and National Insurance liability). If payment is to be to the consultant personally or through a personal service company, advice must be sought from the Section 151 Officer and the Business Manager – HR and Training before any appointment is made.

**17 Bonds and Parent Company Guarantees**

- 17.1 The Contract Officer should, prior to the tender documentation being published, decide whether a performance bond or a parent company guarantee is applicable for the contract.
- 17.2 The Contract Officer must consult the Section 151 Officer about whether a Bond or Parent Company Guarantee would be necessary where the total value exceeds £75,000. This must be determined prior to any procurement process, so that the requirement can be included in the terms and conditions for the contract.
- 17.3 Where security is considered to be appropriate and required, the Contract Officer, in consultation with the appropriate officers, shall specify in the tender the nature and amount of the security to be given. This as a minimum shall be at least 10% of the total value of the contract.
- 17.4 The security shall be obtained by the contractor in a format, and from an institution or bank approved by the Section 151 Officer.

**18 Certificates/Interim Payments**

- 18.1 No certificate of work performed on a contract shall be raised prior to the signing of the contract, subject to compliance with appropriate contract conditions. Any exceptions to this requirement must be approved by the Monitoring Officer and the Section 151 Officer.
- 18.2 Interim payments to contractors shall only be made by the Section 151 Officer or his nominated Officer on receipt of an approved form of certificate signed by an authorised Officer.
- 18.3 Where a performance bond is required for a contract, no payment is to be made until the bond has been received. Any exceptions to this requirement must be approved by the Monitoring Officer and the Section 151 Officer.
- 18.4 Any contractual retention monies shall be deducted from payments in accordance with contract conditions.

Appendix 1: Definitions

|                       |  |
|-----------------------|--|
| Agent(s)              | A person or organisation acting on behalf of the Council, or on behalf of another organisation.  |
| Award Criteria        | The criteria used by the Council to evaluate a Bidder's submission against the needs identified within the specification to determine the successful tender.   |
| Award Notice          | A notice published on Find a Tender and/or Find a Tender Service which provides details of the winning bidder and the <a href="#">total value</a> of the contract. Award notices are required to be published on Find a Tender Service for all procurements with a <a href="#">total value</a> at £20,000 or above.  |
| Bidder                | An individual or organisation who submits a tender or quotation in a competitive procurement process.  |
| Bond                  | An insurance policy: If the Economic Operator does not do what it has promised under a contract with the Council, the Council can claim from the insurer the sum of money specified in the Bond (often 10% of the Total Contract Value). A Bond is intended to protect the Council against a level of cost arising from the Economic Operator's failure.         |
| Candidate             | An individual or organisation that has sought an invitation or has been invited to take part in a restricted procedure, a competitive procedure with negotiation, a negotiated procedure without prior publication, a competitive dialogue, or an innovation partnership.  |
| Conflict of Interest  | The concept of conflicts of interest shall at least cover any situation where relevant staff members have, directly or indirectly, a financial, economic, or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.   |
| Constitution          | The Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to make sure these are efficient, transparent, and accountable to local people.   |
| Contract              | A legal document that states and explains a formal agreement between two different parties.  |
| Contracting Authority | Has the definition contained within the Procurement Act 2023 . It means the State, regional or local authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, and includes central government authorities, but does not include Her Majesty in her private capacity. |

|                                   |  |
|-----------------------------------|--|
| Contract Management               | Is the process of managing contract creation, execution, and analysis to maximise operational and financial performance at an organisation, all while reducing financial risk.   |
| Contract Register                 | A register that stores details of the Council’s Contracts, including duration and expiry dates. All Contracts with a <a href="#">total value</a> of £5,000 and above must be entered onto the register.  |
| Contract Term                     | The length of the contract including the initial term and any extension periods proposed.  |
| Council                           | Newark & Sherwood District Council.  |
| Dynamic Purchasing System (DPS)   | Is similar to an electronic framework agreement, with two exceptions, new suppliers can join at any time, and it is to be run as a completely electronic process.  |
| Economic Operator                 | A contractor, a supplier, or a service provider. Any person who offers on the market supplies, services, or works and who sought, who seeks, or who would have wished to be the person to whom a public contract is awarded. In this document Economic Operators are not yet active in the procurement process. If they are active in the process, they will be named Bidders in this document.  |
| Electronic Tendering (eTendering) | A secure means to store and transmit all Procurement Documentation via a secure electronic vault (ProContract).  |
| Evaluation                        | The process of assessing received tenders or quotations against the published criteria to identify the winning bidder, i.e., the bidder with the highest evaluation score. Any subjective evaluation (such as quality) must be carried out independently by a minimum of two evaluators (preferably three), and then moderated by an independent moderator to reach a final agreed score. The evaluators should be fully briefed on the evaluation process. The ‘Conflict of Interest Declaration – Confidentiality Agreement’ on the <a href="#">procurement portal</a> gives further guidance on evaluation principles and best practice. Welland Procurement can act as the independent moderator but cannot undertake any scoring. |
| Exemption                         | An act or instance of waiving a right to obey these Rules.   |
| Extension (contract)              | An additional period identified within the contract, beyond the initial term which may be used to lengthen the contract term.  |
| Find a Tender                     | An e-notification service which has replaced OJEU, used to post, and view public sector procurement notices.   |

|                                |   |
|--------------------------------|---|
| Framework Agreement            | A framework is an agreement established on behalf of multiple public bodies with multiple suppliers to establish terms governing contracts that may be awarded during the life of the framework agreement. It is a general term for agreements that set out terms and conditions for making specific purchases (call-offs).   |
| Goods                          | Tangible products that satisfy a need.  |
| Initial Term                   | The initial period of a contract; this may be subsequently extended.  |
| Legislation                    | The Procurement Act 2023, the Procurement Regulations 2024 and all other applicable legislation governing public procurement as enacted from time to time.  |
| Locally Based Suppliers        | Those suppliers that have a post code for their head office of NG or LN.  |
| OJEU                           | The Official Journal of the European Union.   |
| Parent Company Guarantee       | A contract which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the Council, they can require the parent company to do so instead.   |
| Personal Data                  | Any information relating to an identified or identifiable natural person ('data subject'); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. |
| Procurement                    | Procurement is the process of finding, agreeing terms and acquiring goods, services or works from an external source, often via a tendering or competitive bidding process.   |
| Procurement Documentation      | The full suite of procurement documents required to undertake a compliant procurement process. Includes (but not limited to); SQ, Specification, ITT, Terms and Conditions, TUPE information and Form of Tender.  |
| Procurement Toolkit            | A document containing best practice guidance to support Officers in their commercial activity.  |
| Proportionate/ Proportionality | Operating in a way that ensures that all aspects of a tender process and contract management including; timescales, specifications, Suitability Criteria, evaluation process and Award Criteria correspond to the size, complexity, risk, and value of the requirements of the procurement and/or contract.   |
| Public Procurement Procedure   | A procurement process where the <a href="#">total value</a> exceeds the relevant Public Procurement Threshold and so governed by the Procurement Act 2023 and The Procurement Regulations 2024.   |

|   |  |
|---|--|
| Public Procurement Threshold                        | The threshold above which a statutory procedure must be carried out. There are thresholds for goods/services, works and concessions. The current thresholds are contained within <a href="#">Appendix 2</a> .  |
| Publicly Available Contract                         | A contract that has been let by another Contracting Authority and which is available for use by the Council. The Council must have been named specifically or generally within the procurement documentation in order to enable access.  |
| Quotation   | A formal statement setting out the estimated cost for a particular job or service.   |
| Services  | A valuable action, deed, or effort performed to satisfy a need or to fulfil a demand.  |
| Specification                                       | An exact statement of the needs to be satisfied, or essential characteristics that a customer requires (in a good, material, method, process, service, system, or work) and which a bidder must deliver.<br><br>The specification must cover the scope of the requirement i.e., the goods, services or works to be supplied, the “where” and “when” they are to be supplied as well as any relevant performance and contract management details. A template is available on the <a href="#">procurement portal</a> . |
| Standard Suitability Questions/Questionnaire        | The set of standard suitability or selection questions referred to in <a href="#">PPN 08/16</a> which must be used in all advertised procurements.   |
| Selection Questions/Questionnaire                   |  |
| Successful Supplier/ Supplier/ Contractor/ Provider | An Economic Operator who is contracted to provide services.  |
| Tender  | A written invitation sent to potential suppliers of a good or service to inform them about the information required for the buyer to choose between them.  |
| Terms and Conditions                                | General and special arrangements, provisions, requirements, rules, specifications, and standards that form an integral part of an agreement or contract.   |
| <a href="#">TUPE</a>                                | Stands for the Transfer of Undertakings (Protection of Employment) Regulations 2006. TUPE regulations ensure the rights of employees are transferred along with the service.   |
| Value for Money                                     | Where quality and cost combine to produce a service which meets technical and customer requirements, at an acceptable level of expenditure in the prevailing budgetary constraints, for an acceptable level of quality.  |
| Variation   | A modification to the scope, term and economic balance in favour of the supplier of a Contract. The limitations of   |

|                  |  |
|------------------|--|
|                  | s.74 of the Procurement Act 2023 should be borne in mind when varying a contract.  |
| Whole Life Costs | The total cost of ownership over the whole length of the contract and sometimes beyond.  |
| Works            | As defined by the Procurement Act 2023 and The Procurement Regulations 2024 . Means means any of the activities coming within a CPV code listed in <a href="#">Schedule 3 The Procurement Regulations 2024</a> . |

**Appendix 2: Variable Information**

The following information is subject to change and may be updated as changes occur by the relevant Director.

Further Documentation and Guidance

Available to Council Officers on the Welland Portal:

- Procurement Toolkit
- Procurement Initiation Document
- Roles and Responsibilities
- Risk Register
- A Guide to Tender Evaluation
- Electronic Tender Opening Procedures
- 2020 Guide to Contract Management
- Conflict of Interest – Confidentiality Agreement
- Awarding a Contract via a Framework Agreement
- Tender Timetable Planner
- Specification Template
- Quotation Documents (One and Four)
- Further Competition Documents (One and Four)
- Award Letter Templates
- Modification Notice Template
- Find a Tender Service Award Notice Template
- TUPE Templates
- Evaluator Schedule Templates

Public Procurement Thresholds

Details of the current Public Procurement thresholds can be found on [Proactis](#).

The Cabinet Office have revised the threshold figures, which came into force on 1<sup>st</sup> January 2022. These revised thresholds will not apply to any procurement which has commenced prior to the Regulations coming into force.

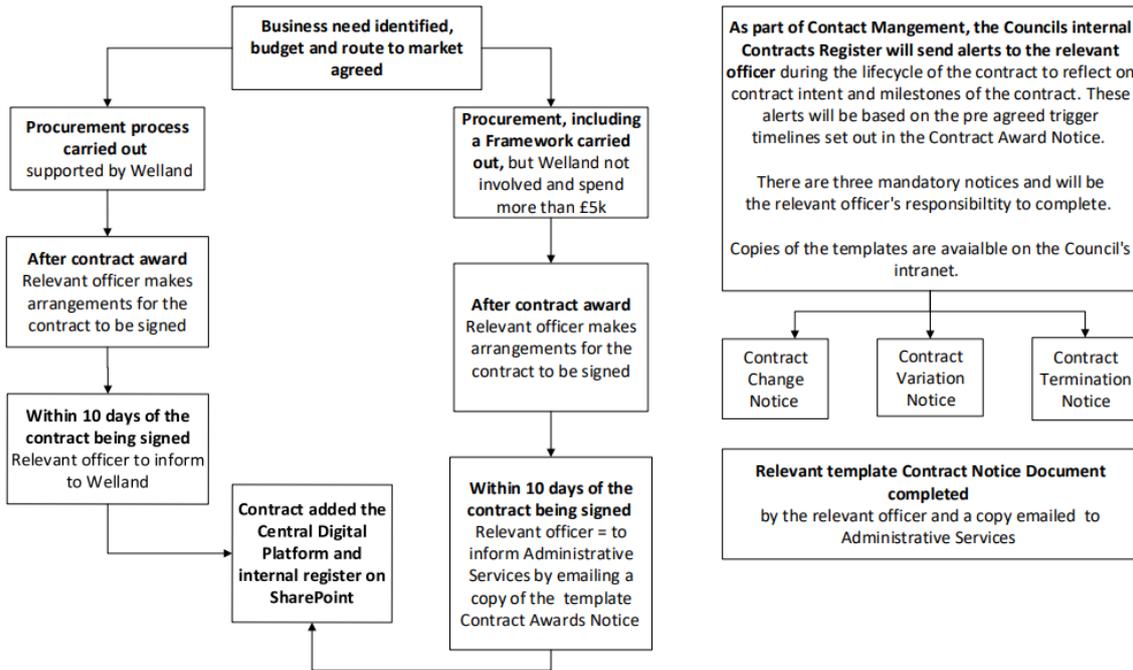
**The proposed new threshold amounts include VAT; therefore you must check whether your commercial activity is above/below this threshold with Welland Procurement prior to any procurement process being conducted.**

Welland Procurement

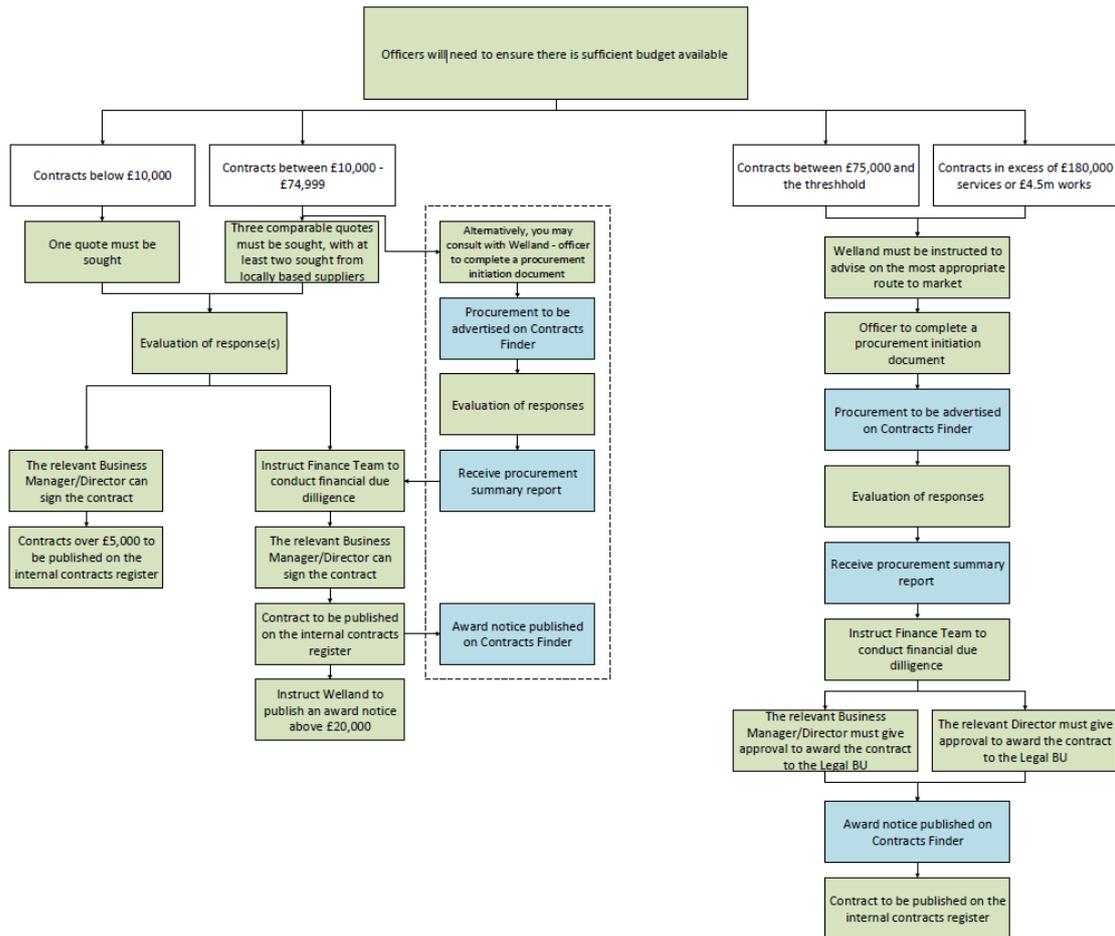
| Name                          | Job Title          | Contact Information  |
|-------------------------------|--------------------|--|
| Head of Procurement           | Mark Fisher        | <a href="mailto:mfisher@melton.gov.uk">mfisher@melton.gov.uk</a>                       |
| Deputy Head of Procurement    | Charlotte Highcock | <a href="mailto:chighcock@melton.gov.uk">chighcock@melton.gov.uk</a>                   |
| General Procurement Enquiries |                    | <a href="mailto:wellandprocurement@melton.gov.uk">wellandprocurement@melton.gov.uk</a> |

Appendix 3: Contract Register Updates

Once you have let a contract, as per the Council's CPRs, all spend of £5k and above needs to be captured on the Contracts Register. The Council is operating two Contracts Register, one internally on SharePoint and externally, as per the new Procurement Regulations 2024, on the Central Digital Platform. It is important that the Council records our contracts and the most up to date information about them.



Appendix 4: Responsibilities





Report to: Audit and Governance Committee 7 May 2025

Director or Business Manager Lead: Nick Wilson, Business Manager – Financial Services

Lead Officer: Nick Wilson, Business Manager - Financial Services

| Report Summary                   |   |
|----------------------------------|---|
| <b>Report Title</b>              | Review of Financial Procedure Rules   |
| <b>Purpose of Report</b>         | To review the Council's Financial Procedure Rules, approve the revisions where appropriate and recommend to Council for adoption.                           |
| <b>Recommendations</b>           | That members consider and comment upon the revised Financial Procedure Rules and recommend to Council for approval.   |
| <b>Reason for Recommendation</b> | In order to ensure that the Financial Procedure Rules have been cyclically reviewed, are fit for purpose and ensure they are robust whilst being practical. |

## 1.0 Background

- 1.1 Financial Procedure Rules (FPRs) set out the principles, roles and processes involved in Finance at the Council.
- 1.2 Financial Procedure Rules were last reviewed in May 2022 when the Council adopted the Cabinet system of Governance, hence they are due for a review and refresh.

## 2.0 Proposals

- 2.1 The FPRs have been reviewed in conjunction with the S151 Officer to update where appropriate and clarify relevant sections.
- 2.2 There have been no material changes to the FPRs as a result of this review.

## Background Papers and Published Documents

NIL



**NEWARK &  
SHERWOOD**  
*DISTRICT COUNCIL*

## **FINANCIAL REGULATIONS**

Revised: May 2025

Next revision due: March 2028

**FINANCIAL REGULATIONS**

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## **1. GENERAL**

### **1.1 Notice to All Employees**

- (i) These Financial Regulations provide the framework of controls and standards necessary to achieve the proper administration of the Council's financial affairs. Financial Regulations are designed to safeguard the interests of the Council, its Members and its employees. They apply to all elected members (Members), employees, and temporary and agency staff and to all transactions of the Council.
- (ii) All Members and officers have a responsibility for taking reasonable action to provide for the security of the assets under their control and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
- (iii) The Council expects the highest standards of financial probity from its officers and Members. The Section 151 Officer may report any breach of Financial Regulations to Cabinet or if sufficiently serious, direct to full Council. Any failure to comply with these Regulations may result in action being taken in accordance with the Council's disciplinary procedures or in the case of Members referred to the Audit and Governance Committee. If you have any doubt on their meaning or interpretation, it is advised that you contact the Section 151 Officer.
- (iv) It is the responsibility of officers to ensure that they have the necessary knowledge of the Council's Financial Regulations to enable their duties to be undertaken to meet the requirements of these regulations.
- (v) These Financial Regulations supersede all previous versions.
- (vi) If after reading these regulations you require further guidance or clarification, or if you are not sure how best to comply with the regulations then please contact your Line Manager, Financial Services or the Head of Internal Audit.

## **2. INTRODUCTION**

### **2.1 Complementary Factors**

2.1.1 These Financial Regulations form part of the Constitution and are complementary to:

- (i) Any current or future legislation, and shall not be considered to over-ride any such legislation affecting the functions of the Council;
- (ii) The Council's Standing Orders;
- (iii) The Council's Contract Procedure Rules;
- (iv) Any EU Public Procurement Directives;
- (v) The Codes of Conduct for Members and Officers;
- (vi) The Information Technology Regulations (for all matters relating to Information

Technology).

- (vii) The Council's Anti-Fraud Strategy.
- (viii) The Council's Guidance for Dealing with Irregularities.
- (ix) The Council's Whistleblowing Policy.
- (x) Appropriate Guidance Notes issued by the Section 151 Officer

2.1.2. The above documents shall be considered to have the force of financial regulations for all their related matters. This shall also include any related subsidiary regulations.

## 2.2 **Financial Implications of Proposals and Reports to Members**

2.2.1 No item having financial consequences shall be placed on a Council, Cabinet or Committee agenda without obtaining the financial implications and reference number from the Section 151 Officer. Any report containing new proposals shall include an independent financial assessment by the Section 151 Officer. This extends to all reports tabled at the Council's Senior Leadership Team (SLT).

2.2.2 In general, reports requiring comments of the Section 151 Officer shall be presented to the Financial Services Business Unit a minimum of 3 working days prior to the publication of the agenda for the agenda meeting for the relevant Council, Cabinet or Committee meeting.

2.2.3 Where there are significant financial implications it is a requirement that the Financial Services Business Unit will be involved in the development of the proposals.

## 2.3 **Availability**

2.3.1 A copy of these Financial Regulations shall be made available to Members, Officers and members of the public at all reasonable times.

## 2.4 **Compliance**

2.4.1 SLT and Business Managers shall be responsible for ensuring that these Financial Regulations are complied with and are available to all employees within their areas of responsibility.

## 3. **DEFINITIONS**

### 3.1 **Terms**

- (i) The term Council shall be deemed to include reference to Cabinet, Portfolio Holders or Officers acting in accordance with delegated authority on behalf of the Council.
- (ii) Where legislation and regulations are referred to in these Financial Regulations, they are deemed to refer to the latest statutory and regulatory requirements.
- (iii) The term Chief Executive relates to the Head of Paid Service for the Council.
- (iv) The term Section 151 Officer relates to the Director – Resources/Deputy Chief Executive (the Responsible Financial Officer). This is a statutory officer appointed by Full Council to have responsibility for the financial affairs of the Council as required by Section 151 of the Local Government Act 1972.

- (v) The term Deputy Section 151 Officer relates to the officer nominated by the Section 151 Officer to undertake the Section 151 responsibilities in the absence of the Section 151 Officer.
- (vi) The term Director relates to Corporate Directors, who form the Strategic Leadership Team (SLT).
- (vii) The term Monitoring Officer relates to the officer appointed by the Council as required by the Local Government Housing Act 1989.
- (viii) The term Duly Authorised Officer relates to an officer with delegated authority from the relevant Business Manager.
- (ix) The term Head of Internal Audit relates to the officer appointed by the contractor in consultation with the Section 151 Officer.

#### **4. LEGAL RESPONSIBILITIES**

##### **4.1 Local Government Act 1972 Section 115 - Legal Responsibilities of Officers**

##### **4.1.1 Officers employed by the Council have a legal responsibility under Section 115 of the Local Government Act, which states that:**

“Every Officer employed by a Local Authority, whether under this Act or any other enactment, shall at all times during the continuance of his office, or within three months after ceasing to hold it, and in such manner as the Local Authority directs, make out and deliver to the Authority, or in accordance with their directions, a true account in writing of all money and property committed to his charge, and of his receipts and payments, with vouchers and other documents and records supporting the entries therein, and a list of persons from whom or to whom money is due in connection with his office, showing the amount due from or to each”.

##### **4.1.2 Every such officer shall pay all money due from him/her to an officer designated by the Section 151 Officer or in accordance with their directions.**

##### **4.2 Local Government Act 1972 Section 117(1) & (2) - Disclosure by Officers of Pecuniary Interest in Contracts.**

##### **4.2.1 Staff involved in contract and purchasing procedures shall be aware of the provisions of section 117(1) of the Local Government Act 1972 concerning the disclosure by officers of pecuniary interests in contracts. This provides that “if it comes to the knowledge of an officer employed whether under this Act or any other enactment by a Local Authority that a contract in which he/she has a pecuniary interest, whether direct or indirect, (not being a contract to which he/she is a party), has been or is proposed to be entered into by the Authority, he/she shall, as soon as practicable, give notice in writing to the Authority of the fact that he/she is interested therein”. An indirect pecuniary interest for these purposes is as follows:**

- (a) If the officer or any nominee of the officer is a member of a company or other body with which the contract was or is proposed to be made.
- (b) If the officer is a partner or is in the employment of a person with whom the contract is, or is proposed to be made.

- (c) In the case of married persons or partners, the interests of one partner, if known to the other, is deemed to be the interest of the other spouse.

Appropriate officers will be required to complete a declaration form covering any related third party transactions on an annual basis.

The clause above shall also refer to contracts relating to either of the Council's wholly owned companies Active4Today Ltd and Arkwood Developments Ltd.

- 4.2.2 Section 117(2) states that "an officer of a Local Authority shall not under colour of his office or employment, accept any fee or reward whatsoever, other than his proper remuneration".
- 4.2.3 Any Officer who has any direct or indirect pecuniary interest in any contract, or is offered any fee or reward, whether or not it is accepted, shall notify the Chief Executive, who shall enter such details into a central register maintained for such purposes. Any person who fails to comply with Section 117(1) and (2) may render themselves liable to a fine.
- 4.2.4 Section 117(4) states that "References to a local authority shall include references to a joint committee appointed under part VI of the Act or any other enactment".
- 4.3 **Local Government Act 1972 Section 151 - Officer Responsible for Financial Administration.**
  - 4.3.1 Under Section 151 "every Local Authority shall make arrangements for the proper administration of their financial affairs, and shall secure that one of their officers (who in accordance with the Local Government and Housing Act 1989 (Section 6 paragraph 3) must be a member of one or more of the Accountancy Bodies specified in the Act), has responsibility for the administration of those affairs".
  - 4.3.2 The Council has appointed the Director – Resources/Deputy Chief Executive as the Section 151 Officer (the Responsible Finance Officer). Under the Accounts and Audit Regulations 2006, the Section 151 Officer is responsible for determining the accounting systems and the form of accounts and supporting records. This officer shall also ensure that all such determinations are observed, and that the accounts and supporting records are kept up to date.
- 4.4 **Local Government Finance Act 1988 Section 114 - Reporting under Part VIII: Responsibility of the Section 151 Officer.**
  - 4.4.1 A requirement is placed upon the Section 151 Officer by Section 114(1) of the Local Government Act 1988 to make a report to the Council in certain circumstances where there is the possibility of an illegal payment, or of spending exceeding resources available.
  - 4.4.2 Making a report falls under two Sections. Section 114(2) states that the Section 151 Officer is required to decide that an act or omission is or could be unlawful.
  - 4.4.3 Under Section 114(2) the duty to send the report starts a "21 day clock" whereby the Council is required to hold a meeting within this time and until this is done, must

refrain from the course of action reported.

4.4.4 Section 114(3) requires the Section 151 Officer to issue a report in cases of an unbalanced budget - real or potential. This report is also subject to the procedure described in 4.4.3 above.

4.4.5 In the absence of the Section 151 Officer the duties referred to at 4.4.1 to 4.4.4 shall be performed by the officer acting as the Deputy Section 151 Officer.

## **5. RESPONSIBILITIES/REGULATORY ROLES**

### **Council**

5.1.1 Council is responsible for setting the Council's annual General Fund Budget and Council Tax.

5.1.2 Council is responsible for the setting of the Council's Housing Revenue Account (HRA) budget and the annual rent.

5.1.3 Council is responsible for approving the Council's Medium Term Financial Plan and the 30 year HRA Business Plan.

5.1.4 Council is responsible for approving the Treasury Strategy, Investment Strategy and Capital Strategy.

5.1.5 Council is responsible for setting the Capital budgets for both the General Fund and the HRA.

### **5.2 Cabinet**

5.2.1 Cabinet are responsible for monitoring the in-year forecast outturn against the budget as part of the performance framework.

5.2.2 To recommend to Council the annual General Fund and HRA budgets for consideration and approval.

5.2.3 To recommend to Council the Medium Term Financial Plan for consideration and approval.

5.2.4 To recommend to Council the HRA 30 year Business Plan for consideration and approval.

5.2.5 To recommend to Council the Capital Programme for both the General Fund and the HRA.

### **5.3 Audit and Governance Committee**

5.3.1 The Audit and Governance Committee are responsible for the approval of the Annual Statement of Accounts.

5.3.2 To recommend to Council the Treasury Strategy, Investment Strategy and Capital

Strategy.

#### 5.4 Section 151 Officer

- (i) Under Section 151 “every Local Authority shall make arrangements for the proper administration of their financial affairs, and shall secure that one of their officers (who in accordance with the Local Government and Housing Act 1989 (Section 6 paragraph 3) must be a member of one or more of the Accountancy Bodies specified in the Act), has responsibility for the administration of those affairs”.
- (ii) Under the Accounts and Audit Regulations 2006 (as amended), the Section 151 Officer is responsible (under the control and general direction of Cabinet and in accordance with the Accounts and Audit Regulations 2006 (as amended)) for the accounts and finances of the Council, including determining the accounting systems and the form of accounts and supporting records. This officer shall also ensure that all such determinations are observed, and that the accounts and supporting records are kept up to date.
- (iii) The Section 151 Officer shall have regard to any statutory guidance issued by the appropriate Secretary of State and professional guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- (iv) The Section 151 Officer shall advise the Council on all financial matters.
- (v) The Section 151 Officer shall present annually to the Council detailed estimates of the Council's income and expenditure for the following financial year and shall provide a risk assessment of the Council's proposed budget.
- (vi) The Section 151 Officer shall also present to the Audit and Governance Committee, after the close of each financial year, a Statement of Accounts in accordance with the latest Accounts and Audit Regulations. The Accounts of the Council shall be submitted to the Council's External Auditor.
- (vii) Under the Accounts and Audit Regulations 2006 (as amended), the Council is responsible for maintaining an adequate and effective system of Internal Audit covering financial and all other operations of the Council and also require any Officer or Member of the Council to make available such documents as appear necessary for the purpose of the audit together with such information and explanation considered necessary for that purpose. This function is discharged through the Section 151 Officer together with The Senior Leadership Team.
- (viii) The Section 151 Officer shall periodically present to Cabinet and the Audit and Governance Committee, budgetary control statements showing performance against the approved estimates of revenue expenditure and income. The appropriate Business Manager will report on any major variances from planned budget performance.
- (ix) Notwithstanding the information available on the on-line Financial Information System, the Section 151 Officer shall supply to Business Managers, by arrangement, such cost and other financial statements as may reasonably be required in the interests of financial control and general management. The

production of additional financial and statistical information shall also be maintained, as considered necessary by the Section 151 Officer, to provide efficient overall management control.

- (x) The Section 151 Officer, in consultation with SLT, shall review the Financial Regulations periodically and shall have regard to their relevance and practical application in changing circumstances. A motion to add to, vary or revoke these Financial Regulations shall, unless the addition, variation or revocation has previously been considered by Cabinet, stand adjourned to the next meeting of the Council when the motion shall proceed whether or not it has been considered.

## **5.5 Internal Audit**

5.5.1 The Council will comply with the current Accounts and Audit Regulations, the Public Sector Internal Audit Standards and the CIPFA Code of Practice for Internal Audit in Local Government and shall maintain an adequate and effective system of Internal Audit of the accounts and other operations of the Council.

5.5.2 The Head of Internal Audit shall be responsible for the operation of the internal audit function, agreed with the Section 151 Officer covering financial and all other operations of the Council and value for money studies as required, considering the efficient, effective and economic use of resources. The Head of Internal Audit shall periodically report to SLT and the Section 151 Officer and will provide reports to the Audit and Governance Committee on progress made concerning on-going investigations and reviews and audits completed.

5.5.3 The Section 151 Officer or his authorised representative shall have authority for the purpose of the Internal Audit function to:

- (i) Enter any Council premises or land at all reasonable times.
- (ii) Have access to all records, documents, files (including information held electronically) and correspondence relating to any financial and other business of the Council which the Section 151 Officer considers necessary to fulfil his duties under S151 of the Local Government Finance Act 1972. No record shall be removed by audit staff without notification to the appropriate Business Manager, or relevant senior officer. This authority also shall apply to all records, documents and files maintained by any subsidiary of the Council, and the Mansfield & District Crematorium.
- (iii) Require and receive such explanations as are necessary concerning any matter under examination, and
- (iv) Require any employee of the Council to produce cash, stores or any other Council property under his control.

5.5.4 Each Director or Business Manager is responsible for ensuring that action is implemented in response to Internal Audit's agreed recommendations in accordance with the agreed timescale. Where an Internal Audit recommendation is not accepted a written explanation and acceptance of the consequent risk must be provided by the Business

Manager and reported to the Section 151 Officer. Such an explanation may be reported to the Audit and Governance Committee.

5.5.5 The Section 151 Officer, or his nominated officer shall:

- (i) Approve any new systems for the maintenance of financial records, or records of assets or any changes to such systems.
- (ii) Be notified by Business Managers of any plans for transferring staff duties in order to allow for the examination of the implications as regards internal control (e.g. authorisation, separation of duties etc.)

## 5.6 **Business Managers**

5.6.1 In addition to the general responsibilities described elsewhere in this document, Business Managers will be responsible for certifying on an annual basis the necessary requirements to enable the Section 151 Officer to complete the Council's Annual Governance Statement and Letter of Representation to the Council's External Auditor.

## 6. **FINANCIAL MANAGEMENT**

### 6.1 **Financial Consultation**

There will be consultation between Business Managers and the Section 151 Officer, or his/her delegated officers from the Financial Services Business Unit, on any matters concerning the following:

- (i) Preparation and submission of estimates of Council expenditure and income.
- (ii) Preparation of estimates for any external body or partnership e.g. County Council, Government Departments etc., the purpose being the adequacy and accuracy of the estimates.
- (iii) It will be the responsibility of the relevant Business Manager to ensure that any report presented to Cabinet or any other constituted party of the Council or to the Council which has financial implications shall include the Section 151 Officer's observations (See Section 2.2).
- (iv) Proposals for and methods of financing specific expenditure not included in the approved estimates, together with means of approval for such expenditure where this is not otherwise stipulated.
- (v) Proposals to reduce or cancel income included in approved estimates.
- (vi) Applications, bids or submissions by the Council for grant aid or any external funding or spending power from outside bodies. Consultation must take place before submitting any such proposal to an outside body.
- (vii) Proposals to enter into any joint working arrangement with another local authority or other partner.

No financial matter under headings 6.1 (i) to (vii) above shall be concluded **without consultation with the Section 151 Officer**.

## 6.2 Financial Planning and Control

A major project, as defined by the Council's Senior Leadership Team (SLT), cannot proceed until a project plan is submitted to SLT and approval is received, followed by approval from Members where appropriate.

### 6.2.1 Process for Developing the General Fund and HRA Revenue Budget

The process for developing the budget is set out as part of the Budget Strategy reported to Cabinet each year.

### 6.2.2 General Fund and HRA Revenue Budgetary Control

6.2.2.1 Business Managers are responsible for monitoring and regulating the financial performance of their appropriate service throughout the financial year using the Council's online financial management system and performance information provided by the Section 151 Officer. Where budgets are delegated to Budget Holders they are charged with the same responsibility.

6.2.2.2 The Section 151 Officer will provide performance monitoring information on a monthly basis.

6.2.2.3 Cabinet will receive a consolidated report detailing the whole Council performance quarterly. This will also be presented to the Audit and Governance Committee and the Policy, Performance Improvement Committee.

6.2.2.4 Where it appears that the amount included under any head of the approved budget is likely to be exceeded or the budgeted amount of income under any head is unlikely to be reached then budget officers are required to find savings elsewhere in their budget. Variations over £100,000, where savings cannot be identified, the Business Manager must consult with the Section 151 Officer and ultimately take a report to Cabinet.

6.2.2.5 The Section 151 Officer shall be entitled to receive from each Business Manager such information as he/she requires in relation to the annual amount of income achieved and expenditure incurred for inclusion in the Council's annual Statement of Accounts.

6.2.2.5 The Section 151 Officer shall report to the Audit and Governance Committee and Cabinet on the accounts of each financial year as soon as is practicable, and in accordance with the Accounts and Audit Regulations applicable at the time.

### 6.2.3 Capital Estimates

(i) New schemes must be accompanied by the appropriate Appraisal forms, and will by an agreed date, be scored together to form a list to be approved by SLT before proceeding to the committed Capital Programme (to be approved by Council).

(ii) Cabinet Portfolio Holders may, via the Director of the service, recommend capital schemes to Cabinet for inclusion within the Council's Capital Programme. Any

schemes that are recommended, must go through the process detailed at 6.2.3 (i) prior to being included within the committed capital programme.

- (iii) In November each year SLT will review a list of proposed schemes for inclusion in the Cabinet report for the February meeting together with capital financing proposals.
- (iv) Cabinet shall consider any recommendations arising from consultation with Members and will submit recommendations to the Council for the approved Capital Programme for the following four years, or such other period as the Section 151 Officer advises.
- (v) The Council shall in February for the HRA and March for the General Fund, of each year, by simple majority, determine the Council's Capital Programme, having considered the proposals recommended by Cabinet.
- (vi) Following approval of the Council's Capital Programme the appropriate Business Managers are authorised to incur expenditure in respect of all schemes included in the committed Capital Programme unless otherwise directed by Cabinet or the Section 151 Officer.
- (vii) The Section 151 Officer is authorised to arrange the financing of the Capital Programme so as to maximise the resources available to the Council, having regard to the provisions of the Local Government and Housing Act 1989 or subsequent relevant legislation.
- (viii) The Section 151 Officer is authorised to make any necessary adjustments to the Capital Programme that arise at year-end due to slippage and report these retrospectively to Cabinet.
- (ix) Any favourable variances identified within the approved committed Capital Programme must be reported to Cabinet. Any internal funding that has not been required will therefore be available for funding other capital schemes.
- (x) No third party funding or grant aid may be accepted where matched funding is required until the source of the matched funding has been identified and approved by the Cabinet
- (xi) Any scheme involving matched funding that is not received must be reported to Cabinet for consideration of whether additional funding should be allocated in order to continue with the scheme.
- (xi) The Section 151 Officer will report periodically to Cabinet on any variations to the Capital Programme for approval.
- (xii) The Section 151 Officer is required to take all necessary steps to implement the committed Capital Programme and is authorised, in the event of slippage, to bring forward schemes from the following year provided that this does not increase the total commitment and that such changes are reported to Cabinet retrospectively.

- (xiii) No schemes worth less than £15,000 will be added to the Capital Programme as the Council's de minimus limit is set at £15,000 in line with paragraph 9.5.4.
- (xiv) In-Year additions to the Capital Programme will need to be approved by Cabinet.

#### 6.2.4 **General Fund and HRA Capital Programme Monitoring**

- 6.2.4.1 The monitoring of the overall Capital Programme, with regard to the monitoring of funding, progress, variations, amendments etc. is the responsibility of the Section 151 Officer who can delegate to an appropriate working group.
- 6.2.4.2 Regular reports will be made to Cabinet on the overall progress of the Capital Programme.
- 6.2.4.3 It is the individual Business Manager's responsibility to exercise control over any capital schemes within their remit and to report any possible significant variations which may arise to the Section 151 Officer.

#### 6.3 **Variation of Estimates – General Fund and HRA Revenue**

- 6.3.1 The object should be to avoid the transfer of estimates and this is best achieved by sound and detailed estimating together with the accurate coding of expenditure during the year in accordance with the provisions made.
- 6.3.2 Where it is desired to transfer funds between budget cost headings, the following procedure shall be adopted and the Financial Services Business Unit is informed in every case, to effect the necessary amendments in the Council's Financial Management System:
  - a) **Where the transfer of budget is managed within a cost centre**, this can be approved by the Business Manager.
  - b) **Where the transfer of budget is within more than one cost centre within a Business Unit**, this can be approved by the Business Manager up to an annual cumulative limit of £25,000. Between £25,000 and £50,000 this should be approved by the Director responsible for the Business Unit in consultation with the S151 Officer.

Cumulative transfers from a cost centre in excess of £50,000 up to £100,000 should be approved by the relevant Portfolio Holder(s) of the service in consultation with the relevant Director and the s151 Officer.

Any transfers above £100,000 should be approved by the Portfolio Holder for Finance in consultation with the relevant service Portfolio Holder(s) and the s151 Officer (having also been approved by the relevant director).

- c) **Where the transfer of budget is between Business Units within a Directorate**, this can be approved by the relevant Director up to a cumulative limit of £50,000 in consultation with the S151 Officer.

Cumulative transfers within a Directorate, between Business Units in excess of £50,000 up to £100,000 must be approved by the Portfolio Holder for Finance in

consultation with S151 Officer (having been previously approved by the relevant Director).

Any cumulative transfers in excess of £100,000 must be approved by Cabinet.

- d) **Where the transfer of budget is between Directorates**, up to £50,000 this can be approved by the relevant Directors, in consultation with the S151 Officer.

Between £50,000 and £100,000 this must be approved by the Portfolio Holder for Finance in consultation with the S151 Officer and the relevant Directors.

Any individual request above £100,000 must be approved by Cabinet (having been previously approved by the relevant Directors and the S151 Officer).

6.3.3 **Use of Reserves.** Where it is desired to add funds to the revenue account from earmarked reserves, the following procedure shall be adopted and the Financial Services Business Unit informed in every case, to effect the necessary amendments in the Council's Financial Management System:

- a) **Where the transfer of budget is up to £50,000 and the transfer is for the specific purpose and function for which the reserve was established, then** this can be authorised by the S151 Officer in consultation with the relevant Director responsible for the receiving service. If the transfer is not for the specific purpose and function for which the reserve was established then the request for transfer will be referred to the Portfolio Holder for Finance and the S151 Officer, who can either approve the request or refer it to Cabinet.
- b) **Where the transfer of budget is between £50,000 and £100,000 and the transfer is for the specific purpose and function for which the reserve was established, then** this can be authorised by the Portfolio Holder for Finance in consultation with the S151 Officer. If the transfer is not for the specific purpose and function for which the reserve was established the transfer must be authorised by Cabinet.
- c) **Where the transfer of budget exceeds £100,000 and the transfer is for the specific purpose and function for which the reserve was established, then** this can be authorised by the Portfolio Holder for Finance in consultation with the relevant Portfolio Holder(s) and the S151 Officer. If the transfer is not for the specific purpose and function for which the reserve was established then the transfer must be authorised by Cabinet.

6.3.4 No transfer shall be undertaken with the purpose of utilising additional income for expenditure purposes without the express consent of the Section 151 Officer. No transfer shall be undertaken out of savings on payroll codes without the express consent of the Section 151 Officer.

6.3.5 There shall be no carry forward of any under-spending on budgets into the following financial year without the express authorisation of the Portfolio Holder for Finance and the Section 151 Officer. This includes budgets held on job codes. When considering any applications for carry forwards, the Section 151 Officer in consultation with the Portfolio Holder for Finance shall consider the overall budget position of the Council.

6.3.6 The Section 151 Officer is authorised to introduce additional restrictions on virements.

**Variation of Estimates – General Fund and HRA Capital**

6.3.7 Where the change is less than £10,000 per scheme within a financial year, it is delegated to the Section 151 Officer to approve the change in budget, arranging also the amendment to the financing of the Capital Programme.

6.3.8 Changes of between £10,000 and £150,000 can be approved by Portfolio Holder decision or Cabinet.

6.3.9 All changes above £150,000 will need to be approved by Cabinet.

6.3.10 All reprofiles of scheme expenditure will need to be approved by Cabinet.

6.3.11 All changes approved above will need to be noted by Cabinet.

**6.4 Treasury Management**

6.4.1 The Council has adopted CIPFA's Treasury Management in the Public Services Code of Practice 2018 as updated from time to time.

6.4.2 All matters relating to Treasury Management shall be subject to the supervision and control of the Section 151 Officer.

6.4.3 External Borrowing, and all other Treasury Management transactions, shall be undertaken in accordance with the CIPFA Treasury Management Code of Practice, Prudential Code and the rules and procedures laid down in the Council's Treasury Management Policy. The Treasury Management Manual shall be considered to be the Council's Financial Regulations for Treasury Management transactions and procedures.

**6.5 Bank Accounts and Cheques**

6.5.1 The Section 151 Officer shall arrange for such bank accounts to be kept as may be deemed necessary. The Section 151 Officer shall be responsible for the operation, supervision and control of those accounts. No member of staff shall arrange for a bank account to be opened without the express authorisation of the Section 151 Officer.

6.5.2 No direct debits from the Council's bank account must be set up without the prior approval of the Section 151 Officer.

6.5.3 Bank overdraft facilities and the amounts and conditions of bank charges shall be negotiated and agreed by the Section 151 Officer.

6.5.4 The Officers authorised to sign cheques or transfer money on behalf of the Council, shall be limited to the Section 151 Officer, Deputy Section 151 Officer or such officers as authorised by the Section 151 Officer.

6.5.5 Any cheques exceeding £50,000 must bear two authorised signatures, at least one of which must be a manual signature.

- 6.5.6 Where use is made of the on-line banking system for payments to be made out of any of the Council's bank accounts electronically, the requirements for authorisation of payments shall be equivalent to that of 6.5.4 and 6.5.5 above.
- 6.5.7 All unused cheques shall be held as "Controlled Stationery" and shall be held in a secure location.
- 6.5.8 No cheques are to be cancelled except by persons authorised by the Section 151 Officer.
- 6.5.9 Instructions for stopping cheques shall be notified to the Bank in writing and all preliminary telephone instructions in this connection shall be confirmed in writing immediately afterwards by the Section 151 Officer or Duly Authorised Officer.
- 6.5.10 No replacement cheques shall be issued until the Bank confirm that a stop has been placed on the original cheque. Confirmation received from the Bank regarding stopped cheques must be retained for a period approved by the Section 151 Officer.
- 6.5.11 All Giro credit balances shall be transferred by automatic transfer at regular intervals by officers authorised by the Section 151 Officer.
- 6.5.12 Bank accounts shall be reconciled with financial records and cashbooks at least once in each month and any discrepancies identified and appropriate action undertaken.
- 6.6 Procurement Cards**
- 6.6.1 The Section 151 Officer shall have the authority to approve requests for applications for procurement cards, including merchant category code blocks, monthly card limits and single transaction limits.
- 6.6.2 The Business Manager (Administrative Services) shall administer all applications for procurement cards. No officer shall apply for procurement cards other than through the Business Manager (Administrative Services).
- 6.6.3 All procurement cards must be held securely. Card details and PIN numbers must not be disclosed other than for the purposes of using the card for payments. Cardholders may be held personally liable for any expenditure that they cannot account for.
- 6.6.4 On a monthly basis, a record of card purchases shall be maintained by individual cardholders and reconciled to the card statement provided by the card issuer. Business Managers shall approve the monthly record of card purchases and provide a copy to the Financial Services Business Unit for processing.
- 6.6.5 Any discrepancies between the card issuer statement and the cardholder's record of purchases must be promptly reported to the Business Manager (Administrative Services).
- 6.6.6 Procurement cards shall only be used for authorised purchases relating to council business. Under no circumstances shall they be used for personal expenditure.
- 6.6.7 In all circumstances, every purchase with VAT will require a VAT receipt in order for the

card statement to be accounted for correctly. Any items that do not include a VAT receipt will be charged fully to the revenue code.

## **6.7 Controlled Stationery**

6.7.1 The term Controlled Financial Stationery refers to stationery which is sequentially pre-numbered to provide a sound audit trail, usually to record and process items of a financial nature, the use of which has to be regulated in order to ensure it is restricted to authorised Officers only.

6.7.2 Within the Council this primarily relates to cheques, income collection sheets, income receipts, petty cash books and car park tickets.

6.7.3 The Section 151 Officer may designate any item he considers appropriate to be controlled stationery.

6.7.4 Such stationery must be retained securely at all times and any issues from stock signed for.

## **6.8 Retention of Financial Records**

6.8.1 All financial records, whether in written or printed form or stored electronically and all records supporting financial transactions in whatever form shall be retained in accordance with instructions issued by the Section 151 Officer, who shall determine the Council's retention requirements in accordance with relevant legislation and shall be responsible for the Council's Records Retention and Disposal Policy with respect to financial records.

## **6.9 Authorised Signatory List**

6.9.1 SLT and Business Managers, in consultation with the Section 151 Officer will nominate authorised signatories for their service for the authorisation of orders, invoices, timesheets, overtime claims and contracts. The Section 151 Officer may authorise additional officers to undertake these duties.

## **6.10 Taxation**

6.10.1 The Section 151 Officer is responsible for ensuring that adequate procedures are in place and adequate advice available for Business Units so as to ensure that the Council is at all times compliant with the specific requirements of the various tax regimes which affect its operations and delivery of services.

6.10.2 The Section 151 Officer is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

6.10.3 All Business Managers will at all times conduct the financial arrangements of their Business Units, with regard to taxation issues, in accordance with advice or instructions issued by the Section 151 Officer, and shall provide any related information or documents upon request.

## **7. EXPENDITURE RELATED REGULATIONS**

### **7.1 Employers Records and Payments of Salaries and Wages**

- 7.1.1 Business Managers shall be responsible for promptly notifying the Business Manager Human Resources & Training of all information required to maintain correct records for all employees of the Council in respect of service, including appointments, terminations, promotions (including 'acting up' allowances and honorariums), qualifying examination awards, sickness and absenteeism.
- 7.1.2 Memoranda to the Business Manager Human Resources & Training in respect of 7.1.1 above shall be signed by the Business Manager or Duly Authorised Officer. The Human Resources Business Unit shall immediately forward such details to the Financial Services Business Unit to ensure that the correct payment of wages and salaries and other related items (including deductions) can be made.
- 7.1.3 Business Managers shall be responsible for arranging the submission of wages time sheets, staff salary data, overtime claims and claims for standby payments to arrive in the Financial Services Business Unit in accordance with the prescribed timescale.
- 7.1.4 Payment of wages/salaries shall only be made to:
- (i) Personnel included in the approved establishment for the service areas of the Council, or
  - (ii) Approved temporary or casual personnel who have been properly notified to the Financial Services Business Unit.
  - (iii) Appointments as authorised in sub-paragraph 7.1.6 below.
- 7.1.5 Business managers will be required to provide positive confirmation of current post holders prior to the payment of wages and salaries
- 7.1.6 Appointments other than those included in the approved establishment as amended from time to time shall be made in accordance with Human Resources Policies.

### **7.2 Consultants**

- 7.2.1 Where a consultant is to be engaged, it is the responsibility of the officer arranging the contract to determine whether or not payments are to be made to the consultant directly or to a personal service company (PSC). This is a limited company owned by the consultant and is commonly used to reduce tax and National Insurance liability. If payment is to be through a personal service company, advice must be sought from the S151 Officer and the Business Manager HR and Training before any appointment is made in order for an IR35 assessment to be conducted.

### **7.3 Travelling and Subsistence Claims**

- 7.3.1 All claims by Officers for payment of subsistence allowances, travelling and incidental expenses shall be submitted, duly certified by or on behalf of the Business Manager, on

the Council's electronic expense system in accordance with a timetable specified by the Section 151 Officer.

- 7.3.2 The names of Officers authorised to certify claims shall be sent to the Section 151 Officer by each Business Manager. The Section 151 Officer will determine the controls, to be put in place for electronic systems.
- 7.3.3 The certification by or on behalf of the Business Manager shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred, and that the allowances are properly payable by the Council.
- 7.3.4 Un-receipted expenditure will only be considered for reimbursement at the discretion of the Section 151 Officer or his nominated officer where they are satisfied that the authorising officer has established that a receipt was not available.
- 7.3.5 Officers claims shall normally be submitted monthly, and any submitted more than six months after the expenses were incurred shall be paid only with the express approval of the Section 151 Officer. Business Managers shall ensure that all Officers using their own vehicles on Council business:
- (i) Hold a current full driving licence authorising them to drive the vehicle in question.
  - (ii) Have a current insurance policy, which indemnifies the Council against all third party claims (including those of passengers) arising out of the use of the vehicle in question on the Council's business.
  - (iii) Hold a current MOT certificate, where applicable, for the vehicle in question.
  - (iv) Have paid the appropriate road tax, where applicable, for the vehicle.

#### **7.4 Members Allowances**

- 7.4.1 Claims shall be undertaken in accordance with the Members' Allowance scheme approved by the Council on a form approved by the Section 151 Officer on the following basis:
- (i) Claims may be submitted at the end of each month.
  - (ii) Claims for all expenses and travelling in any financial year up to the end of January must be submitted to the Democratic Services Business Unit by the 5th working day of March.
  - (iii) Claims for expenses and travelling during February and March must be submitted to the Democratic Services Business Unit by the end of April.
- 7.4.2 Claims will be verified by Democratic Services Business Unit prior to being submitted for approval by the Financial Services Business Unit.
- 7.4.3 Further guidance concerning Members Allowances is given in the Members handbook and the latest scheme of Members Allowances approved by Council.

#### **7.5 Orders for Goods, Works and Services**

- 7.5.1 Each member of SLT and Business Manager shall be responsible for all official orders issued from their remit ensuring that:
- (i) The estimated costs are covered by an approved budget or other prior sanction. This includes where amendments to orders are necessary, in that this must be covered by an approved budget.
  - (ii) There is compliance with Standing Orders and Contract Procedure Rules, and procurement law and regulations concerning tenders and contracts.
  - (iii) It can be demonstrated that the purchase represents value for money.
  - (iv) Order values are not split to avoid having to comply with procurement rules.
- 7.5.2 All orders must be made through the Council's Financial Management system and must be in the name of Newark & Sherwood District Council and in a form approved by the Section 151 Officer. Wherever possible electronic orders should be raised in advance of the purchase, and the supplier advised of the relevant purchase order number.
- 7.5.3 Official orders must clearly show the nature and quantity of the materials, works or services required, and details of the agreed price (or estimated price), discounts and terms in relation to packing and delivery.
- 7.5.4 Official orders shall indicate that invoices/accounts are to be submitted to the Financial Services Business Unit quoting the relevant purchase order number unless expressly authorised by the Section 151 Officer.
- 7.5.5 Official orders and variations to orders shall be authorised only by:
- (i) Business Managers.
  - (ii) Duly Authorised Officers, nominated by appropriate Business Managers detailed in a schedule supplied to the Section 151 Officer showing the financial limits to an Officer's authority and a specimen signature.
- 7.5.6 Official orders must be generated for all work, goods, and services to be supplied to the Council except:
- (i) No order shall be issued if the estimated value of the work or services exceeds the value where a tender process is required in accordance with Contract Procedure Rules (This value is £75,001). In this instance a formal tender process must be initiated in consultation with Welland Procurement
  - (ii) For periodic payments such as rents or rates, for petty cash purchases or such other exception as the Section 151 Officer may approve.
  - (iii) Goods and services ordered by use of a Council Procurement Card.
- 7.5.7 Council orders shall not be used for personal or private purchases.
- 7.5.8 Business Managers or Duly Authorised Officers must review electronic purchase orders on a regular basis and cancel those that are no longer required.

## 7.6 Goods Received

- 7.6.1 The system of checking goods received, or works done, against official orders shall be in accordance with instructions laid down by the Section 151 Officer and must be adhered to by all officers.
- 7.6.2 Where an electronic order has been raised, a Goods Receipt Note should be input to the Financial Management system as soon as the goods have been checked.
- 7.6.3 The same Officer must not both authorise an order and certify that goods have been received or work done.
- 7.6.4 Where the value of the order is above £15,000 only an authorised officer can allocate a goods receipt note onto the Council's online financial management software.
- 7.6.5 Where goods/works/services have not been supplied to the satisfactory standard of the Council, no goods receipt note should be added to the system, but a dispute notification must be made to the Section 151 Officer, in order to denote the invoice is in dispute.

## 7.7 Invoices

- 7.7.1 Where an invoice is not subject to an electronic order raised on the Council's Financial Management system, due to any of the circumstances outlined at 7.5.6, the invoice should be authorised for payment by one of the following:
- (i) SLT
  - (ii) Business Managers
  - (iii) Duly Authorised Officers, nominated by appropriate Business Managers detailed in a schedule supplied to the Section 151 Officer showing the financial limits to an Officer's authority and a specimen signature. Business Managers shall be responsible for promptly notifying the Financial Services Business Unit of amendments to Duly Authorised Officers.
- 7.7.2 Before certifying an invoice, the authorising officer shall be satisfied that:
- (i) The work, goods or services to which the invoice relates have been received, carried out, examined and approved.
  - (ii) The prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct.
  - (iii) The relevant expenditure has been properly incurred, and is within the relevant estimate provision.
  - (iv) Appropriate entries have been made in registers, inventories, stores records or stock books, as required, and
  - (v) the invoice has not been previously passed for payment and is a proper liability of the Council.
- 7.7.3 Where any amendment is required to an invoice the supplier must be asked for an amended invoice or, alternatively, a credit note.
- 7.7.4 Business Units shall promptly forward any invoices received directly to the Administration

Business Unit after ensuring that the appropriate purchase order has been goods received.

- 7.7.5 Invoices shall only be paid within the computer-based system timetable. Any invoices for which there is no purchase order and/or Goods Receipt Note on the Financial Management system cannot be paid (with the exception of those under circumstances detailed in 6.4.6) and the relevant Business Unit will be notified to correct the omission.
- 7.7.6 Business Managers are responsible for ensuring that all necessary data and authorisations are input to the Financial Management system to guarantee payment of commercial invoices within 30 days of receipt.
- 7.7.7 Copy invoices and orders substituted for the original document shall be clearly marked "copy" and initialled.
- 7.7.8 No payments made by the Section 151 Officer will be other than by use of official stationery or by approved electronic means.
- 7.7.9 The Section 151 Officer will be responsible for the deduction of any tax from payments to contractors under the provision of the Construction Industry Tax Deduction Scheme.
- 7.7.10 Any queries on invoices that cause delay in payment must be raised formally with the supplier. When the invoice is passed to the Financial Services Business Unit for payment the reason for delay must be provided.

## 7.8 **Petty Cash and Post**

### 7.8.1 **General**

- (i) Petty cash is only available under special circumstances. Procurement cards should be used in the first instance.
- (ii) Procedures for Petty Cash Imprest Accounts and Post shall be in accordance with instructions laid down by the Section 151 Officer. New or temporary accounts/floats shall not be raised out of income.
- (iii) New or temporary accounts/floats can only be raised by Financial Services

### 7.8.2 **Petty Cash Imprest Accounts**

- (i) A Petty Cash Imprest Account is defined as a fund of cash from which incidental expenses are paid, which is topped up periodically from central funds. These transactions should be minor, routine transactions, where raising an official order and processing an invoice through the Creditor system would be neither realistic nor cost effective. This differs from a change float which is a sum of money used to provide change at the start of the day, which is deducted from the total at the end of the day when calculating the day's takings. A Petty Cash Imprest Account should be kept and accounted for separately to a change float.
- (ii) Holdings of Petty Cash shall be limited to amounts prescribed by the Section 151 Officer.
- (iii) Signatures of Petty Cash holders confirming the amounts held shall be obtained annually under year-end procedures and periodic management checks shall be made to verify petty cash holdings.
- (iv) Business Managers shall be responsible for ensuring the comprehensive recording

of all petty cash disbursements, the custody of supporting documents and vouchers and the safe custody of all unused balances of petty cash.

- (v) Reimbursement of petty cash shall be obtained by the production of the appropriate voucher together with receipts to the Section 151 Officer for inclusion in the invoice payment system.
- (vi) Un-receipted expenditure will only be considered for reimbursement at the discretion of the Section 151 Officer or his nominated officer where they are satisfied that the authorising officer has established that a receipt was not available.
- (vii) Two people shall be involved in the preparation/authorisation of an imprest claim.
- (viii) The Petty Cash system must not be utilised for payments that should be processed through other systems (e.g. Members/Officers expenses) unless expressly authorised by the Section 151 Officer.
- (ix) On leaving the employment of the Council or otherwise ceasing to be entitled to hold a petty cash or other float an Officer shall account to the Section 151 Officer for the amount advanced to him, and a hand over certificate shall be completed.

### 7.8.3 Post

- (i) All post should be processed through the Business Mail process.
- (ii) The Business Mail process is not to be used for personal items of mail.

### 7.9 Right to Set Off

7.9.1 The Right to Set Off concerns the situation whereby the Council owes a person money, but where that person also owes money to the Council, and the Council sets off what is owed before paying the balance (if any) to the person.

7.9.2 Business Managers shall be responsible for ensuring that suitable arrangements are in place to consider the setting off of monies owed to the Council where applicable.

7.9.3 Set Offs shall be undertaken where:

- (i) The opportunity arises, subject to any statutory obligation upon the Council.
- (ii) The circumstances of the particular case justify such a course of action.

Each case must be considered on its own merits.

7.9.4 Officers undertaking set offs shall ensure that the course of action proposed has been evaluated by the Legal Business Unit and the VAT Officer within Financial Services prior to it being undertaken.

7.9.5 No grant shall be offered to a third party where that person/entity is in debt to the Council, and such debt has become outstanding and in arrears, without the express consent of the Section 151 Officer.

### 7.10 Contracts

7.10.1 All contracts shall be made and administered in accordance with the Contract Procedure Rules.

7.10.2 Directors are responsible for notifying the names of Officers authorised to sign contracts and their authorisation limits to the Section 151 Officer. Any changes should be notified to the Financial Services, HR and Legal Business Units.

## **8. INCOME RELATED REGULATIONS**

### **8.1 Responsibilities**

8.1.1 Business Managers shall be responsible for the collection, custody and banking of income received as due to the Council in accordance with the instructions issued by the Section 151 Officer.

8.1.2 Every Officer of the Council who pays money into a bank account of the Council, shall enter on a paying in slip, and on the counterfoil or duplicate thereof, particulars of such payment, including, in the case of each cheque paid in:

- (i) The amount of the cheque, and
- (ii) A reference (such as the number of the receipt given or the name of the debtor) which will connect the cheque with the debt or debts in discharge or partial discharge of which it was received.

Where any cheque paid in was not received in discharge or partial discharge of a debt due to the Council, the Officer shall note the fact on the counterfoil or duplicate of the paying in slip.

8.1.3 It is the responsibility of the Business Manager that is receipting income to put in place adequate procedures to ensure that where works/services/goods have been provided cash receipts are reconciled from the Council's financial management system to the source records held by the Business Unit. This should be completed monthly and any discrepancy between actual cash received and the source information should be directed to the Business Manager – Financial Services for investigation.

### **8.2 General**

8.2.1 The rules for the collection of all income due to the Council shall be under the general control of the Section 151 Officer.

8.2.2 The records kept by each budget holder with regard to items of income shall be in such a form as may be agreed by the Section 151 Officer from time to time.

8.2.3 All payments received in cash on behalf of the Council shall be acknowledged by the issue of an official receipt. Such receipts shall only be valid if in the form of an official machine printed receipt, except where official manual receipt books are issued for prescribed purposes.

8.2.4 All income shall be collected and deposited intact without delay into the Council's bank account, as directed by the Section 151 Officer, on the same day as received wherever possible. Where appropriate, income shall be deposited under night-safe arrangements, including suitably secure safes on the Council's own premises, or held securely by another

appropriate method approved by the Section 151 Officer. Where cash is held in secure safes on Council premises the Business Manager responsible for the service depositing the money shall ensure that sufficient insurance arrangements are in place.

- 8.2.5 No personal cheques are to be cashed out of Council funds.
- 8.2.6 All cheques, postal orders, money orders and postal drafts etc, received on behalf of and due to the Council shall be crossed "A/C Newark and Sherwood District Council" immediately on receipt unless they are already clearly marked with equivalent wording.
- 8.2.7 Post-dated cheques will only be accepted at the discretion of the Section 151 Officer.
- 8.2.8 The Section 151 Officer on receipt of details from Business Manager shall ensure that a record is maintained of all items of income due to the Council classified as "periodic income" for which fixed or varying charges apply. For this purpose the term "periodic income" shall mean any fee or charge receivable by the Council on a recurring basis one or more times in any one year.
- 8.2.9 Business Managers shall be responsible for notifying the Section 151 Officer of all items of miscellaneous income due to be paid to the Council.
- 8.2.10 Cash receipts over a value of £1,500 shall be reported to the Council's Anti Money Laundering Reporting Officer (the Section 151 Officer) who shall be responsible for taking the appropriate action. The Section 151 Officer may issue further arrangements in respect of anti-money laundering.
- 8.2.11 Instances where currency is identified as being forged shall be reported to the Section 151 Officer.
- 8.2.12 No online payment system must be set up without the prior approval of the Section 151 Officer.
- 8.2.13 All online payments must be in accordance with instructions issued by the Section 151 Officer.
- 8.3 **Cash Receipting**
  - 8.3.1 Receipt books are controlled stationery and shall be retained securely.
  - 8.3.2 Where Council income other than cheque payments, whether cash or otherwise, is passed from one employee to another, the receiving employee shall sign an appropriate form of receipt, which shall be retained by the Officer who passed the income.
  - 8.3.3 Adequate details of receipts and specific records of cheques shall be kept which refer to the original debt.
  - 8.3.4 Postal income shall be held securely, opened wherever possible in a secure environment, by a minimum of two officers, recorded on appropriate documentation, and promptly investigated in the event of discrepancies.

- 8.3.5 Change must not be given in the event of a cheque being received for a greater value than the debt outstanding.
- 8.3.6 Coin operated machines shall be emptied on a regular basis, with the income counted in a secure environment by a minimum of two officers, with a note of machine readings being taken (where applicable), with discrepancies being promptly investigated.
- 8.3.7 Change floats shall be issued and approved by the Section 151 Officer, be kept secure when not in use, checked prior to use, and deducted from the total at the end of the day when calculating the days takings. Unofficial floats must not be maintained.
- 8.3.8 Cashing up duties shall be undertaken by a minimum of two officers, in a secure environment away from public view, with the details being recorded on an appropriate daily return, with discrepancies being promptly investigated.
- 8.3.9 Further details concerning cash handling procedures are outlined in the Cash Handling Guidance notes which can be found in the Safety section on the Council's intranet.

#### **8.4 Debtor Accounts - Recovery, Amendment and Write-Off**

- 8.4.1 The Council shall submit invoices for rechargeable work within one month of the work being completed and appropriate documentation being received.
- 8.4.2 All arrangements for recovery of outstanding debts to the Council shall be made in accordance with instructions from the Section 151 Officer (this may include the debtor details being submitted to the Council's Legal Business Unit or an outside collection agency suitably appointed by the Council).
- 8.4.3 Cancellation of Sundry Debtor accounts, whether in part or full, shall be authorised in writing by the relevant Business Manager or Duly Authorised Officer, on the basis of appropriate documentation prepared by the originator of the debt, which justifies the said cancellation.
- 8.4.4 The Section 151 Officer shall be authorised to write off debts owed to the Council in accordance with delegated authority contained in the Council's Constitution. Items in excess of the amount specified in delegated authority may only be written off by the Cabinet.

#### **8.5 Gifts and Hospitality**

- 8.5.1 The procedures to be adopted concerning gifts and hospitality being offered to an employee of the Council, shall be in accordance with guidance notes within the Employees Code of Conduct, Member Code of Conduct, or issued by the Councils Monitoring Officer or Section 151 Officer.

### **9. PROTECTION OF ASSETS**

#### **9.1 Security**

- 9.1.1 The Section 151 Officer shall maintain an up-to-date asset register. The Section 151 Officer should be notified in any case where security is thought to be defective or where it is considered that special arrangements may be needed.
- 9.1.2 Officers arranging legal contracts shall ensure that the legal documents are lodged with the Legal Business Unit.
- 9.1.3 The Council's Legal Business Unit shall be responsible for the safe custody of all legal agreements, leases etc, showing due dates for termination and for the review of "break clauses" as applicable and shall keep a register of all such legal agreements.
- 9.1.4 The Contract Officer is responsible for ensuring appropriate action is taken to meet the requirements of the relevant operative dates.
- 9.1.5 Each Business Manager shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash etc, under his control. He shall consult the Section 151 Officer (and, where necessary, the Business Manager Community Safety) in any case where it is considered that special security arrangements may be needed.
- 9.1.6 Maximum limits for cash holdings shall be agreed with the Section 151 Officer in accordance with insurance limits, and shall not be exceeded without his express permission.
- 9.1.7 Keys to safes, similar receptacles, cash offices, stock rooms and office keys must be held securely. The loss of any such keys must be reported to the Section 151 Officer immediately.
- 9.1.8 Each Business Manager shall be responsible for maintaining a secure record of key holders together with details of keys held in other locations. All keys held personally by individual officers must be signed out and signed back in again when they are no longer required to be held.
- 9.1.9 Any losses of either ID badges or building access cards must be reported immediately to the Business Manager Public Protection & Admin Services.
- 9.1.10 Any breaches in security shall be reported immediately to the Business Manager Public Protection.
- 9.2 Inventories**
- 9.2.1 Business Managers shall ensure that an inventory is maintained of all items, as approved, in a form approved by the Section 151 Officer.
- 9.2.2 The inventory shall give an adequate description of all movable plant and machinery, vehicles, and valuable, desirable and portable equipment belonging to Newark and Sherwood District Council. The inventory will be a permanent record and under no circumstances shall an item be deleted. Entries relating to items disposed of or transferred shall be annotated to that effect. The inventory should detail such identification marks as to enable the item to be easily identified i.e. model number, serial number, unique identification number etc.

- 9.2.3 All new inventory items purchased must be entered onto the inventory immediately and where relevant, the Risk and Insurance Officer should be notified.
- 9.2.4 Business Managers shall be responsible for maintaining an annual check of all items on the inventory. As part of the Annual Governance Statement process, Business Managers are asked in April each year to certify the accuracy and completeness of inventories. As such, there must be an inventory check undertaken of all items in time to complete this certification. This is a minimum requirement; in some instances a more frequent review may be appropriate.
- 9.2.5 All surpluses or deficiencies shall be properly documented and recorded as an amendment to the inventory and reported to the appropriate Director and Risk and Insurance Officer, subject to 9.2.6 below.
- 9.2.6 Surpluses or deficiencies in excess of £50 for any one item and £500 in total must be reported to the Section 151 Officer who may, at his discretion, order an investigation.
- 9.2.7 In connection with surplus inventory items with a value over £50:
- (i) Prior to disposal, the surplus item must be offered for internal use elsewhere in the Council. In this case both inventories should record the transfer.
  - (ii) All disposals must be authorised by the appropriate Business Manager.
  - (iii) The method of disposal shall be approved by the Section 151 Officer.
  - (iv) All disposals must be properly documented.
  - (v) The Risk and Insurance Officer shall be informed of all relevant disposals.
- 9.2.8 Any inventory item identified as being obsolete must only be disposed of on the authority of the appropriate Business Manager, after consultation with the Section 151 Officer.
- 9.2.9 No inventory item shall be subject to personal use by an employee without authorisation by the appropriate Business Manager. Any item removed for home working should be shown as such on the inventory or through an appropriate booking out mechanism.
- 9.2.10 Employees are responsible for inventory items allocated to them. Employees are also responsible for keeping a record if they loan inventory items to other officers.
- 9.3 Stores**
- 9.3.1 Each Business Manager shall be responsible for the custody, control, ordering, issuing and recording of stocks and stores in their Business Unit. The system in operation shall be subject to the express approval of the Section 151 Officer.
- 9.3.2 Business Managers shall arrange for a continuous and independent stocktaking of stores.
- 9.3.3 Stocktaking procedures shall be sufficiently regular and robust so as to ensure that stock is accurately recorded. This must include a stocktake at 31<sup>st</sup> March each year.
- 9.3.4 Following the stocktaking of stores, the following procedures shall apply:
- (i) Investigations shall be made into discrepancies to isolate and correct accounting

errors. The results of any investigations including any reports must be sent to the Section 151 Officer at an early stage.

- (ii) Discrepancies still outstanding shall be presented to the appropriate responsible Director for comment and explanation.
- (iii) The Section 151 Officer shall have authority after receipt and consideration of the comments and explanations to make the necessary adjustments to the stores ledger, and may require an investigation and/or report to the Audit and Accounts Committee.

9.3.5 The Section 151 Officer shall be entitled to receive from each Business Manager such information as he requires in relation to stores for the accounting, costing and financial records, including a certificate of the value of stores held at the 31st March each year for submission at audit.

9.3.6 Prior to disposal, the Business Manager shall ensure that the Council has ownership of the asset. Surplus or obsolete materials, stores or equipment with an estimated value over £500 shall be disposed of by competitive tender or public auction, unless appropriate written approval is obtained from the Section 151 Officer who decides otherwise in a particular case. The proceeds of the sale of any asset should be paid directly to the Council without any deductions.

9.3.7 No stores item shall be subject to personal use by an employee.

#### 9.4 **Insurance**

9.4.1 The Section 151 Officer shall be responsible for effecting adequate insurance cover, through an insurance company (or companies) or such other means approved by Cabinet for all assets, commitments and contingent liabilities in the performance and discharge of statutory or other authorised duties by the Council, its Members and Officers.

9.4.2 No officer shall arrange insurance other than through the Council's Risk and Insurance Officer.

9.4.3 Insurance requirements shall be actioned in accordance with the Council's Insurance Guide, which can be found in the Public Protection section of the intranet.

9.4.4 The Section 151 Officer shall carry out periodic reviews to ensure the maintenance of adequate insurance cover as above, and shall maintain a record of "risks" covered, the amount of cover and premiums due.

9.4.5 Business Managers shall be responsible for promptly notifying the Section 151 Officer of the extent and nature of new risks or of any variations concerning insurance cover required in respect of their own service area.

9.4.6 Business Managers shall be responsible for promptly notifying the Section 151 Officer of full details of all accidents or occurrences likely to lead to a proper claim on the Council.

9.4.7 Where any claim is received from a third party by any officer, this must be immediately forwarded to the Council's Risk and Insurance Officer.

- 9.4.8 The Section 151 Officer shall maintain a record of all insurance claims made against the Council.
- 9.4.9 No correspondence should be entered into in respect of any claim or other insurance matter except by the Council's Risk and Insurance Officer, without the express approval of the Section 151 Officer.
- 9.4.10 At no time should any officer or Member or any other person acting on behalf of the Council make an admission of liability on behalf of the Council without the express authority of the Section 151 Officer.
- 9.4.11 Any expenditure in relation to dealing with the settling or resisting of claims must be authorised by the Section 151 Officer or any other duly authorised officer prior to any expenditure being committed.

## 9.5 **Asset Management**

- 9.5.1 All matters relating to Asset Management shall be administered in accordance with the Council's Asset Management Plan.
- 9.5.2 The Section 151 Officer shall ensure that an Asset Register is maintained by the Council in accordance with the latest advice issued by the Chartered Institute of Public Finance and Accountancy.
- 9.5.3 It is the responsibility of the appropriate Director to ensure that Asset Management expertise is available to the Council.
- 9.5.4 The Asset Register shall include all assets of the Council valued in excess of £15,000.

## 9.6 **Management of Information**

- 9.6.1 Business Managers shall be responsible for maintaining the proper security and privacy of all information under their control including computerised files and for ensuring the Council acts in accordance with the Data Protection/Freedom of Information legislation.
- 9.6.2 Intellectual property (i.e. the generic term that includes inventions, creative writings, software and drawings) arising from the course of employment will belong to the Council.

## 9.7 **Motor Vehicles**

- 9.7.1 Council vehicles must not be used for private purposes, or hired or lent out, without the express approval of the appropriate Director who shall check with the Council's Risk and Insurance Officer that such use is covered by the Council's insurance policy. Records of any such use should be kept to ensure the driver of any such vehicle shall be known at all times. If there is any doubt that adequate insurance cover is in place, no such use of the vehicle shall be permitted.
- 9.7.2 Business Managers shall ensure that all Officers using Council owned vehicles hold a

current full driving licence authorising them to drive the vehicle in question.

9.7.3 All Officers using Council owned vehicles are responsible for the security of the vehicle, whilst it is in their care.

9.7.4 Where a Council vehicle is to be taken home overnight to facilitate call-out, stand-by or other appropriate duties, Financial Services must be informed to ensure that taxation issues are managed appropriately.

## 9.8 Reporting of Irregularities

9.8.1 The reporting of irregularities shall be in accordance with the Council's Guidance for Dealing with Irregularities which is available in the Financial Services section of the Intranet.

## 9.9 Whistleblowing Policy

9.9.1 Each Business Manager shall be responsible for ensuring that their staff are aware of, understand and comply with the Council's Whistleblowing Policy which is available within the Council's Constitution.

## 9.10 I.C.T. Systems

9.10.1 All proposals for the acquisition, development, maintenance and use of computing facilities and systems shall conform with the Council's I.C.T. policies and strategies and the Employee Code of Conduct.

## 10. EXTERNAL ARRANGEMENTS

### 10.1 Partnerships, Shared Services and Collaboration Arrangements

10.1.1 No partnership or shared service arrangement shall be set up without taking into consideration the factors covered in 10.1 of these regulations.

10.1.2 Business Managers shall ensure that the appropriate approval is obtained prior to any negotiations being concluded in relation to work with external bodies.

10.1.3 The Section 151 Officer must be consulted on the financial implications of new partnerships or shared services arrangements and must approve that:

- (i) A scheme appraisal for financial viability in both current and future years has been undertaken.
- (ii) Costs and income are provided for in the Council's budget.
- (iii) Arrangements are in place for accurate accounting for cost and income.
- (iv) Sufficient controls are in place for the successful operation of the partnership/shared service, including arrangements for sufficient access to financial and other records.
- (v) Carry forward arrangements have been determined.
- (vi) A formal risk appraisal has taken place and a management strategy devised.
- (vii) An auditing, security and control regime has been established.

(viii) Appropriate arrangements are in place for the recovery of VAT.

10.1.4 Financial performance of partnerships and shared services must be monitored and reported back to the Council as agreed.

10.1.5 These Financial Regulations also apply to all partnerships and shared services unless similar arrangements have been approved by the Section 151 Officer.

10.1.6 Where collaboration is agreed with an external partner, the relevant Business Manager is responsible for ensuring that all income due is invoiced and recorded promptly within the Financial Management system and that invoices for expenditure incurred in relation to the collaboration are received and recorded promptly.

10.1.7 Where an Officer is working for a Collaboration partner, the Financial Regulations of the partner body will apply.

## 10.2 External Funding

10.2.1 No applications for external funding shall be made without prior consultation with the Section 151 Officer. Directors or Business Managers shall be responsible for providing the Section 151 Officer with the following information:

- (i) How the bid is compatible with the Councils aims and priorities.
- (ii) Whether the bid is for capital or revenue funding.
- (iii) Whether matched funding contributions are required from the Council and how these will be identified.
- (iv) Whether matched funding contributions are required from other organisations and how these amounts will be secured.
- (v) An exit strategy setting out how budgets will be adjusted after the external funding expires.
- (vi) Where the bid is for revenue funding, whether it is to support existing levels of activity or enhanced/new activities.
- (vii) Where the bid is for capital funding, whether an asset will be created and how this fits in with the Councils Asset Management Plan, how the ongoing maintenance of the asset will be funded and whether the asset can/will be disposed of at a later date.
- (viii) Details of ownership and insurance of the asset.

10.2.2 Business Managers shall be responsible for ensuring that:

- (i) The key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood.
- (ii) Any funding received is used for the intended purpose and is notified to the Section 151 Officer.

10.2.3 The Section 151 Officer shall be responsible for:

- (i) Approving all external funding bids prior to application.
- (ii) Approving all interim and final claims for external funding once the bid has

been accepted and is live.

- (iii) Ensuring that any funding received is properly recorded in the Council's accounts.

### **10.3 Work for Third Parties**

10.3.1 No Officer should set up their own trading company to provide services to the Council without the prior approval of the Section 151 Officer and the Monitoring Officer.

10.3.2 Where works are to be provided to a third party, any contractual arrangement above £15,000 must be approved by the Section 151 Officer prior to being signed. This is regardless of whether the piece of work is a one off or on-going.

10.3.3 Business Managers shall be responsible for ensuring that:

- (i) A register is maintained of all contracts entered into with third parties.
- (ii) Any risks are minimised and such work is intra vires.
- (iii) Appropriate insurance arrangements are made.
- (iv) The Council is not put at risk from any bad debts.
- (v) No contract is subsidised by the Council.
- (vi) Wherever possible, payment is received in advance of the delivery of the service.
- (vii) The Business Unit has the appropriate expertise to undertake the Contract.
- (viii) All contracts are properly documented.
- (ix) Appropriate information is provided to the Section 151 Officer for final accounts purposes.

## **11. DIRECTOR/OFFICER DELEGATIONS**

11.1 Director/Officer delegations will be in accordance with the latest Scheme of Delegation as approved by Council.

## **12. CONTRACT AND WINDFALL SAVINGS**

12.1 Unless specific agreement with the Section 151 Officer is obtained, contract savings and windfall savings (i.e. unanticipated income or unanticipated savings on expenditure including any figure relating to previous years) will revert to Balances.

## **13. FAILURE TO COMPLY WITH FINANCIAL PROCEDURE RULES**

13.1 Failure to comply with the Financial Procedure Rules:

- Is a breach of the Code of Conduct for Officers that is covered by the Council's Disciplinary and Dismissal Policy.

13.2 Councillors must report any apparent breach of the Financial Procedure Rules to the Chief Executive. Officers must report apparent breaches to an appropriate Chief Officer or the S151 Officer. The Chief Officer (where this isn't the S151 Officer) should report breaches of these Rules to the S151 Officer and the Monitoring Officer.

**Revised: May 2025**  
**Next revision due: March 2028**



Report to: Audit & Governance Committee Meeting

Date: 7 May 2025

Director Lead: Suzanne Shead, Director for Housing, Health, and Wellbeing

Lead Officer: Julie Davidson, Business Manager Housing Services, ext. 5542

| Report Summary                   |  |
|----------------------------------|--|
| <b>Report Title</b>              | Outcome of Housing Ombudsman Investigation (Ref: 202324726)  |
| <b>Purpose of Report</b>         | To inform Members of the outcome of an investigation where the Ombudsman found fault with the Council                          |
| <b>Recommendations</b>           | That Members note the report, and the lessons learnt.  |
| <b>Reason for Recommendation</b> | Ombudsman investigations which result in the Council being found to be at fault are required to be reported to this committee. |

## 1.0 **Background**

1.1 A resident complained to the Housing Ombudsman regarding various issues relating to the Council's handling of

- Noise nuisance, anti-social behaviour and inappropriate staff conduct
- Complaints

1.2 When reviewing cases, where fault is found, the Housing Ombudsman has three levels of maladministration:

- Service Failure - the lowest level of maladministration and is reserved for minor failings where action is still needed to put things right.
- Maladministration - where there is a failure which has adversely affected the resident.
- Severe Maladministration - this is reserved for the most severe failings.

1.3 Findings of maladministration are published regularly on the Housing Ombudsman Service website along with spotlight reports which focus on specific issues or service areas to raise awareness and help landlords improve.

## **2.0 Ombudsman Findings and Final Decision**

2.1 The Housing Ombudsman determined there to be maladministration in one area and service failure in two areas:

- Maladministration in respect of the landlord's response to the resident's reports of ASB.
- Service failure in respect of the landlord's complaint handling.

## **3.0 Orders and Recommendations**

3.1 In its final determination, the Housing Ombudsman ordered the Council to carry out the following:

- Apologise to the resident for the identified failures and missed opportunities to improve their situation. The apology should come from a relevant member of the landlord's executive team.
- The landlord is ordered to pay the resident a total of £750 in compensation within 6 weeks. Compensation should be paid directly to the resident and not offset against any arrears. The compensation is to address the distress and inconvenience the resident was likely caused by the above identified issues with the landlord's ASB handling.
- The landlord is ordered to assess the resident's fencing and decorating costs in line with its improvements policy. It may need to contact the resident to gather the relevant details. When it has assessed the information, it must respond to the resident accordingly. The landlord must evidence its actions to the Ombudsman within 6 weeks
- The landlord is ordered to conduct an internal review into the key issues highlighted in this report. Within 10 weeks the landlord should present its findings to its senior leadership/executive team and provide to the Ombudsman a report summarising its identified improvements. The landlord should also cascade the improvements to its relevant staff for learning and improvement purposes.

3.2 The action plan, Appendix A, details completion against these orders and recommendations.

## **4.0 Lessons learnt**

4.1 A formal ASB case must be opened on the live case management system even if declined by the victim / complainant to ensure the ASB case management process is transparent and consistently applied, irrespective of who is the lead department overall. Currently, on the internal system there is not one central point of reference for all departments, the tenancy team has the live case management lists for a central point of reference. It should be noted; in current policy it is not a requirement. The current ASB policy is currently under review; all relevant items within this section will be incorporated in its next iteration.

- 4.2 Managers must check that the case is on the live case system so it can be tracked and record in notes the consideration of the ASB toolkit as part of requirements and good practice. Resolution options from the toolkit should be applied as appropriate, including where they support other agency / departments actions on the same case, but also independently of any actions in the lead department if necessary. Any actions taken by any department involved must be shared to ensure continuity.
- 4.3 At the monthly case review with their tenancy officer, line managers must check that information sharing between the lead department / agency and the tenancy officer is up to date and actions are coordinated. A revised 121 form is now in place to capture this discussion, and this is then reported to the Housing Services Business Manager in 121s. This action will also require other internal departments reviewing and if necessary, updating their protocols to ensure they meet their obligation on formal joint working and information sharing with the tenancy team.
- 4.4 Cases of this nature, with a multi departmental approach should be referred by the lead department to be considered in the internal Corporate Enforcement Group (attended by all departments) to ensure awareness, co-ordinated case management and clear ownership of actions.
- 4.5 Staff have been reminded of the importance of adopting the standard procedure and remaining objective when dealing with challenging and complex individuals. The importance of up-to-date diary notes on the file is a consistent message to all the internal teams involved in case management and should become easier with the new housing management system due to be implemented in the Summer
- 4.6 Staff should always confirm in writing discussions held with residents regarding decisions, actions agreed and following advice/guidance interaction.
- 4.7 Corporate ASB training has been added to the 2025/2026 programme and will include the lessons learnt from this determination. This training will take place following the implementation of the new housing management system in May 2025

## **5.0 Implications**

### **5.1 Legal - LEG2425/555**

The report is for noting only. Procedural changes are being put in place following the decision made by the Ombudsman.

### **5.2 HR and Training HR2425/244 FK**

The recommendation to add this topic to regular 121s is positive as it not only provides an opportunity for cases to be discussed in terms of approach and process, but also for individuals to discuss any concerns and as a learning opportunity where there are alternative approaches.

Reference is made to other departments reviewing their protocols and perhaps a joint review would be useful to ensure a consistent approach in terms of guidance but also to ensure that all employees involved can be held to the same standards.

In reference to Corporate ASB training being added to the 2025/26 programme, if this has not been included in previous training bids, or the recently agreed L & D programme then this should be reviewed with involvement from HR and the Learning and Development Officer.

**Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None.

Actions and Learning from HOS Determination -202324726

| Ref #                                     | HOS Order   | Task   | Action Required   | Assigned To    | Start Date | Due Date                      | Status   | Comments  |
|---|---|--|---|----------------|------------|-------------------------------|----------|---|
| 4   | Apology   | The Ombudsman orders a relevant member of the landlord's executive team to apologise to the resident in writing for the key failures identified in this report.  | letter to be produced   | Suzanne Shead  | 16/12/24   | 30/12/24                      | Complete | The apology should recognise that the landlord missed opportunities to improve his situation because it did not ensure the case was handled in line with its own ASB policy, any relevant guidance and best practice. It should also recognise the landlord did not consider his costs in line with its relevant policy due to a communication failure. It should acknowledge the wording in the landlord's stage 1 response was confusing. |
|   |   | The landlord must evidence its actions to the Ombudsman within 6 weeks.  | Letter to be sent to HOS  | Julie Davidson | 16/12/24   | 10/01/25                      | Complete |   |
| 5   | Compensation Payment of £750  | Compensation should be paid directly to the resident and not offset against any arrears. The compensation is to address the distress and inconvenience the resident was likely caused by the above identified issues with the landlord's ASB handling.   | Julie to contact Mr Reid and arrange for compensation payment to be made.   | Julie Davidson | 16/12/24   | 10/01/25                      | Complete |   |
| 6   | Assessment of fencing and decoration costs                                | The landlord is ordered to assess the resident's fencing and decorating costs in line with <i>its improvements policy</i> . It may need to contact the resident to gather the relevant details. When it has assessed the information, it must respond to the resident accordingly. The landlord must evidence its actions to the Ombudsman within 6 weeks. | Contact Mr Reid to understand these costs   | Julie Davidson | 16/12/24   | Meeting at Castle on 3/1/2025 | Complete | Legal advice sought 16/12/24 as no Improvement Policy in place. Draft Policy produced.  |
|   |   | The landlord must evidence its actions to the Ombudsman within 6 weeks.  | Evidence to be sent to HOS  | Julie Davidson | 16/12/24   | 10/01/25                      | Complete |   |
| 7   | Conduct an internal review into the key issues highlighted in this report | Within 10 weeks the landlord should present its findings to its senior leadership/executive team and provide to the Ombudsman a report summarising its identified improvements   | Undertake internal review, present to SLT and forward a copy of SLT report to HOS   | Nicola Preist  | 16/12/24   | 07/02/25                      | Complete |   |
|   |   |  | Disseminate the improvements to relevant staff for learning and improvement purposes  |                |            |                               |          |   |
|   |   |  | Identify the steps the landlord will take to ensure any ASB cases where it is playing a supporting role are handled in line with its own policy, any relevant guidance and best practice. |                |            |                               |          |   |
|   |   |  | Identify the steps the landlord will take to ensure it can recognise and act on opportunities to liaise with the police in ASB cases.   |                |            |                               |          |   |
|   |   |  | Identify the steps the landlord will take to improve its record keeping   |                |            |                               |          |   |
| Refer to Ombudsman's KIM Spotlight report |   |  |   |                |            |                               |          |   |
| NSDC 1                                    |   | Report to SLT on internal review findings  |   | Nicola Preist  | 28/01/25   |                               | Complete |   |
| NSDC2                                     |   | Reponse to HOS on task 7   |   | Nicola Preist  | 07/02/25   |                               | Complete |   |
| NSDC3                                     |   | Report to A & G Committee  |   | Julie Davidson | 16/04/25   |                               |          |   |
| NSDC4                                     |   | Report to Tenant Engagement/Housing Advisory Board   |   | Julie Davidson | 15/05/25   |                               |          |   |



Report to: **Audit & Governance Committee Meeting**

Date: 7 May 2025

Director Lead: Suzanne Shead, Director for Housing, Health, and Wellbeing

Lead Officer: Julie Davidson, Business Manager Housing Services, ext. 5542

| <b>Report Summary</b>            |  |
|----------------------------------|--|
| <b>Report Title</b>              | Outcome of Housing Ombudsman Investigation (Ref: 202333701)  |
| <b>Purpose of Report</b>         | To inform Members of the outcome of an investigation where the Ombudsman found fault with the Council                          |
| <b>Recommendations</b>           | That Members note the report, and the lessons learnt.  |
| <b>Reason for Recommendation</b> | Ombudsman investigations which result in the Council being found to be at fault are required to be reported to this committee. |

## **1.0 Background**

1.1 A resident complained to the Housing Ombudsman regarding various issues relating to the Council's handling of

- Noise nuisance, anti-social behaviour and inappropriate staff conduct
- Services covered by the service charge not being provided
- Complaints

1.2 When reviewing cases, where fault is found, the Housing Ombudsman has three levels of maladministration:

- Service Failure - the lowest level of maladministration and is reserved for minor failings where action is still needed to put things right.
- Maladministration - where there is a failure which has adversely affected the resident.
- Severe Maladministration - this is reserved for the most severe failings.

- 1.3 Findings of maladministration are published regularly on the Housing Ombudsman Service website along with spotlight reports which focus on specific issues or service areas to raise awareness and help landlords improve.

## **2.0 Ombudsman Findings and Final Decision**

- 2.1 The Housing Ombudsman determined there to be maladministration in one area and service failure in two areas:

- There was maladministration in relation to the landlord's handling of the residents reports about noise nuisance, ASB and inappropriate staff conduct
- There was service failure in relation to the landlord's handling of the resident's report about services covered by the service charge not being provided
- There was service failure in relation to the landlord's complaint handling

## **3.0 Orders and Recommendations**

- 3.1 In its final decision, the Housing Ombudsman ordered the Council to carry out the following:

- Apologise to the resident for the identified failures. The apology should come from a senior member of staff and be mindful of the Ombudsman's apologies guidance.
- Pay the resident £350 compensation, broken down as follows:
  - i. £300 in relation to the landlord's handling of the resident's reports about noise nuisance, ASB and inappropriate staff conduct.
  - ii. £50 in relation to the landlord's handling of the resident's reports about services covered by the service charge not being provided.
- Contact resident to discuss any current ASB or noise concerns and apply the ASB policy, if appropriate. The landlord should confirm its discussion, decisions, and next steps in writing.
- Contact the resident to discuss his concerns about services not being provided and provide a response in writing. This should include:
  - i. A breakdown of all charges the resident is liable for in addition to rent such as service charge, support charge, and so on.
  - ii. What is included in each charge with a breakdown of how much is charged for each element.
  - iii. A response regarding the specific services the resident says he has not received.
  - iv. An explanation of how rent pooling works and what it covers.
  - v. The grounds maintenance schedule including what work should be carried out and when.
  - vi. How the resident can dispute charges.
  - vii. How the resident can report dissatisfaction in the future if work is seemingly not done.

- 3.2 An action plan, Appendix A, details completion against these.

#### **4.0 Lessons learnt**

- 4.1 A formal ASB case must be opened on the live case management system even if declined by the victim / complainant to ensure the ASB case management process is transparent and consistently applied, irrespective of who is the lead department overall.
- 4.2 Staff have been reminded of the importance of adopting the standard procedure and remaining objective when dealing with challenging and complex individuals. The importance of up-to-date diary notes on the file is a consistent message to all the internal teams involved in case management and should become easier with the new housing management system due to be implemented in the Summer.
- 4.3 Staff should always confirm in writing discussions held with residents regarding decisions, actions agreed and following advice/guidance interaction.
- 4.4 A revision of the 121 form has been completed to include case audits. This will be used by Senior Housing Officers (SHO) and Tenancy Officers at their monthly 121 meetings to record that case management audits have been carried out on all open ASB cases, and that these are recorded with any agreed actions. The audits are then discussed at the SHO 121 meetings with the Housing Services Business Manager.
- 4.5 Corporate ASB training has been added to the 2025/2026 programme and will include the lessons learnt from this determination. This training will take place following the implementation of the new housing management system in May 2025.

#### **5.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

##### **5.1 Financial Implications - FIN24-25/1202**

The £350 compensation payment referred to in paragraph 3.1 has been funded from the HRA's compensation budget, which has an allocation of £25k for the 2024/25 financial year.

##### **5.2 Legal Implications LEG2425/3372**

The report is for noting only. Procedural changes are being put in place following the decision made by the Ombudsman.

##### **5.3 HR and Training HR2425/555 FK**

The recommendation to add this topic to regular 121s is positive as it not only provides an opportunity for cases to be discussed in terms of approach and process, but also for individuals to discuss any concerns and as a learning opportunity where there are alternative approaches.

Reference is made to other departments reviewing their protocols and perhaps a joint review would be useful to ensure a consistent approach in terms of guidance but also to ensure that all employees involved can be held to the same standards.

In reference to Corporate ASB training being added to the 2025/26 programme, if this has not been included in previous training bids, or the recently agreed L&D programme then this should be reviewed with involvement from HR and the Learning and Development Officer.

**Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None.

Appendix 2. Actions from HOS Determination - JG 202333701

| Ref   | HOS Order   | Task  | Action Required   | Assigned To     | Start Date | Due Date | Status   | Comments  |
|-------|---|---|---|-----------------|------------|----------|----------|---|
| A     | Apology   | Apologise to the resident for the identified failures. The apology should come from a senior member of staff and be mindful of the Ombudsman's apologies guidance.                        | Julie to contact tenant, apologise and talk through the compensation award. Conversation to be followed up in writing - copy to HOS. Set up appointment for actions D 1 - 7 below | Julie Davidson  | 09/12/24   | 13/12/24 | Complete | 9/12/24 @ 10am - message left on mobile with a request for a call back. Tenant returned my call at 2:20pm but I was in a meeting so he left a voicemail which I responded to at 2:54pm. |
| B1    | Compensation Payment of £350  | £300 in relation to the landlord's handling of the resident's reports about noise nuisance, ASB and inappropriate staff conduct   |   | Julie Davidson  | 09/12/24   | 13/12/24 | Complete | Confirmation email sent to tenant - copy in folder and Capita. Appointment made for 18 December, 2pm @ Beaumont Walk  |
| B2    |   | £50 in relation to the landlord's handling of the resident's reports about services covered by the service charge not being provided.   |   | Julie Davidson  | 09/12/24   | 13/12/24 | Complete | Compensation payment requested. Tenant confirmed on 18 Decembere 2024 that payment had been received.   |
| C1    | Contact Tenant  | Contact resident to discuss any current ASB or noise concerns and apply the ASB policy, if appropriate. The landlord should confirm its discussion, decisions, and next steps in writing. | Tenancy Officer to make contact with tenant, and if required invoke standarad ASB procedure   | Amanda Richards | 09/12/24   | 13/12/24 | Complete | Amanda logged noise complaint, standard letter and diary sheets sent to tenant. Amanda meeting tenant 11/12/24 as part of complaint support.  |
| D1    | Contact Tenant to discuss his concerns about services not being provided and provide a response in writing. | A breakdown of all charges the resident is liable for in addition to rent such as service charge, support charge, and so on.  | Julie to arrange a meeting with tenant with Dave P, to talk through the issues. Conversation to be followed up in writing - copy to HOS   | Dave Price      | 18/12/24   | 18/12/24 | Complete |   |
| D2    |   | What is included in each charge with a breakdown of how much is charged for each element.   |   | Dave Price      |            |          | Complete |   |
| D3    |   | A response regarding the specific services the resident says he has not received.   |   | Julie Davidson  |            |          | Complete |   |
| D4    |   | An explanation of how rent pooling works and what it covers   |   | Dave Price      |            |          | Complete |   |
| D5    |   | The grounds maintenance schedule including what work should be carried out and when.  |   | Julie Davidson  |            |          | Complete |   |
| D6    |   | How the resident can dispute charges.   |   | Dave Price      |            |          | Complete |   |
| D7    |   | How the resident can report dissatisfaction in the future if work is seemingly not done.  |   | Julie Davidson  |            |          | Complete |   |
| NSDC1 |   | Conversation to be followed up in writing   |   | JD/DP           |            | 31/12/24 | Complete | Email sent to Tenant on 31/12/24 - documentation to be printed and posted as well   |
| NSDC2 |   | Email evidence to HOS that all actions complete   |   | Julie Davidson  |            | 02/01/25 | Complete | Email sent by CS Team Leaders   |
| NSDC4 |   | Report to Audit & Governance Committee  |   | Julie Davidson  |            | 16/04/25 |          |   |
| NSDC5 |   | Report to Tenant Engagement/Housing Assurance Board   |   | Julie Davidson  |            | 15/05/25 |          |   |



Report to: Audit & Governance Committee: 7 May 2025

Director or Business Manager Lead: Sue Bearman – Assistant Director Legal & Democratic Services and Monitoring Officer

Lead Officer: [Sue.Bearman@nsdc.info](mailto:Sue.Bearman@nsdc.info)  
01636 655935

| Report Summary                   |  |
|----------------------------------|--|
| <b>Report Title</b>              | Local Government Peer Review – Corporate Peer Challenge  |
| <b>Purpose of Report</b>         | To inform Committee of the recommendations from the Local Government Association Peer Challenge that have been delegated to Audit & Governance Committee.  |
| <b>Recommendations</b>           | <ol style="list-style-type: none"> <li>1. To note progress on the recommendations from the Local Government Association Peer Challenge that have been delegated to Audit &amp; Governance Committee.</li> <li>2. To update the Committee’s Work Plan accordingly.</li> </ol> |
| <b>Reason for Recommendation</b> | To contribute towards the Community Plan objective of being a top performing Council.  |

## 1.0 Background

1.1 At its meeting of 18 February 2025, Cabinet considered the findings of the Local Government Association Peer Challenge and agreed the formation of a working group tasked with an action plan to address those findings. The Chair and Vice Chair of Audit & Governance Committee were appointed to the group. At its first meeting on 25 February, the group agreed for Audit & Governance Committee to action the following recommendations: -

- 1.1.1 Review the audit, governance, and overview and scrutiny functions of the Council to maximise councillor engagement and council productivity
- 1.1.2 Strengthen and enhance the Annual Governance Statement
- 1.1.3 Strengthen the application of the national Code of Conduct
- 1.1.4 Establish a Councillor development group
- 1.1.5 Ensure councillors understand the longer-term budget pressures
- 1.1.6 Establish an ongoing councillor development programme

1.2 A progress report is due to be submitted to the working group in May, with a view to progress on the entire action plan being reviewed with the Local Government Association around September 2025.

## **2.0 Proposal/Options Considered**

- 2.1 The Audit & Governance working party that has been meeting to review the Council's Constitution has considered recommendation 1.1.1. A separate report on the agenda for this meeting addresses that recommendation, and it is therefore considered complete.
- 2.2 The Annual Internal Audit Report 2024/5 is on the Committee's work plan for July 2025; this will include a reviewed and updated Annual Governance Statement to ensure it accurately represents governance arrangements, that future risks are identified and that governance arrangements support the achievement of the Council's objectives. Officers will review the associated Constitutional document, the Local Code of Corporate Governance at the same time, and bring a reviewed and updated version to the same meeting. Recommendation 1.1.2 is therefore ongoing with an expected completion date of July 2025.
- 2.3 The Audit & Governance Committee working party of 27 March began work on recommendation 1.1.3, in considering actions arising from the Good Conduct and Public Service motion that was passed by Full Council and referred to this Committee. There is a separate update report on this agenda. This action is therefore ongoing with an expected completion to be confirmed (September 2025 at the latest).
- 2.4 Officers have started work on a draft Councillor Development Strategy, and a report will be brought to this Committee for consideration, taking into account recommendations 1.1.4 to 1.1.6 above. This document will formalise the Council's arrangements for member development and will signpost key internal training and external opportunities through bodies such as the LGA and East Midlands Councils for example. Members would approve and review this strategy to ensure it continues to meet the ongoing training and development needs of all councillors. This action is therefore ongoing with an expected completion to be confirmed (September 2025 at the latest).

## **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

### **3.1 Financial Implications - FIN25-26/517**

There are no financial implications from this report.

### **3.2 Legal Implications (LEG2425/9610)**

Audit & Governance Committee is the appropriate body to consider the content of this report.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Cabinet report February 2025 – item 245 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=288&MId=1017>



Report to: Audit & Governance Committee: 7 May 2025

Director or Business Manager Lead: Sue Bearman – Assistant Director Legal & Democratic Services and Monitoring Officer

Lead Officer: [Sue.Bearman@nsdc.info](mailto:Sue.Bearman@nsdc.info)  
01636 655935

| Report Summary           |  |
|--------------------------|--|
| <b>Report Title</b>      | Review of the Council’s Constitution   |
| <b>Purpose of Report</b> | To consider proposals for amendments to the Council’s Constitution following consideration by an informal Audit & Governance Committee working party.  |
| <b>Recommendations</b>   | <p>That Committee: -</p> <ol style="list-style-type: none"> <li>1. Recommends the Constitutional amendments set out in Appendices A, B, E, G, I and J to Full Council for approval;</li> <li>2. Endorses the adoption of templates for motions and amendments as illustrated in Appendices C and D subject to approval by Full Council of the relevant amendments to Full Council Procedure Rules;</li> <li>3. Recommends a reduction in membership of Audit &amp; Governance Committee to 9 Members to Full Council for approval;</li> <li>4. Endorses amendments to arrangements for Audit &amp; Governance Committee as set out in paragraph 2.9 of the report;</li> <li>5. Requests that Officers explore options for more regular meetings with the auditors to assist with Audit &amp; Governance Committee Member development;</li> <li>6. Recommends that Policy &amp; Performance Improvement Committee re-issues guidance to all Members as set out in paragraph 2.11 of the report;</li> <li>7. Updates its work programme to include feedback at least annually on meetings between the Chair and Vice Chair of this Committee, and the Chair and Vice Chair of Policy &amp; Performance Improvement Committee;</li> </ol> |

|                                  |   |
|----------------------------------|---|
|                                  | <p>8. Recommends the addition of ‘Principal Legal Officer’ to the list of Officers with authority to seal legal documents on behalf of the Council, to Full Council for approval; and</p> <p>9. Approves the review of the sections of the Constitution set out in paragraph 2.26 of the report, with any proposals for amendment being brought to this Committee as soon as practicable.</p> |
| <b>Reason for Recommendation</b> | To ensure the Constitution is up to date and fit for purpose.   |

## **1.0 Background**

- 1.1 Audit & Governance Committee is responsible for overview of the Constitution, and the Work Programme includes an annual review.
- 1.2 On 24 April 2024 Committee resolved to convene an informal workshop to review the Council’s Petitions Scheme, Full Council Procedure Rules in relation to Petitions and Annual Budget, the Local Code on Corporate Governance, and any minor amendments proposed by the Monitoring Officer.
- 1.3 An informal workshop was held on 17 October, and an update was presented to Committee on 11 December 2024. Revisions to the arrangements for the Annual Budget were endorsed for recommendation to Full Council, and these were approved by the Full Council in February. It was also reported that the workshop considered there was a need to widen the scope of the review to include arrangements for written motions, Licensing & General Purposes Committees, and the Acquisitions and Disposals Policy in relation to land and property. An update was also provided on the Contract Procedure Rules (separate report on this agenda).
- 1.4 At its meeting of 18 February 2025, Cabinet considered the findings of the Local Government Association Peer Challenge and agreed the formation of a working group tasked with an action plan to address those findings. The Chair and Vice Chair of Audit & Governance Committee were appointed to the group. At its first meeting on 25 February, the group agreed for the Audit & Governance Committee to action the following recommendation: -
- Review Audit, Governance, Overview and Scrutiny functions of the Council to maximise councillor engagement and council productivity.
- 1.5 Two further Audit & Governance Committee informal workshops were held on 5 March and 27 March, and the above was included on the agenda. There is a separate report on this agenda regarding Peer Challenge actions.

## 2.0 Proposals/Options Considered

### Petitions

- 2.1 The Council's Petition Scheme currently states that it welcomes e-petitions which are created through our website; while it does not prohibit e-petitions submitted through alternative platforms, the Scheme does not explicitly say they are accepted. The workshop acknowledged that it could be frustrating for petitioners who had used another online e-petition facility to find their e-petition rejected if the signatories could not be fully verified by Council officers. The importance of verification was noted, but on balance it was agreed that the Scheme should be amended to allow discretion to be exercised on the acceptance of e-petitions from other platforms (as we do now in practice). One minor amendment is also proposed in relation to petitions with more than 1,000 signatures that are actioned prior to the next meeting of Full Council at which they could be debated. The Petition Scheme, with proposed tracked changes, is **Appendix A** to this report (amendments at paragraphs 1.5 and 1.7).
- 2.2 The Full Council Procedure Rules contain provisions about the presentation of petitions. It is proposed to amend the Procedure Rules to allow for all petitions that fall under the remit of the Petition Scheme to be presented to Full Council by the relevant Member. Currently, the rules say that if a petition is to be debated it will not first be presented. Two further additions are proposed; firstly to clarify that the agreed course of action will normally be to refer the matter to another Council body or to note the petition, and secondly for the outcome of any consideration of petitions by the Cabinet, Portfolio Holders or Officers, to be reported back to Full Council for completeness. The relevant extract of the Full Council Procedure Rules, with proposed tracked changes, is **Appendix B** to this report (paragraph 3).

### Motions

- 2.3 It is proposed to refine the Constitution's provisions regarding motions and introduce the use of a template. The proposed tracked changes to the Full Council Procedure Rules are in **Appendix B** (paragraph 3.4). This includes a new 3.4.1(c) which seeks to provide clarity for Members on valid motions. The template is **Appendix C**. The workshop decided not to propose bringing forward the deadline for submission of motions on notice (paragraph 3.4.3 Appendix B) due to the political group meeting schedules ahead of Full Council meetings, but agreed to suggest the inclusion of a provision recommending that early advice is sought prior to that deadline.
- 2.4 It is further proposed to introduce a template for amendments to motions, and a provision for amendments to be submitted to Democratic Services ahead of meetings (**Appendix B paragraph 4.6.2**). The template is **Appendix D**. Members at the workshop expressed the view that training on procedure would be helpful.

### Licensing and General Purposes Committees

- 2.5 The workshop undertook a review of the terms of reference for these two Committees. Changes were proposed both for clarification and to remove functions that are no longer relevant. The workshop also discussed whether the two Committees could be

combined into one. A number of neighbouring authorities including Mansfield District Council, Ashfield District Council and Bassetlaw District Council have established a single committee for regulatory licensing functions. There is no statutory requirement to have two separate committees. The historical reason for having two, is that the committees were set up under different legislation with slightly different requirements. It was agreed to consult with the Licensing and General Purposes Committees on combining the committees. A report was taken on 20 March 2025, and the Committees supported the proposal to combine.

- 2.6 If a single committee is to focus solely on regulatory licensing functions, some of the General Purposes Committee’s functions will need to be moved elsewhere. It is considered that Audit & Governance Committee would be the most suitable body to consider these electoral matters. The amount of committee business relating to these functions is minimal; in 2023-4 there were no reports, and in 2024-5 there was one report relating to a review of polling districts and polling places, and two reports relating to a community governance review. The proposed terms of reference for Licensing Committee are **Appendix E** (also **Appendix E1** – clean copy for ease of reference). The functions that would be moved to Audit & Governance Committee are highlighted.

### **Audit & Governance Committee**

- 2.7 The workshop considered the functions of Audit & Governance Committee including the size of the Committee and whether it should be divided into two separate committees. It was agreed that the membership of the Committee should be reduced in line with best practice. There were mixed views regarding dividing the Committee.

- 2.8 For comparison, arrangements at other Nottinghamshire authorities are as follows: -

| <b>Authority</b>        | <b>Combined or Separate</b> | <b>Membership</b>   |
|-------------------------|-----------------------------|---|
| Nottinghamshire         | Combined                    | 11  |
| Nottingham City Council | Separate                    | 9 - Audit (2 independent)<br>8 – Governance (1 independent) |
| Gedling Borough Council | Separate                    | 7 – Audit<br>2 from each group – Standards (2 co-optees)    |
| Bassetlaw               | Combined                    | 9   |
| Rushcliffe              | Combined                    | 9 (1 independent)   |
| Broxtowe                | Combined                    | 13  |
| Ashfield                | Separate                    | 7 – Audit<br>7 - Standards                                  |
| Mansfield               | Combined                    | 9   |

- 2.9 It is proposed to reduce the membership of Audit & Governance Committee to 9. It is further proposed that for a trial period of 12 months from the start of the new municipal year, to add at least 2 extra Committee meetings, to be dedicated to Governance and Standards matters as far as possible, with other meetings being dedicated to Audit as far as possible. The timescale for the Government review of the Standards regime is

unknown, but it may be that within that time new requirements will come into effect regarding standards committees.

- 2.10 The workshop recalled that in previous years Committee Members were sometimes briefed by internal and external audit prior to meetings; this assisted with identifying issues that could be raised in meetings and was beneficial for training and development. The workshop recommends that options are explored for more regular meetings with the auditors to assist with Member development, including consideration of charges for additional attendance by internal and external audit.

### **Policy and Performance Improvement Committee**

- 2.11 The workshop considered the functions of this Committee; Officers did not identify any necessary amendments to the terms of reference set out in the Constitution and made no recommendations. There was some discussion about chairmanship, as the Peer Challenge asked the Council to consider whether opposition Councillors could be chairs or vice chairs (of both Audit & Governance and Policy and Performance Improvement Committees). While in practice this is the case for Audit & Governance Committee, it is not a requirement of the Constitution. There were mixed views on this. On balance no Constitution changes are proposed at this time, as the Policy and Performance Committee membership is well established and no concerns have been raised about its leadership.
- 2.12 It is proposed that Audit & Governance Committee recommends Policy & Performance Improvement Committee re-issues guidance to all Members about how to submit scrutiny topic request forms at least twice a year, noting that this is already done annually. The Peer Challenge recommended that a matrix be considered to inform the Committee's work programme. The existing Operational Guidance is **Appendix F**; Committee will note that assessment criteria is already included on page 5. Some Members commented that the process can be bureaucratic.
- 2.13 It is proposed for the Chairs and Vice Chairs of PPIC and A&G, together with Officers, to meet at least once a year to review the Committee work programmes together and consider whether they cover the full range of scrutiny, governance, risk management and performance responsibilities. The work programme for each Committee should be updated to include feedback from this meeting.
- 2.14 This Committee will be considering a separate report regarding Member learning and development, including provision for scrutiny.

### **Planning Policy Board**

- 2.15 The workshop endorsed proposals from Planning Officers to increase the membership of the Planning Policy Board to 9, comprised of the Portfolio Holder for Sustainable Economic Development, 4 Members from the membership of the Policy and Performance Improvement Committee, and 4 members of the Planning Committee including the Chair and Vice Chair. The rationale for this is to increase the geographical coverage and political representation of the membership. The proposed amendments are set out in **Appendix G**.

## **Acquisitions and Disposals Policy**

- 2.16 The workshop was briefed on Officers' work to refresh and review this Policy, which is included in the Financial Governance section of the Constitution. The current Policy is **Appendix H**, and the proposed revised Policy is **Appendix I**.
- 2.17 The main changes are summarised below (if approved, flowcharts will also be added for ease of reference before the revised Policy is submitted to Full Council for approval):
- Inclusion of all legislative requirements for disposals by local authorities for ease of reference and to reduce the risk of omission
  - Clarification on delegations
  - Incorporation of reference to the distinction between General Fund and Housing Revenue Account assets
  - Addition of reference to 'appropriation' – the transfer of land between the General Fund Budget to the Housing Revenue Account Budget
- 2.18 As this Policy relates Cabinet and Portfolio Holder decision-making, in the event Committee endorses the updates, Officers will consult with the Leader and include any feedback in the report to Full Council.

## **Executive Arrangements**

- 2.19 A Member queried whether any provision could be made in the Constitution for a 'no overall control' position. One example discussed was whether, in the event of no overall control, consideration should be given to the adoption of a team charter for a joint administration. Members may wish to consider this further.

## **Other**

- 2.20 Currently, the only Committee with a training requirement incorporated into terms of reference is Planning Committee, 'All Members of the Planning Committee must have undertaken the required training, a minimum of once a year'. The working party discussed the importance of training, although there was recognition that mandating training might be difficult to implement in practice. The importance of different options for training (e.g. online, in person) was acknowledged, also effective marketing of training events. As referenced in paragraph 2.14 above, This Committee will be considering a separate report regarding Member learning and development. It is proposed to consider any Constitution amendments regarding training requirements as part of that report.
- 2.21 Some minor amendments are required to the Terms of Reference for Planning Committee to ensure it accurately reflects the contents of the Officer Scheme of Delegation and the Protocol for Planning Committee. The proposed amendments are **Appendix J**.

- 2.22 The Peer Review recommended a review of the Annual Governance Statement. As the two documents are closely aligned, it is proposed to review the Local Code on Corporate Governance (which is part of the Constitution and has been identified by this Committee for review) at the same time, and report back to this Committee with any proposed amendments.
- 2.23 The workshop was also briefed on proposed updates to the Contract Procedure Rules, in relation to which there is a separate report on the agenda for this meeting.
- 2.24 Finally, the Officer Scheme of Delegation in the Constitution delegates authority to the Chief Executive, Directors (including the Assistant Director) and Deputy Monitoring Officer, to seal legal documents on behalf of the Council. Due to hybrid working arrangements this is not always practical and it is proposed to extend this provision to include Principal Legal Officers.

### **Next Steps**

- 2.25 Amendments and updates endorsed by this Committee will be recommended to Full Council for approval at the Annual Meeting in May. The Council's Independent Remuneration Panel will be asked to undertake a review in respect of any changes in Committee terms of reference.
- 2.26 In 2025-26 it is proposed to review and update the following Constitutional documents with a report being brought to Committee as soon as practicable: -
- Employment Procedure Rules
  - Protocol for Appointments to Outside Bodies
  - Consider inclusion of a regulatory obligations section
- 2.27 The Social Media Protocol for Members is a Constitutional document, but is being considered under the Conduct and Public Service workstream for this Committee.

### **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

#### **3.1 Financial Implications - FIN25-26/2805**

The costs associated with convening the independent remuneration panel can be accommodated within the existing budgets for the 2025-26 financial year.

#### **3.2 Legal Implications (LEG2425/9323)**

Audit & Governance Committee is the appropriate body to consider the content of this report, as it is responsible for overview of the Council's Constitution and consideration of proposed amendments or revisions to the Constitution including the Schemes of Delegation, Procedure

Rules and Protocols. Adoption and alteration of the Constitution is a function reserved to Full Council; therefore any amendments endorsed will need to be submitted to Full Council for approval.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

The Council's Constitution is published on its website - <https://www.newark-sherwooddc.gov.uk/constitution/>

Full Council report May 2022 – Item 8 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=139&MId=569>

Audit & Governance report November 2023 – Item 10 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=298&MId=877>

Full Council report January 2024 – Item 11 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=139&MId=894>

Audit & Governance Committee Report April 2024 – Item 12 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=298&MId=879>

Audit & Governance Committee report 11 December 2024 – Item 16 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=298&MId=987>

Full Council report February 2025 – Item 52 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=139&MId=1028>

Cabinet report February 2025 – item 245 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=288&MId=1017>

Licensing and General Purposes Committees report March 2025 – item 4 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=143&MId=1008>

## 1. NEWARK & SHERWOOD DISTRICT COUNCIL'S PETITION SCHEME

### 1.1 Introduction

The Council welcomes petitions and recognises that petitions are one way in which people can let us know their concerns. A petition is defined as a communication in writing or using an electronic facility, which is signed by the appropriate number of qualifying people. All petitions sent or presented to the Council will receive an acknowledgement within 10 working days of receipt. This acknowledgement will set out what we plan to do with the petition. We will treat something as a petition if it is identified as being a petition, or if it seems to us that it is intended to be a petition.

Paper petitions can be sent to the Chief Executive, Newark & Sherwood District Council, Castle House, Great North Road, Newark, Notts. NG24 1BY.

Petitions with less than 1,000 signatures can be presented to a meeting of the full Council on your behalf by a Councillor. These meetings take place within an annual cycle of meetings, details of which can be found at [www.newark-sherwooddc.gov.uk](http://www.newark-sherwooddc.gov.uk). If you would like your petition to be presented to a full Council Meeting please contact your local Councillor asking them to present it on your behalf or contact Democratic Services on 01636 655243 or [committees@newark-sherwooddc.gov.uk](mailto:committees@newark-sherwooddc.gov.uk) at least 10 working days before the Council meeting.

If your petition has received 1,000 signatures or more from people that live and/or work in the District then this will trigger a debate at full Council. If this is the case contact will be made with the lead petitioner to discuss arrangements.

**If your petition applies to a planning or licensing application, is a statutory petition (for example requesting a referendum on having an elected mayor), or on a matter where there is already an existing right of appeal, such as council tax banding and non-domestic rates, other procedures will apply.**

### 1.2. What are the guidelines for submitting a petition?

Petitions submitted to the Council must include:

- a clear and concise statement covering the subject of the petition. The subject should be relevant to some matter in relation to which the Council has functions or which affects the area or its residents. It should also state what action the petitioners wish the Council to take; and
- the name and address (including postcode) and signature of any person supporting the petition.

Signatures are only valid for people who live, work or study within the District. In the case of an e-petition submitted via the Council's website or an alternative platform, a signature is not required but a valid email address, name, address and postcode must be supplied by each of the petitioners. Further details about e-petitions are given later in this petition scheme.

Petitions should be accompanied by contact details, including an address, for the petition organiser. This is the person we will contact to explain how we will respond to the petition. The contact details of the petition organiser will not be placed on the website. If the petition does not identify a petition organiser, we will contact signatories to the petition to agree who should act as the petition organiser.

If you want to submit a petition to a specific meeting of the Council then you need to ensure that we receive a completed petition with details of the petition subject matter, number of signatures and your contact details 10 working days before the meeting to enable it to be submitted and included on the summons for the meeting.

Petitions which are considered to be vexatious, abusive or otherwise inappropriate will not be accepted. In the period immediately before an election or referendum we may need to deal with your petition differently – if this is the case we will explain the reasons and discuss the revised timescale which will apply. If a petition does not follow the guidelines set out above, the Council may decide not to do anything further with it. In that case, we will write to you to explain the reasons.

The Council's Monitoring Officer will decide as to whether or not the guidelines referred to above have been met and therefore whether a petition should be accepted.

### **1.3 What will the Council do when it Receives my Petition?**

An acknowledgement will be sent to the petition organiser within 10 working days of receiving the petition. It will let them know what we plan to do with the petition and when they can expect to hear from us again. It will also be published on our website.

If we can do what your petition asks for, the acknowledgement may confirm that we have taken the action requested and the petition will be closed. If the petition has enough signatures to trigger a Council debate then the acknowledgment will confirm this and tell you when and where the meeting will take place. If the petition needs more investigation, we will tell you the steps we plan to take. If the petition applies to a planning or licensing application, is a statutory petition (for example requesting a referendum on having an elected mayor), or on a matter where there is already an existing right of appeal, such as council tax banding and non-domestic rates, other procedures will apply.

To ensure that people know what we are doing in response to the petitions we receive, the details of all the petitions submitted to us will be published on our website, except in cases where this would be inappropriate. Whenever possible we will also publish all correspondence relating to the petition (all personal details will be removed).

#### 1.4. How will the Council Respond to Petitions?

Our response to a petition will depend on what a petition asks for and how many people have signed it, but may include one or more of the following:

- taking the action requested in the petition
- considering the petition at a Council meeting
- holding an inquiry into the matter
- undertaking research into the matter
- holding a public meeting
- holding a consultation
- holding a meeting with petitioners
- referring the petition for consideration by a Cabinet Member or a committee of the Council whose remit includes the matters referred to in the petition
- calling a referendum
- writing to the petition organiser setting out our views about the request in the petition

If your petition is about something that a different Council is responsible for or over which the Council has no direct control (for example rail services or a hospital) we will give consideration to what the best method is for responding to it. This might consist of simply forwarding the petition to the other organisation, but could involve other steps. In any event we will always notify you of the action we have taken.

#### 1.5. Full Council Debates – Petitions with More than 1,000 Signatures

If a petition contains more than 1,000 signatures it will be scheduled for debate by the Full Council. This means that the issue raised in the petition will be discussed at a meeting at which all Councillors can attend. The Council will endeavour to consider the petition at its next meeting, although on some occasions this may not be possible and consideration will then take place at the following meeting. 15 minutes will be allocated for the debate. The Council will decide how to respond to the petition at this meeting. They may decide to take the action the petition requests, not to take the action requested for reasons put forward in the debate, or to commission further investigation into the matter, for example by a relevant committee. The petition organiser will receive written confirmation of this decision. This confirmation will also be published on our website.

The Council may consider there to be a more expedient way in which to deal with a petition which contains more than 1,000 signatures. If this is the case, the lead petitioner will be notified accordingly—, and the petition will be presented to Full Council together with confirmation of the action taken.

### 1.6. Presentation of Petitions at Full Council – Petitions with Fewer than 1,000 Signatures

Your petition may not have the requisite number of signatures to trigger a Council debate. However, your petition can still be presented to a meeting of the full Council. When you are satisfied that your petition meets all of the criteria you should contact your local Ward Councillor or appropriate Member to request the submission of the petition to the next full Council Meeting. Democratic Services can also approach the relevant Councillor on your behalf.

The Member being asked and wishing to present the petition should satisfy themselves that the petition meets the guidelines for petitions as set out in this Scheme and notify the Chief Executive, prior to the full Council meeting that they intend to present the petition. They have a maximum of 1 minute in which to present the petition to the full Council meeting. The petition organiser does not have a right to present the petition to the full Council meeting and there will be no debate.

### 1.7. E-Petitions

The Council welcomes e-petitions which are created through our website [www.newark-sherwooddc.gov.uk/epetitions](http://www.newark-sherwooddc.gov.uk/epetitions). For these the petition organiser must provide us with their name and address (including postcode) and email address. You will also need to decide how long you would like your petition to be open for signatures. Most petitions run for six months, but you can choose a shorter or longer timeframe up to a maximum of 12 months. When you create an e-petition it will take up to 5 working days before it is published on the website. This is because we have to check that the content of your petition before it is published online. If we feel that we cannot publish your petition for some reason we will contact you within this time to explain. You will be able to change and resubmit your petition if you wish. If you do not do this within 10 working days, a summary of the petition and the reason why it has not been accepted will be published on the website.

When an e-petition has closed for signature it will automatically be submitted to Democratic Services. In the same way as a paper petition, you will receive an acknowledgment within 10 working days. You can see all the e-petitions currently available on the website [www.newark-sherwooddc.gov.uk/epetitions](http://www.newark-sherwooddc.gov.uk/epetitions). When you sign the e-petition you will be asked to provide your name, postcode and a valid email address.

E-Petitions from alternative platforms may be accepted providing the guidelines at paragraph 1.2 above are met, or at the discretion of the Monitoring Officer in exceptional circumstances.

### 1.8. What can I do if I feel my Petition Has Not Been Dealt with Properly?

Depending on the nature of any concerns raised, the matter may be considered under the corporate complaints procedure, or another appropriate procedure.







### 3. Business to be Conducted

#### 3.1 Petitions

3.1.1 In accordance with the Council's published Petition Scheme (attached at Part B Section 1 of this Constitution) petitions with less than 1,000 valid signatures can be presented to the Council, and will be received but not debated. Petitions with more than 1,000 valid signatures can be presented to the Council for debate, ~~without presentation~~ as set out below.

3.1.2 A petition must be signed by persons other than members of the Council, and be relevant to some matter in relation to which the Authority has functions, or which affects the area of the Authority, or part of it, or the inhabitants of that area, or some of them.

3.1.3 A Member wishing to present a petition shall satisfy himself/herself that the petition is proper to be received. The Member shall give notice of his/her intention to present to the Chief Executive at least six clear working days before meeting at which he/she wishes to present it.

3.1.4 Petitions shall be presented in the order in which notice of them is received by the Chief Executive.

3.1.5 The presentation of any petition ~~of less than 1,000 signatures~~ shall be limited to not more than one minute, and shall be confined to reading out or summarising the purpose of the petition, indicating the number and description of the signatories, and making such further supporting remarks relevant to the petition as the Member presenting it shall think fit. ~~There will be no debate.~~

3.1.6 The Council will limit debate on any petition of more than 1,000 signatures to a maximum of 15 minutes and will close the debate with an agreed course of action, which will normally be to refer the matter to Cabinet or the relevant Portfolio Holder for further consideration, or to note the petition.

3.1.7 A report back to Council noting the outcome of any consideration by Cabinet, the relevant Portfolio Holder or Committee will be brought to the next appropriate meeting.

#### 3.4 Motions

##### 3.4.1 Motions on Notice

###### Scope

- (a) Motions must be about matters for which the Council has a direct responsibility or duty, or that directly impact on the Council's residents where the Council may have the ability to influence.

(b) It shall be the duty of the Monitoring Officer, after consultation with the Chair, to refuse to accept any motion or amendment to a motion which they deem to be illegal, improper, vexatious or out of order.

(c) A valid motion must:

- a. Not seek to alter or reverse any Executive decision unless it is contrary to the Policy Framework or contrary to or not wholly consistent with the budget
- b. Not be substantially the same (in terms of subject matter or scope) as a motion already submitted, or a substantive item already on the meeting's agenda, or one that has been put to a meeting of the Full Council (whether passed or not) in the past 6 months
- c. Not relate to a planning application or any other quasi-judicial matter
- d. Not require disclosure of confidential or exempt information
- a-e. be in accordance with any guidance issued by the Monitoring Officer and/or the Section 151 Officer

### 3.4.2 Motions to Reverse Decisions

- (a) Council decisions are final and should normally not be altered or amended for 6 months. However, where a decision proves to be unworkable or not in the best interests of the Council and its communities for whatever reason a further report on the issue can be brought back to Full Council for further consideration with the agreement of the Council's Chair and Vice Chair.
- (b) Alternatively, a notice of motion may be submitted in writing endorsed by at least twelve Councillors. This must be submitted to the Chief Executive not later than noon 8 days before the meeting at which it is intended to be moved. The Chief Executive will determine to what extent the decision has already been implemented and whether it would be practicable for the decision to be reversed or rescinded. When any such motion or amendment has been dealt with, no similar motion or amendment may be proposed within a further period of 6 months.

### 3.4.3 Notice

- (a) Except for motions which can be moved without notice under Rule 4.11 below or during debate under Rule 4.10 below, written notice of every motion, must be delivered by hand or e-mail, using the motions template available from Democratic Services to the Chief Executive **not later than noon 5 clear working days** before the Council meeting at which it is to be considered. It is recommended that early advice is sought from Democratic Services on the validity of motions.

- (b) Written notice of a motion to move an amendment of the Cabinet's proposals for the Council's General Fund Budget and Precept or Housing Revenue Account Budget and Rent Setting, must be delivered to Democratic Services **not later than midday 3 working days before the Council meeting at which it is to be considered** for financial comments to be added. The Section 151 Officer will comment whether the alternative proposals are reasonably calculated and sufficiently deliverable as to be robust and sustainable in the medium term and continue to ensure that reserves are maintained at an adequate level which protects the Council's financial standing. Once financial comments have been added, the amendment will be circulated at the earliest opportunity for all Members of full Council and where possible published on the Council's website. Motions received after the deadline will only be considered in exceptional circumstances and with the approval of the Chair, Section 151 Officer and Monitoring Officer. Motions under this Rule will be dealt with in the order in which they were received unless this proves unworkable for any reason, in which case the Chair has discretion on how to deal with Motions.

#### 3.4.4 **Motion Set Out in Agenda**

- (a) Motions for which notice has been given will be listed on the agenda in the order in which they were received.
- (b) Where notice of a motion has been given for any meeting and it is not moved and seconded either by the members who gave the notice or by some other members on their behalf it shall, unless postponed by consent of the meeting, be treated as withdrawn and shall not be moved without fresh notice

#### 3.4.5 **Motions Without Notice**

Some motions may be moved without notice to facilitate the business of the meeting, or during debate. See 4.11 and 4.10 below.

#### 4.6 Amendments to Motions

- 4.6.1 An amendment to a motion must be relevant to the motion and will either be:-
- a. to refer the matter to an appropriate body or individual for consideration or reconsideration;
  - b. to leave out words;
  - c. to leave out words and insert or add others; or
  - d. to insert or add words

as long as the effect of b. to d above is not to negate the motion or to introduce a new motion.

- 4.6.2 Except for minor amendments that arise during the meeting and are designed to correct a factual error, or to make the motion more acceptable to Councillors, notice of an amendment must be given in writing using the amendment template available from Democratic Services, as early as practicable before the Full Council meeting. It is recommended that early advice is sought from Democratic Services on the validity of amendments. If accepted as valid, and subject to the relevant Member's consent, the amendment will be circulated to all members as soon as practicable.

4.6.2a At the request of two members of Council or the Chair, an amendment proposed during the meeting may be required to be put in writing and circulated to all members at the meeting before it is discussed.

- 4.6.3 Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of.
- 4.6.4 If an amendment is not carried, other amendments to the original motion may be moved.
- 4.6.5 If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.

4.6.6 After an amendment has been carried, the Chair will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.



## NOTICE OF MOTION FOR FULL COUNCIL

See [Part D of the Council's Constitution – Council Procedure Rules](#) – for the rules on motions

|                         |  |
|-------------------------|--|
| <b>Title of Motion:</b> | <i>Consider an appropriate title which reflects the proposed actions of the motion</i> |
|-------------------------|--|

|                                 |  |
|---------------------------------|--|
| <b>Date of Council meeting:</b> |  |
|---------------------------------|--|

|  |  |
|--|--|
| <b>Proposer of Motion:</b><br>(Name, and signature if hard copy submitted) | <i>Any signatures will be removed from the version printed in the Council book</i> |
|--|--|

|  |                  |
|--|------------------|
| <b>Seconder of Motion:</b><br>(Name, and signature if hard copy submitted) | <i>See above</i> |
|--|------------------|

**Background/supporting information (maximum 300 words):**

*Include here any relevant information in support of the recommendations to be considered by the Council, (which should be specific to the active part of the motion) ensuring it provides enough information for the Council to make a lawful decision. E.g. if the decision would have a financial cost to the Council if agreed, that needs explaining here including where the money would come from.*

*Statements of belief etc attributed to the Council are not appropriate, this section should be factual in nature. Any statistical information must reference recognised and verifiable sources and include links where possible.*

*Note this section of the motion cannot be amended and it will not be included in the minutes.*

**Motion to be proposed (active section):**

*This should be the actions the Council are being asked to take, similar to recommendations in Council reports. Examples of actions - the Council can be asked “to note”, “to agree”, “to endorse” “to call upon” “to write to”. The matter could also be referred to the relevant Cabinet Member / Policy and Performance Improvement Committee for consideration.*

*Where there is more than one action, each part should be separated out with a number: e.g.:*

- 1. That the Council agrees / notes / endorses / calls upon ....*
- 2. That the Council writes to .....*
- 3. That the Council refer the matter to...*

*Note this section can be amended and it will be included in the minutes.*

|  |  |
|--|--|
| <b>Date and time received:</b><br><i>(for completion by Democratic Services)</i> |  |
|--|--|

## AMENDMENT TO MOTION FOR FULL COUNCIL

See [Part D of the Council's Constitution – Council Procedure Rules](#) – for the rules on amendments

**Title of Motion (or report with recommendations) to be amended:**

**Date of Council meeting:**

**Proposer of Amendment:**  
(Name, and signature if hard copy submitted)

*Any signatures will be removed from the version printed in the Council book*

**Seconder of Amendment:**  
(Name, and signature if hard copy submitted)

*See above*

**Amendment to be proposed to the Motion (active section):**

*This should include a version showing tracked changes to the original recommendations and a "clean" version of the amendment showing what it would be if it were agreed. Democratic Services will provide a Word version of the original recommendations on request.*

*The text must meet the requirements of a valid amendment as set out in the Council's Constitution.*

**Date and time received:**  
*(for completion by Democratic Services)*

## NEWARK & SHERWOOD DISTRICT COUNCIL

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### 7.4 LICENSING COMMITTEE

#### Rules

- The Committee Procedure Rules and the Access to Information Procedure Rules shall apply to the Licensing Committee and as applicable to its Sub-Committees.

#### Membership, Chair and Quorum

|  |  |
|--|--|
| Number of Members                            | 15   |
| Substitute Members Permitted                 | No   |
| Political Proportionality Rules Apply        | Yes  |
| Appointments/Removals                        | Resolution of full Council   |
| Restrictions on Chair/Vice-Chair             | None   |
| Quorum                                       | One quarter (1/4) of the committee members rounded up  |
| Number of Ordinary meetings per Council Year | At least 4 per year (1 per quarter)  |
| Standing Sub-Committee                       | Licensing <u>Act and Hackney Carriage and Private Hire</u> Hearing Panels <u>five members (with a quorum of three) to be drawn from the membership of the Licensing eCommittee.</u><br><u>The Sub-Committee shall have full delegated authority to carry out the same functions and have the same powers as the full committee in respect of those matters</u> |

#### Remit and Terms of Reference

1. To discharge those functions set out in the Licensing Act 2003.
2. To discharge those functions set out in the Gambling Act 2005.
3. To discharge functions ancillary matters under the Local Government (Miscellaneous Provisions) Act 1976.
4. To review fees and charges and recommend approval to Full Council.
5. All non-executive functions of the Council with regard to:
  - a) Environmental Health
  - b) Health and Safety at work (other than the exercise of the functions of the Council in the capacity of employer)
  - c) Food hygiene and safety
  - d) Animal health and hygiene
6. The determination of applications for licences, approvals, consents, permission or registration of the direct regulation of any person or the enforcement of the same in relation to contaminated land, control of pollution, air quality and noise and statutory nuisance listed in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 ("the Regulations").

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7. All non executive functions of the Council with regards to the licensing and registration of :

a) caravan sites,

~~hackney carriage and private hire vehicle licences, drivers and operators, entertainm-ents~~

b) ents,

c) hackney carriage and private hire vehicle licences, drivers and operators,

d) betting, gaming and lotteries,

e) theatres and cinemas

f) Sexual Entertainment Venues

g) Street trading and markets

h) House to house collections

8. All other licensing functions listed in Part B of Schedule 1 to the Regulations other than those relating to streets and highways.

1-9. The passing of a resolution that schedule 2 to The Noise and Statutory Nuisance Act 1993 should apply in the authority's area

.

2-10. To make recommendations to the Cabinet and Council insofar as it impacts on the role and remit of the Council.

**NOTE:** ~~\_\_\_\_\_~~

~~There is no statutory requirement for the Licensing Committee to be politically balanced but the Council has resolved to apply political balance roles of the membership of the Committee where possible.~~

The Licensing Committee has approved a scheme of delegation in respect of Licensing Act matters as follows:

| <b>Matter to be Dealt with</b>                             | <b>Full Committee</b>   | <b>Sub Committee</b>                 | <b>Officers</b>                       |
|--|---|--------------------------------------|---------------------------------------|
| Application for Personal licence                           |   | If a police objection                | If no objection is made               |
| Application for personal licence with unspent convictions  |   |                                      |                                       |
| Application for premises licence/club premises certificate | If a relevant representation is made that means the creation of a new Saturation Zone | If a relevant representation is made | If no relevant representation is made |
| Application for provisional statement                      | If a relevant representation is made that means                                       | If a relevant representation is made | If no relevant representation is made |

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|   |   |                                      |                                       |
|---|---|--------------------------------------|---------------------------------------|
|   | the creation of a new Saturation Zone   |                                      |                                       |
| Application to vary premises licence/club premises certificate                        | If a relevant representation is made that means the creation of a new Saturation Zone | If a relevant representation is made | If no relevant representation is made |
| Application to vary designated personal licence holder                                |   | If a police objection                | All other cases                       |
| Request to be removed as designated personal licence holder                           |   |                                      | All cases                             |
| Application for transfer of premises licence  |   | If a police objection                | All other cases                       |
| Application for interim authority   |   | If a police objection                | All other cases                       |
| Application to review premises licence/club premises certificate                      |   | All cases                            |                                       |
| Decision on whether a complaint or objection is irrelevant, frivolous, vexatious etc. |   |                                      | All cases                             |
| Decision to object when Local Authority is a consultee and not the lead authority     |   | All cases                            |                                       |
| Determination of a police representation to a temporary event notice                  |   | All cases                            |                                       |

The scheme of delegation will normally be adhered to but may be varied in exceptional circumstances and having regard to any relevant statutory requirements.

[Licensing Act and Hackney Carriage and Private Hire Hearing Panel Hearing Panel Composition](#)

- a) A Hearing Panel will be drawn from the membership of the Licensing Committee on an ad hoc basis.
- b) Members of the Hearing Panel will be selected based on availability respecting political balance where possible.
- c) Members representing a Ward in which the application premises are situated will not be selected.
- d) Each selected Member shall be asked to confirm their attendance. If confirmation cannot be given then the next Member alphabetically will be selected.

~~7.5 – Licensing and Environment GENERAL PURPOSES COMMITTEE~~

~~Rules~~

~~The Committee Procedure Rules and the Access to Information Procedure Rules shall apply to the General Purposes Licensing and Environment Committee and as applicable to its Sub-Committees.~~

~~Membership, Chair and Quorum~~

|   |   |
|---|---|
| <del>Number of Members</del>                            | <del>15</del>   |
| <del>Substitute Members Permitted</del>                 | <del>No</del>   |
| <del>Political Proportionality Rules Apply</del>        | <del>Yes</del>  |
| <del>Appointments / Removals</del>                      | <del>Resolution of full Council</del>   |
| <del>Restrictions on Chair/Vice Chair</del>             | <del>None</del>   |
| <del>Quorum</del>                                       | <del>One quarter (1/4) of the committee members rounded up</del>  |
| <del>Number of Ordinary Meetings per Council Year</del> | <del>At least 4 per year (1 per quarter) with sub committees being arranged as and when required by law.</del>  |
| <del>Standing Sub-Committee</del>                       | <del>Hackney Carriage/Private Hire Vehicle Sub-Committee</del><br><br><del>Five members (with a quorum of three) to be drawn from the membership of the General Purposes Licensing and Environment Committee.</del> |

~~Remit and Terms of Reference~~

- ~~— To make recommendations to the Cabinet and Council insofar as it impacts on the role and remit of the Council.~~
- ~~— To fix fees and charges~~
- ~~— All non-executive functions of the Council with regard to:  
Environmental Health  
Health and Safety at work (other than the exercise of the functions of the Council in the capacity of employer)  
Food hygiene and safety  
Animal health and hygiene~~
- ~~— local authority licensing functions and ancillary matters other than those falling within the remit of the Licensing Committee including~~
- ~~— The determination of applications for licences, approvals, consents, permission or registration of the direct regulation of any person or the enforcement of the same in relation to contaminated land, control of pollution, air quality and noise and statutory nuisance listed in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 ("the Regulations").~~
- ~~— All non-executive functions of the Council with regards to the licensing and registration of:  
— caravan sites,  
— hackney carriage and private hire vehicle licences, drivers and operators, entertainm  
— ents,  
— betting, gaming and lotteries,  
— theatres and cinemas  
— Sexual Entertainment Venues  
— Street trading and markets  
— House to house collections~~
- ~~1. All other licensing functions listed in Part B of Schedule 1 to the Regulations other than those relating to streets and highways.~~
- ~~2. Commons regulation and town and village greens~~
- ~~3. Health and safety regulations (otherwise than as employer)~~
- ~~4. Contaminated land and statutory nuisances (excluding policy issues)~~
- ~~5. The power to apply for an enforcement order against unlawful works on registered common land under Section 41 of the Commons Act 2006.~~
- ~~6. The power to protect unclaimed registered common land and unclaimed town or village greens against unlawful interference under Section 45(2)(a) of the 2006 Act (Section 45 re-enacted, with amendments, the more familiar Section 9 of the Commons Registration Act 1965 with effect from 1<sup>st</sup> October 2006).~~
- ~~7. The power to institute proceedings for offences in respect of unclaimed land under Section 45(2)(b) of the 2006 Act.~~

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~~8. All matters relating to the consideration and granting of Sexual Entertainment Venues licences. Check why deleted~~

9.1. The power to make a closing order on a takeaway food shop (this function is delegated to Officers). Check if in scheme of delegation

10.2. Making recommendations to the Council on the adoption of bylaws within the remit of Licensing

~~11. Functions relating to parishes, elections and electoral registration~~

~~12. Functions relating to Polling Station reviews~~

~~13. Functions relating to Community Governance Reviews~~

~~14. Making recommendations to Council relating to the name and status of areas and individuals~~

~~15. Making recommendations to Council on the promotion or approval of local bill.~~

~~16. Making recommendations to the Council as to recommendations to the Secretary of State on district boundaries, ward boundaries, electoral divisions, wards or polling districts~~

17.3. To make recommendations to the Cabinet and to Council on the budget insofar as it impacts on the role and remit of the Committee.

NOTE:

Where an Officer has delegated authority to deal with any matter falling within the remit of this Committee, the matter will normally be dealt with by that Officer, exercising delegated powers, unless, in the opinion of that Officer, the matter is likely to give rise to significant controversy or the nature of the decision is such that, in his or her opinion, it should be referred to Committee for determination.

~~7.5.1 Hackney Carriage/Private Hire Vehicle Sub-Committee~~

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~~Remit and Terms of Reference~~

~~To deal with all matters relating to Hackney Carriage/Private Hire Vehicle Licence applications and~~



**7.4 LICENSING COMMITTEE**

**Rules**

- The Committee Procedure Rules and the Access to Information Procedure Rules shall apply to the Licensing Committee and as applicable to its Sub-Committees.

**Membership, Chair and Quorum**

|  |  |
|--|--|
| Number of Members                            | 15   |
| Substitute Members Permitted                 | No   |
| Political Proportionality Rules Apply        | Yes  |
| Appointments/Removals                        | Resolution of full Council   |
| Restrictions on Chair/Vice-Chair             | None   |
| Quorum                                       | One quarter (1/4) of the committee members rounded up  |
| Number of Ordinary meetings per Council Year | At least 4 per year (1 per quarter)  |
| Standing Sub-Committee                       | <p>Licensing Act and Hackney Carriage and Private Hire Hearing Panels</p> <p>Five members (with a quorum of three) to be drawn from the membership of the Licensing Committee.</p> <p>The Sub-Committee shall have full delegated authority to carry out the same functions and have the same powers as the full committee in respect of those matters</p> |

**Remit and Terms of Reference**

1. To discharge those functions set out in the Licensing Act 2003.
2. To discharge those functions set out in the Gambling Act 2005.
3. To discharge functions under the Local Government (Miscellaneous Provisions) Act 1976.
4. To review fees and charges and recommend approval to Full Council.
5. All non-executive functions of the Council with regard to:
  - a) Environmental Health
  - b) Health and Safety at work (other than the exercise of the functions of the Council in the capacity of employer)
  - c) Food hygiene and safety
  - d) Animal health and hygiene

6. The determination of applications for licences, approvals, consents, permission or registration of the direct regulation of any person or the enforcement of the same in relation to contaminated land, control of pollution, air quality and noise and statutory nuisance listed in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (“the Regulations”).
7. All non executive functions of the Council with regards to the licensing and registration of :
  - a) caravan sites
  - b) hackney carriage and private hire vehicle licences, drivers and operators
  - c) betting, gaming and lotteries
  - d) theatres and cinemas
  - e) Sexual Entertainment Venues
  - f) Street trading and markets
  - g) House to house collections
8. The power to make a closing order on a takeaway food shop (this function is delegated to Officers).
9. Making recommendations to the Council on the adoption of bylaws within the remit of Licensing
10. The passing of a resolution that schedule 2 to The Noise and Statutory Nuisance Act 1993 should apply in the authority’s area
11. All other licensing functions listed in Part B of Schedule 1 to the Regulations other than those relating to streets and highways.
12. To make recommendations to the Cabinet and Council insofar as it impacts on the role and remit of the Council.

The Licensing Committee has approved a scheme of delegation in respect of Licensing Act matters as follows:

| <b>Matter to be Dealt with</b>                                   | <b><u>Full Committee</u></b>  | <b><u>Sub Committee</u></b>          | <b><u>Officers</u></b>                |
|--|---|--------------------------------------|---------------------------------------|
| Application for Personal licence                                 |   | If a police objection                | If no objection is made               |
| Application for personal licence with unspent convictions        |   |                                      |                                       |
| Application for premises licence/club premises certificate       | If a relevant representation is made that means the creation of a new Saturation Zone | If a relevant representation is made | If no relevant representation is made |
| Application for provisional statement                            | If a relevant representation is made that means the creation of a new Saturation Zone | If a relevant representation is made | If no relevant representation is made |
| Application to vary premises licence/club premises certificate   | If a relevant representation is made that means the creation of a new Saturation Zone | If a relevant representation is made | If no relevant representation is made |
| Application to vary designated personal licence holder           |   | If a police objection                | All other cases                       |
| Request to be removed as designated personal licence holder      |   |                                      | All cases                             |
| Application for transfer of premises licence                     |   | If a police objection                | All other cases                       |
| Application for interim authority                                |   | If a police objection                | All other cases                       |
| Application to review premises licence/club premises certificate |   | All cases                            |                                       |
| Decision on whether a complaint or                               |   |                                      | All cases                             |

|   |  |           |  |
|---|--|-----------|--|
| objection is irrelevant, frivolous, vexatious etc.                                |  |           |  |
| Decision to object when Local Authority is a consultee and not the lead authority |  | All cases |  |
| Determination of a police representation to a temporary event notice              |  | All cases |  |

The scheme of delegation will normally be adhered to but may be varied in exceptional circumstances and having regard to any relevant statutory requirements.

**NOTE:**

Where an Officer has delegated authority to deal with any matter falling within the remit of this Committee, the matter will normally be dealt with by that Officer, exercising delegated powers, unless, in the opinion of that Officer, the matter is likely to give rise to significant controversy or the nature of the decision is such that, in his or her opinion, it should be referred to Committee for determination.

**Licensing Act and Hackney Carriage and Private Hire Hearing Panel  
Composition**

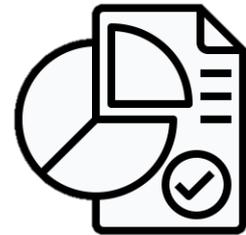
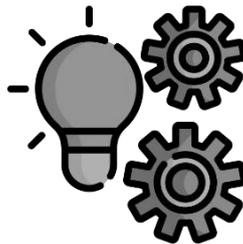
a) A Hearing Panel will be drawn from the membership of the Licensing Committee on an ad hoc basis.

b) Members of the Hearing Panel will be selected based on availability respecting political balance where possible.

c) Members representing a Ward in which the application premises are situated will not be selected.

d) Each selected Member shall be asked to confirm their attendance. If confirmation cannot be given then the next Member alphabetically will be selected.

## Policy and Performance Improvement Committee Operational Guidance



This document is guidance for members of Newark and Sherwood District Council's Policy and Performance Improvement Committee as well as officers, residents, tenants and partners who may engage with the Policy and Performance Improvement Committee. This is not part of the constitution but a document laying out the ways of working associated with this Committee.

The aim of this guidance is to create a clear and succinct summary of how the Policy and Performance Improvement Committee operates. This guidance includes;

- An overview of the Policy and Performance Improvement Committee,
- The process for working groups,
- Detail on how topics are raised and added to the work programme,
- Best practice for approaching the work of Policy and Performance Improvement, and
- The reporting associated with the Committee.

This guidance is an internal document to be shared with members, officers, partners and named residents or tenants as required. This guidance was developed by officers based on national guidance and good practice, and in consultation with other local authorities, and thus it is based on best practice.

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## Purpose of the Policy and Performance Improvement Committee

The Policy and Performance Improvement Committee (PPI) fulfils the ‘scrutiny’ function required in the cabinet model as well as serving an integral role in improving the work of the Council through outcome focused challenge and development of strategies and policies.

The Policy and Performance Improvement Committee fulfils the statutory function of ‘scrutiny’ which is defined by statutory guidance as having “statutory powers to scrutinise decisions the Cabinet is planning to take, those it plans to implement, and those that have already been taken/implemented. Recommendations following scrutiny enable improvements to be made to policies and how they are implemented. Overview and scrutiny committees can also play a valuable role in developing policy.”

The Committee has a Chair and Vice Chair, who are appointed by Full Council, alongside 15 members which reflect the political proportions of the Council. Members of cabinet cannot be on PPI but they may be invited to speak to specific items. PPI is an open meeting, meaning public and press can attend, and the Committee meets at least four times a year. However, where more detailed work is required, such as the development of a policy or the detailed review of a pilot, a working group is set-up to undertake this work. Working groups meet in private to conduct the review and develop recommendations which return to PPI for decision. PPI itself is not a decision-making body. It makes recommendations that are taken to the appropriate Portfolio Holder, Cabinet or Committee for decision.

The Policy and Performance Improvement Committee;

- Holds Cabinet to account as a critical friend,
- Develops strategies, corporate documents and key policies,
- Undertakes in-depth reviews,
- Reviews performance and makes recommendations on improving performance,
- Scrutinises the budget,
- Reviews the performance of key partners,
- Undertakes statutory performance reviews, such as the review of the community safety partnership,
- Considers topics raised by members, and
- Is responsible for the creation of a call-in sub-committee. If you want to understand more about this process please refer to the procedure in the constitution.

You can read more on the statutory role of scrutiny here: [www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-and-combined-authorities](http://www.gov.uk/government/publications/overview-and-scrutiny-statutory-guidance-for-councils-and-combined-authorities)

## The Work Programme

The Policy and Performance Improvement Committee sets its own work programme. Full Council and Cabinet can request that an item is considered but PPI have control over whether it is added to the programme. There are six main ways for an item to be added to the work programme;

1. PPI receive some standing items, such as quarterly performance, which is a standard part of the work programme.
2. PPI may choose to look at items referred from Cabinet or Full Council.
3. PPI have a role in the development of key policies and strategies. They will identify these documents in consultation with officers or through pre-scrutiny of the Cabinet agenda.
4. PPI may choose to look at a specific issue, decision or topic, such as the review of a pilot, progress of a key project or an area where performance is not as expected, by adding a review to the work programme. This can be done after a decision has been made or PPI may choose to feed into the decision making by reviewing the topic before a decision is made to sure a decision is well made.
5. Any member can submit a topic for consideration, where it meets set criteria. The topic will be assessed by the PPI Chair and brought to PPI for adding to the work programme if appropriate.
6. Any member can utilise the ‘last resort’ procedure to raise a topic with PPI as a point of last resort. The details of this process are within the constitution.

## The Principles of Policy and Performance Improvement Committee

- Be clear
- Be productive
- Keep it strategic
- Maintain an holistic view of the issue or topic
- Question and challenge constructively
- Engage regularly with officers and the Cabinet in building the work programme
- Maintain a clear role and focus
- Manage disagreement fairly, proportionately and productively
- Involve non PPI members in scrutiny work (through working groups)
- Communicate the role and value of the committee
- Maintain awareness of upcoming changes and decisions
- Set a realistic work programme

## What to Expect

The PPI Committee is a place for challenge, discussion and debate so as well as receiving written reports committee members can also expect discussion papers and presentations, from both officers and partners. Any member can attend PPI committee and speak to an item at the discretion of the chair. There will also be public involvement in PPI via specific consultation with the public and recommendations from the Tenant Engagement Board (please see the terms of reference within the constitution for further information).

The committee will discuss any inputs provided, using constructive questioning, with the aim of develop a recommendation/s for change. This recommendation/s will then be referred to the appropriate party for decision. This may be a Portfolio Holder, Cabinet, another Committee, Full Council or a key partner.

## Working Groups

A working group can only be set-up if the work it would undertake will improve the quality of life of local residents and/or enable value for money of local services. A working group might develop a policy or strategy, undertake a piece of development work such as shaping a bid or undertake a review of an area experiencing poor performance.

The work programme of PPI is extensive so not every topic or issue considered will be turned into a working group. A working group will only be created where the work can have impact as defined above. Finally, the creation of working groups must be considerate of officer resource. For example, if several large working groups are already underway an additional group cannot be created until one closes, and working groups cannot all focus on one service area.

Every working group will have a chair who is part of the PPI committee, to enable reporting back. A working group can have 3 to 9 members (including the chair) and membership can be drawn from PPI and other non-executive members. The membership of the working group is at the discretion of the PPI Chair.

### Step 1: Set up a Working Group

The PPI Committee find that a topic needs further work, and they move to create a working group. The Committee pick a chair from the PPI members and other PPI members can request to join the group.

### Step 2: Scoping

An officer lead is assigned to the working group from the Transformation team. If it is a specific/specialist review a subject lead will also be assigned to support the working group. The officers will work with the PPI chair and working group chair to develop a 'RID' (Review Initiation Document). This defines the scope and objectives of the review. The RID will include;

- The source of the review
- A summary of the review
- The intended objectives/outcomes
- Scope of the work
- List of the members of the group
- Outline a timescale for the work
- Key stakeholders

#### Step 3: Advertise the group

The draft RID is circulated to all members and expressions of interest are gathered by the PPI Democratic Services lead. The PPI Chair decides the final membership of the group, and the first meeting is arranged.

#### Step 4: Evidence gathering

At the first meeting working group members will finalise the RID and generate ‘key questions’ that they will seek to answer as part of the work. These questions will be asked to all subject experts. At the first meeting the subject lead or Transformation lead will present an overview of the topic to provide initial insights and data. This might include; performance data, statistics, service use figures, customer feedback and officer insight. Members may then wish to request further work such as;

- undertaking consultation through surveys, workshops or focus groups
- carrying out site visits
- requesting additional data and reports
- asking for stakeholders or partners to attend a future working group

#### Step 5: Further work

The working group will meet up to six times to consider the evidence and data provided to them. If they need to meet more than six times they are classified as long running and need to provide an update to the PPI to show their progress to date and outline when they are expecting to complete their work.

#### Step 6: Final report

Once the work has been completed the transformation lead will create a report summarising the work carried out and outlining the recommendations from the working group. Where relevant these recommendations should be agreed with the relevant stakeholders. The report is taken to the next PPI meeting (agenda allowing) where it is presented by the working group chair. If the PPI committee endorses the recommendations they will be referred on to the appropriate person/body for decision.

#### Step 7: Implementation

The Transformation lead will undertake a review close to capture the value of the work undertaken, gather any outstanding actions/issues/questions and reflect on lessons learnt. This report is an internal document and is used by officers to track actions from any agreed recommendations and evaluate and assess the impact of the working group.

## Raising a Topic with PPI

Any member can ask that a topic is considered by PPI. However, the PPI Committee has a finite amount of resources so cannot look at every topic suggested, as such they will only look at topics that have the potential to improve the quality of life of residents or achieve greater value for money across at least 2 wards.

A member wishing to raise a topic must complete a 'Topic Request Form.' This form will be considered by officers who will add further information as required. The form will then be reviewed by the PPI Chair and Vice Chair who will classify the request as one of the following;

- Recommend for discussion as an agenda item at PPI,
- Recommend for further exploration as a PPI working group,
- The topic is not considered as it is covered within an existing work stream or upcoming review, or was recently considered in another work stream, or
- The topic is not considered as the committee cannot add adequate value.

The form, alongside the Chair and Vice Chair recommendation, will be taken for decision to the next appropriate PPI meeting. Members should make the following considerations when reviewing the request;

- The resourcing requirement for officers and members,
- The timescale required to achieve the desired outcome, for example, if a delay caused by a review would detrimentally impact residents,
- To what extent the Council could influence, shape or change the particular issue,
- The level of benefit/s that could potentially be derived from the review,
- Any potential risks of the topic, for example, negative impacts caused by the review,
- If the issue is being addressed elsewhere,
- If the issue has already been considered recently,
- If the issue is of a legal matter,
- If the issue is of a complaint investigation,
- If the issue is a staffing matter, and
- If there are alternative more appropriate ways to address the issue.

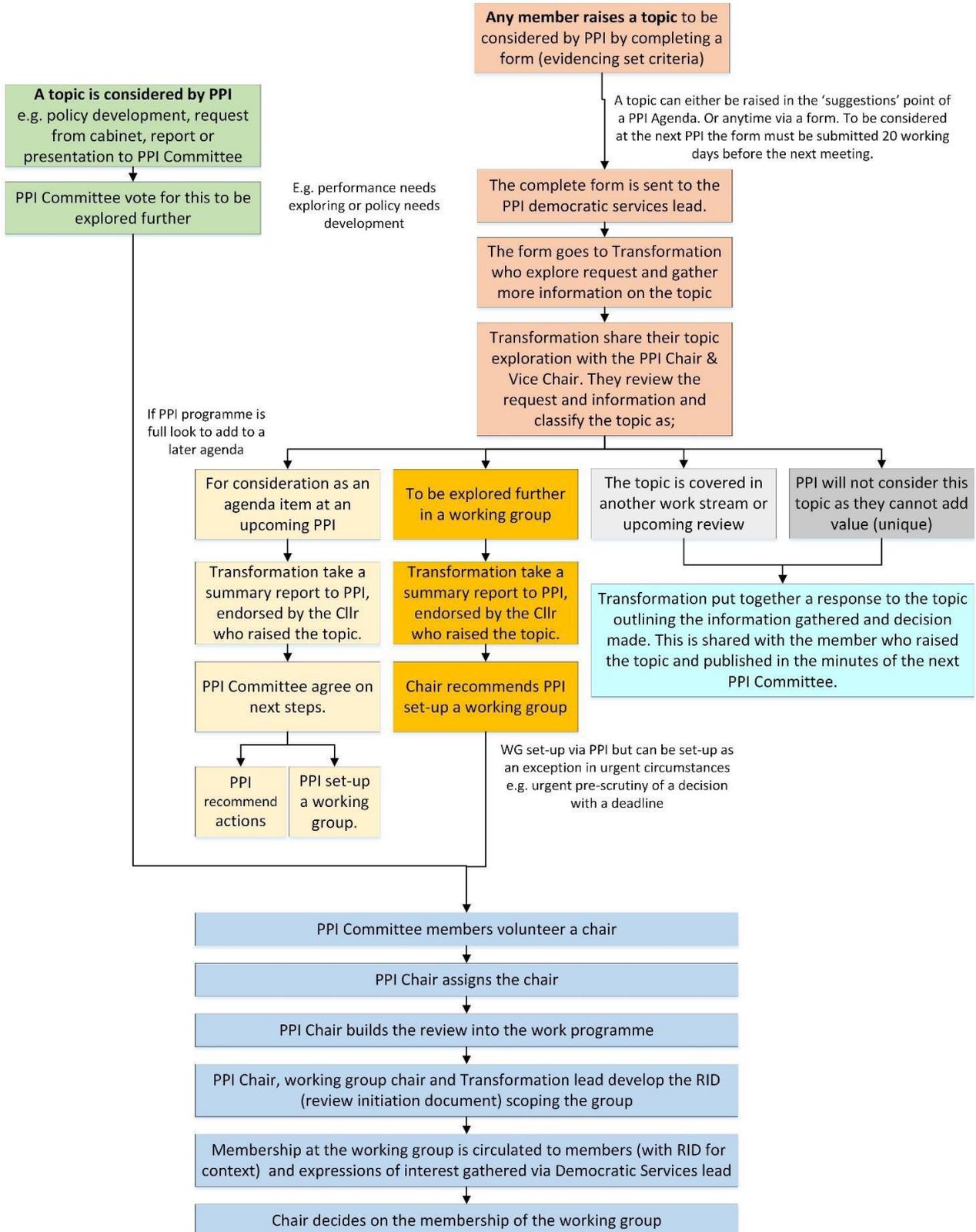
All of these considerations should be captured on the request form to ensure that members are able to make an informed decision.

The Process of Raising a Topic with PPI

This diagram summarises the processes outlined above;

**Process for Raising Topics at PPI**

There are two ways that topics can be raised via Policy and Performance Improvement Committee...



### Example Topics

Below are some examples to show the topics that PPI could consider;

| Topic in scope  | Topic out of scope   |
|---|--|
| <p>The availability and coverage of broadband across NSDC community centres and publically accessible buildings</p>   | <p>The availability and coverage of broadband across households in the district</p> <p><i>Likely out of scope as this would likely require input from external organisations and NSDC have limited ability to influence</i></p>  |
| <p>The suitability of the proposed road infrastructure changes as a part of the levelling up funding</p>  | <p>The suitability of the current rail infrastructure and how changes could be made for improvements</p> <p><i>Likely out of scope as this would likely require input from external organisations and we would have limited ability to influence</i></p>   |
| <p>To assess if the average response times across council services were adequate and meet residents needs</p>   | <p>To assess if the average response times across emergency public services were adequate and meet resident needs</p> <p><i>Likely out of scope as this would likely require input from external organisations and we would have limited ability to influence</i></p>  |
| <p>To review and monitor the recovery from Covid-19 in terms of the Newark and Sherwood local economy, local employment and how the authority can ensure the recovery is speedily and efficient</p> | <p>To review and monitor the recovery from Covid-19 in terms of the national economy, resident health, death rates, changes to behaviours, health and safety changes and future plans for global pandemics.</p> <p><i>Likely out of scope as this would likely require input from external organisations and we would have limited ability to influence from a national picture. This would also be a significant piece of work for an unknown gain.</i></p> |
| <p>To review the root causes of underperformance in a particular service at the council and what changes could be made to ensure these performance indicators meet future targets</p>               | <p>To review the root causes of an officers underperformance at the council and what changes could be made to ensure this individual meets their targets</p> <p><i>Likely out of scope as this would be addressed elsewhere and the resource required from members and transformation leads wouldn't be of benefit</i></p>   |
| <p>To review resident engagement in the three wards that had the lowest response rate in the resident survey</p>  | <p>To review resident engagement in a particular ward</p> <p><i>Likely out of scope as this isn't backed up by a reason and would only be of benefit to one ward</i></p>   |

## Best Practice for approaching Policy and Performance Improvement

This section outlines some best practice for members of the PPI Committee;

- Plan questions in advance and remember to have follow up questions identified based on what the answer is likely to be.
- Change your questioning technique to the scenario and outcome you want to achieve.
- Allow periods of silence for the recipient to expand or think. This may at times feel awkward but when used can be very effective.
- Plan in advance what information you want to know/request.
- Make sure your questions are clear and easy to answer so officers and partners feel at ease.
- Practice active listening.

### Effective questioning

#### **Open Questions**

An open question is a question that starts with “how”, “what”, “when”, “where”, “who” or “why” and cannot be answered with a simple “yes” or “no”. Open questions are mainly beneficial when you want to know a lot of information on a particular topic. Closed questions are more beneficial when you want to know specific facts or a confirmation. Before using open questions, avoid stacking questions where possible. This means asking two or more open questions at once, as the individual is likely to only respond to the final question or not provide much detail around each.

#### **Funnel Questioning**

The funnel approach process is laid out below and supports deeper questioning. The process does not need to be rigid. The types of questions can be asked at any time to allow for fluid and effective questioning.

##### **1. Ask Open Questions**

Start with open questions about the subject as this will provide you with an enhanced understanding and allow you to drill down into the detail where needed.

##### **2. Ask Probing Questions**

These are the questions which will allow you to delve deeper into the answers to your open questions, allowing you to find out the reasons behind those answers.

##### **3. Ask Closing Questions**

Asking closed questions allows you to confirm both your own and the presenters understanding of what has been discussed and established.

#### **Tell, Explain, Describe (TED) Questions**

This approach is more of an instruction than a question. Some examples of TED questioning would be;

- Tell me more
- Explain the situation to me
- Describe that to me

This type of questioning allows you to understand the individual’s thoughts, feelings and needs without the risk of generating a different answer than what they may have provided previously. An example of this is; “a colleague has told me you want to discuss a problem you have faced at work” as “tell me what happened” may invoke an answer that is more driven about what has happened.

Further questioning advice can be found in the [LGA Councillors Workbook on Scrutiny](#).

Developing strong recommendations

It is vital to ensure the recommendations;

- are informed by the most appropriate and most recent evidence/data,

- reflect the views and experiences of both those being advised to take action and the people who might be affected by that action,
- have taken into consideration all possible options and the associated implications,
- follow the SMART principles aka recommendations (where possible) should be Specific, Measurable, Achievable, Realistic and Time bound, and
- are developed in partnership with council officers and partners.

## Reporting

There are two reports generated in association with the PPI Committee;

### **A Monthly Update**

This monthly report is an internal document created by Transformation available to all members updating on the progress of the PPI work groups including information such as the number of working groups active, their status and expected timeline.

### **An Annual Report**

The Policy and Performance Improvement annual report is a public document, endorsed by the committee, released after the close of each financial year. It summarises the work done by the committee over the last year and shows how the work of PPI has impacted upon residents by evidencing the benefits realised by each review/piece of work undertaken.

## Key Contacts

PPI Chair

PPI Vice Chair

Democratic services lead officer

SLT liaison: Director of Customer Services & Organisational Development

Transformation and Service Improvement Manager

[Councillor Mike Pringle](#)

[Councillor Neil Ross](#)

[Helen Brandham](#)

[Deborah Johnson](#)

[Carl Burns](#)

## Appendix One: Topic Request Form

Available on Mod.Gov or by contacting the Democratic Services lead for PPI. To be considered at the next PPI Committee the form must be submitted 20 working days before the next meeting.

| <b>Topic Request Form</b>  |  |
|--|--|
| Please complete the first section of this form to request that a topic is considered by the Policy and Performance Improvement Committee. Please send the completed form to Helen Brandham |  |
| <b>Section 1: Member Request</b>   |  |
| <b>Proposed topic</b>  |  |
| <b>I would like to understand</b><br>(key lines of enquiry)  |  |
| <b>I think this topic should be considered because</b>   | Please outline here why you think this topics needs consideration. For example, you may have identified an area of poor performance or be relaying several concerns from residents. Please remember a topic will not be considered unless it has the potential to improve the quality of life of residents or achieve greater value for money across at least 2 wards. |
| (if applicable) <b>High level evidence supporting the reason for consideration</b>   |  |
| <b>Proposed by</b><br>(name of member)   | Ward:<br>Party:  |
| <b>Seconded by</b><br>(name of member)   | Ward:<br>Party:  |
| <b>Date form is submitted</b>  |  |
| <b>Section 2: Officer Recommendation</b>   |  |
| <b>Officer comment</b>   | Any relevant information on this topic. Including what it relates to (legal issue, complaint, staffing issue etc.), any power/ influence the council has, any relevant upcoming or ongoing work and an officer insight into the value of considering the topic.  |
| <b>Officer recommendation</b>  | Do/Don't undertake a review  |
| <b>Officer name</b>  | Role:  |
| <b>Date information added</b>  |  |
| <b>Section 3: PPI Chair Recommendation</b>   |  |
| <b>PPI Chair comment</b>   |  |
| <b>PPI Chair recommendation</b>  | Do/Don't undertake a review  |
| <b>Date information added</b>  | Role:  |
| <b>Next step</b>   | Completed form to be taken to PPI on [DATE]  |

## SECTION 4: OTHER BODIES

### 1. Tenant Engagement Board

The membership of Tenant Engagement Board includes Council Tenants and is an important way for the Council to engage with residents. Its terms of reference are included in the Public Engagement section of this Constitution.

### 2. The Planning Policy Board

#### Rules

- The Planning Policy Board is an advisory body and has no decision-making authority.
- The Committee Procedure Rules and The Access to Information Procedure Rules are not applicable.

#### Membership, Chair and Quorum

|  |   |
|--|---|
| Number of Members                            | <del>7</del> 9  |
| Substitute Members Permitted                 | No  |
| Political Proportionality Rules Apply        | No  |
| Appointments / Removals                      | The relevant committees will make appointments annually   |
| Restrictions on Membership<br>(see Note)     | The Planning Policy Board shall comprise:- <ul style="list-style-type: none"> <li>• Portfolio Holder for Sustainable Economic Development</li> <li>• <del>3</del>4 Members from the membership of the Council appointed by the PPI Committee</li> <li>• <del>3</del>4 Members of the Planning Committee including the Chair and Vice-Chair</li> </ul> |
| Restrictions on Chair/Vice-Chair             | Portfolio Holder for Sustainable Economic Development   |
| Quorum                                       | 3   |
| Number of Ordinary Meetings per Council Year | At least 4 per year   |

#### Remit and Terms of Reference

1. To act in an advisory capacity to the Portfolio Holder for Sustainable Economic Development and Officers in the preparation, publication and submission of the Council's Development Plan. The Development Plan is made up of Development Plan Documents, these can be a single document known as the Local Plan or a number of documents covering particular locations of subject areas.
2. To oversee the preparation of the Development Plan including development targets, allocations of land for new development, planning policies for the determination of planning applications and the planning policies map which

details where such land allocations and planning policies apply within the District of Newark & Sherwood.

3. To provide strategic overview of the production of those documents which will comprise the Development Plan.
4. To provide strategic overview of the production of those documents which will support the production and implementation of the Development Plan.
5. At the discretion of the Chair, Members of the Council who are not members of the Planning Policy Board may be invited to its meetings and / or consulted on matters pertaining to the Development Plan which may affect their Wards.

Note

When considering nominations for membership of the Board, Members should seek to achieve geographical coverage of the District and balanced political representation as far as reasonably possible.

**ACQUISITIONS AND DISPOSALS POLICY**

November 2021

Date for Review: November 2023

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**1. Introduction**

- 1.1 Acquisitions of land and property are an essential part of enabling the Council to provide a service to the residents of Newark and Sherwood and in delivering the aims and objectives set out in the Community Plan. An adopted Acquisitions and Disposals Policy is necessary, in order to ensure that acquisitions and disposals are performed with due consideration of current legislation, financial controls and best practice whilst ensuring that the aims of the Community Plan are achieved.
- 1.2 The purpose of the policy is to act as a framework to instruct Members, officers, third parties and members of the public on the Council's adopted approach on the acquisition and disposal of property (including land and built assets).
- 1.3 This policy will cover the acquisition and disposal of freehold or leasehold interests (including for the avoidance of doubt lease renewals, surrenders and assignments of leases and including easements and covenants) in property (land and buildings). The policy does not cover the acquisition of goods, services or items required to perform service delivery by the Council as this is already covered by the Contract Procedure rules of the Council.
- 1.4 The policy focuses on the principal processes of acquisitions and disposals, authority routes and roles/responsibilities within the Council.
- 1.5 Any reference to the 'Estate Team' will mean either the Estates Team of the Corporate Property Business Unit or Housing Business Units depending on the type of property or scenario of acquisition or disposal in question. A reference to Service Department shall mean any department/ Business Unit occupying or using the property being considered for acquisition or disposal.
- 1.6 All the steps taken to comply with this policy should be set out in the report to the relevant decision maker so that they have all the information needed to make a decision, including any cross reference to the Financial Regulations.

**2. Disposals**

- 2.1 **The test for declaring a property to be surplus.** One or more of the following key criteria should be considered to be met in order to progress a disposal of Council property:
- (a) The property makes little or no contribution to the Council's service delivery, aims or objectives within the Community Plan and cannot be appropriated for planning purposes under section 122 Local Government Act 1972.
  - (b) The property generates no income/ produces a loss and has limited regeneration potential.
  - (c) An alternative site has been identified which would achieve a more cost efficient way of delivering this service for the Council.

- (d) Its disposal is important for the delivery of organisation aims/ objectives such as those set out in the Community Plan.
  - (e) The property is deemed to be an underperforming asset with either under-utilisation of space at low capacity or that the financial cost to retain property is too significant, the income generation possibilities are too low with a greater return/ cost saving being achievable through disposal of the property.
- 2.1.1 Any property can be identified as surplus by either a Business Manager for a particular service, Business Manager for Corporate Property or Business Manager for Housing. The case for disposal will need to be clearly set out and must include the criteria for disposal, as set out in this Policy.
- 2.2 **The process for identifying surplus or underperforming property** will materialise in a number of the following ways:
- (a) Asset Management Plan Review.
  - (b) Stock Condition Surveys identifying significant works.
  - (c) Local Plan designation or development of other local planning policy.
  - (d) Master planning of the site or a regeneration scheme.
  - (e) Asset valuation for accounting purposes which identifies development/ alternative uses.
  - (f) Third party approach such as developers or neighbours.
  - (g) Statutory transfer i.e. utility or transport infrastructure.
  - (h) Service Department review of property requirement.
- 2.3 **Review of disposal constraints**
- 2.3.1 Once a property has been identified as being potentially surplus the Estates Team will establish whether there are any constraints on the site that would limit or even prevent disposal, such as legal, planning, statutory authorities, government policy, and/or financial constraints, (such as the property having been the subject of funding in the past that necessitates the repayment of grant monies). If such constraints are found that prevent disposal, alternative options may need to be considered and pursued, as part of the options appraisal for disposal.
- 2.4 **Initiation period.**
- 2.4.1 Service Departments occupying a property shall give the Estates Team at least three months written notice of their intention to vacate property. In instances where properties are leased in by the Council, Estates will send a trigger notice to the occupying service and a joint decision will be taken as to whether to renew the lease. On notification of a Service Department vacating a property, the Estates team will carry out a survey of the property to inform any works or holding costs required during the disposal process. A full inventory of compliance documentation and servicing is required from the Service Department at the point of handover. All holding costs and additional compliance/ remedial works to the property will be covered by the departing

Service Department's budget. The Service Department must leave the property in a clean and tidy condition to the satisfaction of the Estates team.

- 2.4.2 Once a property is declared surplus by a Service Department the Estates Team will instigate a process of engagement with other departments for future Council use. As part of the options appraisal for disposal, an approach will also be made to the Housing Revenue Account Development Team and the Council's preferred housing developer Arkwood Developments Limited, for consideration of development options. If appropriate, then Third Sector interest, Ward Members, Public Sector partners, local Parish & Town Councils and tenants of the property will be contacted before seeking formal approval to sell on the open market. This does not apply to investment property where decisions will be made on a financial return basis and often only a short to medium term investment lease will be offered to perspective tenants.

## **2.5 Method of Disposal.**

- 2.5.1 The most appropriate method of disposal should be adopted from the following taking into account the advice on marketing strategy from RICS surveyor :-
- (a) Private Treaty – Where there is limited interest and a narrow valuation band. Where appropriate, sales may be conducted by private treaty where a marketing exercise has already been undertaken.
  - (b) Auction – Where there is wide interest and if this method of sale is considered to be best to attract the highest price. The property is marketed as part of an external auction process. Wherever possible a reserve price will be set.
  - (c) Formal Tender – Where there is wide interest, land ownership is not complex, no uncertainties regarding the grant of planning permission, and a wide valuation band. Under this method, the Council would invite sealed bids which are opened at the same time. The Council and the purchaser then enter into a contract under which the purchaser usually pays a 10% deposit.
  - (d) Informal Tender - Where there is a need to identify a preferred bidder and enable further detailed terms to be determined. This method will be appropriate where there are uncertainties such as planning, and, large or complex redevelopment sites. The Council invites offers, which are opened together, immediately following the closing date for the bids specified in the Tendering process. If a higher unsolicited offer is subsequently received all parties may be asked to resubmit.
  - (e) Occasionally, a limited marketing exercise may be used where the land or property has already been subjected to open market testing or following short-listing after initial expressions of interest exercise or there are known to be a limited number of purchasers.
  - (f) Leasehold disposal. In certain circumstances, it may be appropriate to dispose of property on a leasehold basis. This is particularly relevant where a property may be required to fulfil a service need in the future or if the property is held for investment, community provision or economic growth purposes. Lease terms can be flexible to suit the occupational requirements but should be on a market rental value basis (unless if there

is justification for deviation from this on the grounds listed in paragraph 2.10 of this policy). Leases should also be contracted out of security of tenure provisions of the Landlord and Tenant Act 1954, where possible, to avoid creating secure tenancies.

## **2.6 Public Engagement Requirements**

2.6.1 Sections 123(2A) of the Local Government Act 1972 and (where the land was acquired or appropriated for planning purposes) section 233(4) of the Town and Country Planning Act 1990 ("the 1990 Act") require a local authority wishing to dispose of open space to advertise its intentions in a local newspaper for two consecutive weeks and to consider objections. This is to be undertaken before making any final decisions about disposal as the public response to the notices may be material to any such decision. It could also be an important factor in any determination by the Secretary of State of an application for specific consent.

## **2.7 Disposal Valuation.**

2.7.1 Where it is decided to negotiate a disposal to a single party (such as the Housing Revenue Account or to Arkwood Development Limited) , rather than offer on the open market, an independent valuation should be carried out by a suitably trained and knowledgeable member of the Royal Institution of Chartered Surveyors. Negotiations should then take place with the interested party in order to reach an agreed sale price. The final agreed price should be as close to the initial valuation as possible. If there are valid reasons on why the initial valuation figure was not reached then these should be recorded and if necessary the valuation report amended to reflect this. Where there is a significant difference between the final negotiated price and the independent valuation figures then, to protect the Council's interest in the event of subsequent sales, the agreement to sell should include, as appropriate, an asset lock, claw back or uplift clause, restrictive covenants, ransom strip retention, user rights or right of pre-emption.

2.7.2 The preferred route for any disposal is that the property is marketed for a period of time by the Estates team or by a suitably trained and knowledgeable appointed agent in order to ensure that the best possible offers are received for the property.

## **2.8 De minimis Disposals.**

2.8.1 In circumstances where a low value disposal is identified (at less than £15,000) such as garden land within the HRA estate, boundary rectification or infrastructure adoptions these transactions are recommended to be dealt with in house by the Estates Team; to be approved by the Corporate Property/ Housing Business Manager and the s151 Officer. For any land disposals the Estates team can be requested to handle a disposal subject to appropriate time/ resource. A valuation will be carried out using comparable evidence of transactions previously conducted by the Council and industry

comparables in order to evidence that market value is being achieved. Infrastructure adoptions such as pump stations will be dealt with by the relevant Estates Team depending on which property is served by the infrastructure in question (i.e. General Fund or Housing Revenue Account).

**2.9 Disposal at Less Than Best Consideration.**

2.9.1 The Council has a general power of disposal, contained in Section 123 of the Local Government Act 1972. This provides that Local Authorities are not permitted to dispose of land, or grant leases in excess of 7 years, for a consideration which is less than the best price which is reasonably obtainable, unless they first obtain consent from the Secretary of State or the General Consent referred to below applies. Where a disposal is undertaken at less than best price, then to protect the authority's interest in the event of subsequent sales, it should include, where appropriate an asset lock, claw back or uplift clause, restrictive covenants, ransom strip retention, user rights or right of pre-emption.

2.9.2 A valuation by a suitably trained and knowledgeable member of the Royal Institution of Chartered Surveyors should be undertaken in order to quantify the amount of the undervalue (unrestricted less restricted value). In addition, an attempt needs to be made to financially quantify the economic, social and environmental benefits to the authority and community which justify a disposal at less than the valuation/best price amount. The overriding factor to be considered when disposing at below the valuation/best price is to ensure that it is within the Council's power to do so, and the reasons are well documented, transparent and justifiable.

**2.10 Exceptions to the Obligation on Achieving Best Value:**

2.10.1 **Short tenancies.** The obligation to obtain best value contained in sections 123 of the Local Government Act 1972 does not apply to disposals of land by way of a "short tenancy" such as by the grant of a term not exceeding seven years or the assignment of a term which has not more than seven years to run.

2.10.2 **The disposal meets a specific wellbeing purpose.** The Local Government Act 1972 General Disposal Consent 2003 ("the Consent") removes the requirement for authorities to seek specific consent from the Secretary of State for any disposal of land where the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the promotion or improvement of:

- (a) economic wellbeing
- (b) social wellbeing
- (c) environmental wellbeing.

2.10.3 In this circumstance the undervalue (i.e. the difference between the unrestricted value of the interest to be disposed of and the consideration accepted) must be £2,000,000 or less. Where the proposed disposal does not fall within the terms of the Consent an application to the Secretary of State for a specific consent is required.

2.10.4 Following amendment by the Growth and Infrastructure Act 2013 section 233 of the Town and Country Planning Act 1990 now empowers the Secretary of State to give consent in relation to land held for planning purposes see section 233 3 A) Town and Country Planning Act 1990 Specific consents were previously required.

**2.11 Standard Process for Disposal:**

| <b>Stage</b>   | <b>Process</b>  |
|--|---|
| 1. Property tested for disposal.                         | Tools of assessment used as cited in paragraph 2.3 of this policy to conclude that a property is surplus.   |
| 2. Review of property disposal constraints.              | A full review of title, lease and other relevant documentation, planning policy, statute, government/ Council policy and financial constraints undertake to ensure there is no constraint on disposal.  |
| 3. Report to obtain agreement in principle for disposal. | <p>De-minimis, wayleave/easements/licences at nil value, statutory disposal (e.g. Right to Buy application) and investment leases – report not required.</p> <p>Freehold/ long leasehold disposals where value of site is estimated at £100,000 or less – relevant Director(s) in consultation with S151 Officer.</p> <p>Freehold/ long leasehold disposals with estimated value at greater than £100,000 but less than £300,000 – report to Senior Leadership Team prior to Director or Portfolio Holder decision as applicable.</p> <p>Freehold/ long leasehold disposals with estimated value at greater than £300,000 – report to Senior Leadership Team prior to referral as Key Decision to relevant Portfolio Holder or Cabinet as applicable.</p> |
| 4. Initiation period.                                    | Service department notifies the Estates Team of intention to vacate the property (minimum three months' notice is required).  |
| 5. Appropriate disposal method                           | Disposal through marketing/ disposal  |

|   |   |
|---|---|
| adopted.  | valuation for one party. Consideration given to HRA requirement for site/disposal directly to Arkwood Development Limited.                  |
| 6. Authority requested for final disposal terms/ value. | Terms, disposal valuation figure and minimum disposal price approved by relevant authorising party as identified in table in paragraph 5.1. |
| 7. Marketing/ negotiations and disposal                 | Marketing of the property and negotiations with identified purchaser (or direct negotiations if a special purchaser is identified).         |
| 8. Performance review of disposal and records updated.  | Reporting of final disposal and records on property Asset Register updated.   |

### 3. Acquisitions

3.1 **Reasons for Acquisition.** There are a number of circumstances where the acquisition of land or built assets may be necessary. This includes service delivery, investment purposes and strategic development opportunities within the district. There are essential criteria which each type of acquisition must meet to be considered for approval as outlined below:

3.1.1 **Service delivery requirement.** If the Estates Team are requested to acquire any land or property on behalf of a Service Department then the requirement will first be considered across the availability of existing property held in the Councils estate. The test of suitability will be agreed between the Service Department and Estates Department but will focus on size, location and quality of space required.

3.1.2 **Strategic development purposes.** If there is a way of increasing the deliverables of housing units and/or objectives set in the Community Plan then this will be considered as a Strategic Development Acquisition and tested on the basis of final outcomes of the wider site and a full options appraisal being carried out rather than the individual piece of land or property being acquired.

3.1.3 **Investment purposes.** Land or property may be acquired for the purpose of the Council making an investment subject to the following criteria being met:

- (a) The property generates a predicted net return on investment of 6%.
- (b) The land or property proposed to be acquired has had a full inspection and survey of the condition and is in relatively good condition with full repairing and insuring leases in place for any tenanted parts.
- (c) The management of the property is able to be facilitated by either the in-house Estates Team or through the appointment of a managing agent on a temporary basis until recruitment or extra capacity can be secured.
- (d) All ongoing revenue costs are approved and identified within an existing budget.

- (e) If held as an outright investment rather than for redevelopment or place-shaping then a company should be used by the Council in line with the provisions of the Localism Act 2011.
- 3.2 All proposed acquisitions of property with a financial cost will be valued by a suitably trained and qualified professional with knowledge of the local market. This is recommended to be a Chartered Surveyor with knowledge of the specific market in question and who holds a Registered Valuer status from the Royal Institution of Chartered Surveyors.
- 3.3 All property being acquired will have proper due diligence carried out by appropriately qualified professionals prior to purchase depending on the nature of the site. This will consist of legal searches, site inspections and investigations on potential impacts of use and planning feasibility. This work will be led by the acquiring Estates Team and will involve appointment of consultants to undertake the required surveys.
- 3.4 All property being acquired will also have consideration to the carbon footprint the acquisition will have for the Council. Reduction measures should be factored into any options appraisals for the property acquisitions.
- 3.5 Acquisition at a higher than market value (i.e. acquisition at a premium) may be possible where the end deliverable result will mean a higher net return or saving for the Council. For example where a site may have an income producing lease agreed subject to the Council acquiring the land. Conversely where acquiring the land will over time produce a net saving to the Council. Economic, social and environmental savings/ profits will also be considered in any justification for acquisition at a higher than market value price. This would have to be clearly demonstrated within any business case/ authority request.
- 3.6 **De minimus acquisitions** In circumstances where a low value acquisition is identified (at less than £15,000) such as strategic site access or boundary rectification these transactions are recommended to be dealt with in house by the Estates Team; to be approved by the Corporate Property/ Housing Business Manager and the s151 Officer. For any land acquisitions the Estates team can be requested to handle an acquisition subject to appropriate time/ resource. A valuation will be carried out using comparable evidence of transactions previously conducted by the Council and industry comparables in order to evidence that the property is being purchased at the correct value.
- 3.7 The use of statutory powers for acquisition. Compulsory purchase powers are provided to enable acquiring authorities to compulsorily purchase land to carry out a function which Parliament has decided is in the public interest.
- 3.8 Management Responsibility. Where appropriate, Estates and the service representatives will carry out a pre-completion inspection of the property and if necessary seek instructions from the service regarding the interim management of the property acquired pending development or occupation.

- 3.9 Data Collection. In all cases where an acquisition occurs, arrangements will be made to ensure that details are recorded in the asset management records and Terrier records.
- 3.10 Performance Management. There will be ongoing monitoring of acquisitions between the responsible officers and the parties selling or otherwise concerned with the acquisitions. There will be appropriate reporting to Senior Leadership Team and the relevant Portfolio Holder as appropriate where performance is in question.

**3.11 Process for acquisition of property:**

| <b>Stage</b>  | <b>Process</b>  |
|---|---|
| 1. Identification of requirement for acquisition          | Testing of requirement against key criteria in paragraphs 3.1.1-3.1.3 for either a service delivery need, strategic development or investment.  |
| 2. Property search  | If a property has already been identified this is compared with other available properties within the local market to ensure it is the most suitable.   |
| 3. Valuation and due diligence                            | A valuation will be carried out by a suitably trained member of the Royal Institution of Chartered Surveyors and report produced on the market value/ market rental value. Due diligence on the site including site investigations, surveys, planning use, legal searches and review of all key documents/ legislation to inform the valuation and offer price. A review of options to reduce the carbon use of the property prior to purchase should be considered as part of the due diligence process. |
| 4. Authority requested for final acquisition terms/ value | Report of viability of acquisition to meet required purpose, terms of acquisition and valuation citing known constraints. Terms of proposed acquisition, valuation and cap of offer approved by relevant authorising party as identified in table in paragraph 5.1.   |
| 5. Negotiations   | Negotiations undertaken by the Estates Team or a suitably trained firm of agents depending on capacity and skills/ market knowledge required.   |
| 6. Performance review of disposal and records updated.    | Reporting of final disposal and records on property Asset Register updated.   |

**4. Roles in Acquisitions/Disposals**

| <b>Disposal/ Acquisition type</b>  | <b>Responsible Estates Team</b>  |
|--|--|
| Wayleave/ easement/ licence required for housing need  | Housing Estates Team for housing specific. Corporate Property Estates Team for Corporate Property Specific |
| Right to Buy application/disposal  | Housing Estates Team   |
| Disposal/acquisition of Service Department Property  | Corporate Property Team  |
| Disposal/ Acquisition of regeneration or development opportunity   | Housing Estates Team for housing specific. Corporate Property Estates Team for Corporate Property Specific |
| Investment property acquisition/ disposal  | Corporate Property Team  |
| Leasehold disposal on a short term tenancy   | Housing Estates Team for housing specific. Corporate Property Estates Team for Corporate Property Specific |
| Disposal of de-minimis land  | Corporate Property Team  |
| Disposal of infrastructure property i.e. adoptions of roads by highway authority or drains by Severn Trent | Housing Estates Team for housing specific. Corporate Property Estates Team for Corporate Property Specific |
| Support provided by Planning, Legal Services and Finance.  |  |

**5. Delegations and Approvals**

| <b>Value</b>   | <b>Authority</b>   |
|--|--|
| Wayleaves, easements and licences at less than £1 value                    | Business Manager for Corporate Property on General Fund or Business Manager of Housing for HRA |
| De minimus level at sub £15,000  | Recommendation by Business Manager for Corporate Property/ Housing, approved by S151 officer.  |
| Any disposal/acquisition more than De minimis and less than £100,000 value | Relevant Director  |
| Any disposal/acquisition more than £100,000 and less than £300,000 value   | Relevant director(s) or Portfolio Holder as applicable in consultation with SLT.               |
| Anything at £300,000 or more value   | Relevant Portfolio Holder or Cabinet in accordance with Key Decision requirements.             |

## ACQUISITIONS AND DISPOSALS POLICY

November 2021

Date for Review: November 2023

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## 1. Introduction

~~1.1. Acquisitions of land and property are an essential part of enabling the Council to provide a service to the residents of Newark and Sherwood and in delivering the aims and objectives set out in the Community Plan. An adopted The purpose of this Acquisitions and Disposal Policy ("Policy") is to act as a framework to instruct Members, officers, third parties and members of the public on the Council's adopted approach on the acquisition and disposal of property (including land and built assets). This Acquisitions and Disposals Policy is necessary, in order to ensure that acquisitions and disposals are performed with due consideration of current legislation, financial controls and best practice whilst ensuring that the aims of the Community Plan are achieved.~~

~~1.1. —~~

~~1.2. The purpose of the policy is to act as a framework to instruct Members, officers, third parties and members of the public on the Council's adopted approach on the acquisition and disposal of property (including land and built assets).~~

~~1.2. This Policy covers property assets held by both the General Fund Account ("GF") and the Housing Revenue Account ("HRA") and the appropriation from the HRA to GF. The HRA is a ring-fenced account and as such stands separate from the GF. Before any disposal is progressed under this Policy the land/property responsibility must be established and the appropriate Estates Team identified.~~

1.3. This ~~p~~P~~o~~l~~i~~c~~y~~ will cover the acquisition and disposal of freehold or leasehold interests (including for the avoidance of doubt lease renewals, surrenders and assignments of leases and including easements and covenants) in property (land and buildings). The ~~p~~P~~o~~l~~i~~c~~y~~ does not cover the acquisition of goods, services or items required to perform service delivery by the Council as this is already covered by the Contract Procedure ~~r~~R~~u~~l~~e~~s of the Council.

1.4. The ~~p~~P~~o~~l~~i~~c~~y~~ focuses on the principal processes of acquisitions and disposals, ~~authority routes and~~ roles/responsibilities within the Council and appropriate delegations for decision making.

~~1.5. Any reference to the 'Estate Team' will mean either on behalf of the the Estates Team of the Corporate Property Business Unit or Housing Business Units depending on the type of property or scenario of acquisition or disposal in question. In most circumstances this will be the Corporate Property Business Unit for GF assets and the Housing Business Units for HRA assets.~~

~~1.5. A reference to Service Department shall mean any department/ Business Unit occupying or using the property being considered for acquisition or disposal.~~

1.6. All the steps taken to comply with this ~~p~~P~~o~~l~~i~~c~~y~~ should be set out in the report to the relevant decision maker so that they have all the information needed to make a robust decision, including any cross reference to the Financial

Regulations. These reports should include Legal and Financial Implications, provided by the relevant Business Unit.

1.7. In this Policy where there is reference to either land or property, these can be used interchangeably.

1.8. A wide range of legislation and case law applies to local authority land transactions. For that reason, legal advice should always be sought at the earliest opportunity to ensure that all implications can be identified.

1.9. Any disposal or acquisition transaction under this Policy may be subject to fees that need to be recovered including legal fees.

## 2. Disposals**SPOSALS**

2.1. For the purposes of this Policy Disposals are considered to include but are not limited to:

- A sale of a freehold interest
- Grant of a lease
- Assignment of any expired term of a lease
- The grant of an easement

2.2. Properties disposed of under the Right to Buy are excluded from this Policy as their disposal is prescribed under the Housing Act 1985 (as amended).

### 2.3. Surplus Property

2.3.1. Where is it identified that property could be surplus then the following test should be applied.~~The test for declaring a property to be surplus.~~ One or more of the following key criteria should be considered to be met in order to progress a disposal of Council property:

- (a) The property makes little or no contribution to the Council's service delivery, aims or objectives within the Community Plan and cannot be appropriated for planning purposes under section 122 Local Government Act 1972.
- (b) The property generates little to no income or /-produces a loss and has limited regeneration potential.
- (c) An alternative site has been identified which would achieve a more ~~cost efficient~~cost-efficient way of delivering this service for the Council.
- (d) Its disposal is important for the delivery of organisation aims/-objectives such as those set out in the Community Plan.
- (e) The property is deemed to be an underperforming asset with either under-utilisation of space at low capacity or that the financial cost to retain property is too significant, the income generation possibilities are too low with a greater return/ cost saving being achievable through disposal of the property.

2.3.2. Any property can be identified as surplus by either a Business Manager for a particular service in consultation with the Estates Team Business Manager, Business Manager for Corporate Property or Business Manager for Housing.

The case for disposal will need to be clearly set out and must include the criteria for disposal, as set out in this Policy.

## 2.4. Review of disposal constraints

2.4.1. Once a property has been identified as being potentially surplus the Estates Team will establish whether there are any constraints on the site that would limit or even prevent disposal. ~~This could include such as~~ legal, planning, statutory authorities, government policy, and/or financial constraints, (such as the property having been the subject of funding in the past that necessitates the repayment of grant monies) and should be in consultation with the relevant Business Units. If such constraints are found that prevent disposal, alternative options may need to be considered and pursued, as part of the options appraisal for disposal.

## 2.5. Initiation period.

2.5.1. Where appropriate Business Units occupying a property shall give the Estates Team at least three months written notice of their intention to vacate property. ~~In instances where properties are leased in by the Council, Estates will send a trigger notice to the occupying service and a joint decision will be taken as to whether to renew the lease.~~ On notification of a Service Department Business Unit vacating a property, the Estates team will carry out a survey of the property to inform any works or holding costs required during the disposal process. A full inventory of compliance documentation and servicing is required from the Service Department Business Unit at the point of handover. All holding costs and additional compliance/ remedial works to the property will be covered by the departing Service Department Business Unit's budget. The Service Department Business Unit must leave the property in a clean and tidy condition to the satisfaction of the Estates team.

2.5.2. Once a property ~~is declared~~ has been identified as surplus ~~by a Service Department where appropriate~~ the Estates Team ~~will~~ instigate a process of engagement with other departments Business Units for future Council use. As part of the options appraisal for disposal, an approach will also be made to the Housing Revenue Account Development Team and the Council's preferred housing developer Arkwood Developments Limited, for consideration of development options. If appropriate, then Third Sector interest, Ward Members, Public Sector partners, local Parish & Town Councils and tenants of the property will be contacted before seeking formal approval to sell on the open market. This does not apply to investment property where decisions will be made on a financial return basis and often only a short to medium term investment lease will be offered to perspective tenants.

## 2.6 Public Open Space Engagement Requirements

2.6.1. Public open space is defined as any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial

ground<sup>1</sup>. Disposals of open space pursuant to Sections 123(2A) of the Local Government Act 1972 and ~~(where the land was acquired or appropriated for planning purposes)~~ section 233(4) of the Town and Country Planning Act 1990 (~~"the 1990 Act"~~) require a local authority wishing to dispose of open space to advertise its intentions in a local newspaper for at least two consecutive weeks and to consider objections. This is to be undertaken before making any final decisions about disposal as the public response to the notices may be material to any such decision. Where there are a significant number of objections to a disposal of open space then it should be referred to Cabinet for decision. It could also be an important factor in any determination by the Secretary of State of an application for specific consent.

## **2.7. Disposal Valuation and Marketing.**

2.7.1. ~~Where it is decided to negotiate a disposal to a single party (such as the Housing Revenue Account or to Arkwood Development Limited), rather than offer on the open market, a~~An independent valuation should be carried out by a suitably trained member of the Royal Institution of Chartered Surveyors, where possible, a minimum of two valuations should be obtained for review and agreement by the Estates Business Manager. ~~Negotiations should then take place with the interested party in order to reach an agreed sale price.~~The final agreed price should be as close to the initial valuation as possible. If there are valid reasons on why the initial valuation figure was not reached then these should be recorded and if necessary the valuation report amended to reflect this. Where there is a significant difference between the final ~~negotiated agreed~~ price and the independent valuation figures then, to protect the Council's interest in the event of subsequent sales, the agreement to sell should include, as appropriate, mechanisms which protect the Council's future interests as advised by Legal Services. ~~an asset lock, claw back or uplift clause, restrictive covenants, ransom strip retention, user rights or right of pre-empti~~

2.7.2. The preferred route for any disposal is that the property is marketed for a period of time by the Estates team or by a suitably trained and knowledgeable appointed agent in order to ensure that the best possible offers are received for the property before considering other methods of disposal.

## **2.8. Method of Disposal.**

2.8.1. The most appropriate method of disposal should be adopted from the following, taking into account the advice on marketing strategy from a RICS surveyor:

- (a) Private Treaty – Where there is limited interest and a narrow valuation band. Where appropriate, sales may be conducted by private treaty where

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<sup>1</sup> s.336 of the Town and Country Planning Act 1990 (as amended)

a marketing exercise has already been undertaken by a minimum of two RICS Surveyors.

- (b) Auction – Where there is wide interest and if this method of sale is considered to be best to attract the highest price. The property is marketed as part of an external auction process. A reserve price will be set except in exceptional circumstances and where approved by the decision maker.
- (c) Formal Tender – Where there is wide interest, land ownership is not complex, no uncertainties regarding the grant of planning permission, and a wide valuation band. Under this method, the Council would invite sealed bids which are opened at the same time. The Council and the purchaser then enter into a contract under which the purchaser usually pays a 10% deposit.
- (d) Informal Tender - Where there is a need to identify a preferred bidder and enable further detailed terms to be determined. This method will be appropriate where there are uncertainties such as planning, and, large or complex redevelopment sites. The Council invites offers, which are opened together, immediately following the closing date for the bids specified in the Tendering process. If a higher unsolicited offer is subsequently received all parties may be asked to resubmit.
- (e) Occasionally, a limited marketing exercise may be used where the land or property has already been subjected to open market testing or following short-listing after initial expressions of interest exercise or there are known to be a limited number of purchasers.
- (f) Leasehold disposal. In certain circumstances, it may be appropriate to dispose of property on a leasehold basis. This is particularly relevant where a property may be required to fulfil a service need in the future or if the property is held for investment, community provision or economic growth purposes. Lease terms can be flexible to suit the occupational requirements but should be on a market rental value basis (unless if there is justification for deviation from this on the grounds listed in paragraph 2.10 of this policy). Leases should also be contracted out of security of tenure provisions of the Landlord and Tenant Act 1954, where possible, to avoid creating secure tenancies.

## 2.9. De minimis Disposals.

- 2.9.1. In circumstances where a low value disposal is identified but for the avoidance of doubt, under £10,000, (at less than £15,000) such as garden land within the HRA estate, boundary rectification or infrastructure adoptions these de minimis transactions are recommended to be dealt with in house by the Estates Team; to be approved by the Corporate Property/ Housing Business Manager for the relevant Estates' Team and the s151 Officer. ~~For any land disposals the Estates team can be requested to handle a disposal subject to appropriate time/resource.~~ A valuation will be carried out by the Estates Team using comparable evidence of transactions previously conducted by the Council and industry comparables in order to evidence that market value is being achieved. Infrastructure adoptions such as pump stations will be dealt with by the relevant Estates Team managing the property served by the infrastructure, depending on which property is served by the infrastructure in question (i.e. General Fund or Housing Revenue Account).

## 2.10. Disposal at Less Than Best Consideration.

2.10.1. The Council has a general power to dispose of land in any manner they wish subject to further provisions under s123 of the Local Government Act 1972 (the "1972 Act"). ~~of disposal, contained in Section 123 of the Local Government Act 1972.~~ This provides that Local Authorities are not permitted to dispose of land, or grant leases in excess of 7 years, for a consideration ~~which is~~ less than the best ~~price which is~~ that can reasonably be obtained<sup>2</sup> ~~obtainable~~, unless they first obtain consent from the Secretary of State or the General Consent referred to below applies. Where a disposal is undertaken at less than best price, then to protect the authority's interest in the event of subsequent sales, it should include, where, appropriate, a legal mechanism to secure the Council's interest or benefit. Also, a disposal at less than best consideration could be providing the purchaser with a subsidy under UK subsidy control and the implications of this need to be considered. ~~n-asset lock, claw back or uplift clause, restrictive covenants, ransom strip retention, user rights or right of pre-emption.~~

2.10.2. A valuation by a suitably trained and knowledgeable member of the Royal Institution of Chartered Surveyors should be undertaken in order to quantify the amount of the undervalue (unrestricted less restricted value). In addition, an attempt needs to be made to financially quantify the economic, social and environmental benefits to the authority and community which justify a disposal at less than the valuation/best price amount. The overriding factor to be considered when disposing at below the valuation/best price is to ensure that it is within the Council's power to do so, and the reasons are well documented, transparent and justifiable.

2.10.3. It is for the Council to decide whether any proposed disposal requires specific consent under the 1972 Act and legal advice should be sought on this point and any application to the Secretary of State.

## 2.11. Exceptions to the Obligation on Achieving Best Value:

2.11.1. **Short tenancies.** The obligation to obtain best value contained in sections ~~s~~ 123 of the ~~Local Government Act 1972 Act~~ does not apply to disposals of land by way of a "short tenancy" such as by the grant of a lease for a term not exceeding seven years or the assignment of a term which has not more than seven years to run.

2.11.2. **The disposal meets a specific wellbeing purpose.** The Local Government Act 1972 General Disposal Consent 2003 ("the Consent") removes the requirement for authorities to seek specific consent from the Secretary of State for any disposal of land where the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the promotion or improvement of:

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<sup>2</sup> s123(2) Local Government Act 1972 (as amended)

- a) Economic wellbeing
- b) Social wellbeing
- c) Environmental wellbeing

- 2.11.3. In this circumstance the undervalue (i.e. the difference between the unrestricted value of the interest to be disposed of and the consideration accepted) must be £2,000,000 or less. Where the proposed disposal does not fall within the terms of the Consent an application to the Secretary of State for a specific consent is required.
- 2.11.4. Following amendment by the Growth and Infrastructure Act 2013 section 233 of the Town and Country Planning Act 1990 now empowers the Secretary of State to give consent in relation to land held for planning purposes.

[Previous table to be replaced by flowchart for ease of reference]

### 3. Acquisitions

3.1 **Reasons for Acquisition.** There are a number of circumstances where the acquisition of land or built assets may be necessary. This includes service delivery, investment purposes and strategic development opportunities within the district. There are essential criteria which each type of acquisition must meet to be considered for approval as outlined below:

3.1.1 **Service delivery requirement.** If the Estates Team are requested to acquire any land or property on behalf of the Council at the request of a Business Unit of a Service Department then the requirement will first be considered across the availability of existing property held in the Councils estate. The test of suitability will be agreed between the Service Department Business Unit and Estates Team Department but will focus on size, location and quality of space required.

3.1.2 **Strategic development purposes.** If there is a way of increasing the deliverables of housing units and/or objectives set in the Community Plan then this will be considered as a Strategic Development Aacquisition and tested on the basis of final outcomes of the wider site and a full options appraisal being carried out rather than the individual piece of land or property being acquired.

3.1.3 **Investment purposes.** Land or property may be acquired for the purpose of the Council making an investment subject to the following criteria being met:

- (a) The property generates a predicted net return on investment of 6%.
- (b) The land or property proposed to be acquired has had a full inspection and survey of the condition and is in relatively good condition with full repairing and insuring leases in place for any tenanted parts.

- (c) The management of the property is able to be facilitated by either the in-house Estates Team or through the appointment of a managing agent on a temporary basis until recruitment or extra capacity can be secured.
- (d) All ongoing revenue costs are approved and identified within an existing budget.
- (e) If held as an outright investment rather than for redevelopment or place-shaping then a company should be used by the Council in line with the provisions of the Localism Act 2011.

### 3.2 Market appraisal and valuation

3.2.1 All proposed acquisitions of property with a financial cost will be valued by a suitably trained and qualified professional with knowledge of the local market. This is recommended to be a Chartered Surveyor with knowledge of the specific market in question and who holds a Registered Valuer status from the Royal Institution of Chartered Surveyors. The level of appraisal of a potential acquisition should be reflective of the proposed value and advice should be sought from the Estates Team.

3.2.2 Acquisition at a higher than market value (i.e. acquisition at a premium) may be possible where the end deliverable result will mean a higher net return or saving for the Council. For example where a site may have an income producing lease agreed subject to the Council acquiring the land. Conversely where acquiring the land will over time produce a net saving to the Council. The promotion or improvement of economic wellbeing, social wellbeing or environmental wellbeing savings/ profits will also be considered in any justification for acquisition at a higher than market value price. This would have to be clearly demonstrated within any business case/report for decision.

3.3 Due Diligence must be carried out prior to acquisition: All property being acquired will have proper due diligence carried out by appropriately qualified professionals prior to purchase depending on the nature of the site. This will consist of legal searches, site inspections and investigations on potential impacts of use and planning feasibility. This work will be led-co-ordinated by the acquiring Estates Team and will be in consultation with the relevant Business Units, such as Legal, Finance and Planning and will may where required involve appointment of external consultants. ~~to undertake the required surveys~~

~~3.4 All property being acquired will also have consideration to the carbon footprint the acquisition will have for the Council. Reduction measures should be factored into any options appraisals for the property acquisitions.~~

~~3.53.4~~ **De minimis acquisitions** In circumstances where a low value acquisition is identified (at less than £10,000 ~~£15,000~~) such as strategic site access or boundary rectification these transactions are recommended to be dealt with in house by the Estates Team; to be approved by the Corporate Property/ Housing Business Manager and the s151 Officer. For any land acquisitions the Estates team can be requested to handle an acquisition subject to appropriate time/

resource. A valuation will be carried out using comparable evidence of transactions previously conducted by the Council and industry comparables in order to evidence that the property is being purchased at the correct value.

~~3.63.5~~ The Council has the power to acquire land compulsorily, known as a Compulsory Purchase Order (“CPO”) but this requires approval by the relevant confirming authority. The Council should use compulsory purchase powers where it is expedient to do so and where there is a compelling case in the public interest to make a compulsory purchase order. The process for CPO is laid out in legislation. The use of statutory powers for acquisition. Compulsory purchase powers are provided to enable acquiring authorities to compulsorily purchase land to carry out a function which Parliament has decided is in the public interest.

~~3.73.6~~ Management Responsibility. Where appropriate, the Estates Team and the service representatives will carry out a pre-completion inspection of the property and if necessary seek instructions from the service regarding the interim management of the property acquired pending development or occupation.

~~3.83.7~~ Data Collection. In all cases where an acquisition occurs, arrangements will be made to ensure that details are recorded in the asset management records and Terrier records.

~~3.93.8~~ Performance Management. There will be ongoing monitoring of acquisitions between the responsible officers and the parties selling or otherwise concerned with the acquisitions. There will be appropriate reporting to Senior Leadership Team and the relevant Portfolio Holder as appropriate where performance is in question.

~~3.103.9~~ Following the completion of an acquisition the relevant Business Units must be notified so that the acquisition can be correctly dealt with for the purposes such as the asset register, insurance, Legal post-completion and potentially business rates

[Previous table to be replaced by flowchart for ease of reference]

#### **4. Roles in Acquisitions/Disposals**

4.1 The roles in acquisitions and disposals under this Policy will usually be determined by the whether the asset is held (or to be held in the case of an acquisition) by the GF or HRA accounts.

4.2 Where appropriate the Corporate Property Estate Team will assist transactions relating to the HRA account.

4.3 Support will be provided and often required in transactions under this Policy by Planning, Legal Services and Finance.

## 5. Delegations and Approvals

5.1 These delegations apply to acquisitions and disposals under this Policy subject to any acquisition forming part of the Capital Programme.

5.2 The Capital Programme is set by Full Council through the Budget following the process outlined in the Financial Regulations. All expenditure must comply with the Financial Regulations and additional advice can be sought from Financial Services.

5.2

| <u>Value of Acquisition or Disposal</u>   | <u>Delegated Authority</u>   |
|---|--|
| <u>Wayleaves, easements and licences at less than £1 value of £1 or less</u>            | Business Manager for Corporate Property on General Fund or Business Manager of Housing for HRA                                     |
| <u>De minimus level at sub £15,000 £10,000 or less (de minimis)</u>                     | Recommendation by Business Manager for Corporate Property/ Housing of the relevant Estates Team, and approved by the S151 Officer. |
| <u>More than £10,000 and up to £50,000</u>  | <u>Relevant Director to be approved by the S151 Officer</u>  |
| <u>Any disposal/acquisition more than De minimis and less than £100,000 value</u>       | Relevant Director  |
| <u>Any disposal/acquisition more than £100,000 £50,000 and less than £300,000 value</u> | Relevant director(s) or Portfolio Holder(s) as applicable in consultation with relevant Director and S151 Officer. SLT.            |
| <u>Anything at £300,000 or more value £300,000 or above</u>                             | Relevant Portfolio Holder or Cabinet in accordance with Key Decision requirements.   |

## 6. Appropriation

6.1 There are separate rules for the HRA and GF accounts to ensure that neither subsidises the purposes of the other. Transfer of assets known as appropriation is the transfer of land or buildings from the HRA to the GF or vice versa. Appropriation does not involve a sale or purchase as no transfer of title takes place, the property simply moves from one council account to another.

6.16.2 There is a general power to appropriate land<sup>3</sup> but this is subject to certain provisions.

6.26.3 If assets are appropriated from the HRA into the General Fund, they are bound by the same legal rules as if they had been disposed of to an outside party. Local authorities are required to seek consent from the Secretary of State to

<sup>3</sup> S122(1) of the Local Government Act 1972

appropriate land which has housing on it and advice should be sought from the Council's Legal Services.

6.36.4 Appropriation will be considered on a site by site basis and will be subject to the follow approvals: regardless of the value

| <u>Value of Appropriation</u>              | <u>Delegated Authority</u>  |
|--|---|
| <u>£10,000 or less</u>                     | <u>Relevant Director to be approved by S151 Officer</u>   |
| <u>More than £10,000 and up to £50,000</u> | <u>Portfolio Holder(s) as applicable in consultation with relevant Director and S151 Officer.</u> |
| <u>Above £50,000</u>                       | <u>Cabinet decision</u>   |

## Planning Committee Terms of Reference

### Existing

13. To adopt a scheme of delegation to Officers, including the ability for District Councillors to reserve matters to Committee in circumstances prescribed by the scheme; the scheme to be reviewed as necessary and at least annually, and

14. To adopt a Protocol for Planning Committee which must take Probity in Planning or equivalent national guidance into account and may include provision for public speaking.

### Proposed:

13. To adopt a ~~s~~Scheme of ~~d~~Delegation to Officers, ~~including subject to~~ the ability for District Councillors to ~~reserve~~refer matters to Committee in circumstances prescribed by the ~~scheme~~Protocol; the scheme to be reviewed as necessary and at least annually, and

14. To adopt a Protocol for Planning Committee which must take Probity in Planning or equivalent national guidance into account. Including the ability for District Councillors to refer matters to Committee in circumstances prescribed by the Protocol and may include provision for public speaking. The Protocol to be reviewed as necessary and at least annually.



Report to: Audit & Governance Committee Meeting – 7 May 2025

Director or Business Manager Lead: Sue Bearman – Assistant Director Legal & Democratic Services and Monitoring Officer

Lead Officer: [Sue.Bearman@nsdc.info](mailto:Sue.Bearman@nsdc.info)  
01636 655935

| Report Summary                   |  |
|----------------------------------|--|
| <b>Report Title</b>              | Conduct and Public Service   |
| <b>Purpose of Report</b>         | To consider progress on implementation of the Full Council resolution 'Conduct and Public Service' made on 15 October 2024.  |
| <b>Recommendations</b>           | <p>That Committee:</p> <ol style="list-style-type: none"> <li>1. notes that proposals for Member training in respect of standards of conduct will be taken forward in the Member Training Protocol workstream;</li> <li>2. agrees to give further consideration to amendments to the Code of Conduct for Councillors at a future date;</li> <li>3. agrees to convene one further workshop on the Conduct and Public Office topic focussing on social media;</li> <li>4. notes that Officers will explore the cost and resource implications of supporting the Local Government Association's Debate not Hate Campaign, and</li> <li>5. notes that further enquiries will be made regarding the possibility of hosting a conference regarding good conduct in public office.</li> </ol> |
| <b>Reason for Recommendation</b> | To identify practical measures the Council could adopt to address poor conduct by Members where it arises.   |

## 1.0 Background

- 1.1 On 15 October 2024 the Full Council passed a resolution requesting that the Audit & Governance Committee review the Code of Conduct and the LGA's Civility in Public Life programme, with a view to identifying practical measures the Council could adopt

to address poor conduct by members where it arises. This included a request for clear and robust guidance around member behaviour on social media, and to consider if necessary, the Council making representations to Government and the Local Government Association for proposed changes and stiffer sanctions.

- 1.2 Following this resolution, the Government announced a consultation on the local government standards regime so that councils have the powers they need to suspend councillors who break their codes of conduct. This Committee approved the Council's response to that consultation in February 2025.
- 1.3 In December 2024 this Committee also resolved to convene an informal workshop to consider: -
  - Whether to align the Council's Code of Conduct exactly with the Local Government Association Model Code.
  - Whether the Council can adopt any recommendations or good practice from the Local Government Association's Civility in Public Life report and Debate not Hate Campaign.
  - Review and Update the Council's Social Media Protocol for Members, taking into account Local Government Association guidance.

## **2.0 Proposal/Options Considered**

- 2.1 The informal workshop took place on 27 March. Members discussed training on conduct and standards. The benefits of different styles of training were recognised and it was generally agreed that a varied offer would be most effective. This will be taken into account in development of the Member training Protocol, which is being brought to this Committee separately.
- 2.2 Members were asked to consider whether the Council's Code of Conduct should be fully aligned with the Local Government Association Model Code of Conduct. There are a couple of minor differences (reported to this Committee in December 2024); the main one relating to non-participation in relation to 'Other Registerable Interests' and 'Non-Registerable Interests'. There was a general consensus that any amendment should be accompanied by comprehensive training, and some doubts were raised about amending the Code of Conduct at this time when Government may be issuing new requirements. The Members also acknowledged that given Local Government Reorganisation, any new larger authority would most likely adopt the model code of conduct for expediency.
- 2.3 It is proposed to convene one more workshop to conclude consideration of the topic, focussing on review and update of the Councillor Social Media Protocol. In the meantime, Officers will explore the cost and resource implications of raising awareness of the Local Government Association's 'Debate not Hate' campaign which encourages: -

- “Add the Debate Not Hate email banner to corporate communications during specific times of year, like in the run-up to elections and add the campaign logo to your website to show your support.
- Shout about the campaign on your social media profiles by using the branded social media assets and suggested sample social text
- Print our Debate Not Hate branded promotional materials (including posters, foamboards and standee) and display them at council events, public meetings, and election events.”

2.4 Members also discussed the possibility of the Council hosting a conference to promote good conduct in public service with the aim of encouraging people to enter public life. There were mixed views about the merits of hosting a conference, and some concerns were raised about the potential cost, and whether a conference properly falls within the Council’s remit. Officers are minded to make further enquiries with partners who might be able to take the lead on arrangements, with the Council possibly hosting at Castle House, Newark. Committee will be kept updated.

### **3.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

#### **3.1 Financial Implications - FIN25-26/7855**

There are no financial implications from this report.

#### **3.2 Legal Implications (LEG2425/2011)**

Audit & Governance Committee is the appropriate body to consider the content of this report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

December 2024 Audit & Governance Committee report - <https://democracy.newark-sherwooddc.gov.uk/documents/s21437/Item%2018%2011.12.24%20Conduct%20and%20Public%20Service.pdf>

February 2025 Audit & Governance Committee report – item 19 - <https://democracy.newark-sherwooddc.gov.uk/ieListDocuments.aspx?CId=298&MId=988>



Report to: Audit & Governance Committee Meeting  
7 May 2025

Director or Business Manager Lead: Nick Wilson, Business Manager – Financial Services  
Sue Bearman, Assistant Director - Legal & Democratic Services, Monitoring Officer

| <b>Report Summary</b>    |  |
|--------------------------|--|
| <b>Report Title</b>      | Audit & Governance Committee Work Plan                                     |
| <b>Purpose of Report</b> | Work Plan attached for consideration and approval                          |
| <b>Recommendations</b>   | That the Audit & Governance Committee consider the Work Plan for approval. |

**AUDIT & GOVERNANCE COMMITTEE****MEETING DATE 7<sup>TH</sup> MAY 2025****WORK PLAN**

| <b>Meeting date at which action to be undertaken</b> | <b>Subject and Brief Description</b>                               | <b>Who will present the report</b> | <b>Intended Outcome</b>  |
|--|--|------------------------------------|--|
| <b>2 July 2025</b>                                   |  |                                    |  |
|  | Annual Internal Audit Report 2024/25                               | Phil Lazenby (TIAA Ltd)            | Gain assurance that the Council's Annual Governance Statement accurately represents governance arrangements, that future risks are identified and that governance arrangements support the achievement of the Council's objectives |
|  | External Audit Plan for 2024/25 Accounts                           | Mark Surridge (Mazars)             | Ensure that an appropriate plan is in place which will provide assurance on the Council's Statement of Accounts, Value for Money arrangements and Grant claims   |
|  | Counter-Fraud Activity Report                                      | Nick Wilson                        | Gain assurance that counter-fraud activity is appropriately targeted and effective, to be presented to the Committee twice a year.   |
|  | Annual Code of Conduct Complaints Report                           | Sue Bearman                        |  |
|  | Member Training & Development Protocol                             | Sue Bearman/Nigel Hill             |  |
|  | LGA Newark and Sherwood District Council Cyber 360 Progress Report | Dave Richardson                    | To provide the RAG rating together with a progress report of the review of the Cyber 360 Action Plan to be presented to the Audit & Governance Committee if an update is available.  |
| <b>24 September 2025</b>                             |  |                                    |  |
|  | Q1 Budget Performance Report 2025/26                               | Nick Wilson                        | To ensure the sustainability of the Council's General Fund, HRA and Capital Programme through the in-year monitoring of the budgets.   |

|                         |  |                         |   |
|-------------------------|--|-------------------------|---|
|                         | Internal Audit Progress Report 2025/26                             | Phil Lazenby (TIAA Ltd) | Understand the level of assurance for audited activities and ensure management progress recommended actions to mitigate identified risks  |
|                         | Complaints Performance Q1 Update Report                            | Carl Burns              |   |
|                         | LGA Newark and Sherwood District Council Cyber 360 Progress Report | Dave Richardson         | To provide the RAG rating together with a progress report of the review of the Cyber 360 Action Plan to be presented to the Audit & Governance Committee if an update is available.   |
|                         | LGSCO Annual Review Report   | Jill Baker              | To share with Members the annual LGSCO complaints handling report   |
| <b>10 December 2025</b> |  |                         |   |
|                         | Internal Audit Progress Report 2025/26                             | Phil Lazenby (TIAA Ltd) | Understand the level of assurance for audited activities and ensure management progress recommended actions to mitigate identified risks  |
|                         | External Audit Annual Governance Report 2024/25                    | Mark Surridge (Mazars)  | To gain assurance that the Council's Statement of Accounts are a true and fair representation of the Council's financial performance for the previous financial year and financial standing as at the Balance Sheet date, and that the Council has effective arrangements for achieving Value for Money   |
|                         | Statement of Accounts 2024/25 & Annual Governance Statement        | Nick Wilson             | Gain assurance on the integrity of financial reporting<br>By considering the assurance gained through its activities throughout the previous year, to give assurance that the Council's Annual Governance Statement accurately represents governance arrangements, that future risks are identified, and that arrangements in place support the achievement of the Council's objectives |
|                         | Q2 Budget Performance Report 2025/26                               | Nick Wilson             | To ensure the sustainability of the Council's General Fund, HRA and Capital   |

|                     |  |                         |   |
|---------------------|--|-------------------------|---|
|                     |  |                         | Programme through the in-year monitoring of the budgets.  |
|                     | Audit and Governance Committee Annual Report<br>To inform Members of the activity undertaken by the Audit and Governance Committee | Nick Wilson             | To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution.   |
|                     | Customer Feedback (Complaints, Suggestion & Praise for the period April 2025 – September 2025 (Half 1 - 2025/26)                   | Carl Burns              |   |
|                     | Housing Ombudsman Annual Review Update   | Jill Baker              | To share with Members the annual Housing Ombudsman complaints report  |
|                     | Strategic Risk Management (previous report taken to April 2025 Audit & Governance Committee)                                       | Richard Bates           | Gain assurance that appropriate risk management arrangements are in place, update presented to the Committee on a 6 monthly basis.  |
|                     | LGA Newark and Sherwood District Council Cyber 360 Progress Report   | Dave Richardson         | To provide the RAG rating together with a progress report of the review of the Cyber 360 Action Plan to be presented to the Audit & Governance Committee if an update is available. |
| <b>4 March 2026</b> |  |                         |   |
|                     | Internal Audit Progress Report 2025/26   | Phil Lazenby (TIAA Ltd) | Understand the level of assurance for audited activities and ensure management progress recommended actions to mitigate identified risks  |
|                     | External Auditors Annual Audit Completion Report   | Mark Surridge (Mazars)  |   |
|                     | External Auditors Annual Audit Report  | Mark Surridge (Mazars)  |   |
|                     | Q3 Budget Performance Report 2025/26   | Nick Wilson             | To ensure the sustainability of the Council's General Fund, HRA and Capital Programme through the in-year monitoring of the budgets.  |

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|----------------------|--|-------------------------|---|
|                      | Budget Reports 2026/27                                 | Nick Wilson             | To review the Councils General Fund revenue budget, Capital Programme and Medium Term Financial Plan.   |
|                      | Treasury Strategy 2026/27                              | Andrew Snape            | Gain assurance that risks in relation to the Council's treasury management activities are to be managed in accordance with need and the Council's risk appetite       |
|                      | Capital Strategy 2026/27                               | Andrew Snape            | Outlines the principles and framework that shape the Council's capital proposals  |
|                      | Investment Strategy 2026/27                            | Andrew Snape            | The investment strategy meets the requirements of statutory guidance issued by the government relating to the Councils Treasury and Non-Treasury investments.         |
| <b>22 April 2026</b> |  |                         |   |
|                      | Internal Audit Progress Report 2025/26                 | Phil Lazenby (TIAA Ltd) | Understand the level of assurance for audited activities and ensure management progress recommended actions to mitigate identified risks                              |
|                      | External Auditors Annual Draft Audit Completion Report | Nick Wilson             |   |
|                      | Q3 Budget Performance Report 2025/26                   | Nick Wilson             | To ensure the sustainability of the Council's General Fund, HRA and Capital Programme through the in-year monitoring of the budgets.                                  |
|                      | Statement of Accounting Policies                       | Andrew Snape            | Gain assurance that the Council has appropriate accounting policies in place that reflect the way items are treated in the annual Statement of Accounts               |
|                      | IAS19 Pension Assumptions                              | Andrew Snape            | Gain assurance that the pension assumptions used by the actuary to produce the figures in the Statement of Accounts are appropriate for the Council's circumstances   |
|                      | Property, Plant and Equipment Valuation Assumptions    | Andrew Snape            | Gain assurance that the assumptions used by the Council's valuers to produce the figures in the Statement of Accounts are appropriate for the Council's circumstances |
|                      | Annual Review of the Council's Constitution            | Sue Bearman             | Review the Council's Constitution   |

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|  | Strategic Risk Management  | Richard Bates   | Gain assurance that appropriate risk management arrangements are in place, update presented to the Committee on a 6 monthly basis.  |
|  | LGA Newark and Sherwood District Council Cyber 360 Progress Report | Dave Richardson | To provide the RAG rating together with a progress report of the review of the Cyber 360 Action Plan to be presented to the Audit & Governance Committee if an update is available. |