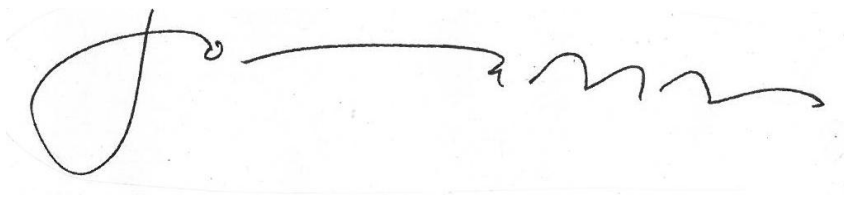


Summons

To all Members of
Essex County Council

You are hereby summoned to attend the meeting of the County Council to be held in the Council Chamber at County Hall, Chelmsford at 10:00 on Tuesday, 15 October 2013 to deal with the business set out in the following Agenda



Joanna Killian
Chief Executive

Officer Support to the Council: Andy Gribben, Governance Officer
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This meeting is open to the public and the press.

The agenda is available on the Essex County Council website, www.essex.gov.uk. On the home page select 'Your Council' and then 'Meetings and Decisions'. Finally, select 'Full Council' on the date shown above from the meeting calendar.

The agenda and associated documents can be provided on request in alternative formats such as large print, Braille and on disk.



Agenda

Business to be conducted at the meeting on Tuesday, 15 October 2013

The meeting will be preceded by Prayers led by Sisters Moira and Margaret –
Canonesses of the Holy Sepulchre (living and working on the Melbourne Estate)

		Page
1	Apologies for Absence	
2	Declarations of Interest To note any declarations of interest to be made by Members	
3	Confirmation of the minutes of the meeting held on 9 July 2013	7 - 28
4	Chairman's Announcements and Communications	
5	Receipt of petitions and deputations (if any)	
6	Executive Statements	
7	Motions (Standing Order 16.11.2)	29 - 32
8	To receive a report on the Children and Young People's Plan and Annex A	33 - 76
9	To receive a report concerning changes to The Financial Regulations, Appendix A and Appendix B	77 - 208
10	To receive a report on matters reserved to the Council and to consider any recommendations	209 - 240
11	To receive a report of Cabinet Issues	241 - 246
12	To receive a report of Overview and Scrutiny Issues	247 - 248

13 Questions (Standing Order 16.12)

a) Oral questions of the Leader, Cabinet Member or the chairman of a committee upon any matter relevant to the business of the Council (Standing Order 16.12.1)

b) Written questions (Standing Order 16.12.3)

c) Oral questions of the representative of the Essex Police and Crime Panel on any matter relevant to the business of that Panel (Standing Order 16.12.8)

d) Oral questions of the representative of the Essex Fire Authority on any matter relevant to the business of that Authority (Standing Order 16.12.8)

14 The report of the Authority's meeting held on 4 September 2013 is attached

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Minutes of a meeting of Essex County Council held at County Hall, Chelmsford on 9 July 2013

Present

Chairman: Councillor K Twitchen

Vice-Chairman: Councillor N Hume

Councillors:

J Abbott	D Finch	R Lord
J F Aldridge	M D Fisher	D Louis
W Archibald	R Gadsby	R A Madden
B Aspinell	K Gibbs	M Maddocks
Mrs S Barker	R J Gooding	M McEwen
R L Bass	C Guglielmi	M McGeorge
A Bayley	D Harris	Mrs V Metcalfe
K Bentley	A M Hedley	A Naylor
D Blackwell	G Helm	Lady Newton
K Bobbin	I Henderson	P Oxley
R G Boyce	Mrs T M A Higgins	M J Page
A Brown	R Hirst	J W Pike
M Buckley	P Honeywood	C C Pond
G Butland	R C Howard	S Robinson
J Chandler	M Hoy	C Seagers
P Channer	J Huntman	K Smith
K Clempner	A J Jackson	J Spence
T Cutmore	E C Johnson	Mrs A Turrell
J A Deakin	J G Jowers	R G Walters
T Durcan	D J Kendall	J Whitehouse
M Ellis	N Le Gresley	A Wood
A Erskine	S Lissimore	J A Young
	J Lodge	

The meeting was preceded by prayers led by The Right Reverend John Wraw, Bishop of Bradwell.

1. Apologies for Absence

Apologies for absence were received on behalf of Councillors M Danvers, I Grundy, J Knapman, M Mackrory, Mrs J M Reeves and S Walsh.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of the meeting held on 14 May 2013

Resolved:

That the minutes of the meeting held on 14 May 2013 be approved as a correct record and signed by the Chairman.

4. Minutes of the special meeting held on 14 May 2013

Resolved:

That the minutes of the special meeting held on 14 May 2013 be approved as a correct record and signed by the Chairman.

5. Honorary Aldermen

At the special meeting held on 14 May 2013 Council had created six Honorary Aldermen. In recognition of this, The Chairman presented certificates and badges to Bill Dick, Bonnie Hart, Jeremy Lucas, Peter Martin, Gerard McEwen and Iris Pummell.

6. Queen's Birthday Honours

The Chairman on behalf of the Council congratulated the twenty-four residents in the County who had been recognised in the Queen's Birthday Honours and in particular:

- Councillor John Spence – CBE (Chairman of the South East Local Enterprise Partnership) for services to business in the South East and

- Mrs Rosanna Briggs – MBE (Deputy Head of Service and Deputy County Emergency Planning Officer, Essex County Fire and Rescue Service) for services to Civil Protection.

7. Human Resources Award

The Chairman on behalf of the Council received from Councillor Derrick Louis, the Cabinet Member for Transformation and Corporate Services, the Award for 'Best HR Team (Public and Not-for-Profit Sector)'. This was an award from the 2013 HR Excellence Awards to Essex County Council's Human Resources.

8. Presentation of Petitions

The Chairman formally received a petition to reduce the speed limit in Dry Street, Basildon from 60mph to 30mph, presented by Councillor Kerry Smith.

9. Motions

Motion 1: A12 Ban on Lorries Overtaking

It was moved by Councillor R Bass and seconded by Councillor K Bentley that

'This Council, mindful of the nuisance, danger and congestion caused by lorries attempting to overtake one another and regularly blocking two lanes of the A12 for extended periods on a rolling basis, calls upon the Secretary of State for Transport to direct the Highways Agency, as a matter of urgency, to pilot a scheme whereby HGVs are restricted to the nearside lane on both carriageways of the A12 Trunk Road between Marks Tey and Boreham interchanges during the hours of 6.00am to 10.00pm daily. It also requests support from Essex MPs for this proposal.'

Upon being put to the meeting the Motion was declared to be carried.

Motion 2: Public Speaking at Meetings

It was moved by Councillor D Harris and seconded by Councillor J Abbott that

'This Council agrees that at all County Council meetings (with the exception of the Annual meeting) a process of "Have your say" is introduced.

The constitution and standing orders (as appropriate) will be amended to allow anyone resident in Essex to speak for up to 3 minutes (on a timed basis) on any subject pertaining to Council related business.

There will be *up to* 30 minutes for this process at the start of meetings. In exceptional circumstances the Chairman of the meeting can exercise discretion to extend the time allowed.

Confidential and restricted access business will be unaffected wherein the public cannot be present. Those wishing to speak will be required to register to do so prior to the meeting.

The process will be managed on a “first come first served” basis, and if the 30 minutes time limit leaves speakers without speaking slots, then those individuals will be encouraged to submit their question or statement in writing to the Monitoring Officer, and subsequently the Leader of Council will reply in writing.

Supporting evidence:

Many other democratic organisations within Essex carry out similar processes, including local authorities. Residents and Councillors alike involved with those bodies feel this process is a good way of ensuring residents have a voice.

Neighbouring Suffolk County Council, which covers an area larger than ECC and is generally more rural, has a question time or public statement session at most of its meetings including Full Council, Cabinet and Scrutiny.

Essex County Council is urged to adopt this process and protocol so that residents can be heard in person at meetings of this authority where important decisions and discussions are taking place.’

It was moved by Councillor S Robinson and seconded by Councillor D Kendall that the Motion be amended to read as follows:

‘This Council agrees that at all County Council meetings (with the exception of the Annual meeting) a process of “Have your say” is introduced.

The constitution and standing orders (as appropriate) will be amended to allow anyone resident in Essex to speak for up to 3 minutes (on a timed basis) on any subject pertaining to Council related business.

There will be *up to* 30 minutes for this process at the start of meetings. In exceptional circumstances the Chairman of the meeting can exercise discretion to extend the time allowed.

Confidential and restricted access business will be unaffected wherein the public cannot be present. Those wishing to speak will be required to register to do so prior to the meeting.

The process will be managed on a “first come first served” basis, and if the 30 minutes time limit leaves speakers without speaking slots, then those individuals will be encouraged to submit their question or statement in writing to the Monitoring Officer, and subsequently the Leader of Council will reply in writing.

Council further agrees that the public and media be permitted to broadcast meetings of Full Council and that consideration be given to webcast meetings of Full Council.’

Prior to the Motion being put to the meeting, Councillor Harris declined to withdraw the Motion at the suggestion of the Leader to allow this matter to be considered by the Corporate Scrutiny Committee and for it to report back to Council.

Upon being put to the meeting the amendment to the Motion was declared to be lost.

Upon being put to the meeting the substantive Motion was declared to be lost.

Motion 3: Supporting Essex Families

It was moved by Councillor M Fisher and seconded by Councillor J Deakin that

‘This Council believes that supportive parents are essential for the wellbeing of young people and that this applies just as much when this Council and its contractors are the parents.

This Council notes with concern the recent Oxfordshire case of men “grooming” very young girls and in particular that 5 out of the 6 girls who gave evidence were in the care of that County Council.

This Council takes very seriously its responsibilities to the young people in its care.

This Council believes that most parents would not force their own children to leave home if they were not ready, and that the multiple occupancy homes where many young people in care are housed after age 16 are not a good substitute for foster parental care. The young people often have no occupation and suffer from lack of support and guidance.

Therefore this Council resolves to consider allowing young people placed with its Foster Parents to stay with them until at least 18 years and later if they are otherwise unable to live independently.

This Council notes that this is permitted under guidance from Central Government but that many local authorities do not offer this because of the cost to the authority.

However, this Council believes that this policy could save money in other parts of the public sector – including Housing Benefit not paid out, reduced use of the criminal justice system and maybe Jobseeker benefits not paid out.

This Council notes that this is exactly the kind of “joined up” thinking required under Whole Essex Community Budgeting.

This Council therefore requests officers to investigate both the costs and the potential public sector savings of this policy and to report back to Members in time to be considered for the 2014-15 Budget.’

It was moved by Councillor D Madden and seconded by Councillor P Channer that the Motion be amended to read as follows:

‘This Council believes that supportive parents are essential for the wellbeing of young people and that this applies just as much when this Council and its contractors are the parents.

This Council notes with concern the recent Oxfordshire case of men “grooming” very young girls and in particular that 5 out of the 6 girls who gave evidence were in the care of that County Council.

This Council takes very seriously its responsibilities and believes that multiple occupancy homes where many young people in care are housed after age 16 are not in all cases a good substitute for foster parental care.

Therefore this Council welcomes that the Cabinet Member for Families and Children is considering allowing young people placed with its Foster Parents to stay with them until at least 18 years and later if they are otherwise unable to live independently.

This Council believes that this policy could save money in other parts of the public sector – including Housing Benefit, reduced use of the criminal justice system and maybe even Jobseeker benefits and represents the kind of “joined up” thinking currently being pursued under Whole Essex Community Budgeting.

This Council therefore requests officers continue to investigate both the costs and benefits of this policy and to report back to the People Scrutiny Committee in time to be considered for the 2014-15 Budget.’

Upon being put to the meeting the amendment was declared to be carried and so became the substantive Motion.

Upon being put to the meeting the substantive Motion was declared to be carried.

Motion 4: Closure of the Deanes School

It was moved by Councillor J Huntman and seconded by Councillor A Bayley that

‘Council believes the Administration should reconsider plans to close The Deanes School in Benfleet and proceed with its original scheme to improve the school’s premises and rebuild and relocate Glenwood Special School on the same site.

The school has been rated as good by Ofsted and is situated in an area designated for new housing. Closure would reduce parents’ choice of school for their children, lead to larger class sizes locally and mean the loss of an excellent opportunity to integrate mainstream and special school provision.

Council appreciates the need for financial savings but does not believe that the closure of a good school in an area where more places are likely to be required in future is a sensible way forward. It calls for reassurance for local residents that their strong opposition to the proposed closure will be taken into account.’

Prior to the Motion being put to the meeting, Councillor Huntman declined to withdraw the Motion at the suggestion of Councillor Butland who announced that the People and Families Scrutiny Committee would be undertaking a review of the proposals relating to the future of the Deanes School.

Upon being put to the meeting the Motion was declared to be lost.

10. Variation in the Order of Business

With the agreement of Council the Chairman varied the order of business so that agenda item 13a oral questions and agenda item 13b written questions (numbers 1 – 3) pertaining to the Deanes School could be taken at this time.

11. Questions to the Leader of the Council, Cabinet Members and Committee Chairmen

Members responded to questions as follows:

- (i) Relating to the future of The Deanes School, and the proposed Scrutiny review (Councillor Archibald of the Cabinet Member for Education and Lifelong Learning)

The Cabinet Member replied that the Scrutiny Committee would consider the provision of education in the area as a whole and not just that provided in Castle Point.

12. Written questions (Standing Order 16.11.3)

1. By Councillor J Reeves of the Cabinet Member for Education and Lifelong Learning

'The Deanes School - Castle Point

Intake numbers – Can other schools accommodate the numbers being suggested; but first and foremost, what are the true figures? There is no mention of mid-term admissions (54 average over the last two years) and what about expulsions as there were 5 from King John this year?'

Reply

In January 2013 when the annual school count took place there were 793 pupils on the school roll. At the end of this school year 217 pupils will leave the Year 11. School preferences for next September are showing that only 74 pupils have been offered places in Year 7. The impact of this is that the school roll in September will be 650. The predicted numbers as we move forwards are:

Number on roll at The Deanes School							
Year	7	8	9	10	11	Total	Potential Total (inc housing)
2013/14	74	119	117	165	175	650	650
2014/15	94	74	119	117	165	569	569
2015/16	105	94	74	119	117	509	509
2016/17	71	105	94	74	119	463	464
2017/18	126	71	105	94	74	470	474
2018/19	73	126	71	105	94	469	476
2019/20	148	73	126	71	105	523	534
2020/21	32	148	73	126	71	450	466
2021/22	78	49	148	73	126	457	477
2022/23	117	96	49	148	73	448	473
2023/24	89	135	96	49	148	464	489

Most children in Benfleet already attend neighbouring schools such as Appleton and King John, both of which are oversubscribed with applications from a wide area. Indeed a significant number of the pupils currently at The Deanes have previously expressed a preference to attend these schools but were unable to at that time. A

large percentage of pupils at The Deanes are from outside of its immediate catchment area including a number from Southend. Both Appleton and King John are highly successful schools. It is intended that if The Deanes closes investment would be made at these schools to provide an extra one form of entry of 30 pupils at each school which (based on pupil forecasting) would be sufficient to accommodate those local children needing a school place in the future and provide more places for pupils at two of the County's more popular and oversubscribed schools.

Mid-year admissions have been taken into consideration. Although the main annual count on which most statistics are based in schools occurs in January, in Essex a pupil count is taken early in each term of the school year. This enables term by term comparisons to be made. Looking at this information for The Deanes School it is evident that the numbers who join the school mid-year are broadly matched by the numbers who leave. In the last five years there have been two years where there was either no change or only marginal change through the year. In the other three years the increase through the year amounted to an average of no more than 2 or 3 pupils per year group. It is clear that the school manages successfully a potentially difficult mid-year admissions position, of pupils arriving and others leaving, but it is not something which significantly affects the overall calculations in terms of viability of the school.

With regards to exclusions, during 2012/13 there has been one permanent exclusion from Appleton and one from King Johns (NB. this is still within the time frame within which parents can ask for the decision to be reviewed). Looking back over recent years, in 2011/12 there were no permanent exclusions across Appleton, The Deanes or King John; whilst 2010/11 saw two permanent exclusions from Appleton.

2. By Councillor J Reeves of the Cabinet Member for Education and Lifelong Learning

'The Deanes School - Castle Point
Glenwood Rebuild – It is being suggested that school governors are looking at Academy or Free School Status. If they take this option, what impact will this have on the urgent need to build the New Glenwood Special School?'

Reply

The Deanes School can apply for Academy status at any stage. The decision on whether a school becomes an academy rests with the Secretary of State for Education.

The Governors of the Deanes School are the proprietors of the

freehold of the land and the building of premises for the Glenwood School therefore requires their agreement. It is hoped that regardless of the outcome of the consultation that the Deanes School Governors would provide this authority so that the Glenwood rebuild project could continue to timescale. If the current consultation was to result in a decision to proceed to close and the governors of The Deanes School were not to provide agreement to use the land for the rebuild of Glenwood, the rebuild of the Glenwood School would likely be postponed until 2016 when the land would revert to Essex County Council ownership.

3. By Councillor R Howard of the Cabinet Member for Education and Lifelong Learning

'The Deanes School - Castle Point

Is the land on which Deanes is built, freehold or leasehold and if it is leasehold, when does the lease expire?'

Reply

The site is freehold and this was transferred to the governing body when the school gained Grant Maintained status on the 1st January 1993.

ECC also acquired an adjoining property, 96 Daws Heath Road to assist with access when we were proposing a BSF project at the school, and we hold that property vacant, and not part of the current school.

13. Chairman's Announcement

The Chairman advised Council that there was no further time allocated for the consideration of Motions. Responding to questions on this matter she clarified that the total time allocated for the consideration of Motions would be extended to two hours from the next meeting (15 October 2013) and that Members should expect in future that Full Council may be adjourned for the lunchtime period and resume in the afternoon. She further clarified that all other Motions on today's agenda are considered to have fallen and may be resubmitted for the next meeting of Council if appropriate notification is received.

14. To receive a report on the ECC Vision Statement 2012-2017

The Leader, Councillor D Finch, presented a report of the ECC Vision Statement 2012-2017.

The report was received and upon being put to the meeting the recommendation was agreed and accordingly it was

Resolved:

That the new corporate vision and priorities for Essex contained in the document "Vision for Essex 2013-17" be approved.

15. Council Issues

The report of Council Issues was received.

Item 1: Appeals Against Dismissal by Staff

Upon being put to the meeting the recommendation was agreed and accordingly it was

Resolved:

- (1) That the existing right of appeal to members be replaced with the right of appeal to a senior officer in order to speed up the appeals process and provide greater certainty to employees and managers but with a right of appeal to members retained for those officers who are appointed by members, namely chief and deputy chief officers, to the Chief Officer Committee.
- (2) That the terms of reference of the Chief Officer Committee in paragraph 8.1.5 of the constitution be amended to read:

'8.1.5 Committee to determine the Terms and Conditions of employment of Chief and Deputy Chief Officers

Membership: Five Members of the Council to include the appropriate Cabinet Member.

(i) to be responsible for the appointment and dismissal of Chief/Deputy Chief Officers and appeals against dismissal of such persons, with the power:

- (a) to appoint sub-committees of three Members to deal with particular appointments, dismissals or appeals; and
- (b) to authorise the Chief Executive or her nominee to deal with a particular appointment or dismissal;

(ii) to resolve any issue relating to the terms or conditions of employment of Chief/Deputy Chief Officers not already covered by the Council's Officer Employment Procedure Rules; and

(iii) to decide the level of performance pay to be awarded to the Chief Executive and members of the Corporate Leadership Team.'

- (3) That the Member Appeals Committee be abolished and references to it in the constitution be deleted.

Item 2: List of Approved Bodies

The Leader paid tribute to the work of Councillor Susan Barker and officers who had determined the list and asked Members to inform her if they wished to amend it.

Upon being put to the meeting the List of Approved Bodies was agreed.

16. Cabinet Issues

The report of Cabinet Issues was received and adopted.

17. To receive the Annual Report of the Essex Pension Fund Board

The Annual Report of the Essex Pension Fund Board was received and adopted.

18 Questions to the Leader of the Council, Cabinet Members and Committee Chairmen

Members responded to questions as follows:

- (i) Concerning Motion 7, provision of meals for disadvantaged children, requesting that as the Motion had not been considered that it be referred to the appropriate Scrutiny Committee. (Councillor V Metcalf of the Leader)

The Leader agreed.

- (ii) Concerning a review of the A-Board Policy and an enquiry if Section 6 of the Essex Act 1987 that relates to antisocial parking and obstruction of the highway is enforceable by the new civil enforcement officers of the new parking partnerships. (Councillor C Pond of the Cabinet Member for Highways and Transportation)

The Cabinet Member agreed to re-examine the policy and was confident that Section 6 of the Essex Act 1987 is so enforceable.

- (iii) Concerning Members' rights to see papers and documents (Councillor J Lodge of the Leader)

The Leader replied that he was not aware that Essex County Council officers routinely withheld documents from Members but if so, this will be investigated, but specifically the Highways draft document is not yet available as it is still in a formative state. The Cabinet Member for Highways and Transportation further suggested that if the matter related to a Local Development Plan for Uttlesford perhaps Councillor Lodge should direct his question to Uttlesford District Council.

- (iv) Concerning items referred to Scrutiny, is it not the function of the Scrutiny Committee to determine what it examines? (Councillor G Butland of the Leader)

The Leader agreed and hoped that the work of Scrutiny could be so managed as to satisfy the wishes of the Members of Council as well as undertaking the pre-planned work.

- (v) Concerning Local Highway Panels, ensuring there is sufficient officer resource to avoid underspend in the delivery of vital local highways schemes (Councillor J Abbott of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that it had taken some time for the Highways Panels to become established and (as early notification of an approval of a scheme is necessary for proper scheduling of work) this had resulted in a substantial capital underspend in the first year of the Highways Panels. This was carried over into the current financial year so the schemes were not lost. Money allocated to Highways this year is to be spent on highways although there may have to be adjustments between the different types of highways projects within the capital budgets. He further hoped that the recently updated guidelines he had issued to Local Highways Panels will ensure that schemes for submission in the next financial year were decided upon in Jan/Feb 2014 to avoid such delays in future.

- (vi) Concerning the Member Restaurant, does the Leader still believe that spending £40,000 per annum on members' meals is a trivial matter? (Councillor J Abbott of the Leader)

The Leader replied that he did not consider any expenditure 'trivial' but his words as reported in the media were that in the context of the whole of spending at the Council the issue of members' meals is relatively small and of lesser importance compared to some of the really big issues such as Health Integration, Community Budgets and the Comprehensive Spending Review.

- (vii) Concerning bus-stops and bus stands that have been removed or are missing in her Division is the money for their replacement to come from the budget of the Local Highways Panels and did the Cabinet Member agree that people should be encouraged to use public transport? (Councillor T Higgins of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that money for this did come from the budget of the Local Highways Panels and she could approach them for the funding for their replacement.

- (viii) Concerning the allocation of opposition places on the Local Highways Panels, could places be apportioned on the Highways Panels in Brentwood where no opposition groups were represented (Councillor B Aspinell of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that he had not made any formal representations but in response to the request he would be pleased to speak to the Panel Chairman on this matter.

- (ix) Concerning Parking Partnerships being encouraged to inform members of significant parking issues in their Divisions before they are discussed at meetings (Councillor J Whitehouse of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that he could not impose his will upon the Parking Partnerships but he hoped that the Chairmen of the Parking Partnerships would note what Councillor Whitehouse had said and act accordingly.

- (x) Concerning the view of the Administration on the fate of the Lower Thames Crossing, should tolls be abolished and would it be better for Essex if another Crossing were built? (Councillor K Smith of the Leader)

The Leader replied that this was the subject of consultation between the South East Local Enterprise Partnership and the County Council. The Cabinet Member for Highways and Transportation added that he was considering a large number of representations and was preparing a Cabinet Member Action on this matter.

- (xi) Concerning when the 'highways surgeries' in the Districts would commence (Councillor S Barker of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that they would be commencing at the end of July 2013 shortly after the opening of the new facility next to the Traffic Control Centre in County Hall.

- (xii) Concerning County Councillors being permitted to attend Local Highways Panel meetings as an observer when items relating to their Division were being discussed (Councillor J Deakin of the Cabinet Member for Highways and Transportation)

The Cabinet Member replied that this matter was at the discretion of the Chairmen of the Local Highways Panels although his personal view was that any elected representative should be permitted to attend even if not to participate.

- (xiii) Concerning agreement that there should be wider advertising of the library services as they are a vital way of engaging with the public

(Councillor C Guglielmi of the Cabinet Member for Libraries, Communities and Planning)

The Cabinet Member agreed.

19. Written questions (Standing Order 16.11.3)

(questions 1 – 3 having been considered previously, see Minute 12 above)

4. By Councillor I Henderson of the Cabinet Member for Education and Lifelong Learning

'The news that the funding is no longer to be provided to allow Harwich and Clacton's Behaviour Education Support Team (BEST) to continue its valuable and excellent work has caused much concern and will leave many families without the vital support that BEST has provided.

Will the Portfolio Holder please advise these families how this support is to be provided when BEST closes in August and can he please give an assurance that the necessary action is being taken to ensure that this support will be available immediately?'

Reply

The Behaviour Education Support Team (BEST) was originally funded, via the Local Authority, from the National Behaviour Improvement Programme Grant provided by Excellence in Cities (EiC). It was for each local authority to agree how it allocated this funding. In the case of Harwich BEST evolved with other funding mechanisms also contributing to the delivery of the service. In total this programme supported eleven schools in Harwich, Holland on Sea and Walton.

This three-year funding ended in March 2011. Following Department for Education funding reforms, funding for schools is now directly allocated and devolved to individual schools. All of the funding from EiC has been devolved to the schools as part of their budget minus the annual minimum funding guarantee. For 2011/12 the service continued as funding arrangements allowed previous distribution methodology to continue. For 2012/13 the funding forms part of the basic pupil entitlement meaning that it is up to the individual schools to determine how this money is spent. The total funding that has been devolved to the 11 schools is £1,996,837.

Therefore if the schools concerned wish for BEST, or any local service provided by them to continue, it would be for them to negotiate an agreeable pooled budget solution. I hope that schools would continue to cooperate with pooled funding arrangements to deliver those services they value most.

Alongside this Essex County Council has invested in our Family Solutions Team which work with our most vulnerable and troubled families. They are evolving from four to eight multi-agency teams. Family Solutions work to help families with a range of issues for up to 12 months by helping them identify their own solutions to their problems. Harwich will be covered by the Tendring Team.

5. By David Kendall of the Leader of the Council

'Financial Inclusion

Following many months of work by the Financial Inclusion Task and Finish Group, the members of the former Economic Development, Environment and Highways Policy and Scrutiny Committee put forward a number of recommendations to the Cabinet regarding "Financial Inclusion" earlier this year. Would the Leader of the Council please clarify the following points in relation to each of those recommendations:

- (1) Which specific recommendations have already become the policy of this Council and how are they being taken forward?
- (2) Which specific recommendations are in the pipeline and what is their timeline for implementation?
- (3) Which specific recommendations will not be taken forward by this Council; what are the reasons for the decision to take no action on each one?
- (4) What other action has your administration taken to show that you are taking the issue of "Financial Inclusion" seriously?

Reply

I have consulted Councillor Walsh, as Chairman of the Place Services and Economic Growth Scrutiny (PSEGS) Committee, who has confirmed to me that the Cabinet's response to the recommendations arising from the Scrutiny Report on Financial Inclusion will be considered by that Committee at its meeting in September. A response is being drawn up by the Cabinet to coincide with that meeting, which is in line with the timeline set out in recommendation 17 as proposed by the Task and Finish Group that undertook the original review.

As an important scrutiny initiative based upon in depth investigation, it is for the PSEGS Committee to lead in the monitoring of the Cabinet response. Councillor Walsh concurs with Councillor Kendall, with whom he has worked on this scrutiny project, that answers to the issues he has raised will automatically be pursued for the

Committee's detailed consideration in the Autumn. At its meeting there will also be an opportunity for Members to cross examine what progress has been achieved in the promotion of financial inclusion across Essex over the previous six months.

6. By David Kendall of the Deputy Leader, Cabinet Member for Economic Growth and Infrastructure

"Live Local, Love Local" Voucher Booklet

Would you please answer the following questions regarding the "Live Local, Love Local" voucher booklets:

- (1) How many of these booklets have been produced?
- (2) How much does each book cost to produce?
- (3) How much have these books cost Essex County Council?
- (4) Have these books been distributed to every Borough / District / City Council in Essex?
- (5) If one of my residents wanted to pick up one of these books in Brentwood where could they get one from?

Reply

Thank you for your question.

Please find the answers you have requested regarding the "Live Local, Love Local" voucher booklets below:

1. How many of these booklets have been produced?

33,700 booklets have been produced. Booklets are also available online to download at www.visitessex.com/livelocal

2. How much does each book cost to produce?

56 pence

3. How much have these books cost Essex County Council?

The cost to Visit Essex was £18,939, although ECC also received £2,250 of EU funding. Visit Essex is a membership organisation and receives financial contributions from the tourism industry. The campaign to engage local people to discover their local attractions was agreed by the Visit Essex board and welcomed by the Visit Essex Members (a steering group formed to agree on the best way to deliver the campaign.) and campaign costs are largely covered by the member subscriptions. The vouchers provide £450 of support in kind from attractions/restaurants/hotels supplying the offers. We have received excellent feedback from both residents and businesses taking part in the campaign and the businesses have seen an

increase in custom.

4. Have these books been distributed to every Borough / District / City Council in Essex?

The booklets have been sent to all borough/district/city councils and unitary authorities, along with other promotional material.

5. If one of my residents wanted to pick up one of these books in Brentwood where could they get one from?

The booklets are available from all libraries, most hotels and attractions and nearby tourist information centres. They can also be downloaded from www.visitessex.com/livelocal

7. By Councillor J Whitehouse of the Leader of the Council

Telephone Numbers;

1. What [a] 0345 and other 03xx numbers and [b] 0845 and other 08xx numbers are used by Essex County Council to receive calls from residents and other callers?
2. For which of these numbers is a geographic number [e.g. starting with a geographic code such as 01245 / 01206 / 01992] also advertised with similar prominence?
3. How much service charge income is received for each number? If no income is received directly, how is the service fee taken into account in the contract with the telephone services provider?

Reply

1. What [a] 0345 and other 03xx numbers and [b] 0845 and other 08xx numbers are used by Essex County Council to receive calls from residents and other callers?

School Enquiry Line	0845 603 2200
General Enquiries	0845 743 0430
Adult Social Care & Blue Badge	0845 603 7630
Children & Young People	0845 603 7627
Social Care Protection Line	0845 603 7634 & 0845 603 1212
Common Assessment Framework (CAF)	0845 603 7639
Family Information Service	0800 055 6874
Libraries	0845 603 7628
Adult Community Learning	0845 603 7635
Finance	0845 603 7637

Planning & Environment	0845 603 7624
Registrations	0845 603 7632
Highways	0845 603 7631 0845 603 7620 0845 603 7621 0845 603 7622 0845 603 7623
CRB / Disclosure	0845 603 7633
Waste	0845 603 7625
Trading Standards	0845 603 7626

2. For which of these numbers is a geographic number [e.g. starting with a geographic code such as 01245 / 01206 / 01992] also advertised with similar prominence?

On the council website, the front page has a 'contact us' signpost taking people to the contact us page, where contact numbers are featured.

The general enquiries information gives a 'landline' alternative number (01245 430 430) for those wishing to dial a geographically routed number.

3. How much service charge income is received for each number? If no income is received directly, how is the service fee taken into account in the contract with the telephone services provider?

The contract we have does not include any payment to Essex County Council. We do not earn any income from these calls.

8. By Councillor S Robinson of the Cabinet Member for Highways and Transportation

'What processes are involved when carrying out "robust risk assessments" when reports of Highway defects are made?'

Reply

Full details of the risk assessments undertaken by Highways Inspectors can be found on page 50 of the 'Essex Highway Maintenance Strategy', which is publically available on our website at the following address: <http://www.essexhighways.org/roads-highways-and-pavements.aspx>

9. By Councillor M Ellis of the Cabinet Member for Waste and Recycling

Could the Cabinet Member for Waste and Recycling provide the purchase cost of the land upon which the Waste Treatment Plant in Courtauld Road, Basildon stands, as the Land Registry figures, whilst being a legal obligation to provide, seem lacking?

Reply

Thank you for your question.

The County Council has not purchased the freehold of the waste plant land at Courtauld Rd but has entered into a long term lease for the site. The current annual rental under the lease is £1,390,430 per annum.

10. By Councillor N Le Gresley of the Cabinet Member for Waste and Recycling

Could the Cabinet Member for Waste and Recycling provide the registered address and names of the Directors of Integra Developments Limited who were the beneficial owners and joint applicants along with Essex County Council and Basildon Borough Council, for the £100m Waste Treatment plant in Courtauld Road, Basildon?

Reply

Thank you for your question.

Integra Development Ltd are no longer the freehold owners of the waste treatment plant site at Courtauld Road. The title has passed to The Lime Property Fund Limited Partnership (owned by Aviva). At the time the County Council took a long term leasehold interest in the site, the directors of Integra were registered as Pegasus Ltd and Perseus Ltd. The names of the Directors for Pegasus Ltd and Perseus Ltd were not disclosed to ECC, and there was no legal requirement for disclosure of this information. Basildon Borough Council have never been party to any (land use planning) application for any waste treatment plant at Courtauld Road.

20. Oral questions of the representative of the Essex Police and Crime Panel

There were no questions.

21. Oral questions of the representative of the Essex Fire Authority on any matter relevant to the business of that Authority.

The report of the Authority's meeting on 5 June 2013 was noted. There were no questions.

The meeting closed at 13:05

Chairman
15 October 2013

Motions under Standing Order

16.11.2

1. Highway Maintenance

Moved by Councillor J Young and seconded by Councillor K Bobbin. Supported by Councillors M McGeorge and D Harris.

‘We welcome the renewed focus of this Authority on Highways.

The new Vision for Essex gives a commitment to develop and maintain infrastructure and this means our roads and pavements must be improved ensuring safety is paramount.

We call upon the Administration to review the contract with Ringway Jacobs as we believe that it is neither flexible nor agile and as such cannot respond to technical advancements which would lead to better outcomes for Essex roads and pavements. Our guiding principles must be quality, safety and value for money and this contract needs to reflect these aspirations.’

2. Executive Arrangements

Moved by Councillor J Lodge and seconded by Councillor C Pond.

‘This Council believes there is merit in a return to the committee system so as to involve many more elected councillors in decision-taking, and that an all-party committee, advisory to the Chairman, be established to consider changing the existing system, to consider, amongst other matters, a return to the committee system, or a hybrid executive/committee system, whereby cabinet decisions be not actioned (save in cases of emergency) until committee affirmation has been obtained.’

3. Changing from Cabinet to the Committee System

Moved by Councillor M Mackrory and seconded by Councillor T Higgins. Supported by Councillor S Robinson.

‘The recent County Council Election results show there is much wider range of political views amongst the residents of Essex than there has ever been before, and this is reflected in the fact that there are now six groups at County Hall.

In recognising this change in the political landscape, this Council is keen to embrace and utilise all the talents and ideas that Members have to offer, cross party, as it faces up to the serious financial challenges ahead and explore new ways of working that make decision making more transparent, open and democratic.

This Council welcomes the aim of the Localism Act 2011 to allow power to be exercised at the lowest practical level, close to the people who are affected by the decisions. The Act contains provisions that allow local authorities to change from the Cabinet system, imposed by the Local Government Act 2000, to the Committee system.

Council, therefore, requests the Chief Executive to prepare a report for the next Cabinet meeting.'

4. Cross-party commitment to addressing financial challenges

Moved by Councillor R Hirst and seconded by Councillor V Metcalf

This Council acknowledges that the previous Government's economic legacy requires the Conservative and Liberal Democrat Coalition Government to take drastic action to restore public finances.

This Council appreciates that this action has resulted in severe reductions in central government funding at a time of significant increase in demand; leaving the Council needing to make £365m savings over the period 2009-2013 and further savings of over £220m during the period 2013-2017.

This Council applauds the work that has taken place to date under the Phase 1 of the Transformation Programme and acknowledges that the savings were made without a significant negative impact on services. It does however realise that further savings under Phase 2 of Transformation Programme will inevitably mean some very tough decisions and whilst every effort will be made to reduce the impact of these on services, given the sheer scale of the cumulative savings this is unlikely.

This Council therefore calls on all parties to work constructively to find solutions which will deliver the required savings and protect services for our residents wherever possible.

5. North and South Essex Parking Partnership

Moved by Councillor R Lord and seconded by Councillor M Ellis.

‘This Council believes that the North and South Parking Partnerships should be fully accountable and transparent to all Members in order for Councillors to represent the views of local business, the tourist industry and residents when matters of concern arise.’

6. Highways Defects

Moved by Councillor J Abbott and seconded by Councillor M Hoy.

This Council agrees that County Members should have a direct role in dealing with highway defects in their division.

Therefore when a defect is reported by the local Member to Member Services with valid local reasons as to why it should be addressed, and where it meets the minimum intervention criteria set down in the Highway Maintenance Policy, the defect should normally be remedied within 3 weeks of submission by the local Member.

7. Essex County Council Policy on Bus Lanes

Moved by Councillor T Higgins and seconded by Councillor A Turrell.
Supported by Councillor B Aspinell.

‘This Council has a countywide policy of allowing two-wheeled motorised vehicles in the bus lanes.

This Council believes that the policy should be changed to permit the Essex District / Borough / City Councils to make that decision to take account of local circumstances and priorities.’

8. Street Lighting

Moved by Councillor M Danvers and seconded by Councillor D Harris.

‘Council recognises that two areas of Essex have piloted the switch off but Essex is a large and diverse County and Uttlesford and Maldon are very different to some of our large Urban Towns which enjoy a lively night-time economy.

The period of consultation regarding implementation was too short and poorly timed allowing little time for proper consideration and appeals for areas to continue to be lit to be put forward.

Council welcomes the setting up of the Task and Finish Group by the Place Services and Economic Growth Scrutiny Committee. Council believes that current switch off plans should be halted to allow for proper consideration of

alternative lighting methods and a further look at the effectiveness of the consultation process.'

9. Financial Strength of Care Suppliers

Moved by Councillor G Helm and seconded by Councillor N Le Gresley

Following the report by Company Watch in August which showed that one in three care home businesses across the country are at risk of collapsing into insolvency, owing to escalating levels of borrowing within the sector; this Council seeks an urgent review of care suppliers and an upgrading of contingency plans for system failures.

The Children, Young People and Families Partnership Plan

Report by Councillor D Madden, Cabinet Member for Children and Families

Enquiries to Roger Bullen, Head of Partnership Schools, Children and Families.
Telephone 01245 434164

Purpose of report

The Children, Young People and Families Partnership Plan (CYPFPP) sets the broad interagency agenda for Children's Services and will influence the future commissioning intentions, priorities and approach within the County Council's emerging People Commissioning Strategy (Children, Young People and Families).

Cabinet endorsed the Plan on 10 September 2013 and approval of the Plan, attached as Annex A to this report, is sought from Council.

Recommended:

That Council approve the Children, Young People and Families Partnership Plan as endorsed by Cabinet and attached as Annex A to this report.

Background and proposal

The Children, Young People and Families Partnership Plan is no longer a statutory requirement for Councils following the rescinding of all statutory guidance by the Coalition Government requiring councils to produce a plan. Despite this the Duty to Co-operate is still in force and there is local discretion in how this duty is supported. In Essex there is a broad consensus that a partnership board underpinned by a strategic plan (the CYPFPP) is the best way to support partners in the delivery of this duty.

The Essex Children, Young People and Families Partnership Plan for 2013-2016 has been developed at a time of significant change both at a National and County Level. The document takes account of the increasing emphasis on commissioning for children's services within Essex alongside reconfiguration within the NHS, transfer of Public Health responsibilities to the Local Authority and significant restructure within the County Council.

The plan is essential in setting the direction of travel for Children's Services across Essex and maintaining progress through a commitment to partnership planning and exploring opportunities to integrate commissioning.

At this strategic level the Partnership seeks to determine the overlap between the range of organisations involved, bringing them together over a common set of outcomes that improve services for Children, Young People and Families. In a time where demands on budgets are increasing and savings need to be made the Partnership will seek opportunities for long term integration where the results are sustainable and represent value for money.

The Children, Young People and Families Partnership Plan is influenced by a broad range of current priorities including planning for integrated commissioning with Clinical Commissioning Groups (CCGs) and Public Health, implementation of the Essex Health and Wellbeing Strategy and actions set out through the work of the Essex Safeguarding Children Board (ESCB).

Policy context

The strategic priorities within the Children, Young People and Families Partnership Plan align with the vision and priorities set out in the Vision for Essex 2013-2017 which will ensure that progress made to improve outcomes for children, young people and families also drives the Local Authority towards achieving its corporate goals.

The CYPFPP is based on the most current County and Locality Needs Assessments. As such the priorities set out in the document reflect the changing demographic and socio-economic characteristics of the County's population.

The document emphasises the importance of placing Children, Young People and Families central to decision making and sets out the importance of empowering local communities and building resilience in families, children and young people, enhancing their capacity to resolve their own problems.

Mirroring the Vision for Essex 2013-2017 the CYPFPP centres around working with a diverse range of public, private and voluntary and community sector partners in order to deliver joined up and integrated services for families that represent the best value for money.

Financial Implications

The Children Young People and Families Partnership Plan will be delivered within annual resource allocations and implementation of any activities directly aligned to Essex County Council will need to be funded from within the approved service budgets.

Legal Implications

The Children Young People and Families Partnership Plan formally referred to in legislation as the Children's Plan is no longer a statutory requirement. However, the Council's Constitution still requires this to be approved by Full Council.

Equality and Diversity implications

In making this decision the County Council must have regard to the public sector equality duty (PSED) under s.149 of the Equalities Act 2010, i.e., have due regard to the need: (a) to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act; (b) advance equality of opportunity between people who share a protected characteristic and those who do not; and (c) foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The PSED covers service users, staff and members of the public as a whole who are potentially affected by the proposals addressed in the Report.

The PSED is a relevant factor in making this decision but does not impose a duty to achieve the outcomes in s.149. It is only one factor that needs to be considered and may be balanced against other relevant factors. It is, however, important to demonstrate that it has been considered.

The plan sets out 10 priority themes, agreed by partners, which provide strategic direction to inform commissioning. Partners have agreed to work within a set of principles including the principle to 'eliminate unlawful discrimination, advance equality of opportunity and foster positive relations between those who share a protected characteristic and those who do not'.

Priority themes, within the plan, incorporate strategic equality considerations. Equality Impact Analysis (EqIA) of the performance framework and systems/ processes that influence how the priorities will be achieved, will ensure that equality is integral to the implementation of the plan.

Essex Children, Young People and Families

Partnership Plan

2013 / 2016

Draft Date 06 Sep-13

Foreword

Welcome to the Essex Children, Young People and Families Plan 2013-2016.

The Children's Plan is a key, high level document that sets out the most important issues facing Children, Young People and Families in Essex. It has been developed by the Essex Children and Young People's Partnership Board which is made up of County, Locality and Community stakeholders from a range of backgrounds including Social Care, Schools, Colleges, District/Borough and City Councils, Health Services, Police and Fire Services and a broad range of Community/Voluntary Sector agencies.

Working together to support Children, Young People and Families is very important. By working together individual organisations can be more efficient in the way they utilise reducing budgets to deliver services. Services must be easy to find and accessible with clear communication between providers to ensure the right service is provided at the right time.

This plan sets out the vision of the Essex Children's Partnership. It says what we want to achieve and where we will concentrate our work over the next three years. We are committed to improving outcomes for all Children, Young People and Families in Essex, making a difference and not just talking about it.

There are an increasing number of opportunities to integrate services or join them together both at the point of delivery, the front line, and earlier when these services are being thought about or commissioned. As a partnership we will take up these opportunities to make sure they have the most positive impact.

Cllr Dick Madden

Cabinet Member for Families and Children – Cllr Dick Madden
Chair – Essex Children and Young Peoples Partnership Board

Summary

The Essex Children, Young People and Families Partnership Plan for 2013-2016 is been developed at a time of significant change both at a National and County Level. The document takes account of the increasing emphasis on commissioning for children's services within Essex alongside reconfiguration within the NHS, transfer of Public Health responsibilities to the Local Authority and significant restructure within ECC.

The plan is essential in setting the direction of travel for Children's Services across Essex and maintaining progress through a commitment to partnership planning and exploring opportunities to integrate commissioning.

At this strategic level the Partnership seeks to determine the overlap between the range of organisations involved, bringing them together over a common set of outcomes that improve services for Children, Young People and Families. In a time where demands on budgets are increasing and savings need to be made the Partnership will seek opportunities for long term integration where the results are sustainable and represent value for money.

The Children's Plan is influenced by a broad range of current priorities including planning for integrated commissioning with Clinical Commissioning Groups¹ (CCGs) and Public Health, implementation of the Essex Health and Wellbeing Strategy and actions set out through the work of the Essex Safeguarding Children Board (ESCB).

¹ Clinical Commissioning Groups (CCGs) are NHS organisations set up by the [Health and Social Care Act 2012](#) to organise the delivery of [NHS](#) services in England

Progress made since the last plan

- Successful Ofsted Inspections for Adoption and Private Fostering ('Good' with some area of 'Outstanding' practice)
- A 'Good' Ofsted Inspection judgement for Essex County Council Fostering Services
- A review of governance of the Essex Safeguarding Children Board completed with recommendations implemented
- The establishment of a new quadrant based locality structure for children's social work services
- Children's Residential Homes have been closed to enable placements to be commissioned based on individual need
- Fostering Placements have been increased to support our commitment to always place children in family based placements where this is appropriate
- Levels of Need (thresholds) refreshed through development of 'Effective Support for Children and Families in Essex'².
- Effective Support for Children and Families provides a clear focus for all interventions, a platform for development of targeted 'Early Help' services and a consistent reference for commissioning.
- Numbers of young people in care have shown sustained reductions from past high figures
- A restructured Quality Assurance Service with new Independent Reviewing Officers, Child protection Co-ordinators and Conference Chairs
- An investment in effective and evidenced based practice and early intervention services

² Appendix 2 – Essex Effective Support Windscreen

- A promising start for our newly formed Divisionally Based Intervention Team (D-BIT) Service targeted on young people and their families on the edge of care or custody
- Innovative approaches have been developed around Community Budgets Essex Family and the Troubled Families programme, now brought together as 'Family Solutions'
- The commissioning of a Multi-Systemic Therapy Service funded through Social Investment
- A new strategy and structure for the delivery of Youth Services has been implemented

The vision for 2013-2016

The Children, Young People and Family Partnership is committed to the following:

Children, Young People and Families will reach their full potential

We will do all we can to support all children, young people and their families to reach their full potential. We have high aspirations for all children and young people – they will grow up safe, happy and healthy, able to make the best use of their skills to secure good employment opportunities and make the most of their lives.

Children and young people will be supported by strong families

Families are the foundation of strong local communities. As the key contributor to a child or young person's safety, health and wellbeing we will take a whole family approach to supporting all families to fulfil this role.

Families will be given early help to assist them in managing their difficulties

Families in difficulty will be offered help at the earliest opportunity. The help provided will promote family resilience and help prevent family problems escalating into more serious ones.

Children and young people will not be disadvantaged by being in care

It is generally better for children and young people to live with their own families, however where this is not possible we will provide good alternative care. If a child or young person needs to be in care we will ensure that this is in a family setting (foster care) wherever possible, of good quality and it improves the life chances of the children and young people in question.

We will protect children and young people from harm

Through early help and a joint commitment to effective child protection services we will reduce risks to children and young people and ensure they are protected from abuse and neglect. We will work with families to build on their strengths and make the changes that are needed. If this does not work and a child or young person is identified as likely to suffer significant harm, we will act quickly to protect them.

Children, young people and their families will influence what we do

We will be family focused, putting the needs and aspirations of children, young people and their families at the heart of everything we do. We will do this by listening to the views of children, young people and their families and wherever possible acting upon them. We will learn from and improve our services through consultation with children, young people and their families.

Services for children, young people and their families will be improved by us working together

We will work in partnership through all four levels of need to provide more responsive, better integrated and more effective services which are easy to access.

National Context

The impact of economic pressures and Government policy will create a more testing operating environment for those working with children and families over the next three years. Reduced resources will combine with additional pressures placed on families as a result of changes in benefits and employment. These changes will present a challenge to Local Government and partners to meet increasing needs whilst making real cost savings year on year.

Changes that have been implemented under recent reforms to the welfare system³ will have an impact on the families in Essex and will influence the thinking of the Partnership. The restructure of the 'working age' benefits system will lead to reductions in tax credits, child benefit and employment benefits for lone parents along with the introduction of Employment Support Allowance to replace incapacity benefit for Disabled Adults. Welfare Reforms will also impact on housing through a reduction in the amount that can be claimed by homeowners receiving benefits for unemployment or illness putting the most vulnerable at risk of repossession.

Local Authorities and their partners will seek to harness opportunities emerging from the localism agenda.⁴ This may include exploring innovative options such as mutualisation and social enterprise or supporting co-operatives and charities to assume a stronger position in the market for public service provision. Essex is leading the way amongst Local Authorities in establishing new commissioning models such as Social Impact Bonds (SIB) and Payment by Results (PbR) which place emphasis on delivery of service outcomes and payment linked to success.

The Government's review of child protection by Eileen Munro has produced a series of recommendations that are changing children's social work. The review is especially clear that the child protection system must be fully focused on the needs of individual children and young people rather than a centrally imposed set of processes and targets. Perhaps the strongest message within the final report is a reduction in the level of Government prescription with a greater emphasis placed on local discretion and professional judgement. The review does propose a new duty be placed on local authorities and partner agencies to secure sufficient provision of local "early help" services for children, young people and families and to produce an 'early help' plan.

³ Welfare Reform Act 2012

⁴ Localism Act 2011

Understanding the needs of Children and Young People in Essex

Essex covers a large geographical area with pockets of high population density in urban areas and a significant proportion of the population dispersed across areas of rural hinterland. The scale and complexity of the Essex population make it essential that Locality Partnerships know their communities and understand their unique characteristics in order to ensure that local priorities are respected and acted upon.

In addition to the geographic profile of the County there is significant transience in proportions of the children and families community that requires specific consideration to ensure that services remain accessible and that we are able to track any improvement in outcomes that result from specific interventions. The transience of families within areas of Essex as well as the significant migration of families into and out of Essex places importance on developing effective multi-agency, cross quadrant and cross county working in order that the right resources can be deployed to support families at the right time and in the right place.

A mature relationship between locality based statutory partners, community stakeholders and children, young people and families is the key to delivering the aims and priorities of the Children's Partnership Board. The Essex locality model provides a pan Essex network for; inter-agency working, dissemination of information and development of comprehensive needs analysis. Individual locality partnerships are able to develop local solutions where appropriate or escalate issues up to the County Partnership Board. In turn the Partnership Board maintains a strategic overview of local needs which further informs the broader commissioning agenda.

It is important that the work of the Partnership can demonstrate a sound evidence base both in terms of understanding needs and understanding the impact of any response. The following table sets out the presenting needs based on both our Joint Strategic Needs Analysis⁵ and the locality based needs analyses for each quadrant:

⁵ Joint Strategic Needs Assessment Jun-12

Summary of Needs

Families experiencing multiple disadvantage with several needs
Children suffering abuse or neglect
Children and young people on the edge of care
Children and young people living with drug or alcohol dependent parents
Children and young people with poor emotional health and wellbeing
Children and young people living with parents experiencing mental health problems
Children and young people exposed to domestic abuse
Families with adolescents with challenging and troubled behaviour
Geographical inconsistencies in school attainment, e.g., Basildon, Braintree, Castle Point, Harlow, Maldon and Tendring performing below the county average
Poor attainment in the early years at Early Years Foundation Stage
Lower attainment of children in care when compared to their peers
Significantly lower life chances for children and young people in need, on a protection plan, in care and leaving care

Higher rates of NEET in some areas
High re-offending rates amongst young offenders
Increasing diversity of population especially in West Essex with the consequent requirement for services to be inclusive and proactive in meeting their needs

Essex Partnership Priorities

The Children, Young People and Families plan brings together key priorities for all partners based on a shared understanding and assessment of local needs and known or likely changes in the regulatory / legislative environment which will require a response. Behind these priorities sits a shared commitment to improving outcomes through clear and accountable actions. The ten priorities below will provide the strategic direction that informs all commissioning and delivery over the coming three years. Appendix 3 provides greater detail in relation to the types of work that will support the delivery of these priorities.

Children, Young People and Families Strategic Priorities 2013-2016

- [1 *Protect Children and Young People from harm and neglect*](#)
- [2 *Develop resilience in families to help reduce dependency on public services by enhancing their capacity to resolve their own problems*](#)
- [3 *Improve outcomes for Looked After Children and Care leavers as well as improving support to children and young people on the edge of care*](#)
- [4 *Support and Challenge Schools to raise Educational achievement and aspirations at all key stages*](#)
- [5 *Enabling children to get the best start in life*](#)
- [6 *Work with partners to provide inclusive education that meets the needs of those with the most*](#)

difficulties

- 7 *Promote good health for Children and Young People and reduce health inequalities*
- 8 *Work with partners to maximise the number of young people who are in Employment, Education or Training*
- 9 *Promote the benefits of young people making a positive contribution to their community and decisions affecting their own lives*
- 10 *Provide opportunities for reskilling and up-skilling throughout residents' working lives*

Strategic influences on the work of the Partnership

Essex County Council has delivered more than £365million in savings through a programme of Transformation that aims to deliver the best quality of life to the people of Essex. Transformation will deliver a dynamic, forward thinking Authority that is able to capitalise on opportunities for effective outcomes based commissioning as well as integrated commissioning at a strategic level with NHS partners, District/Borough and City Councils, Schools, Unitary Authorities, Fire and Police services and the Voluntary, Community and Social Enterprise Sector. Commissioning Outcomes Groups (COGs) will be developed to inform commissioning ambitions as part of the transformed operating model. This plan will be aligned to the outcomes of the Commissioning Outcomes Groups as these evolve.

Within Essex there is an extensive distribution of Adult Partnerships which overlap with the Children's agenda in relation to Domestic Violence, Lifelong Learning, Crime and Disorder and Youth Offending. An emphasis on exploring the natural synergy between adult and children's partnerships will continue to concentrate on points of transition, those times when Children, Young People and Families move between children's and adults services. The aim will be to make such transitions as seamless as possible through an 'All Age' approach to working with and supporting people in Essex.

In a constantly changing global economy it is important that Essex has a highly skilled and adaptable workforce which reflects the needs of the local economy and local communities. All children need to achieve a good level of development through their early years so that they enjoy learning and have a strong foundation for lifelong learning. Increased attainment is an important driver of economic growth and people who have higher levels of attainment are also more likely to have

longer, safer and healthier lives. Driving out inequality across Essex, reducing unemployment and NEET levels for 16-24 and developing a thriving programme of apprenticeships can ensure Essex leads the UK in attainment and is able to foster a culture of lifelong learning so that people of all ages have a thirst for learning.⁶

Across Essex the relationship between the Local Authority and Schools is changing. Reflective of a national trend towards less centralised models of educational delivery the move aims to widen the range of suitable routes for young learners. The reform of schools through the Academies Act 2010 opened up the possibility of applying for Academy status to all schools. Academies are independent and state-funded receiving funding directly from central Government rather than through the Local Authority. The 2010 Act also introduced Free Schools which can be set up and governed by local community groups. Universal Technical Colleges and Studio Schools were also launched. Within Essex there are plans with DfE for Free Schools which will sit alongside Academy Free Schools and a Studio School. There are currently 111 academies⁷ a number of which are working in partnership with sponsor organisations. Essex has led the way during this period of change in the establishment of Essex Education Services. As a discrete, arms-length trading organisation Essex Education Services functions as an educational business accountable to shareholders. With a range of direct delivery, training and support services, customers, who include ECC Commissioners, schools, other Local Authorities and Central Government, buy in services as and when they are required.

Through its Youth Service and Youth Offending Teams, Essex is investing in young people, supporting them to develop their own resilience to face challenges and achieve positive outcomes.

Utilising an informal education & personal development approach with an emphasis on early intervention and prevention, youth work in Essex is driving forward to embed the principles of the Governments 'Positive for Youth' programme. Working within a curriculum to raise attainment and aspirations of our most vulnerable young people, the Youth Service is setting out a shared vision for how all parts of society – including councils, schools, community groups, the voluntary sector and businesses – can work together in partnership to build capacity in order to support families and improve outcomes for young people, particularly those who are disadvantaged or vulnerable⁸.

In line with a national reduction in the numbers of young people entering the youth justice system for the first time, Essex Youth Offending Service (YOS) is performing strongly. Against a backdrop of reducing budgets and an increasing demand for cost effectiveness, Essex YOS is focused on; reducing the number of first time offenders through preventative and early

⁶ The Lifelong Learning Strategy 2013-2018

⁷ As at May-13

⁸ Essex County Council Youth Service - Vision, Strategy, Objectives and Draft Service Plan

intervention work, reducing the numbers of young people re-offending and promoting youth justice that results in positive outcomes for young people and their communities.

Recent health and social care legislation⁹ has led to the strategic development of the Essex Joint Health and Wellbeing Board (EJHWB). Bringing together key partners to improve health and wellbeing across Essex the Board leads on implementing a Health and Wellbeing Strategy for the communities of Essex (*Health and Wellbeing Strategy for Essex 2013-2018*). The Strategy is the principal high level plan and as such provides a strategic framework for the commissioning and delivery of health and social care services.

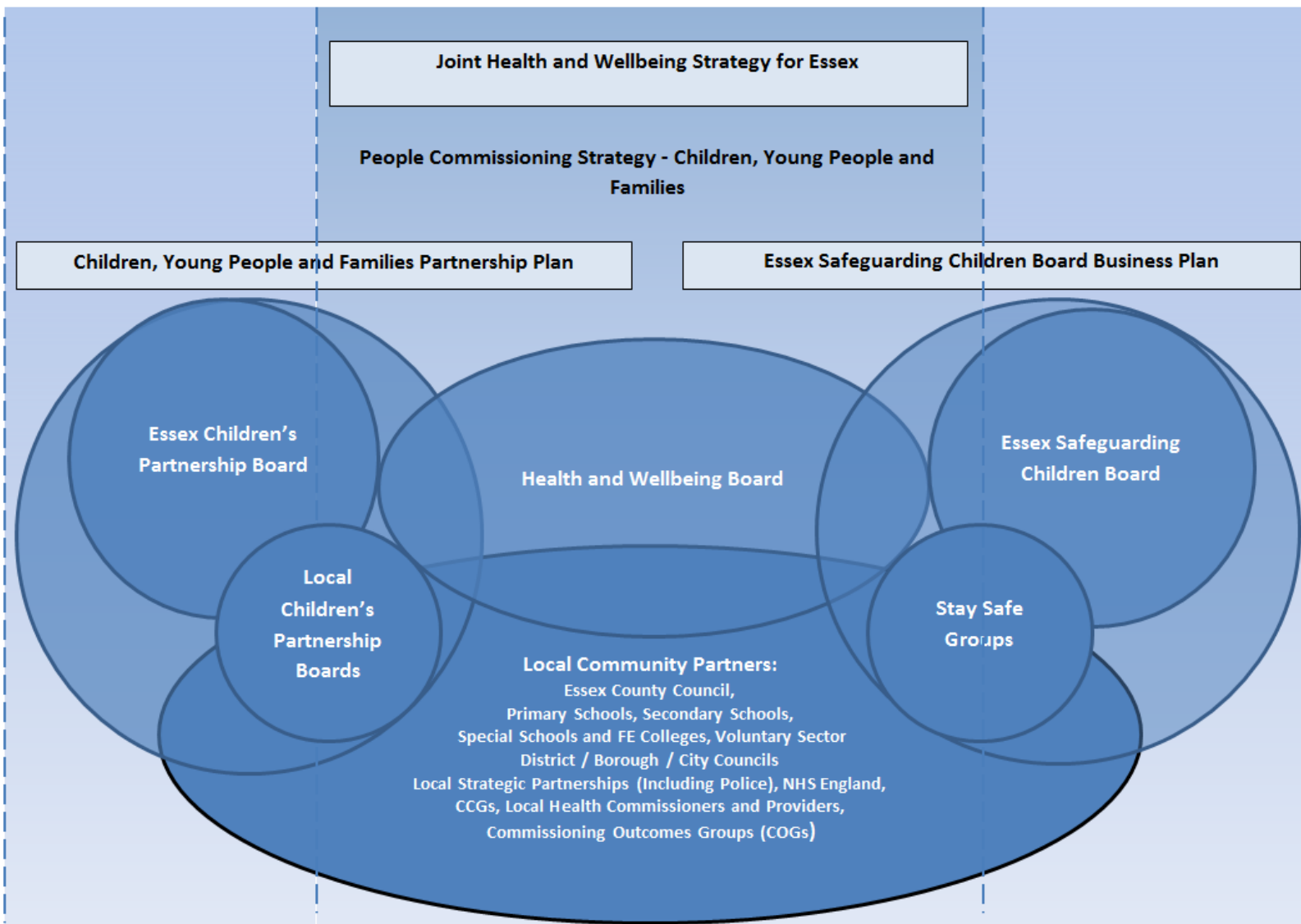
The transfer of responsibilities for Public Health from the NHS to the Local Authority means that there is even greater opportunity to ensure that services are commissioned that improve health and wellbeing and lead to sustainable, improvement in outcomes for Children, Young People and Families. Further changes within the NHS have created opportunities to develop collaborative integrated commissioning between Essex County Council (ECC), NHS England Local Area Team (NHSE LAT), Clinical Commissioning Groups (CCGs), the Commissioning Support Unit (CSU) and locality stakeholders.

Essex Partnership Structure

The Essex Children's Partnership is established under section 10 of the Children Act 2004 which requires all local areas to establish an arrangement to promote the cooperation of relevant partners in the commissioning and delivery of children's services. The Children's Partnership reports into the Essex Health and Wellbeing Board and is responsible for the Essex Children, Young People and Families Plan. There is an extensive subgroup structure underneath the Children's Partnership which aligns with District and Borough Local Partnerships and Education forums including; Local Delivery Groups, 14-19 Area Planning Groups and Behaviour and Attendance Partnerships¹⁰.

⁹ Health and Social Care Act 2012

¹⁰ Partnership Landscape (Appendix 4)



Schematic diagram of partnership influences and interactions

Partnership Principles

Principle 1

Establishing a child and family centred service at a local level delivered within a whole system approach:

- Identifying children, young people and families with multiple needs
- Providing early help that is action rather than assessment oriented
- Joining up service delivery across organisations and placing Children, Young People and Families at the centre of all we do.
- Equipping Children, Young People and Families to make informed choices
- Eliminate unlawful discrimination, advance equality of opportunity and foster positive relations between those who share a protected characteristic¹¹ and those who do not.
- Promoting effective local information sharing
- Involving children, young people and their families in planning the services that they need and evaluating their effectiveness

Principle 2

Using evidence, innovation and service redesign to achieve an effective and efficient use of resources:

¹¹ The Equality Act 2010 defines Protected Characteristics as; Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, Sexual orientation

- Targeting collective resources on those most in need, driving out duplication and ensuring the right services are provided to the right people and in the communities where they live
- Harnessing innovation to get the most from reducing resources
- Identifying where public money can be spent more effectively through radical service redesign
- Using an evidence based approach to address need and measure effectiveness

Principle 3

Promoting a shared culture of accountability and responsibility where partners agree and plan actions to address common priorities:

- Building positive relationships across the partnership built on openness, mutual respect, trust and transparency in decision-making
- Promoting a shared understanding of the differing roles and responsibilities of partners
- Integrating service commissioning across the partnership, jointly challenging performance and evaluating impact
- Identifying targeted improvement actions that with effective planning are realistic, achievable and proportionate

Measurements of Success

Across the Partnership there is a commitment to driving continuous improvement in outcomes for Children, Young People and Families. For the priorities set out within this plan to be achieved and for them to in turn make a difference to the lives of Children, Young People and Families in Essex will require a regular review of performance and impact. A number of evaluative approaches will be required to scrutinise quantitative performance data aligned to each of the ten priorities as set out in the framework below. There will also be an importance placed on qualitative evaluation based on service user feedback and discussions led through forums which represent the views of front line, locality partners.

The evaluation of the Children, Young People and Families Plan will be aligned to the emerging evaluation framework for the Health and Wellbeing Strategy as well as the realisation of integrated commissioning ambitions set out in the Commissioning Strategy – Children, Young People and Families 2013-2016.

Appendix 1

Draft Performance Framework

Priority 1	Protect Children and Young People from harm and neglect ¹²								
Indicators	Assessments – child seen	Assessments – in time	Section 47s – child seen	Section 47s – in time	Children made subject to a child protection plan for 2 nd or subsequent times	Number of children subject to a child protection plan	Missing children	Quality of Practice Audits	Supervision of cases

¹² Children's Social Care reporting framework

Priority 2	Develop resilience in families to help reduce dependency on public services by enhancing their capacity to resolve their own problems¹³							
Indicators	Number of closed cases (not closed due to disengagement) where all or some goals have been achieved ¹⁴	D-Bit Overall measure of success – Place of residence at the start and end of the D-BIT intervention						

Priority 3	Improve outcomes for Looked After Children and Care leavers as well as improving support to children and young people on the edge of care							
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¹³ Awaiting inclusion of Family Solutions performance measures

¹⁴ D-BIT performance measures

Indicators	Attainment at Key Stage 2 Including English and Mathematics	Attainment at Key Stage 4 including the % of Children Looked After achieving Grade A* to C in GCSE English and mathematics	NEET/ETE (not in/in education, employment or training)	Health checks	Stability – same placement over 2 years	Substance misuse (annual from SSDA903 looked after children return)	Placements – distance from home	Placements – out of county (together with distance)
	Number of Children In Care charged with one or more offences							

Priority 4	Support and Challenge Schools to raise Educational achievement and aspirations at all key stages ^{15, 16}						
	EYFSP % of pupils at the expected level in Foundation Stage Profile	PHONICS % of pupils working at required level in Year 1 Phonics	KS1 % of pupils at the expected level (2B+) in KS1 Reading	KS1 % of pupils at the expected level (2B+) in KS1 Writing	KS1 % of pupils at the expected level (2B+) in KS1 Maths	KS2 % of pupils at the expected level (4B+) in KS2 Reading	KS2 % of pupils at the expected level (4B+) in KS2 Writing
	KS2 % of pupils at the expected level (4B+) in KS2 Maths	KS2 % of pupils at the expected level (4+) in KS2 Reading, Writing and Maths	KS2 % of pupils making 2 levels of progress in KS2 Reading	KS2 % of pupils making 2 levels of progress in KS2 Writing	KS2 % of pupils making 2 levels of progress in KS2 Maths	KS2 % of pupils making 3 levels of progress in KS2 Reading	KS2 % of pupils making 3 levels of progress in KS2 Writing
	KS2 % of pupils making 3 levels of progress in KS2 Maths	KS4 % of pupils achieving 5+ A*-C grades at GCSE (including English and Maths)	KS4 % of pupils achieving 5+ A*-C grades at GCSE	KS4 % of pupils achieving 5+ A*-G grades at GCSE	KS5 % of pupils achieving A-level grades AAB or higher	KS5 % of pupils achieving GCE A Level passes at A* grades	KS5 % of pupils achieving GCE A Level passes at A grades

¹⁵ Analysis of Essex School Performance 2012

¹⁶ Performance against Education indicators is presented as provisional data in October and Finalised in February

	KS5	KS5					
	% of pupils achieving CGE A Level passes at B grades	Total number of passes at GCE A level A* - E					

Priority 5	Enabling children to get the best start in life ¹⁷							
Indicators	% of Early Years provision achieving good or outstanding Ofsted judgements	% of out of school provision achieving good or outstanding Ofsted judgements	% of schools with EYFS provision having good or outstanding outcomes as determined by Ofsted	% increase in families accessing information	% of children aged 2 years old attending	% of children aged 3 and 4 year old attending	80% or above of the under five population living within the reach area to be registered with the Children's Centres	% vulnerable groups accessing services via Children's Centres

¹⁷ Early Years and Childcare – Vision, Core Purpose and Service Delivery (Apr-13)

	% of vulnerable children in receipt of additional funding to access additional early years childcare	% of children reaching expected Physical, Social and Emotional Development outcomes (PSED)	% of families with increased confidence / awareness of benefits of home learning environment	% increase / decrease required to maintain sufficient Childcare to meet local / quadrant needs	% practitioners attending multi-agency/multi-disciplinary training	% of practitioner PVI staff achieving a minimum Level 3 Childcare qualification	% of early years settings that have an Early Years Professional (EYP) working with children	
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Priority 6	Work with partners to provide inclusive education that meets the needs of those with the most difficulties¹⁸
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¹⁸ Education and Learning Services Scorecard – May 2013

Indicators	Children with no SEN achieving L4+ at KS2	Children with SEN with a statement achieving L4+ at KS2	Children on School Action / School Action Plus achieving L4+ at KS2	Children with no SEN at KS4 achieving 5 A* - C grades at GCSE including English and Maths	Children with SEN with statement at KS4 achieving 5 A* - C grades at GCSE including English and Maths	Children with SEN School Action and School Action Plus at KS4 achieving 5 A* - C grades at GCSE including English and Maths
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Priority 7	Promote good health for Children and Young People and reduce health inequalities ¹⁹
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¹⁹ Health and Wellbeing Strategy for Essex 2013-2018

Indicators	Percentage of children aged 4-5 and 10-11 classified as overweight or obese	Smoking prevalence in 15 year olds	Prevalence of drinking and substance use in C&YP	Hospital admissions caused by unintentional and deliberate injuries under 18s	MMR vaccinations coverage	Pupil absence in C&YP with MH Problems	Educational achievement of children with SEN	School Readiness	% children (including children with SEN, Children in Care and those eligible for free school meals) achieving 5+ A* - C GCSE or equivalent (inc. English and Maths)
	% Children achieving good levels of development in Early Years Foundation Stage	Total average difficulties score for all looked after children aged between 4 and 16 (inclusive) at the date of their latest assessment, who have been in care for at least 12 months at 31 st March		Domestic Abuse	Incidence of harm to C&YP due to failure to monitor (NRLS)	Rate of conceptions per 1,000 females aged 15-17	Breastfeeding prevalence at 6-8 weeks after birth	C&YP continue to receive the care they need following transfer from paediatric services	Rate of 10-17 year olds receiving their first reprimand warning or conviction per 100,000 population

Priority 8	Work with partners to maximise the number of young people who are in Employment, Education or Training²⁰
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²⁰ Lifelong Learning Strategy Implementation Plan 2013-2014

Indicators	% of 16 Yr. olds to be in learning in 2013/14	% of 17 Yr. olds to be in learning in 2013/14	Proportion of young people classified as NEET to be reduced across DfE stretch target period Nov-Jan	Number of 'opportunity ready' young people re-engaged into a training or employment outcome.	% awareness of the requirement to participate amongst Yr.11 leavers	Increase % of mainstream secondary schools using the 'ACHIEVE' early identification tool.	% of destinations of Yr.11 pupils after leaving school confirmed.	Number of Young People starting an Apprenticeship 16-18 Yr. old	Number of Young People starting an Apprenticeship 19-24 Yr. old
	Number of interventions undertaken by Targeted Youth Advisers (TYA)								

Priority 9	Promote the benefits of young people making a positive contribution to their community and decisions affecting their own lives					
Indicators	% increase in Youth Service Registrations	% of observations of young people's outcomes are graded as good or above	Number of young people surveyed (Annual Survey) able to influence decision making	Number of young people participating in the National Citizenship Service	Number of youth led community projects delivered through the National Citizenship Service	Number of young people trained as part of the Young Inspectors Programme

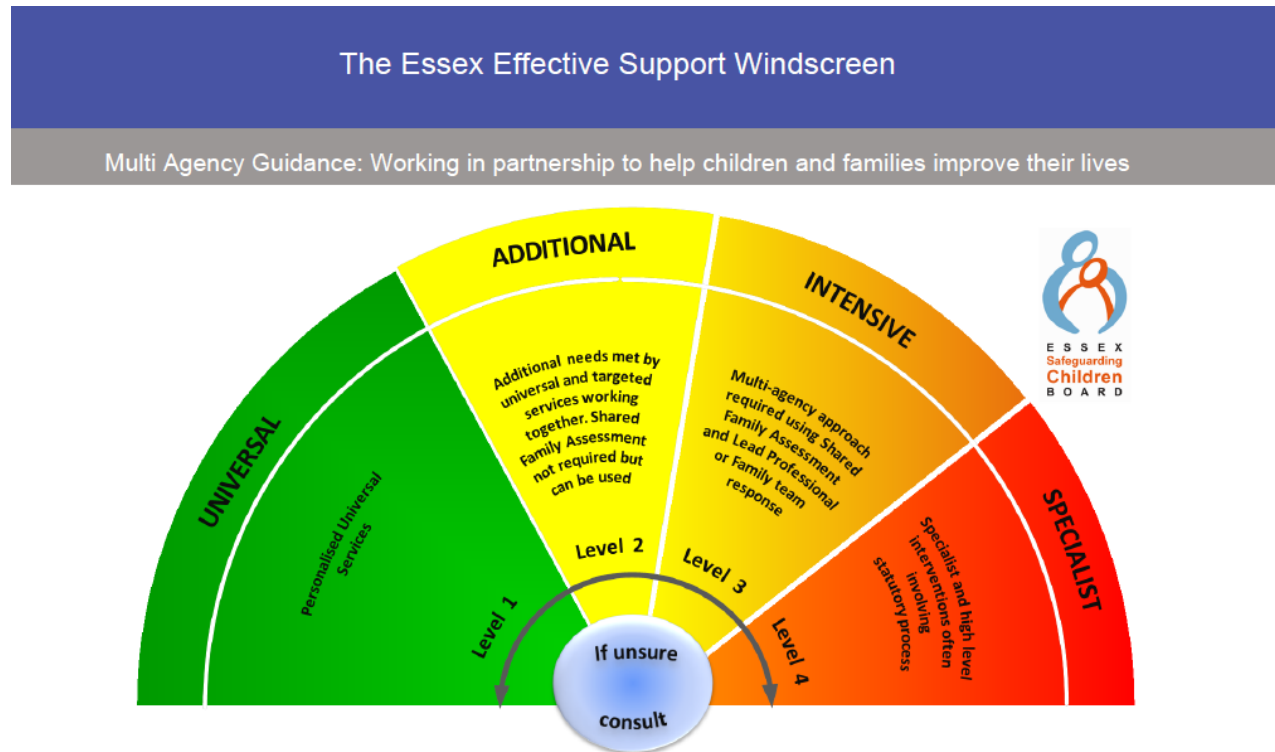
	Frequency of First Time Entrants (FTE) to the Youth Justice System ²¹	% of court disposals that are custodial	Number of remand episodes that are custodial		
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Priority 10	Provide opportunities for reskilling and up-skilling throughout residents' working lives²²							
Indicators	% increase in mainstream secondary school participation in Employability for Life skills programme	% Increase in the value of Adult Community Learning (ACL) contract for apprenticeships	Number of Adult Community Learning Apprenticeships	Completion of University Technical College development in Harlow	Completed feasibility studies for University Technical Colleges/Careers Colleges to service the logistics and engineering sectors in South Essex and Performing Arts and Digital Technologies in Mid Essex	Complete Centre of Excellence for Environmental Technologies in Basildon	Number of Level 2 starts delivered through Canvey Skills Campus	Realise Energy Skills Centre in Harwich

²¹ Essex Youth Offending Services Performance Framework

²² Lifelong Learning Strategy Implementation Plan 2013-2014

Appendix 2: Essex Effective Support Windscreen



All partners working with children, young people and their families will offer support as soon as we are aware of any additional needs. We will always seek to work together to provide support to children, young people and their families at the lowest level possible in accord with their needs

family to ensure they receive all the support they require. **Specialist** services are where the needs of the child are so great that statutory and/or specialist intervention is required to keep them safe or to ensure their continued development. Examples of specialist services are Children's Social Care, Child & Adolescent Mental health Service (CAMHS) tier 3 or Youth Offending Service. By working together effectively with children with additional needs and by

Services for children with additional needs are sometimes known as *targeted services*, such as behaviour support or additional help with learning in school, extra support to parents in early years or targeted help to involve young people through youth services. Children with **additional** needs are best supported by those who already work with them, such as children's centres or schools, organising additional support with local partners as needed.

For children whose needs are **intensive**, a co-ordinated multi-disciplinary approach is usually best, involving a **shared family assessment** and a **lead professional** to work closely with the child and

providing co-ordinated multi-disciplinary support and services for those with more intensive needs, we seek to prevent more children and young people requiring specialist services.

Appendix 3: How the 10 Strategic Priorities will be delivered

1. Protect Children and Young People from harm and neglect

To deliver this priority we will:

- Progress to completion the Essex Children's Services Plan for Sustained Improvement Plan 2012-2013 and continue robust monitoring in respect of outcomes
- Improve caseloads, giving staff more time for purposeful social work
- Invest in high quality learning opportunities and professional development for social workers and support staff.
- Improve partnership working with other local agencies to enable a coherent and effective response to the needs of children and their families
- Facilitate a proportionate, multi-agency approach to Domestic Abuse in particular in relation to Domestic Abuse referrals
- Further develop a multi-agency approach to improvement in practice around child sexual abuse and exploitation and missing children
- Facilitate the continued learning from case reviews including serious case reviews
- Develop a risk management culture
- Actively engage with children and young people and their families who have been subject to a child in need plan, child protection plan and part of the care system to inform its development

2. Develop resilience in families to help reduce dependency on public services by enhancing their capacity to resolve their own problems

To deliver this priority we will:

- Develop a range of targeted early help services in line with '*Effective Support for Children and Families in Essex*'
- Building on the existing Family Solutions Service, develop multi-disciplinary Family Teams as a single point for information, advice and sign-posting for level 2 (Additional) and 3 (Intensive) work
- Utilise earlier, solution focused and evidence based interventions
- Ensure all families have access to high quality advice, support and guidance

3. Improve outcomes for Looked After Children and Care leavers as well as improving support to children and young people on the edge of care

To deliver this priority we will:

- Ensure that children in care are progressed through the system without unnecessary delay and can achieve timely and appropriate rehabilitation or permanence
- Increase the proportion of looked after children placed with family and friends and/or in placements local to their home address/school
- Reduce placement costs through better sufficiency and value
- Improve outcomes through provision of stable placements which support continuity of relationships, community links, education and health provision and promote the right conditions for maximising potential
- Ensure that we have the right children in care by robustly and regularly reviewing their care plans and exiting them from the care system as appropriate
- Continue to support looked after children and young people to make a successful transition into adulthood through the provision of good quality education, training and employment, suitable accommodation and support
- Ensure that the care provided assists with breaking potential cycles of neglectful and uninvolved parenting

- Embed the role of Divisional Based Intervention Teams aimed at diverting children on the edge of care and ensure effective coordination with the new Multi-Systemic Therapy Service
- Ensure that all children and young people understand and are fully involved in any plans that are made and that they have copies of any plans where appropriate
- Implement a care leavers' paid work experience pilot programme
- Actively promote engagement of children and young people in the Children in Care Council and utilise the Council to hold the organization to account in its role as a Corporate Parent and to involve Children in Care in service development
- Invest in high quality learning opportunities and professional development for social workers, residential and support staff.

The engagement of children and young people in monitoring the implementation of the Council's Corporate Parenting Pledge is supported by the Involvement Team.

4. Support and challenge Schools to raise Educational achievement and aspirations at all key stages

To deliver this priority we will:

- Implement effective strategies to drive innovative advances in commissioning and traded services for Education.
- Actively work with schools and academies to identify those who will work in partnership with the Authority to raise standards at underachieving schools
- Provide strategic leadership of the increasingly fragmented Education system and implement changes in the landscape of universal provision.
- Provide individual packages of support for schools identified as being in greatest need and drive improvement in outcomes.

- Utilise the SCF estate better and leveraging its value to raise investment in order to improve the quality and quantity of accommodation available to support the attainment of a world class education.
- Ensure there is an effective range of post-16 opportunities available to all young people.
- Ensure that the Youth Service Curriculum contributes and supports schools PSHE and attainment levels.
- Develop the Duke of Edinburgh scheme in Secondary Schools.
- Provide excellent, tailored Complementary Education programmes to re-engage young people into learning, working in partnership with EYPDAS and other agencies to deliver these programmes.
- Provide access to Targeted Youth Advisers who will support young people to ensure their clients are getting the support they need to improve their educational outcomes.
- Through Adult Community Learning, deliver Family Learning opportunities across schools in Essex improving skills for parents to enable them to raise the attainment of their children
- Working in partnership with secondary schools to raise awareness of and offer Apprenticeship opportunities to young people
- Working in partnership with schools and other related ECC services to provide training and development opportunities for staff to improve the quality of provision

5. Enable children to get the best start in life

To deliver this priority we will:

- Ensure that all children have access to sufficient and sustainable high quality early education and childcare provision
- Facilitate access for all families to high quality advice, support and guidance
- Invest in increasing parental understanding of the benefits of high quality home learning environments
- Support increased confidence, which has a positive impact on the health, wellbeing and development of their children
- Improve educational attainment within the Early Years Foundation Stage for children aged 0-5 with a specific focus on language, communication and learning outcomes
- Support parents' requirements for work and study through ensuring families have access to high quality out of school provision
- Ensure that all vulnerable children, young people and their families have access to local effective preventative and early intervention services
- Develop work with teenage parents on child development, play skills, childcare, self-esteem sexual health, money management and access to positive activities
- Further invest in the development of a qualified and competent workforce to provide timely and appropriate support for all children and their families
- Through Adult Community Learning, support and encourage intergenerational learning and positive interaction between children, parents and schools

6. Work with partners to provide inclusive education that meets the needs of those with the most difficulties

To deliver this priority we will:

- Implement a revised Strategy for Children with Special Educational and Additional Needs
- Improve progress and attainment for children with Special Educational Needs and Disabilities in mainstream schools

- Provide opportunities for organisations to deliver SEN services to young people from Youth Service buildings.
- Support young people in care to access apprenticeships
- Deliver accredited programmes and provision to Young Carers.
- Support young people to take part in positive activities that develop self- esteem, confidence and continuing interest.
- Provide Alternative Education Programmes to young people who have barriers to accessing mainstream learning, ensuring that Alternative Education is fit for purpose and delivers the support Schools need for these 'at risk' students
- Ensure that Curriculum Resources reflect ECC's Equality and Diversity ethos so that all groups feel included.
- Deliver a programme to prevent young people being bullied to reduce anti-social behaviour on public transport.
- Through Adult Community Learning, work with voluntary and community organisations to increase the capacity of this sector to delivery learning to disadvantaged groups

7. Promote good health for Children and Young People and reduce health inequalities

To deliver this priority we will:

- Replace the current way of organising services with an integrated, whole-life pathway approach that will provide a seamless service across health, social care and mental health services.
- Ensure that children in care are as physically, emotionally and socially healthy as they can be and have access to the right health resources, including additional support where a need is identified.
- Integrate services so the transition from children's to adult services is more effective.
- Improve outcomes for children with special educational needs
- Redesign sexual health services to ensure that appropriate, high quality services and education programmes are in place to improve the sexual health of young people with a subsequent reduction in unwanted teenage pregnancies and a reduced prevalence of sexually transmitted infections.
- Ensure that programmes are in place to support pregnant women and new mothers to initiate and sustain breast feeding leading to a subsequent increase in the prevalence of babies being breastfed at 6-8 weeks
- Work in partnership with healthcare professionals to raise awareness of the importance of all childhood immunisation programmes in order to maximise uptake.

- Reduce childhood obesity levels through the provision of high quality accessible physical activity programmes and raising the awareness and capacity of the population to improve diet and nutrition

This work will be linked to the Whole Essex Community Budgets Integrated Commissioning business case.

8. Work with partners to minimise the number of young people who are not in Employment, Education or Training

To deliver this priority we will:

- The Employability and Skills Unit to support 1,500 opportunity ready young people into sustainable education, employment or training outcomes
- Continue to keep the share of young people whose current activity is unknown to below 10% for the remainder of the 2012/13 academic year, with the ambition that the share of unknowns is no higher than 8% during the DfE statutory reporting period (November 2013 – January 2014)
- Continue to work with partners to ensure that the range of publically funded initiatives aimed at reducing NEET work more cohesively and that ECC and its partners can target interventions to the most appropriate young people.
- Continue the focused Essex Apprenticeship Programme for key sectors, including engineering and manufacturing, energy, ports/logistics, creative & digital industries and health & social care.
- Extend the Essex paid work experience programme for 16-19 year olds with firms in industry sectors in line with ECC's Economic Growth Strategy.
- Improve awareness and take up of opportunities in STEM related industries by young people through better informed advice and guidance, media work, business mentoring and educational & industry visits.
- Through Adult Community Learning, work with employers to deliver more Apprenticeship opportunities for 16-18 and 19-24 year olds in Essex, as part of countywide initiatives to stimulate growth in Apprenticeships

- Work in partnership with schools to sign post and raise awareness of opportunities for young people
- Develop and deliver accredited programmes and opportunities for NEET young people that are aligned to the work of the Employment and Skills Unit.
- Work with NEET young people through the targeted teams, including those in YOS & CIC, to offer one-to-one support, group work sessions to raise self-esteem, CV writing, Job Ready programmes and goals training in every quadrant in Essex
- Create two Channels on the I-Essex Website to enable more young people to access information about job and apprenticeship opportunities, local Youth Work and volunteering opportunities in the area.
- Deliver The Prince's Trust Programmes three/four times a year in each quadrant in order to provide support to young people not accessing education, employment or training.
- Deliver support to young people through The National Citizen Service, in partnership with The Essex Boys' and Girls' Clubs and schools, to give school leavers the opportunity to learn new skills, contribute to their community and volunteer.

9. Promote the benefits of young people making a positive contribution to their community and decisions affecting their own lives

To achieve this priority we will:

- Support the development of a strategic understanding of involvement across the Directorate
- Actively involve children and young people, parents and carers in decision making relating to the design, delivery, governance, commissioning and evaluation of services
- Inform service areas through reporting the views, thoughts and experiences of children, young people, parents and carers
- Give timely feedback to children, young people, parents and carers on where decisions have been influenced by them
- Support children and young people to develop the skills to enable them to be part of the decisions which affect their own lives
- Actively support and promote an understanding of children's rights within the SCF workforce and ensure that these are considered in the development of services, strategy and policy

- Ensure that the Children in Care Council arrangements and the Corporate Parenting Pledge are promoted with all children and young people and that children and young people are supported to attend participation events
- Support the organisation in its responsibilities as a Corporate Parent and ensure it is fulfilling its statutory obligations to the Children in Care Council
- Support and encourage the engagement of children and young people in a variety of representative forums such as Youth Councils and targeted forums, ensuring that these groups play an active role in the governance and decision making
- Work with partners from the voluntary sector to embed the Youth Services' Commissioning through Community Capacity Building Model.
- Support young people to develop personal and social skills through the work of Youth Centres and Youth Strategy Groups.
- Support the active involvement of young people, parents and carers in volunteering, identifying barriers and where and how to target the development of engagement
- Reduce risk-taking behaviours in young people
- Reduce re-offending of young offenders and particularly those who are LAC
- Reduce use of custody for young offenders
- Reduce remands to Youth Detention Accommodation for young offenders

This work will be linked to the Whole Essex Community Budgets Reducing Reoffending and Strengthening Communities business cases.

10. Provide opportunities for reskilling and up-skilling throughout residents' working lives

To achieve this priority we will:

- Develop a skills system for Essex which allows genuine employer led provision, matching skills provision to the local economy and achieving a single local commissioning system, through the Whole Essex Community Budget pilot and other on-going programmes
- Make Adult Community Learning accessible and affordable to those most in need

- Provide Information, Advice and Guidance support for residents of Essex through Adult Community Learning's delivery of its National Careers Service contract.
- Design an Adult Community Learning curriculum and skills offer that prioritises skills for work, employability, English and maths, vocational training and providing progression routes to higher level qualifications, in line with ECC's Economic Growth Strategy.
- Identify young people in employment without training and provide support for them and their employer to re-engage in learning.
- Promote employer-led initiatives, such as Group Training Associations, which enable employers to influence and commission the delivery of skills provision.
- Establish stronger links with higher education institutions in Essex to develop higher level jobs
- Roll out an industry backed programme to support the acquisition of much needed Level 3 and Level 4 skills in the existing workforce.
- Create new or expanded vocational training facilities in Essex that serve the needs of local business and/or key industry sectors, e.g. Canvey Skills Campus, the University Technical College for medical technologies in Harlow
- Through Adult Community Learning, work with the unemployed to provide programmes to support them to gain or stay in employment

Appendix 4: The partnership Landscape in Essex

Essex Safeguarding Children Board – The ESCB is the lead local body that ensures that children and young people are safe and secure and protected from significant harm or abuse. The organisation ensures that appropriate arrangements for safeguarding are in place both within and between agencies and ensures the effectiveness of these arrangements through a range of monitoring activities. The Board has a statutory multi-agency membership and is represented on the Essex Children and Young Peoples Partnership Board. There are a number of sub-groups sitting under the ESCB including those focused on: Policy, Procedure and Practice development, Employment, Communications, Performance, Audit and Quality Assurance, Health and Training and Development. The ESCB coordinates both the Serious Case Review and Child Death Review processes.

Essex Health and Wellbeing Board – The Health and Wellbeing Board provides support from pre-birth antenatal services to old age with an emphasis on supporting transition between services to improve the standards of service and care provided. The Children and Young People and Families' Plan mirrors many of the Health and Wellbeing Priorities.

A Memorandum of Understanding has been developed that sets out the relationship between the Health and Wellbeing Board and the Children's Partnership Board ensuring a clear pathway for reporting and integration.

Clinical Commissioning Group (CCG) Integrated Plans – CCGs are responsible for commissioning acute and community health services. There are five across Essex – North East Essex; Mid Essex; West Essex; Castle Point & Rochford; Basildon & Brentwood. The 5 CCGs hold the budgets and have developed Integrated Commissioning Plans which set out the principles, vision and decisions for effective and sustainable healthcare. All five CCGs in Essex have expressed their commitment to integrated commissioning in their Plans, and ECC is working closely with them to develop opportunities for joined up commissioning.

ECC Commissioning Strategy - Children, Young People and Families – This document provides a framework for delivering the integrated commissioning ambitions in relation to Children, Young People and Families. Primarily the focus is on integrated commissioning with Clinical Commissioning Groups across Essex. The document forms part of the wider Essex County Council Integrated Plans 2013-16 and Outline County Council Health and Wellbeing Plan. There is alignment between the integrated commissioning priorities identified and Priority 1 of Health and Wellbeing Strategy for Essex: *Starting and developing well - ensuring every child in Essex has the best start in life*. This ensures that integrated commissioning serves to deliver the primary focus of the overarching Health and Wellbeing vision for Essex.

Children and Young Peoples Integrated Commissioning Strategy Groups – These groups establish the strategic direction for children and young people commissioning setting out a shared vision and joint planning. With a strategic focus on multi-agency commissioning a North Essex and South Essex Board feed into the Business Management Group of the Essex Health and Wellbeing Board.

Effective Support for Children and Families in Essex– The Essex Effective Support guidance offers a clear framework of intervention and provides the backdrop for effective commissioning creating a uniformly understood series of descriptors against which services can be commissioned with clarity and a shared understanding of the target outcomes. It also sets out a framework against which the range of existing services can be mapped.

Financial Regulations and Scheme of Delegation for Financial Management

Report by Councillor David Finch, Leader and Cabinet Member for Finance

Enquiries to Margaret Lee, Executive Director for Corporate Services - Extn: 21010,
Tel. No. 01245 431010

Purpose of report

To seek Council's approval to changes proposed to the Financial Regulations and Scheme of Delegation for Financial Management.

Recommended:

That the Financial Regulations and Scheme of Delegation for Financial Management as set out at Appendix "A" to this report be adopted.

Background and proposal

The current Financial Regulations and Scheme of Delegation for Financial Management were approved by the Council in February 2012 but they now require substantial update to reflect changes to the organisational structure and its new operating model.

Aside from updating the Financial Regulations and Scheme of Delegation for Financial Management to reflect the new organisational structure, the intention has also been to refine the framework for financial management, to ensure that it aligns to the new operating model and allows for appropriate empowerment of operational budget holders.

One of the key changes has been to focus upon the role of the budget holder, and upon the delegations that can operate in support of the operational budget holder. The term 'budget holder' is used to cover a range of responsibilities and accountabilities, starting from the Executive Director, who oversees the overall delivery of a range of services, down to the operational budget holder who is accountable for the day-to-day running of a service and the management of the associated budget.

The revised Financial Regulations and Scheme of Delegation propose that the default position will be that Directors will be the operational budget holders. However, a Director may designate a Head of Service, or another officer, as the operational budget holder, where that officer will have responsibility for a service area with a budget of at least £1m. Where the budget would be less than £1m, it would not be permissible for a

Director to delegate budget holder responsibility, unless otherwise agreed by the Executive Director for Corporate Services.

There will usually be a series of delegations operating in support of the operational budget holder, whereby those with delegated authority are able to commit funds on the budget holder's behalf (i.e. within parameters agreed by the operational budget holder).

A number of changes are also proposed to financial thresholds. The Financial Regulations also now clarify that, in the event that an officer at the specified level is unable to take a decision for any reason, the decision may be taken at a higher level in the organisation.

The draft Financial Regulations and Scheme of Delegation for Financial Management are attached in Appendix "A" to this report. Appendix "B" provides an explanation of the proposed changes.

Financial Regulations & Scheme of Delegation for Financial Management

DRAFT – FOR REVIEW
Cabinet – FP/313/09/13
(10th October 2013)



Essex County Council

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Part 1 – Financial Regulations

1. Introduction

1.1. Context

These Financial Regulations set out the financial policies and the framework for managing the Council's financial affairs.

The Regulations are organised around seven themes, as follows:

- (i) [Financial planning](#) (see Section 3)
- (ii) [Financial management](#) (see Section 4)
- (iii) [Accounting records and financial systems](#) (see Section 5)
- (iv) [Risk management and internal control](#) (see Section 6)
- (v) [Control of resources](#) (see Section 7)
- (vi) [Income and expenditure](#) (see Section 8)
- (vii) [External arrangements](#) (see Section 9)

They seek to ensure that the Council conducts its affairs in a way that complies with specific statutory provisions, generally accepted accounting principles and professional good practice.

1.2. Financial responsibilities

An overview of the financial responsibilities of the Council, the Cabinet, various Committees, the Chief Executive, the Executive Director for Corporate Services, the Director for Corporate Law and Assurance and other Executive Directors is provided in **Section 2** of the Financial Regulations. Specific responsibilities are explained, in context, throughout the Financial Regulations.

The Executive Director for Corporate Services is the Council's Responsible Finance Officer under Section 151 of the Local Government Act 1972, and is responsible for maintaining a continuous review of the Financial Regulations and for updating them, as necessary, for Council to approve. The Executive Director for Corporate Services is also responsible for reporting, where appropriate, breaches of the Financial Regulations to the Cabinet and/or to the Council.

Any consultation required under these Regulations must be managed to ensure that sufficient time is available for proper consideration of the issues raised.

1.3. Advice and guidance to underpin Financial Regulations

The Executive Director for Corporate Services will, from time to time, issue advice, guidance and accounting instruction notes to underpin the Financial Regulations, ensure compliance with specific statutory provisions and reinforce best professional practice. Members, officers and others acting on behalf of the Council are required to comply with such advice and guidance.

1.4. Compliance

All financial and accounting procedures must be carried out in accordance with the Financial Regulations and with any accounting instruction notes and other corporate guidance issued by, or on behalf of, the Executive Director for Corporate Services.

Executive Directors will ensure that their staff are aware of the existence, and content, of the Council's Financial Regulations, accounting instruction notes and other corporate guidance, and ensure compliance with them.

Non-compliance with these Financial Regulations, and with any accounting instruction notes and other corporate guidance issued by the Executive Director for Corporate Services, constitutes a disciplinary matter that will be pursued, as appropriate, in accordance with the [Human Resources Policy Framework](#).

1.5. Scope of the Regulations

The Financial Regulations, including advice, guidance and accounting instruction notes issued to underpin the Financial Regulations, apply to all services of the Council.

Whilst Schools have their own specific Financial Regulations, they will not override or contradict these overarching Regulations. Some specific references are made to schools' operations within these Regulations where particular responsibilities are placed upon Council officers that are not employed within schools, and upon Members of the Council.

1.6. Scheme of Delegation for Financial Management

The Scheme of Delegation for Financial Management, as set out within Part Two of this document, defines how the financial responsibilities set out within the Financial Regulations are reserved or delegated to officers.

2. Financial roles and responsibilities

2.1. Introduction

The roles and responsibilities of Members and Officers are set out within the Council's [Constitution](#). The purpose of the Financial Regulations is to provide an overview of the respective financial roles and responsibilities of Members and Officers within the Council. Specific financial responsibilities are set out in more detail throughout the subsequent sections of the Regulations.

2.2. Council

The Council is responsible for:

- (i) Adopting and changing the [Constitution](#) (*including the Financial Regulations*), which sets out how the Council works, how decisions are made and the procedures to be followed to ensure efficiency, transparency and accountability to local people.
- (ii) Approving and adopting the policy framework which incorporates the Council's [Corporate Plan](#) and various other plans and strategies, and is developed in line with the Council's Budget and [Code of Corporate Governance](#).
- (iii) Approving the annual budget, which includes:
 - The allocation of financial resources to different services and to capital projects, and the setting of trading activities' financial targets.
 - The level of contingency funds, reserves and balances to be held.
 - The Council Tax base and setting the Council Tax.
 - The Non-Domestic Rates tax base and setting the precept for Business Rates.
 - Decisions relating to the control of the Council's borrowing requirement, including setting of Prudential Indicators which define the parameters for borrowing activity, and the approval of the Council's Minimum Revenue Provision (MRP) policy for the repayment of debt.
 - The annual Treasury Management Strategy.
 - The annual income and charging policy.
 - The annual pay policy statement.
- (iv) Making arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs.
- (v) Making arrangements for approving the statutory annual statement of accounts by dates specified by relevant regulations.

2.3. Cabinet

The Cabinet, under the direction and authority of the Leader, is responsible for:

- (i) The preparation of the Council's policies and budget.
- (ii) Taking decisions on resources and priorities to deliver and implement the Council's policies and budget.
- (iii) Determining overall Council priorities within the Budget and the Policy Framework set by full Council, to keep under review those priorities and to approve specific plans and strategies.

2.4. Overview and Scrutiny Committees

The Overview and Scrutiny committees exercise the function of call-in of decisions made by Cabinet Members which fall within their remit in order to consider whether:

- (i) To refer the decision back to the person who made it; or
- (ii) To refer the matter to the full Council to decide whether to refer the decision back to the person who made it; or
- (iii) To accept that the decision is implemented.

In this context, the Corporate Scrutiny Committee is responsible for scrutinising the financial arrangements and performance of the Council, including considering the budget and accounting processes. It also contributes to the Council's objectives in relation to the overall strategic direction, policies and priorities of the Cabinet and of the Council, including the overall corporate revenue and capital budget strategy, financial resources, precepts and levies.

2.5. Audit Committee

The Audit Committee is responsible for:

- (i) Approving the Council's Annual Statement of Accounts, having due regard to any matters raised by the external auditor.
- (ii) Receiving and considering the Council's Annual Governance Statement, ensuring that it reflects the Council's governance arrangements.
- (iii) Consideration of the External Auditor's Annual Audit Letter and to provide advice and comments on the Letter to the Cabinet and Council, as appropriate.
- (iv) Ensuring that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit is actively promoted.

- (v) Receiving any reports from the External Auditor about the effectiveness of the Council's financial and operational arrangements and monitoring Management's response to the issues raised by External Audit.
- (vi) All matters related to the appointment of the Council's external auditor.
- (vii) Approving the annual Internal Audit plan, and receiving reports from the Council's Internal Auditor on the outcome of audit reviews and investigations and the implementation of recommendations, including the annual report of the Head of Internal Audit.
- (viii) Monitoring the effectiveness of the Council's Financial Regulations, [Procurement Policies and Procedures](#) and strategies for [anti-fraud and corruption](#), [declarations of interest](#), [gifts and hospitality](#), [whistle blowing](#) and [anti-money laundering](#).
- (ix) Considering the Council's arrangements for corporate governance and [risk management policy and strategy](#) and, subject to the role and responsibilities of the Standards Committee, to advise on any action necessary to ensure compliance with best practice.

2.6. Statutory Officers

2.6.1. Head of Paid Service

The **Chief Executive** is the Head of Paid Service and is responsible for the corporate and strategic management of the Council as a whole.

The Chief Executive must report to, and provide information, for the Cabinet, the Council and other Committees, and is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation.

The Chief Executive is also responsible, together with the [Monitoring Officer](#), for the system of record keeping in relation to all the Council's decisions (see paragraph 2.6.3 below).

The **Deputy Chief Executive and Executive Director for Economic Growth and Infrastructure Commissioning** fulfils the role of Head of Paid Service in the absence of the Chief Executive.

2.6.2. Responsible Finance Officer

Section 151 of the Local Government Act 1972 specifies that every authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs. The Council's **Executive Director for Corporate Services** is the designated officer for this purpose. The

Director for Financial Services fulfils the role of Responsible Finance Officer in the absence of the Executive Director for Corporate Services.

The Executive Director for Corporate Services has statutory duties in relation to the financial administration and stewardship of the Council that cannot be overridden. These statutory duties arise from:

- (i) Section 151 of the Local Government Act 1972 which makes the Executive Director for Corporate Services responsible for the proper administration of the Council's financial affairs.
- (ii) Section 114 of the Local Government Finance Act 1988 which places a duty on the Executive Director for Corporate Services to report to all Members of the Council if it is considered that the Council, Cabinet or an employee has made (or is about to make) a decision involving expenditure or loss which is unlawful.
- (iii) Local Government and Housing Act 1989 which requires the Executive Director for Corporate Services to consult with the [Monitoring Officer](#) and the [Head of Paid Service](#) (Chief Executive) before making a Section 114 report to Council.
- (iv) Local Government Act which requires the Executive Director for Corporate Services to make a report to the Council, when it is considering its budget and council tax, that addresses the robustness of the estimates and adequacy of reserves.
- (v) Accounts and Audit Regulations 2011, which require the Executive Director for Corporate Services to ensure that the accounting control systems are observed, that the accounting records are maintained in accordance with proper practices and that they are kept up to date.

In order to fulfil these statutory duties and legislative requirements the Executive Director for Corporate Services will:

- (vi) Set appropriate financial management standards for the Council which comply with the Council's policies and proper accounting practices, and monitor compliance with them.
- (vii) Determine the accounting records to be kept by the Council.
- (viii) Ensure there is an appropriate framework of budgetary management and control.
- (ix) Monitor performance against the Council's budget and advise upon the corporate financial position.
- (x) Ensure proper professional practices are adhered to and to act as Head of Profession in relation to the standards, performances and development of finance staff throughout the Council; all finance staff will have a direct reporting line to the Executive Director for Corporate Services.
- (xi) Prepare and publish the Council's Statement of Accounts for each financial year, in accordance with the statutory timetable and arrangements specified within the Accounts and Audit Regulations 2011.

- (xii) Make proper arrangements for the audit of the Council's accounts.
- (xiii) Ensure that claims for funds, including grants, are made by the due date and in compliance with the grant terms and conditions.
- (xiv) Make proper arrangements for the overall management of the Council's [Internal Audit](#) function.
- (xv) Manage the [treasury management](#) activities in accordance with the Council's Treasury Management Policy Statement, Treasury Management Strategy and Prudential Indicators.
- (xvi) Manage the Pension Fund within the scope of the Local Government Pension Scheme Regulations.

2.6.3. Monitoring Officer

The functions and responsibilities of the Monitoring Officer are carried out by the **Director for Corporate Law and Assurance** and include:

- (i) Maintaining an up-to-date version of the [Constitution](#) and making this widely available.
- (ii) Promoting and maintaining high standards of conduct through the provision of support to the Standards Committee and maintenance of [Officers'](#) and [Members'](#) Codes of Conduct.
- (iii) Reporting, after consultation with the [Head of Paid Service](#) and the [Responsible Finance Officer](#), any actual or potential breaches of the law or mal-administration to the Council and/or to the Cabinet.
- (iv) Ensuring that Cabinet decisions, together with the reasons for those decisions, the relevant officer reports and background papers are made publicly available as soon as possible.
- (v) Advising whether the decisions of Cabinet are in accordance with the budget and policy framework.
- (vi) Provision of advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors.

The Corporate Lawyers fulfil the role of the Monitoring Officer in the absence of the Director for Corporate Law and Assurance.

2.7. Executive Directors

Executive Directors have delegated to them responsibility for the management of the finances of their services.

This responsibility must be exercised within the corporate financial management framework determined by the [Executive Director for Corporate Services](#), and includes:

- (i) Putting in place appropriate budget management and delegation arrangements to ensure the effective use of resources, the safeguarding of assets and the operation of a system of appropriate internal controls.
- (ii) Promoting appropriate financial management standards within their Services, and monitoring adherence to the standards and practices, liaising as necessary with the [Executive Director for Corporate Services](#), and ensuring that relevant training is provided to those staff with financial management responsibilities.
- (iii) Promoting sound financial practices in relation to the standards, performance and development of staff in their services.
- (iv) Advising Cabinet Members and the [Executive Director for Corporate Services](#) of the financial implications of all proposals.
- (v) Seeking approval, in conjunction with the [Executive Director for Corporate Services](#), on any matter liable to affect the Council's finances materially, before any commitments are incurred.
- (vi) Signing contracts on behalf of the Council (*in accordance with the Council's [Procurement Policies and Procedures](#) and after consultation with the relevant Service Cabinet Member*).
- (vii) Consulting with, and obtaining the approval of, the [Executive Director for Corporate Services](#) before making any changes to accounting records or procedures.
- (viii) Complying with the following principles when allocating accounting duties:
 - Separating the duties of providing information about sums due to or from the Council and calculating, checking (*including reconciling the accounts*) and recording these sums from the duty of collecting or disbursing them.
 - Employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.
- (ix) Ensuring that claims for funds (*including grants and 'match funding'*) are made, in accordance with accounting instructions issued by the Executive Director for Corporate Services and the conditions defined by the grant awarding body, by the due date and that appropriate records are maintained.
- (x) Contributing to the development of performance plans in line with statutory requirements.
- (xi) Contributing to the development of corporate and service targets and objectives and performance information.

2.8. Internal Audit

Internal Audit will review, appraise and report upon:

- (i) The extent of compliance with, and effectiveness of, relevant policies, plans and procedures.
- (ii) The adequacy and application of financial and other related management controls.
- (iii) The suitability of financial and other related management data.
- (iv) The extent to which the Council's assets and interests are accounted for and safeguarded from loss of any kind from:
 - Fraud and other offences.
 - Waste, extravagance and inefficient administration.
 - Inefficient value for money or other causes.
- (v) Executive Directors' self-assessments of the status of the governance framework, including systems of internal controls in place, for each of their service areas.

Further details on the internal audit function are set out in paragraph **6.6.2**.

3. Financial Planning

3.1. Policy framework

The Council is responsible for agreeing the Council's policy framework and budget. In terms of financial planning, the key elements of the Budget are the:

- (i) Revenue Budget
- (ii) Capital programme
- (iii) Trading activities' financial plans
- (iv) Treasury management, prudential and Minimum Revenue Provision Policy
- (v) Medium term resources strategy
- (vi) Income and charging policy
- (vii) Pay policy

3.2. Corporate Plan

The Corporate Plan sets out the corporate approach to delivering services for the people of Essex and helps ensure greater strategic control on prioritisation, resource allocation and performance monitoring, improvement and efficiency. It provides the framework for resource allocation in terms of the revenue and capital budgets.

3.3. Revenue budget

3.3.1. Revenue income and expenditure

Revenue income and expenditure represents the current or day to day running costs, and associated receipts, of the Council; including salaries, heating and lighting, travelling and office expenses, income raised by charging service users and government grants.

3.3.2. Revenue budget

Budgets (spending plans) ensure that the Council can plan, authorise, monitor and control the way money is allocated and spent.

The revenue budget must be constructed so as to ensure that resources are allocated in a way that reflects the service plans and priorities of the Council. The Executive Director for Corporate Services is responsible for developing and maintaining a resource allocation process that ensures this is achieved.

3.3.3. Budget preparation

The Cabinet Member for Finance and the Leader, in conjunction with the Executive Director for Corporate Services, will manage the preparation of the budget on an annual basis for consideration by the Council. The annual budget will include allocations to different services and projects, proposed taxation levels and contingencies.

The Executive Director for Corporate Services, in consultation with the Cabinet Member for Finance, will issue detailed guidance and a timetable for production of the budget. Executive Directors will prepare, in consultation with the Executive Director for Corporate Services and the Cabinet Member for Finance, and in accordance with the laid-down guidance and timetable, detailed draft revenue budgets for consideration by the appropriate Cabinet Member.

Detailed budgets, as proposed by Executive Directors, will be subject to challenge and review through a process determined by the Executive Director for Corporate Services. Any proposed changes to service levels as a result of budget plans will be subject to an **Equalities Impact Assessment** as part of the consideration process before approval and implementation. The Council will engage partners in the budget preparation process where possible and appropriate.

The Executive Director for Corporate Services has a statutory duty to report upon the budget proposals presented to Council (see paragraph **2.6.2**). Executive Directors must provide the Executive Director for Corporate Services with any information required to enable the robustness of the budget proposals to be assessed.

The budget and the implied level of taxation will be presented for approval by full Council, following recommendation by the Cabinet. Council Tax and Non-domestic rates must be set by **1st March** in the year prior to the year of taxation.

3.3.4. Format of the budget

The general format of the budget is proposed by Cabinet Members, on the advice of the Executive Director for Corporate Services, and is approved by Council.

The budget format will comply with all legal requirements and reflect the accountabilities of Cabinet Members for service delivery.

The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate and sets the level at which funds may be reallocated within budgets (*see paragraph **4.3.3** for further details*).

3.3.5. Maintenance of reserves and balances

Reserves are maintained as a matter of prudence. A general reserve (*i.e. the General Balance*) is maintained as a contingency fund and earmarked reserves are held for specific policy purposes.

For each reserve established, the purpose, usage (*including the timeframe for usage*) and basis of transactions will be clearly articulated. Authorisation to finance expenditure from reserves will require the approval of the Cabinet Member for Finance, upon the advice of the Executive Director for Corporate Services, unless alternative arrangements were agreed when the reserve was established. In the case of balances held by schools, the appropriate Board of Governors will give authorisation.

The Executive Director for Corporate Services will advise upon prudent levels of reserves and balances for the Council, taking into account the degree of risk in the budget for the Council over the medium and longer term.

Under section 114 of the Local Government Finance Act 1988 the Executive Director for Corporate Services must report to Council if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the Council will not have the resources to meet its expenditure in a particular financial year.

3.4. Capital financial planning

3.4.1. Capital expenditure

Expenditure is classified as capital expenditure when:

- It results in the acquisition, construction or the addition of subsequent costs to non-current (*i.e. fixed*) assets that will be held by the Council for use in the production or delivery of services, for rental to others or for administrative purposes and are expected to be used during more than one financial year.
- It is defined by Regulation as capital (*i.e. this will include expenditure that would ordinarily be capitalised except for the fact that the Council has no future direct control or benefit from the resulting assets*).
- It is classified by Government Direction as capital (*i.e. a Government Direction is explicit permission to capitalise expenditure that would not otherwise constitute capital expenditure*).

However, the Council operates a number de-minimis limits which mean that items meeting the capitalisation criteria outlined above may nevertheless be charged to revenue rather than capital, on the grounds of materiality. The limits are specified within the Council's annual Statement of Accounting Policies and are currently as follows:

De-minimis limits	£
General limit (<i>to be applied where no specific limit is applicable</i>)	10,000
Specific limits	
▪ Schools' capital projects funded or supported by Formula Capital Grant	2,000
▪ Highways infrastructure	Nil
▪ Land	Nil

Where expenditure meets the capitalisation criteria set out above, and is excess of the Council's de-minimis limits, it will be classified as capital expenditure, even if provision exists within the Revenue Budget to fund the work (*and vice versa*). Similarly, where specific financing (*e.g. government grant*) is provided to facilitate a project, this will not determine the accounting treatment of the expenditure. That is, the accounting treatment is determined according to the type of expenditure, and not by the funding source (see paragraph 5.1).

3.4.2. Capital programme

The Cabinet, in conjunction with the Executive Director for Corporate Services, will manage the preparation of a capital programme on an annual basis in accordance with the Council's capital projects' governance arrangements and capitalisation criteria.

Proposals for new buildings, extensions, improvements and alterations to buildings or the sale of buildings and land will be assessed by the **Director for Property, Facilities Management and Business Support** to determine whether they fit with the Council's property strategy.

Any proposal for investment in information technology will be assessed by the **Director for Information Services (CIO)** to ensure that it accords with the Council's IS strategy.

Each scheme that is added to the Capital Programme is allocated an overall '**scheme approval**' which sets the overall budget for the scheme, and an '**annual payments guideline**' which sets the parameters for expenditure in each of the financial year's over which the scheme is expected to span. Executive Directors will only proceed with capital projects when there is adequate scheme and payments approval in the capital programme to finance these projects.

3.4.3. Financing of capital expenditure

The Cabinet Member for Finance, in conjunction with the Executive Director for Corporate Services, will determine the financing of the capital programme, taking into consideration the availability of reserves and balances, funding from other bodies and the affordability of borrowing.

3.5. Leasing and rental arrangements

Leases of land or buildings and other property agreements will only be authorised for completion by the Director for Essex Legal Services, on the Council's behalf, by the Director for Property, Facilities Management and Business Support. The relevant Finance support will be consulted as part of this process.

Other leasing arrangements (including rental agreements and hire purchase arrangements) will only be entered into with prior approval, as follows:

Type of lease	Approval required
▪ Vehicles, plant and equipment	Executive Director for Corporate Services
▪ Cars secured through the Car Provision Scheme	Executive Directors

Prior approval to enter into leases is required to ensure that:

- Leases that constitute credit arrangements are taken into account when the Council determines its borrowing limits;
- Such arrangements represent best value for money and are accounted for appropriately.

3.6. Internal Trading Activities

3.6.1. Definition and framework

The main types of trading activity permitted by the Council include those where:

- Services are provided in a competitive environment where users are given the freedom to buy from elsewhere if they wish;
- Budget holders are free to decide the quantity and type of work to be done on the basis of the prices quoted to them, but not to buy externally.

Cabinet will approve the establishment of all trading activities, in consultation with the Executive Director for Corporate Services.

Trading activities will maintain a separate Income and Expenditure account to which all relevant income is credited, and all related revenue expenditure (*including asset charges and support service and overhead costs*) is charged. Trading activities are required to balance their budget by generating income from the provision of their services.

Trading activities must adhere to Financial Regulations, although are controlled to an overall financial target, rather than against individual expenditure and income headings.

Trading activities must operate within the Council's overall arrangements and rules for personnel and resource management. Cabinet may approve special arrangements in exceptional circumstances, where it can be demonstrated that adherence to these rules and arrangements would lead to the unit becoming uncompetitive and losing work and that the proposed departure does not expose the Council to significant risk.

3.6.2. Financial targets

Each trading activity must prepare an annual financial plan for approval by the Council as part of the annual budget setting (*see paragraph 3.1, on page 15*), and which defines the expected levels of income and expenditure for the year.

Trading activities must, as a minimum, aim to break-even (*i.e. only incur expenditure that can be financed from the income the activity expects to generate during the year*). It is only permissible to plan for a deficit in exceptional circumstances, and then only if the deficit can be met from the trading activity's own accumulated revenue reserves or, in exceptional circumstances, from an approved contribution from the General Fund.

3.6.3. Trading reserves

Trading activities are permitted to retain the surpluses they generate, provided they can demonstrate that these are necessary for the future business needs of their operations. The Executive Director for Corporate Services will advise Cabinet, after consultation with the relevant Executive Director(s), if the level of cash balances held by a trading activity are in excess of those deemed necessary to meet the business needs of the operation. The Cabinet Member for Finance will then determine whether the excess balances are transferred to the General Fund Balance.

The approval of the Cabinet Member for Finance is required where it is proposed to transfer part of a trading activity's reserves to finance expenditure by a Service, or to make a contribution from a Service to a trading activity.

3.7. Treasury management, prudential and MRP policy

The Executive Director for Corporate Services will propose an annual Treasury Management Strategy, prudential indicators and a policy for the revenue provision for the repayment of debt (*referred to as the 'Minimum Revenue Provision'*) to the Council in advance of the start of the relevant financial year that is consistent with the Council's revenue budget and capital programme proposals.

This Strategy will comply with the CIPFA's Codes of Practice on Treasury Management and the Prudential Framework for Capital Finance, relevant Regulations and with the Council's own Treasury Management Policy Statement and Treasury Management Practices; it will set the parameters within which investment and borrowing activity will be managed during the forthcoming financial year.

3.8. Medium term resources strategy (MTRS)

The MTRS brings together the key assumptions about financing resources (including council tax, non-domestic rates and revenue support grant) and spending pressures over the medium to longer term. This enables the Council to plan for financial risks and thus inform the setting of service financial targets for the annual revenue budget and capital payments guidelines. The setting of financial targets within the available resource envelope is completed with reference to the priorities set within the Corporate Plan.

The [Executive Director for Corporate Resources](#) will ensure that reports are presented to Council, as part of the annual budget setting, upon the medium term budget prospects and the resource constraints set by the Government.

3.9. Income and charging policy

Executive Directors will establish a charging policy for the supply of goods or services and, in consultation with the Executive Director for Corporate Services, review it annually, as part of the corporate planning process. An annual statement on fees and charges will be taken to Cabinet, and then Council, in alignment with the budget setting timetable.

Further detail on income is provided in Section 8.1, which commences on page 52.

3.10. Pay Policy Statement

The pay policy statement will be prepared as required by law. At present it is required to set out the Council's policy on the level and elements of remuneration for each chief officer, the remuneration of its lowest paid employees, and the relationship between the remuneration of its chief and other officers. It is also required to address other specific aspects of chief officer remuneration such as remuneration on recruitment, increases and additions to remuneration, use of performance related pay and bonuses, termination payments and transparency. This policy is produced annually or as required by law and is approved by Council, in alignment with the budget setting timetable.

4. Financial Management

4.1. Introduction

Financial management covers all financial accountabilities in relation to the running of the Council, including the policy framework, revenue budget, trading activities' financial plans, capital programme and treasury management.

4.2. Financial management standards

All staff and Members have a duty to abide by the highest standards of probity in dealing with public money. This is facilitated by ensuring everyone is clear about the standards to which they are working and by the controls that are in place to ensure that these standards are met.

4.3. Revenue budget monitoring and control

4.3.1. Budget management

The Council operates within an annual cash limit, approved when the annual budget is set. To ensure that the Council does not over spend in total, each service is required to manage its own expenditure and income recovery within the cash limited budget allocated to it. Budget management also ensures that once the Council has approved the budget, the resources are used for their intended purposes and are properly accounted for.

4.3.2. Framework for budgetary control

Once the budget is approved by the Council, Executive Directors are authorised to incur expenditure in accordance with the estimates that make up the budget. Executive Directors must however maintain effective budgetary control within their service(s) to ensure that spending is contained within the annual cash limit.

Executive Directors will not commit expenditure that would result in an approved budget being exceeded. Prior approval must be sought to increase the budget either by virement (*see paragraph 4.3.3*) or by a supplementary estimate (*see paragraph 4.3.4*) before additional commitments are made.

Executive Directors may exceptionally incur additional expenditure in an emergency (*see paragraph 8.6 for the approval required to make an emergency payment*). In such situations, retrospective approval must be sought, as soon after the event as possible, to offset the additional expenditure by virement or supplementary estimate.

Executive Directors will:

(i) Ensure that all income and expenditure is properly recorded and accounted for

Executive Directors will ensure that all officers responsible for committing expenditure comply with all relevant guidance, and follow approved certification processes.

(ii) Ensure that an appropriate budget holder structure is in place to ensure that responsibility is assigned for each item of income and expenditure under their control

Budget holders will be accountable for the effective management of the budgets allocated to them to either oversee or directly manage, even where they put delegations in place that enable officers to commit expenditure on their behalf.

(iii) Ensure that individual policy budgets are not over spent

Budgets must be monitored and appropriate corrective action taken where significant variations from the approved budget are forecast (*see paragraphs 4.3.3 and 4.3.4*).

(iv) Exercise discretion in managing the Service's budgets

Discretion will be exercised by, for example, avoiding supporting recurring expenditure from one-off sources, or creating commitments for which future resources have not been identified. Services must plan to fund such commitments from within their own budgets.

(v) Ensure that a monitoring process is in place

A monitoring process is required to review performance and / or service levels in conjunction with the budget and to ensure they are operating effectively.

(vi) Regularly report to the relevant Cabinet member(s)

Such reports will be prepared, in consultation with the Executive Director for Corporate Services, upon the service's projected 'controllable net expenditure' compared with its budget. Cabinet Members must be fully briefed, as part of this process, on any budget pressures and any proposal to address these pressures by virement (*see bullet point (viii) below*).

(vii) Ensure prior approval by the Council or Cabinet (as appropriate) for new proposals

Prior approval of the Council or Cabinet may be required for proposals that create financial commitments in future years or which materially extend or reduce the Council's services, or which initiate new ones.

(viii) Ensure compliance with the Scheme of Virement

The scheme of virement is explained within paragraph 4.3.3.

(ix) Agree with the relevant Executive Director(s) where it appears that a budget proposal, including a virement proposal, may impact on their service area

(x) **Ensure that relevant training is delivered to all staff assigned responsibility for budget management**

Officers will undertake approved finance training prior to commencement as an operational budget holder and/or as an authorised signatory, to ensure they have the necessary knowledge and skills to effectively perform their financial responsibilities; refresher training will be undertaken at 24 monthly intervals thereafter.

The Executive Director for Corporate Services will ensure that each budget holder receives or has access to timely information on income and expenditure for each budget, which is sufficiently detailed to enable them and their managers to fulfil their budgetary responsibilities.

The Executive Director for Corporate Services will monitor performance against the Council's budget on an on-going basis, and will advise upon the Council's overall financial position. Specifically, the Executive Director for Corporate Services will prepare financial overview reports for the Cabinet Member for Finance to present to Cabinet on a **quarterly** basis. These financial overview reports will:

- Provide a comparison of the Council's projected income and expenditure and the latest approved budget;
- Include an assessment of the Council's reserves and balances and overall financial position; and
- Seek approval to changes to the approved budget (*including virements between policy budgets, supplementary estimate requests and changes to the scheme and payment approvals for capital projects*).

4.3.3. Scheme of virement

As detailed in paragraph 4.3.2, Executive Directors must ensure that spending remains within the service's overall cash limit, and that spending does not exceed individual policy budget headings. It is however permissible, in certain circumstances, to switch resources between approved budget headings, subject to obtaining the necessary approval. The switching of resources between approved policy budget headings is referred to as a virement.

The virement rules are as follows:

- (i) No expenditure shall be incurred without appropriate budget provision and, if necessary, a virement should be undertaken to put this in place.
- (ii) No virement relating to a specific financial year should be made at the end of the financial year after the date specified within the Executive Director for Corporate Services' timetable for closure of the accounts.

- (iii) Virements are not permitted in relation to asset charges or other budget headings that are deemed to be outside the control of the relevant budget holder, or where a proposal would adversely affect long-term revenue commitments.
- (iv) A virement that is likely to impact on the level of service activity of another budget holder can be implemented only with the agreement of the relevant budget holder(s).
- (v) Amounts that require Member approval must specify the proposed expenditure and the source of funding, and must explain the implications in the current and future financial years.
- (vi) Where a Cabinet Member's approval is required to a virement, this approval will normally be sought via a 'Cabinet Member Action' (*i.e. unless Cabinet approval is required*).
- (vii) When a Cabinet Member is making a decision on an operational matter, any necessary virements must be included as part of that decision.
- (viii) Virements that are being actioned to effect a change in policy or priorities (*either within the same portfolio or between portfolios*) will be subject to the following approval:

Amount of virement	Head of Service / Operational budget holder	Director	Executive Director	Executive Director for Corporate Services	Service Cabinet member	Cabinet Member for Finance	Cabinet
Up to £1m (<i>subject to consultation with the Service Cabinet Members</i>)	✓	✓	✓				
In excess of £1m, but less than £5m	✓	✓	✓	✓	✓	✓	
£5m and above	✓	✓	✓	✓	✓	✓	✓

Exceptions to the virement rules are as follows:

- (ix) The virement rules do not apply to the movement of budget between the individual budget headings of an individual trading activity. The approval of the Cabinet Member for Finance is however required to transfer resources between trading activities and the General Fund - see paragraph **3.6.3**.
- (x) Member approval is not required when the virement reflects the implementation of decisions already taken by Members, except where budget is required that was not made explicit when the decision was taken.

- (xi) Member approval is not required where a budget will continue to be used for the approved purpose but is being moved, for example, to reflect a change in budget holder responsibilities. Such transfers will however require the approval of the relevant Head(s) of Finance.
- (xii) Member approval is not required for budget movements arising in order to comply with the CIPFA Service Expenditure Reporting Code of Practice guidance on accounting for overheads, or budget movements arising in order to comply with proper accounting practice. Approval is required from the relevant Head of Finance and/or the Chief Accountant.

4.3.4. Supplementary estimates

In the event that it is not possible to move resources between budget headings to meet a liability, a request may be made to Cabinet (*via the quarterly Financial Overview Reports*), following consultation with the Cabinet Member for Finance and the Executive Director for Corporate Services, for a supplementary estimate (i.e. additional funds).

Supplementary funding can only be requested for one-off purposes although it may be possible to request funding for a project that spans over more than one financial year. Where additional funding is required on an on-going basis, the full year effect must be addressed through the revenue budget setting process.

A request for a supplementary estimate must specify:

- (i) the amount and profile of the proposed expenditure;
- (ii) the source(s) of funding (*which will be advised by the Executive Director for Corporate Services*); and
- (iii) why the supplementary funding is required and whether there are any on-going cost implications.

4.3.5. Treatment of year end balances

(i) Carry forward scheme

In certain circumstances, it is permissible to transfer resources between accounting years (i.e. carry unspent budget forward for use in the following year or fund an over spend in the current year from next year's budget allocation).

The Executive Director for Corporate Services is responsible for agreeing with the Cabinet Member for Finance the procedures for carrying forward under or over spends. The Executive Director for Corporate Services administers the agreed scheme in accordance with the guidelines set by the Cabinet.

Approval to carry forward under spends will not be given prior to consideration by Cabinet of the final outturn position and overall financial position of the Council upon closure of the accounts, as the Council's ability to support the carry forward requests will need to be assessed.

Where supplementary funding (*see paragraph 4.3.4*) has been provided during the year, for the purpose of funding controllable expenditure, the value of the supplementary estimate may be deducted from any amounts a Portfolio may be permitted to carry forward into the following financial year. The Cabinet has discretion to waive this restriction in exceptional circumstances.

Over spends will be carried forward and deducted from the Portfolio's budget in the following year, unless the Cabinet agrees otherwise.

Where a portfolio identifies the need to incur expenditure in the current financial year for which budget provision has been made in the following year's budget, a supplementary estimate can be requested when this is done in a planned way, and in advance of the expenditure being incurred. In this instance the following year's budget will be correspondingly reduced and the current year's increased expenditure will not be categorised as an over spend.

(ii) Trading activities

Internal trading activities' surpluses are carried forward, subject to the considerations outlined in paragraph 3.6.3. Any deficits will be financed by a withdrawal from the relevant Trading Activity's accumulated reserves, or from an approved contribution from the General Fund Balance (*see paragraph 3.6.2*).

(iii) Partnership schemes

The funding of some partnership schemes is ring-fenced (*including the contribution made by the Council*) and is not therefore available for alternative use by the Council. The unspent balances on approved partnership schemes will be carried into an earmarked Partnerships Reserve, which can be drawn upon to finance expenditure by the partnerships in a subsequent year.

(iv) Grant funded schemes

Where revenue grants and contributions are recognised as income in advance of the related expenditure being incurred, the unspent grant will be carried into an earmarked Grants Equalisation reserve, which can be applied, and matched with the related expenditure, in a subsequent year.

(v) Dividends received

Dividends received from subsidiaries of the Council will be credited as corporate income and use of such income will be determined by the Cabinet Member for Finance.

(vi) Individual Schools' budgets

Individual Schools' budgets are ring-fenced in accordance with statutory provisions.

Under spends against individual schools' budgets are appropriated into the Schools' reserve to support expenditure in a later year by the school(s) concerned.

School over spends are financed by a withdrawal from the Schools' reserves accumulated in previous years. Where an unplanned deficit occurs, the governing body must prepare a detailed financial recovery plan, which will be evaluated by the Executive Director for People Commissioning and the Executive Director for Corporate Services. If the deficit exceeds 5% of the school's budget, the plan will be referred to the Service Cabinet Member. Schools will be expected to agree a plan to recover the deficit within a defined period.

4.4. Capital payments monitoring and control

The principles and framework for managing the revenue budget (*as set out within paragraphs 4.3.1 and 4.3.2*) will apply equally with regard to the monitoring and management of individual capital projects (*i.e. named schemes and 'block' approvals*) within their scheme and payment approvals.

The scheme of virement, as set out in paragraph 4.3.3, does not apply to capital expenditure, as approval to capital expenditure is given on a scheme by scheme (*or 'block' approval*) basis, rather than by portfolio. However, in the event that an over spend arises against one scheme or 'block' approval, the relevant service will identify savings against another approved project (*or 'block' approval*) that will be applied to offset the over spend (*i.e. provided that such an approach is supported by the Executive Director for Corporate Services and the Cabinet Member for Finance, and is approved by Cabinet*).

Where it is anticipated that schemes will be progressed ahead of, or behind, schedule, such that expenditure is expected to vary from the approved payment guideline for the year, Cabinet approval must be sought to re-profile the payment guidelines from one year to the next; this is necessary to enable impact upon capital financing resources to be assessed.

Schemes will usually only be added to, or removed from, the Capital Programme as part of the annual budget setting process referred to in paragraph 3.4.2 (see page 18). Schemes may be added to, or removed from, the capital programme outside of this process with the approval of the Cabinet or with the approval of the Cabinet Member for Finance if the capital cost is less than £1m, if the scheme is subject to financing from Section 106 contributions, if the scheme is financed by external funding or the scheme is urgent

Capital expenditure will be subject to scrutiny in accordance with the Council's capital projects' governance framework.

4.5. Trading activities

Trading activities must manage their income and expenditure to an overall financial target (*see paragraph 3.6.2*); in doing so, trading activities must operate within the Council's framework for budgetary control (*as outlined within paragraph 4.3.2*).

Cabinet approval is required to alter a trading activity's overall financial target (*via the quarterly Financial Overview Reports*). Where the proposed target reflects a worsening position that will result in a loss for the year, the request to amend the financial target must explain how the loss is to be financed and the plans for recovery from this position. Where a surplus is now forecast, above that previously reported, the request to amend the target must explain whether and why the additional surplus is to be retained by the trading account.

5. Accounting records and financial systems

5.1. Accounting records

Maintenance of proper accounting records is one of the ways in which the Council discharges its responsibility for stewardship of public resources.

The Executive Director for Corporate Services is responsible for determining the accounting procedures and records for the Council, and for the compilation of all accounts and accounting records.

The Council's accounting records are maintained within its General Ledger. A standard coding convention is maintained within the General Ledger that enables actual and budgeted income and expenditure to be analysed by:

- Category (*i.e. revenue, capital, balance sheet*);
- Type (*e.g. employee costs, premises related expenditure, supplies and services etc.*); and
- Activity (*e.g. passenger transport, country parks etc.*).

This coding convention facilitates the analysis of income and expenditure in a variety of ways (*i.e. according to the political and management structures of the Council, as well as satisfying the Council's statutory reporting requirements*). The integrity of the Council's financial reporting for management and statutory purposes is therefore dependent upon transactions being coded correctly at source.

Executive Directors are responsible for ensuring that their services (*including those delivered through strategic partnerships*) comply with the coding conventions adopted within the General Ledger. This includes adherence to the standard subjective classifications for categories of income and expenditure. The requirement to adhere to this standard classification applies even where expenditure on projects have 'net nil' budgets (*i.e. expenditure is matched with income*).

In the event that application of this standard classification results in under or over spends, appropriate action must be taken to re-align the budgets (*see paragraphs 4.3.3 and 4.3.4*); the guiding principle being that budget provision should follow expenditure and/or income, and not vice versa.

5.2. Annual statement of accounts

The Council has a statutory responsibility to prepare its accounts to present a true and fair view of the financial performance and results of its activities during the year, and is responsible for approving and publishing those annual statements in accordance with the timetable specified in the Accounts and Audit Regulations 2011.

The Executive Director for Corporate Services is responsible for selecting suitable accounting policies, and for applying them consistently, to ensure that the Council's annual statement of accounts is prepared in compliance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom and other relevant accounting standards and statutory provisions. In addition, the Executive Director for Corporate Services will ensure that the Statement of Accounts is compiled, approved and published in accordance with the statutory timetable specified within the Accounts and Audit Regulations 2011.

The Executive Director for Corporate Services will issue accounting instruction notes on closure of the accounts, including a timetable, annually. All budget holders must comply with these accounting instructions and supply the information requested by the dates specified.

The Executive Director for Corporate Services must sign and date the Statement of Accounts, thereby confirming that the accounts give a 'true and fair' view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March.

The Executive Director for Corporate Services is responsible for making proper arrangements for the audit of the Council's accounts.

5.3. Financial Systems

The Executive Director for Corporate Services has responsibility for ensuring that the Council's financial systems (*including any financial elements of non-financial or integrated systems*) are sound, properly maintained and that they are held securely. The Executive Director for Corporate Services will therefore determine the accounting systems, form of accounts and supporting financial records.

Executive Directors must ensure that prior approval is obtained from the Executive Director for Corporate Services and Director for Information Services (CIO) to operate any financial system (including any elements of a non-financial or integrated system relied upon for financial reporting purposes) within or on behalf of their area of responsibility. Prior approval must also be obtained from the Executive Director for Corporate Services and Director for Information Services (CIO) to make changes to any such systems already being operated within a service area. The 'go live' sign-off criteria, as defined by the Director for Information Services (CIO), must be complied with in respect of implementation or amendment to any financial systems (*or non-financial or integrated system relied upon for financial reporting purposes*) operated within, or on behalf of, a Service area. A [S151 Officer Change Request Form](#) must be submitted to the Executive Director for Corporate Services for approval prior to making any changes to such systems.

Systems must be documented and backed up, and disaster recovery and business continuity plans must be maintained to allow information system processing to resume quickly in the event of an interruption. Executive Directors will ensure that an adequate audit trail exists through the computerised system and that audit reviews are being carried out, as necessary.

Where appropriate, computer systems will be registered in accordance with [data protection legislation](#).

Relevant policies and guidelines for computer systems and equipment that are issued by the Director for Information Services (CIO) will be observed.

6. Risk Management and Internal Control

6.1. Introduction

It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant strategic and operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.

6.2. Risk management

Risk management is concerned with evaluating the measures in place, and the actions needed, to identify and control risks effectively. The objectives are to secure the Council's assets and to ensure the Council's continued financial and organisational wellbeing.

It is the overall responsibility of the Audit Committee to approve the Council's [Risk Management Policy and Strategy](#), to review the strategic risk register and to promote a culture of risk management awareness throughout the Council.

The Head of Organisational Risk is responsible for preparing the Council's [Risk Management Policy and Strategy](#), and for promoting it throughout the Council where appropriate. The Head of Organisational Risk will:

- (i) Ensure that procedures are in place to identify, assess and prevent or contain material risks, and also allow for the identification and management of positive opportunities.
- (ii) Regularly review the effectiveness of risk reduction strategies and controls.
- (iii) Engender a positive attitude towards the control of risk.
- (iv) Provide relevant information on risk management initiatives, and training on risk management.
- (v) Ensure that acceptable levels of risk are determined.

The Head of Organisational Risk is also responsible for:

- (vi) Developing risk management controls, including Business Continuity Planning, in conjunction with Executive Directors.
- (vii) Ensuring that the Council has effective business continuity plans for implementation in the event of disaster which results in significant loss or damage to its resources, and threatens its activities.

Executive Directors must have regard to the advice of the Head of Organisational Risk, and adhere to the Council's [Risk Management Policy and Strategy](#). Specifically, Executive Directors must:

- (viii) Take full ownership of all risks within their areas of responsibility, including those related to partnerships in which their services participate.
- (ix) Ensure that risk management is implemented in line with the Council's Risk Management Strategy and the minimum standard for business planning process.
- (x) Appoint a Risk Coordinator and authorise him/her to progress effective risk management that adheres to corporate guidelines.
- (xi) Identify and manage risks and ensure that mitigating actions are regularly reported.
- (xii) Have regard to other specialist officers (*e.g. crime prevention, fire prevention, information governance, health and safety*).
- (xiii) Ensure there are appropriate arrangements within their service area to identify risk issues and take appropriate action to mitigate the effects of them and maximise opportunities. This includes ensuring that the relevant officers are trained to manage risk and where required provide a defence for the Council.
- (xiv) Make sure that consideration is given and appropriate arrangements are made to ensure service delivery by 3rd party providers and delivery vehicles.
- (xv) Ensure that service programme, project and partnership risk registers are compiled, and kept up to date.

6.3. Insurance

The Cabinet is responsible for ensuring that proper insurance arrangements exist. The Executive Director for Corporate Services is responsible for advising the Cabinet on proper insurance cover, and will:

- (i) Effect corporate insurance cover, through external insurance and internal funding, and negotiate all claims in consultation with other officers, where necessary.
- (ii) Include all appropriate employees of the Council in suitable fidelity guarantee insurance.
- (iii) Offer insurance cover to schools in accordance with arrangements for financing schools.
- (iv) Ensure that provision is made for losses that might result from identified risks.
- (v) Ensure that procedures are in place to investigate claims within required timescales.
- (vi) Be aware of and manage effectively operational risk to the Council.

Executive Directors must comply with all relevant Insurance terms and conditions, to include:

- (vii) Notifying the Executive Director for Corporate Services immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Executive Director for Corporate Services or the Council's insurers.
- (viii) Notifying the Executive Director for Corporate Services promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- (ix) Consulting the Executive Director for Corporate Services and the Director for Corporate Law and Assurance on the terms of any indemnity that the Council is requested to give.
- (x) Ensuring that employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

6.4. Internal Control and the governance framework

The Council faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its strategic objectives and statutory obligations. Internal controls are devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.

It is the responsibility of the Executive Director for Corporate Services to assist the Council to put in place an appropriate control environment and effective internal controls that adhere with proper practices, and provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

The system of internal control is a significant part of the Council's governance framework. The Executive Director for Corporate Services will compile an Annual Governance Statement each year. The Governance Statement will be compiled with reference to proper practices in relation to governance (*principally the CIPFA/SOLACE guidance 'Delivering Good Governance in Local Government'*).

The governance framework, control environment and internal controls include:

- (i) Identification and communication of the Council's vision of its purpose and intended outcomes for citizens and service users.
- (ii) Reviewing the Council's vision and its implications for the Council's governance arrangements.

- (iii) Measuring the quality of services for users, and ensuring they are delivered in accordance with the Council's objectives and that they represent the best use of resources.
- (iv) Project management.
- (v) Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication.
- (vi) Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff.
- (vii) Reviewing and updating standing orders, standing financial instructions, a scheme of delegation and supporting procedural notes/manuals, which clearly define how decisions are taken and the processes and controls required for managing risks.
- (viii) Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities.
- (ix) Ensuring compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful.
- (x) Whistle blowing and arrangements for receiving and investigating complaints from the public.
- (xi) Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- (xii) Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report Governing Partnerships: Bridging the Accountability Gap, and reflecting these in the Council's overall governance arrangements.
- (xiii) Policies, objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action.
- (xiv) Financial and operational control systems and procedures which comprise physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems.
- (xv) An effective internal audit function that is appropriately resourced, and which operates in accordance with the principles contained in the Auditing Practices Board's auditing guideline Guidance for Internal Auditors, CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom and with any other statutory obligations and regulations.

It is the responsibility of Executive Directors to:

- (xvi) Establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness; and for achieving their financial performance targets.

- (xvii) Manage processes to check that controls are adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.
- (xviii) Communicate responsibilities, codes of conduct and the importance of good governance arrangements to their staff and ensure that they understand the consequences of lack of control and inadequate governance arrangements.
- (xix) Review existing controls in the light of changes affecting the Council and to establish and implement new ones in line with guidance from the Executive Director for Corporate Services. Executive Directors should also be responsible, after consultation with the Executive Director for Corporate Services, for removing controls that are unnecessary.
- (xx) Undertake interim and annual self-assessments (i.e. 'Service Assurance Statements') of the status of the governance framework, including systems of internal control for each of their service areas, as directed by the Executive Director for Corporate Services.
- (xxi) Support internal audit in any review being undertaken within their area, and respond to issues raised within audit reports within the agreed timescale.

6.5. Preventing fraud and corruption

6.5.1. Anti-fraud and anti-corruption policy

The Council has an effective [anti-fraud and corruption policy](#) and maintains a culture that will not tolerate fraud or corruption. It is the responsibility of the Executive Director for Corporate Services to maintain the Council's anti-fraud and anti-corruption policy.

Executive Directors must ensure that this policy is adhered to and that all appropriate action is taken. This will include reporting all suspected irregularities to the Head of Internal Audit (see paragraph 6.6.2).

6.5.2. Declaration of Interests

To avoid giving rise to suspicion about the honesty and integrity of the Council or its employees, or giving the impression of corruption or improper behaviour, all interests of a personal and/or financial nature with external bodies or persons who have dealings with the Council, or any other interests which could conflict with an officer's duties, must be declared in accordance with the [Officer Declaration of Interests policy](#).

6.5.3. Gifts and hospitality

Officers must be cautious regarding offers of gifts and hospitality as acceptance can easily give the impression of improper behaviour or favour. The Council's [Officer Gift and Hospitality Policy](#) explains how offers of gifts and hospitality are to be dealt with, including what can be accepted, what cannot be accepted and what must be declared. In accordance with the Gift and Hospitality Policy, Executive Directors must ensure that a Gifts and Hospitality register is established and maintained for the services for which they are responsible.

6.5.4. Whistle blowing

In accordance with the Council's [whistle blowing policy](#), all suspected irregularities must be reported to the Head of Internal Audit (see paragraph 6.6.2). The Head of Internal Audit will report significant matters to the Chief Executive, Cabinet and the Audit Committee.

In addition to the whistle blowing policy the Council's '[Speak up!](#)' Campaign provides further guidance on how employees can raise issues or concerns about inappropriate behaviour.

6.5.5. Standards of conduct

The full responsibilities with regard to standards of conduct for officers are set out in the [Officers' Code of Conduct](#) and the standards for members are set out in the [Members' Code of Conduct](#).

6.5.6. Money laundering

Money laundering is defined as:

- (i) Concealing, disguising, converting, transferring or removing criminal property from the Country.
- (ii) Being concerned in an arrangement which a person knows of, suspects or facilitates the acquisition, retention, use or control of criminal property.

In accordance with the Council's [Anti money laundering policy](#), all suspected attempts to use the Council to launder money must be reported to the Head of Internal Audit who is also the Council's Money Laundering Reporting Officer.

Executive Directors must ensure that their staff understand what money laundering is and of their obligations under the money laundering legislation, so that they can recognise situations that might lead to suspicions of money laundering arising.

When a person knows or suspects that money laundering activity is taking place (or has taken place), or becomes concerned that their involvement in a matter may amount to a prohibited act under the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2011, they must disclose this as soon as practicable or risk prosecution.

To mitigate the risks of the Council being used to launder money cash payments in excess of **£10,000** will not be accepted except with the prior approval of the Executive Director of Corporate Services.

6.5.7. Anti-Bribery Policy

In accordance with the Council's [Anti-bribery Policy](#), the detection, prevention and reporting of bribery and other forms of corruption are the responsibility of all those working for Essex County Council or under its control. Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage. The Bribery Act has been enacted to enable robust action against such activity.

6.5.8. Promoting good governance

The Council's website on [How We Get Things Done](#) provides further information and guidance on the policies used in promoting good governance across the Council. Executive Directors are responsible for ensuring that all members of staff in their services complete mandatory governance training provided via e-learning modules on the Council website. Executive Directors are also responsible for ensuring that new employees undertake the relevant modules of the e-learning training within six weeks of the commencement of their employment, and that all staff refresh their learning every 24 months.

6.6. Audit requirements

6.6.1. External audit

The basic duties of the external auditor are governed by Section 15 of the Local Government Finance Act 1982, as amended by Section 5 of the Audit Commission Act 1998 and include reviewing and reporting upon:

- (i) The financial aspects of the Council's corporate governance arrangements.
- (ii) The Council's financial statements; the external auditor must be satisfied that the Statement of Accounts give a 'true and fair view' of the financial position of the Council and its income and expenditure for the year in question and complies with the legal requirements.

The Council may, from time to time, also be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs and the Inland Revenue, who have statutory rights of access.

The External Auditors and other statutory inspectors must be given reasonable access to premises, personnel, documents and assets that it is considered necessary for the purposes of their work. Regard must be given to sensitivity of data though, and if there is any doubt about whether it is appropriate to provide such data to the external auditor or other statutory inspector, advice should be sought from the Executive Director for Corporate Services.

Services must respond to external audit and inspection reports in writing, within a timescale agreed by the appropriate Executive Directors and the External Auditor, detailing the action intended to address any recommendations.

6.6.2. Internal Audit

The requirement for an internal audit function for local authorities is implied by Section 151 of the Local Government Act 1972, which requires that authorities 'make arrangements for the proper administration of their financial affairs'.

The Accounts and Audit Regulations 2011 more specifically require authorities to maintain an adequate and effective system of internal audit of its accounting records and of its internal controls, and to conduct an annual review of the effectiveness of its systems of internal audit. The findings of these annual reviews are considered by the Audit Committee on behalf of the Council as part of the consideration of the system of internal control referred to in paragraph 6.4.

Internal audit is an independent and objective appraisal function, established by the Council for reviewing the systems of internal control and assists the Council's stakeholders on business objectives and related risks and, thereby, contributes strategically to the organisation.

The internal auditors adhere to proper practices in relation to internal control; specifically, the CIPFA Code of Practice on internal audit in local government in the United Kingdom, IIA (Institute of Internal Auditors) and the COSO (Committee of Sponsoring Organisations) risk framework. They examine, evaluate and report upon the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

The Internal Auditors have the authority to:

- (i)** Access any Council premises, assets, records, documents and correspondence, and control systems.
- (ii)** Receive any information and explanation related to any matter under consideration.
- (iii)** Require any employee of the Council or school maintained by the Council to account for cash, stores or any other asset under his or her control.
- (iv)** Access records belonging to third parties (e.g. Contractors) when required.

- (v) Directly access the Chief Executive, the Cabinet, the Audit Committee and Executive Scrutiny Committee.

The Executive Director for Corporate Services and the Audit Committee will approve the annual audit plan prepared by the Head of Internal Audit, which takes account of the characteristics and relative risks of the activities involved. The Executive Director for Corporate Services and the Audit Committee will also ensure that effective procedures are in place to investigate promptly any suspected fraud or irregularity.

Services must respond to internal audit reports in writing, within a timescale agreed as part of the internal audit methodology detailing the action intended, responsible officer, timescale for implementation and whether the action will require additional resources, to address all agreed recommendations. The relevant Executive Directors must ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion. This is validated by the quarterly follow-up process undertaken by internal audit.

The Head of Internal Audit will maintain a record of all reports and allegations of suspected fraud, corruption or other financial irregularity in respect of funds and assets that are the responsibility of the Council, and will ensure that appropriate action is taken to investigate these.

The Head of Internal Audit will be given the opportunity to evaluate the adequacy of new systems, or changes to existing systems, for maintaining financial records or records of assets, in a timely manner before live operation.

7. Control of resources

7.1. Assets

7.1.1. Security of assets

The Council holds assets in the form of property, land, vehicles, equipment, furniture and other items worth many millions of pounds. These assets must be safeguarded and used efficiently in service delivery.

All staff have a responsibility for safeguarding the Council's assets and information, including safeguarding the security of the Council's computer systems and paper records, and for ensuring compliance with the Council's computer and Internet security policies.

The Director for Property, Facilities Management and Business Support, on behalf of the Executive Director for Corporate Services, will undertake the role of 'corporate landlord' and will:

- (i) Ensure the proper security and maintenance of all premises occupied and/or owned by the Council.
- (ii) Hold the title deeds for all Council properties.

Executive Directors will:

- (i) Advise the Director for Property, Facilities Management and Business Support in any case where security of Council premises is thought to be defective or where it is considered that special security arrangements may be needed.
- (ii) Ensure that no Council asset is subject to personal use by an employee without proper authority.
- (iii) Ensure the safe custody of vehicles, equipment, furniture, inventory, stores and other property belonging to the Council.
- (iv) Ensure cash holdings on premises are kept to a minimum.
- (v) Ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of any such keys must be reported to the relevant Head of Service and the Head of Internal Audit.

7.1.2. Asset registers

The Executive Director for Corporate Services is responsible for the maintenance of a corporate register of the Council's non-current (i.e. fixed) assets. This register forms the basis of Balance Sheet reporting on all non-current assets held by the Council.

This 'Assets Register' is maintained, in accordance with the requirements of the CIPFA Code of Practice on Local Authority Accounting in the UK and the underlying accounting standards, for all items capitalised in accordance the guidelines set out with paragraph **3.4.1** that are expected to be used and controlled by the Council during more than one financial year; items that the Council has acquired for a prolonged period under the terms of a lease or similar arrangement are also recorded. This means that the 'Assets Register' is maintained for:

- (i) All land held by the Council.
- (ii) Buildings held and being used by the Council for operational purposes, including those held under the terms of a finance lease, and those held for investment purposes, for disposal or deemed to be surplus to current requirements.
- (iii) All highways infrastructure (*e.g. roads, structures, traffic management systems etc.*) that, when acquired, was capitalised in accordance with the guidance set out within paragraph **3.4.1**.
- (iv) All vehicles, plant and equipment (*including IT hardware*) and intangible assets (*mainly IT software*) that, when acquired, were capitalised in accordance with the guidance set out within paragraph **3.4.1**.

Executive Directors will provide the Executive Director for Corporate Services with any information necessary to maintain the Assets Register. This will include confirmation, and the location, of moveable assets, which should be appropriately marked and insured.

Non-current assets that are required to be measured at 'fair value' will be re-valued in accordance with:

- (i) The requirements of the CIPFA Code of Practice on Local Authority Accounting in the UK; and
- (ii) Methodologies and bases for estimation set out in relevant professional standards (*including those of the Royal Institute of Chartered Surveyors (RICS)*).

7.1.3. Use of property other than for direct service delivery

The use of property other than for direct service delivery will be subject to prior agreement of, and in accordance with terms and conditions specified by, the Director for Property, Facilities Management and Business Support.

Prospective occupiers of Council land and buildings are not permitted to take possession or enter the land and buildings until a lease or agreement, in a form approved by the Director for Property, Facilities Management and Business Support, has been put in place.

7.1.4. Property Transactions

In the course of its day to day business, the Council enters into a variety of property agreements, including (but not limited to):

- (i) Freehold sales;
- (ii) Long leasehold disposals;
- (iii) Short leases as tenant and as landlord;
- (iv) Freehold acquisitions;
- (v) Long leasehold acquisitions;
- (vi) Section 106 agreements as landowner;
- (vii) Release of covenants;
- (viii) Compulsory acquisitions and land compensation claims;
- (ix) Taking and granting easements;
- (x) Option Agreements;
- (xi) Lease surrenders and exit agreements (including dilapidations).

Each of these transactions has a financial consequence for the Council. Approval is therefore required to authorise such property transactions for completion as follows:

Value of property transaction (including declaration of land / buildings as surplus to the Council's requirements)	Director for Property, Facilities Management and Business Support	Executive Director for Corporate Services	Cabinet Member for Finance	Cabinet
Up to £250,000	✓			
Greater than £250,000, but less than £500,000	✓	✓		
£500,000 or more, but less than £5m	✓	✓	✓	
£5m or more	✓	✓	✓	✓

These financial thresholds apply to the total value of the transaction reasonably foreseeable at the date of the approval.

Once land and buildings have been declared surplus to requirements, the Director for Property, Facilities Management and Business Support will arrange for the disposal of these assets in accordance with the Council's property strategy and only then when it is in the best interests of the Council and when best value is obtained.

The proceeds from the sale of all land and buildings (*subject to certain statutory limitations*) will not be earmarked for use by a specific service, but will be pooled and applied to finance future capital investment or for any other purpose permitted by Regulation.

The Executive Director for Corporate Services will advise on best practice for disposal of other assets that are deemed surplus to requirements, bearing in mind factors such as environmental issues, security and data protection.

The Director for Information Services (CIO) is responsible for ensuring that the standards, policies and guidelines of decommissioning of IT equipment are well defined and communicated to all staff within the Council. The Data Protection Act must be a key consideration in the decommissioning of IT equipment.

7.2. Consumable stocks and stores

Executive Directors will make adequate arrangements for the care and custody of consumable stocks and stores held by their services, and will maintain inventory records that document the purchase and usage of these items.

The stock of such items should be maintained at an appropriate level and be subject to a regular independent physical check. Discrepancies must be investigated and pursued to a satisfactory conclusion.

Where stocks and stores are not expensed as purchased, but are held in a 'control account' until consumed, the Head of Service (or operational budget holder) must produce a stock certificate at each financial year end, confirming the number and value (*i.e. value represents the lower of cost and net realisable value*) of items held as at 31st March.

Stocks and stores must be removed from (ie. written off) the Council's financial records when obsolete (*i.e. when they cannot be sold or consumed*) or when no longer held (*i.e. due to theft or other loss*). The minimum levels of approval required to write off stock balances per annum are as follows:

Value of stock to be written off	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for Finance
Up to £50,000	✓			
In excess of £50,000 and up to £100,000	✓	✓		
In excess of £100,000 and up to £250,000	✓	✓	✓	
In excess of £250,000	✓	✓	✓	✓

7.3. Cash

7.3.1. Introduction

All money in the hands of the Council is controlled by the Executive Director for Corporate Services. The Executive Director for Corporate Services is thereby responsible for providing assurances that the Council's money is properly managed in a way that balances risk with return, with the overriding consideration being given to security.

In accordance with the Council's [Anti Money Laundering Policy](#), all suspected attempts to use the Council to launder money must be reported to the Head of Internal Audit who is the Council's Money Laundering Reporting Officer (see paragraph 6.5.6).

7.3.2. Treasury management

Treasury management is an important aspect of the overall financial management of the Council. Treasury management activities are those associated with the management of the Council's cash flows and its borrowing and investments. A fundamental aim is to effectively control the risks associated with these activities and to pursue best value, in so far as that is consistent with the effective management of risk.

The Council complies with the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-sectoral Guidance Notes, and has approved:

- A **Treasury Management Policy Statement**, which sets out the policies and objectives of its treasury management activities; and
- A series of **treasury management practices** (TMP's) which set out the manner in which the Council will seek to achieve its policies and objectives for treasury management.

The Executive Director for Corporate Services is responsible for maintaining the Treasury Management Policy Statement and TMP's, and for recommending any changes to Council for approval.

As noted in paragraph 3.7 (see page 21), the Executive Director for Corporate Services will propose an annual Treasury Management Strategy to the Council in advance of the start of the relevant financial year. This Strategy will comply with CIPFA's Code of Practice on Treasury Management, relevant Regulations and with the Council's own Treasury Management Policy Statement and TMP's; it will set the parameters within which investment and borrowing activity will be managed during the forthcoming financial year. The Executive Director for Corporate Services is responsible for ensuring that all borrowing and investment activity is undertaken in compliance with the approved Treasury Management Strategy.

The Executive Director for Corporate Services will report to the Cabinet at regular intervals in each financial year, on treasury management activities undertaken within delegated powers.

All investments of money, and borrowings undertaken, on behalf of the Council will be made in the name of the Council. The Executive Director for Corporate Services will maintain records of such transactions.

7.3.3. Loans to third parties

The following table sets out the circumstances in which loans may be provided to third parties, and the approval required to each type of loan:

Type of loan	Approval required
Season ticket and similar loans made to employees	To be made in accordance with the Council's HR Guidance .
Monies invested with banks and other financial institutions.	To be undertaken in accordance with the Council's Annual Treasury Management Strategy (<i>see paragraph 7.3.2 above</i>).
Loans to third parties for the purpose of financing expenditure which, if incurred by the Council, would constitute capital expenditure.	Such a loan would constitute capital expenditure by the Council (<i>and the repayment would constitute a capital receipt</i>) and so would require Capital Programme approval (<i>see paragraphs 3.4.2 and 4.4</i>). The approval of the Executive Director for Corporate Services will be required to make any such loan at a discounted rate of interest.
Loans sought from the Council for other purposes (<i>e.g. where a service is being outsourced and the potential provider seeks an up-front payment to support cash flows</i>).	To only be undertaken with the prior approval of the Executive Director for Corporate Services. The Executive Director for Corporate Services' approval will also be required to offer such a loan at a discounted rate of interest.

7.3.4. Bank accounts

The opening or closing of any Council bank account will require the prior approval of the Executive Director for Corporate Services.

7.3.5. Imprest accounts

Wherever possible, purchase cards will be used for low value transactions and where there are no mandated procurement contracts in place (*the use of purchase cards is discussed further in section 8.2, which commences on page 55*). However, in the limited circumstances when purchase cards cannot be used, the Executive Director for Corporate Services may provide bank imprest (petty cash) accounts to meet minor expenditure on behalf of the Council.

The Executive Director for Corporate Services will:

- (i) Prescribe rules for operating these account;
- (ii) Determine the amount of each imprest account;
- (iii) Will maintain a record of all transactions and cash advances made; and
- (iv) Periodically review the arrangements for the safe custody and control of these advances.

Employees operating an imprest account will:

- (i) Obtain and retain vouchers to support each payment from the imprest account. Where appropriate, an official receipted VAT invoice must be obtained.
- (ii) Make adequate arrangements for the safe custody of the account.
- (iii) Produce cash and all vouchers to the total value of the imprest amount.
- (iv) Record transactions promptly.
- (v) Reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the imprest holder.
- (vi) Ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made.
- (vii) Provide the Executive Director for Corporate Services with a certificate of the value of the account held at 31 March each year.

7.3.6. Trust funds and funds held for third parties

All trust funds will, wherever possible, be held in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities relating to the trust with the Executive Director for Corporate Services, unless the deed provides otherwise.

Trust funds will be operated within any relevant legislation and the specific requirements for each trust.

Where funds are held on behalf of third parties, for their secure administration, written records will be maintained of all transactions.

7.4. Staffing

The Chief Executive, as Head of Paid Service, is responsible for providing overall management to staff and is also responsible for ensuring that there is proper use of evaluation or other agreed systems for determining the remuneration of a job.

Establishment control provides a vital mechanism to ensure that the Council maintains an effective control over the size and shape of its workforce. Executive Directors have primary responsibility for their establishment and are accountable for compliance with establishment and financial controls, as outlined in the Council's [establishment control policy](#). Executive Directors are responsible for ensuring that positions are only created as new requirements and associated funding emerge, and are deleted or modified as needs and funding change. They will ensure that the staffing budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.

The Executive Director for Corporate Services will advise Executive Directors on areas such as National Insurance and pension contributions, as appropriate.

7.5. Intellectual property

Intellectual property is a generic term that includes inventions and writing. If an employee creates these during the course of employment then, as a general rule, they belong to the employer, not the employee.

Executive Directors will ensure that their staff are not carrying out private work in Council time and that their staff are aware of the Council's rights with regard to intellectual property.

Instances of where intellectual property may be, or has been, created should be referred to the relevant Executive Director(s).

8. Income and Expenditure

8.1. Income

8.1.1. Introduction

Effective income collection systems are necessary to ensure that all income due to the Council is identified, collected, receipted and banked properly.

Wherever possible, income should be collected in advance of supplying goods or services. Such an approach will avoid the time and cost of administering debts, and negates the possibility of a bad debt.

It is the responsibility of Executive Directors to ensure that staff authorised to act on their behalf in respect of income collection are clearly identified.

Executive Directors will supply the Executive Director for Corporate Services with details relating to work done, goods supplied, services rendered or other amounts due, to enable invoices to be raised promptly for sums due to the Council, and to ensure that such amounts are properly recorded as due to the Council.

8.1.2. Charging policies

Executive Directors will establish a charging policy for the supply of goods or services and, in consultation with the Executive Director for Corporate Services, review it annually as part of the corporate planning process. An annual statement on fees and charges will be taken to Cabinet, and then to Council, in alignment with the budget setting timetable.

On an exceptional basis, alternative timeframes will be considered in agreement with the Executive Director for Corporate Services.

8.1.3. Income collection

The Executive Director for Corporate Services will agree the arrangements for the collection of all income due to the Council and approve the procedures, systems and documentation for its collection.

In relation to the collection of income, the Executive Director for Corporate Services and Executive Directors will ensure that:

- (i) All money received by, or on behalf of, the Council is paid fully and promptly into the appropriate Council bank account in the form in which it is received.
- (ii) Income is not used to cash personal cheques or other payments.
- (iii) Appropriate details are recorded onto paying-in slips to provide an audit trail.
- (iv) A record is kept of money received directly by employees of the Council.

- (v) The receiving officer signs for the transfer of funds, and the transferor must retain a copy.
- (vi) Wherever possible, at least two employees are present when post is opened so that money received by post is properly identified and recorded; this requirement must be met where post regularly contains money.
- (vii) Money collected and deposited is reconciled to the appropriate bank account on a regular basis.
- (viii) The responsibility for cash collection is separated from that for identifying the amount due and that responsibility for reconciling the amount due is separated from handling of the amount received.
- (ix) Income is only held on premises up to levels approved by the Executive Director for Corporate Services. All such income will be locked away to safeguard against loss or theft, and to ensure the security of cash handling.
- (x) All appropriate income documents are retained and stored for the defined period in accordance with the Council's [document retention policy and schedule](#).
- (xi) The Executive Director for Corporate Services is advised of outstanding income relating to the previous financial year as soon as possible after 31 March, and in line with the timetable for closure of the accounts determined by the Executive Director for Corporate Services.

8.1.4. Debt recovery

Executive Directors will ensure that a clear framework is in place within their areas of responsibility which defines who is empowered to raise a debt on the Council's behalf.

Once debts are raised, Executive Directors have a responsibility to assist the Executive Director for Corporate Services in collecting the debts that they have originated by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.

8.1.5. Writing off debts

Executive Directors will critically review outstanding debts on a regular basis, in conjunction with the Executive Director for Corporate Services, and take prompt action to write off debts no longer deemed to be recoverable.

No bona fide debt may be cancelled, other than by formal write off. The approval required to write off any debt is as follows:

Approval to write off debts	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for Finance
Up to £50,000	✓			
In excess of £50,000 and up to £100,000	✓	✓		
In excess of £100,000 and up to £250,000	✓	✓	✓	
In excess of £250,000	✓	✓	✓	✓

A record must be maintained for all debts written off. All debt write-offs of up to the **£100,000** threshold must be reported to the Service Cabinet Member.

Where debts have been referred to Essex Legal Services, the Executive Director for Corporate Services will have due regard to their advice when considering action relating to bad debts.

The appropriate accounting adjustments must be made following approval to write-off a debt.

8.1.6. Credit notes

A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt, and once it is confirmed that the debt is not payable.

Credit notes will not be issued:

- (i) For irrecoverable debts, as the formal write off procedure should be followed.
- (ii) Where the debtor cannot afford to pay at that time. The debt should remain, and revised payment terms agreed, as appropriate.
- (iii) Where a debt is to be recovered through deductions from payments. In such instances, the deductions made should be offset against the debtor.

Credit notes will be subject to the approval of the Head of Service / operational budget holder.

8.2. Ordering and paying for work, goods and services

8.2.1. Introduction

Public money must be spent with demonstrable probity and in accordance with the Council's policies. The Council's procedures help to ensure that services obtain value for money from their purchasing arrangements through the use of established contracts, service level agreements and the use of the Council's systems.

Officers involved with engaging contractors, and/or with purchasing decisions, have a responsibility to declare:

- (i) any links or personal interests that they may have with purchasers, suppliers and/or contractors; and
- (ii) any gifts or hospitality offered by, or received from, purchasers, suppliers and/or contractors.

The necessity to make such declarations arises from the requirements outlined in paragraphs 6.5.2 and 6.5.3.

8.2.2. Ordering works, goods and services

Purchase cards (P-Cards) can be used for:

- (i) Low value transactions for works, goods and services (i.e. *those under £2,000 and where there is not a mandated contract in place*);
- (ii) On-line purchases;
- (iii) One off purchases;
- (iv) Subsistence purchases; and
- (v) Retail purchases (point of sale).

All such transactions must be in accordance with ECC's [Purchase Card Policy](#).

All other works, goods and services must be ordered in accordance with the Council's [Procurement Policies and Procedures](#) (see further guidance in paragraph 8.3.1), and in accordance with the standardisation of supplies and materials (*including the use of mandated contracts*)

Orders for work, goods and services must:

- (i) Be in a form approved by the Executive Director for Corporate Services.
- (ii) Be raised via one of the Council's Purchase-to-Pay systems and issued to the supplier prior to receipt of goods or services or commencement of works. The only exceptions are for periodic payments such as rent or rates and petty cash or purchase card purchases.

- (iii) Not be raised for any personal or private purchases .

Orders for works, goods and services must be raised and authorised by officers designated by the relevant Executive Directors. Executive Directors will ensure that orders are only approved by those authorised to do so, and will maintain a list of designated staff on the [Authorised Signatory Database](#), identifying in each case the limits of their authority. The Authorised Signatory Database underpins and supports the signatory process, as any officer seeking to commit expenditure will be verified against the database to ensure they have the delegated power to do so.

The authoriser of an order must be satisfied that:

- (i) The works, goods and services ordered are appropriate and needed;
- (ii) There is adequate budgetary provision; and
- (iii) Quotations or tenders have been obtained, if necessary, in accordance with the [Procurement Policies and Procedures](#).

8.2.3. Receipt of works, goods and services

Works, goods and services must be checked upon receipt to ensure they are in accordance with the order. Wherever possible, goods should not be received by the person who approved the order.

If the works, goods or services have been obtained using a **Purchase Card**, it is the cardholder's responsibility to ensure that:

- (i) product or service information is provided for every transaction;
- (ii) Budget codes are provided for each transaction;
- (iii) clear, complete and accurate scanned images of receipts are obtained and uploaded onto the **Spendvision** system, including VAT receipts for every transaction (where appropriate).

For further guidance and information, please refer to the ECC [Purchase Card Policy](#).

If ordered via **Marketplace**, the receipt of works, goods and services must be recorded against the original purchase order prior to receipt of an invoice, in order to provide approval to pay for works, goods and services.

8.2.4. Payment of suppliers

The Executive Director for Corporate Services will make payments from the Council's funds upon the receipt of proper original, certified copy or valid electronic VAT invoices that have been checked, coded and certified by the Service, confirming:

- (i) The receipt of goods or services to the correct price, quantity and quality standards.
- (ii) That the invoice has not previously been paid.
- (iii) That expenditure has been properly incurred and is within budget provision.
- (iv) That prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices.
- (v) That discounts have been taken where available.
- (vi) The correct accounting treatment of tax.
- (vii) That the invoice is correctly coded.
- (viii) That appropriate entries will be made in accounting records.

If items were ordered via Marketplace the payments will only be made where a valid (Marketplace) purchase order number is quoted on the suppliers' invoice and where confirmation of receipt of the work, goods or services has been provided. Invoices received which do not quote an approved purchase order number are not valid and will be returned to the supplier unpaid.

Payments to creditors will be made as soon as possible within agreed payment terms, in order to avoid late payment charges under the **Late Payment of Commercial Debts (Interest) Act 1998**, as amended by the **Late Payment of Commercial Debts Regulations 2013**.

Any invoice in dispute with a supplier must be clearly identified and processed in accordance with guidance issued by the Executive Director for Corporate Services.

For transactions other than those processed via Marketplace, a different officer from the person checking an invoice must authorise the payment.

It is not permissible to make a payment in advance of the delivery of works, goods or services, or to vary the Council's standard settlement terms, other than with the prior approval of the Executive Director for Corporate Services.

Executive Directors will notify the Executive Director for Corporate Services immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision. In such cases, appropriate budget provision should be sought, either by way of a virement (see paragraph 4.3.3) or by way of a supplementary estimate (see paragraph 4.3.4).

The normal methods of payment by the Council shall be by:

- (i) BACS payments direct into suppliers' bank accounts;
- (ii) Purchase Card (*in accordance with the Council's [Purchase Card Policy](#)*).

In exceptional circumstances, where suppliers are unable to accept payment via BACS, cheques will be issued by the Executive Director for Corporate Services. The use of direct debits to make payments will require the prior agreement of the Executive Director for Corporate Services.

All appropriate evidence of the transaction and payment documents will be retained and stored in accordance with the Council's [document retention policy and schedule](#).

Executive Directors must advise the Executive Director for Corporate Services, at the end of each financial year, of outstanding expenditure relating to the financial year just ended, in line with the timetable for closure of the accounts determined by the Executive Director for Corporate Services.

8.2.5. Contracts for construction and alterations to buildings / civil engineering works

The systems and procedures for dealing with the financial aspects of contracts for construction and alterations to buildings and for civil engineering works must be agreed with the Executive Director for Corporate Services. This will include the systems and procedures for the certification of interim and final payments, checking, recording and authorising payments, for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status.

8.3. Contracts

8.3.1. Procurement

The way goods and services must be procured is laid down in the Council's [Procurement Policies and Procedures](#). These Procedures identify the approach that must be taken, dependent on the anticipated value of a contract over its whole life and the associated level of risk to the Council.

The [Procurement Policies and Procedures](#) provide a framework that must be followed every time anyone procures goods, work and services on behalf of the Council. Failure to comply with these procedures could expose the Council to unnecessary risk, legal challenge and/or reputational damage; adherence to the Procedures is therefore a mandatory requirement.

Where a third party is procuring goods, work or services on behalf of the Council then the relevant officer(s) must ensure that the third party is aware of and complies with the Council's procurement procedures.

Master copies of contracts must be held within the central location for the retention of contracts within the Records Office. All new contracts must also be recorded in the corporate contracts register in accordance with the [Procurement Policies and Procedures](#).

8.3.2. Monitoring of performance

All contracts should include applicable performance indicators. Contract managers are responsible for monitoring achievement against the performance indicators and invoking service credits where applicable. In addition, contract managers should regularly review contractors' performance to identify error and/or mis-representation.

Best value principles should underpin the Council's approach to procurement and Executive Directors have a responsibility to ensure, and be able to demonstrate, value for money in all their procurement activities.

8.3.3. Financial appraisal of tenderers

All potential tenderers for contracts meeting the Council's medium and high risk criteria (*as defined within the Council's [procurement policies and procedures](#)*) will complete the Council's standard pre-qualification questionnaire.

In some cases, contracts falling below the financial threshold for 'medium' risk contracts may nevertheless be considered as 'medium' risk. In such circumstances, a pre-qualification questionnaire will need to be completed. Further guidance is available in the [Procurement Policies and Procedures](#).

The financial appraisal of the relevant organisations will be undertaken in accordance with the methodology determined by the Executive Director for Corporate Services.

8.4. Payments to Employees and Members

8.4.1. Salaries

Staff appointments will be made in accordance with the Council's [Recruitment Guidance](#) and approved establishments, grades and scales of pay. As noted in paragraph 7.4, on page 51, Executive Directors have primary responsibility for their establishment and are accountable for compliance with establishment and financial controls, as outlined in the Council's [establishment control policy](#).

The Executive Director for Corporate Services will be notified of all appointments, terminations or variations that may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Executive Director for Corporate Services.

All appropriate payroll documents must be retained and stored for the defined period in accordance with the Council's [document retention policy and schedule](#).

The Executive Director for Corporate Services is responsible for all payments of salaries and overtime to staff (*with the exception of those schools that have the delegated power to procure their payroll function from elsewhere*). The Executive Director for Corporate Services will therefore:

- (i) Arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, in accordance with prescribed procedures, on the due date.
- (ii) Record and make arrangements for the accurate and timely payment of tax, pensions and other deductions.

The Executive Director for Corporate Services is responsible for ensuring there are adequate arrangements for administering pension matters on a day-to-day basis.

Executive Directors must ensure that effective systems and procedures are operated, so that:

- (i) Payments are only made to bona fide employees.
- (ii) Payments are only made where there is a valid entitlement.
- (iii) Conditions and contracts of employment are correctly applied.
- (iv) Employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.

Executive Directors will ensure that they maintain a list of staff designated to authorise appointments, terminations and other variations that may affect the pay or pension of an employee or former employee; this list will be maintained on the [Authorised Signatory Database](#), identifying in each case the limits of their authority.

The Executive Director for Corporate Services and Executive Director for Strategy, Transformation and Commissioning Support will advise upon the employment status of individuals employed on a self-employed consultant or sub-contract basis.

8.4.2. Expenses and allowances

The Executive Director for Corporate Services is responsible for the payment of expense claims by staff in accordance with the Council's [travel and subsistence policy](#), and will therefore:

- (i) Make arrangements for paying all authorised travel and subsistence claims.
- (ii) Ensure that taxable allowances and benefits are accounted for, recorded and returned, where appropriate, to HM Revenue and Customs.

The Executive Director for Corporate Services is also responsible for the payment of Members' travel or other allowances, and for ensuring that such taxable allowances are accounted for, recorded and returned, where appropriate to HM Revenue and Customs.

Members expenses must be claimed in accordance with the provisions set out in the [Members Allowance Scheme](#) and the following process approved by Full Council:

- (iii) All claims are submitted via e payroll to the Governance Team for review and checking against the Allowance Scheme, ensuring that claims are for approved duties and receipts are provided for all expenses, including fuel VAT receipts where mileage is claimed (unless the Councillor is registered for VAT).
- (iv) Any resulting queries are referred back to the Councillor for clarification.
- (v) Providing claims are submitted in accordance with the Allowance Scheme, those submitted by Cabinet Members and the Chairman and Vice-Chairman of the Council are forwarded to the Executive Director for Corporate Services for approval; all others are approved by the Governance Team.

Certification of travel and subsistence claims is taken to mean that journeys were authorised and expenses properly and necessarily incurred for business purposes, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Further guidance can be obtained from the [Travel and Subsistence Policy](#).

Details of any employee benefits in kind must be notified to the Executive Director for Corporate Services to enable full and complete reporting within the income tax self-assessment system.

Due consideration should be given to tax implications, ensuring that advice is sought and the Executive Director for Corporate Services is informed where appropriate.

8.4.3. Ex-gratia payments

Ex-gratia payments are one-off payments made to an employee or former employee as a gesture of goodwill, and not because there is a legal or contractual obligation to do so. They include compromise and other payments made for loss of office.

Ex-gratia payments can be made to employees or former employees subject to obtaining the following approval (as a minimum):

Minimum approval required to make ex-gratia payments	Head of Service or operational budget holder	Director	Executive Director	Executive Director for Corporate Services
Up to £5,000	✓			
In excess of £5,000 and up to £10,000	✓	✓		
In excess of £10,000 and up to £50,000	✓	✓	✓	
In excess of £50,000	✓	✓	✓	✓

The circumstances of the proposed payment must not have the effect of circumventing other Council pay and allowance policies, tax rules or other legislation.

8.5. Taxation

The Executive Director for Corporate Services is responsible for ensuring compliance with all relevant taxation regulations and guidance that affect the Council either directly, as a consequence its own activities, or indirectly, as a consequence of service delivery through external partners.

To enable the Executive Director for Corporate Services to fulfil the requirements of this role, Executive Directors will:

- (i) Ensure that the Executive Director for Corporate Services is consulted on all proposals that may alter or affect the Council's tax liability, including proposals to implement alternative service delivery models (as outlined in section 9.1, which commences on page 65).

- (ii) Ensure that the [VAT guidance](#) issued by the Executive Director for Corporate Services is complied with (*i.e. to ensure that the correct liability is attached to all income due and that all amounts recoverable on purchases can be claimed*).
- (iii) Ensure that, where construction and maintenance works are undertaken, the sub-contractor fulfils the necessary **construction industry tax scheme** requirements (*as advised by the Executive Director for Corporate Services*).
- (iv) Ensure that the Executive Director for Corporate Service's guidance [fee payments](#) to consultants, individuals or partners is complied with.

The Executive Director for Corporate Services will maintain the Council's tax records, make all tax payments, receive tax credits and submit tax returns by their due date, as appropriate.

8.6. Emergency Payments

Emergency payments are those arising from legal cases, civil emergencies or natural disasters such as flooding. They relate to unforeseen circumstances where budget provision has not been made and the payment cannot be covered within the relevant service's existing budget.

Emergency payments can only be made in extenuating circumstances with the following approval (as a minimum):

Minimum approval required to make an emergency payment	Executive Director	Any one of the following:			Cabinet Member for Finance
		Chief Executive	Deputy Chief Executive	Executive Director for Corporate Services	
Up to £250,000	✓				
In excess of £250,000 and up to £1m	✓	✓	✓	✓	
In excess of £1m	✓	✓	✓	✓	✓

Details of emergency payments made within the financial year will be reported retrospectively to the Cabinet.

Executive Directors must notify the Executive Director for Corporate Services as soon as practicable of any emergency payment made without the Executive Director for Corporate Services' approval.

8.7. Transparency

To provide transparency in its stewardship of public funds the Council makes information available to the public in relation to its spending, regardless of value. Monthly payment transactions made via p-card, employee expenses and accounts payable are available to download via the Council's [ECC Spending Information](#) website.

9. External Arrangements

9.1. Alternative delivery models

9.1.1. Introduction

Services may be commissioned from retained services within the Council or via an alternative delivery models. There are various types of alternative delivery model, including:

- (i) **Local Authority Trading Company (LATC)** - separate legal entities established and owned by the Council that trade for profit with both public and private bodies.
- (ii) **Joint Ventures** - set up as separate corporate entities joining two or more parties for the purpose of executing a business undertaking. They are able to trade for profit if set up as separate corporate entity.
- (iii) **Charitable Company** - a corporate entity which is regulated by the Charities Commission; surpluses are reinvested into the company.
- (iv) **Co-operative** - trades for the mutual benefit of members and is owned and operated by its members.
- (v) **Outsourcing** - contractual arrangement between the Council and a private provider for the delivery of an agreed service, which involves the transfer of Council staff to the private provider. The outsourced provider can charge its customers and make a profit.
- (vi) **Licensing** - contractual arrangement between the Council and a private provider using the Council's intellectual property or infrastructure. For these arrangements the licensee is able to generate a profit, which can be paid to the Council
- (vii) **Social Enterprises** - businesses trading for social and environmental purposes.
- (viii) **Payment by results** – payments for the provision of services are dependent upon performance outcomes.
- (ix) **Pooling of budgets** – pooling of resources with other public sector bodies as a means of facilitating joint working in the provision of services.

This list is not intended to be exhaustive, but is provided to illustrate the range and diversity of alternative service delivery models. Any intention to commission services through such a model must only be pursued in compliance with the decision making process outlined in paragraph 9.1.2 below.

9.1.2. Business Cases for alternative delivery vehicles

Any proposal to commission services via an alternative delivery vehicle must be developed though the Council's business case governance framework and using the [business case template](#), to ensure that there is a robust planning and decision-making process in place.

In the event that it is proposed to establish a local authority owned company, the Council's [Company Compliance Protocol](#) must also be adhered to.

The Business Case must clearly articulate the options being considered and measure these against the desired outcomes. It should also set out whether there is a statutory basis for the provision of the service or activity under consideration.

Executive Directors are responsible for ensuring that the Council's governance framework is followed through all stages of the business case development and decision making process, and that specialist advice is sought and obtained from the following key stakeholders across the Council, at all each stage in the development of the business case:

(i) Executive Director for Strategy, Transformation and Commissioning

- Director for Transformation;
- Director for Commissioning Support;
- Director for Human Resources; and
- Commercial Director.

(ii) Executive Director for Corporate Services

- Director for Financial Services (*including financial and tax advice*);
- Director for Essex Pension Fund;
- Director for Corporate Law and Assurance (*including legal, internal audit and risk advice*);
- Director for Corporate Operations (*including payroll, payment and income collection advice*); and
- Director for Property, Facilities Management and Business Support.

Executive Directors are also responsible for ensuring that Cabinet approval is obtained before any contract negotiations are entered into, and that all agreements and arrangements are properly documented.

The Cabinet is responsible for approving the Council's participation in all significant partnerships / joint working arrangements with other local public, private, voluntary and community sector organisations.

Executive Directors, following advice from the Executive Director for Strategy, Transformation and Commissioning Support and the Executive Director for Corporate Services, will advise the Cabinet on the key elements of arrangements for commissioning services via an alternative delivery model, including:

- (i)** The financial roles and responsibilities of the Council with respect to monitoring of the alternative delivery model provider.

- (ii) Appraisal of financial and non-financial risks, together with mitigation plans. The reputational impact of failure to deliver services should be considered, with clear plans on how this would be addressed.
- (iii) A comprehensive list of all the financial commitments the Council will enter into as a result of adopting the alternative service delivery model.
- (iv) The governance arrangements for decision making, and how these will be carried out to ensure that the services provided remain aligned to those of the Council.
- (v) Performance measurement arrangements.
- (vi) Exit arrangements, and what would be done to ensure services continue to be delivered in the event of non-delivery by the service provider.
- (vii) The financial implication (including taxation issues) arising as a consequence of the proposed alternative delivery model.
- (viii) Transfer of Council assets to the proposed delivery vehicle, and arrangements for safeguarding their title and use.
- (ix) Whether equality, sustainability, recruitment and employment practices, data handling and protection, freedom of information principles, standards and behaviour and arrangements for engaging with citizens and service users are aligned to the Council's legal requirements and policies.
- (x) Audit requirements (both internal and external) and arrangements for the Council's auditors, where relevant, to have access to information.
- (xi) Arrangements for providing information required for the Council's Statement of Accounts to the Executive Director for Corporate Services.
- (xii) In the event that the proposal is for a local authority trading company, a dividend policy should be agreed that sets out the process by which decisions will be taken regarding the retention or distribution of profits.
- (xiii) Pensions advice.

Where it is proposed to establish a local authority trading company, the new company will use the Council's support service functions, and use the Council's property (and its facilities management services) for the delivery of services on behalf of the Council, unless and until otherwise agreed by the Executive Director for Corporate Services and the Executive Director for Strategy, Transformation and Commissioning (i.e. as applicable).

9.2. Partnerships

9.2.1. Context

Partnerships include any arrangements where the Council agrees to undertake, part fund or participate in a project with other bodies; either as a beneficiary of the project, or because the nature or status of the project gives the Council a right or obligation to support it. It is important to understand and distinguish between a partnership in this context and a supplier who the Council may refer to as a 'partner' due to the status that the Council has contractually awarded to it. Irrespective of the title applied to it, this latter type of partnership is a supplier relationship, which will be entered into in accordance with, and governed by, the Council's Procurement Policies and Procedures (*see paragraph 8.3.1, which commences on page 58*).

9.2.2. Forming of partnerships

The approval of both the Executive Director for Corporate Services and the Director for Corporate Law and Assurance must be obtained prior to the Council entering into any partnership agreement. The approval of the Executive Director for Corporate Services must also be obtained where it is proposed that the Council adopts the role of 'Accountable Body' for a partnership. This is to ensure that the:

- (i) Legal status and financial viability of the arrangement are clearly established and that they are acceptable.
- (ii) Council's financial commitment to the partnership is quantified and that this can be accommodated within the existing budget provision.
- (iii) Financial and corporate governance arrangements in place for the partnership are robust, and acceptable from the Council's perspective.
- (iv) The Council is not exposed to undue financial, legal or reputation risk as a consequence of its involvement in the partnership.
- (v) Council's own financial accounting and reporting requirements can be satisfied.

A partnership agreement must be produced that documents each of these matters, and the arrangements for dispute resolution and for exiting the arrangement.

The Cabinet is responsible for approving delegations and frameworks for all partnerships.

Executive Directors will ensure that:

- (i) The approval of the Executive Director for Corporate Services and the Director for Corporate Law and Assurance is obtained prior to entering into a partnership agreement.

- (ii) An appraisal is undertaken which demonstrates that the risks associated with the arrangement are minimal, or that appropriate arrangements are in place to mitigate any such risks.
- (iii) The partnership agreement and arrangements will not impact adversely upon the services provided by the Council or upon its finances.
- (iv) The proposed financial contribution by the Council to the partnership can be met from existing budget provision.
- (v) Cabinet approval is secured for all delegations and frameworks for the proposed partnership.

9.2.3. Delegation of budget to a partnership

Approval is required to enter into any arrangement (whether or not the arrangement is binding on the parties) where money is normally spent in accordance with the wishes of a group of individuals or organisations, as follows:

Minimum approval required to delegate budget to a partnership	Director	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for finance	Cabinet
Up to £100,000	✓					
In excess of £100,000 and up to £250,000	✓	✓				
In excess of £250,000 and up to £500,000	✓	✓	✓			
In excess of £500,000 and up to £5m	✓	✓	✓	✓	✓	
In excess of £5m	✓	✓	✓	✓	✓	✓

9.2.4. Financial administration

Where the Council is the 'accountable body', these Financial Regulations apply to decisions relating to the expenditure of that money. All expenditure must be authorised by an appropriate ECC officer, or by someone else who has a statutory power to authorise expenditure. Executive Directors are responsible for ensuring that the Council is promoting and applying the same high standards of financial administration to the partnership that apply throughout the Council.

Whenever any such arrangements are made there must be a written document which clearly establishes the responsibilities of the respective partners for managing the arrangement and the resources made available to the partnership. The document must also set out the arrangements in respect of unspent funding at each year end, unless this is to be returned to the Council as unspent money.

Executive Directors must provide information on the partnership arrangements to the Executive Director for Corporate Services, in order that the appropriate disclosures can be made within the Council's annual Statement of Accounts.

9.2.5. Documenting and recording of partnership agreements

Executive Directors must ensure that all partnership agreements and arrangements are properly documented, and that all money for which the Council is accountable is spent via a written contract with the recipient (even if the recipient is a party to the arrangements) and that a register of those contracts must be maintained in accordance with procedures specified by the Executive Director for Corporate Services.

9.2.6. Representing the Council

Executive Directors will ensure that the Council has full oversight of the operation of the arrangements. This will usually be by officer support and by representation on the 'partnership board' by Members of the Council.

Executive Directors will ensure that appropriate officer input is provided to support Members in this role, and that all decisions made by the Council are discharged as permitted within the Scheme of Delegation that forms part of the Council's Constitution.

9.3. External Funding

9.3.1. Funding conditions

External funding is an important source of income to the Council, but funding conditions need to be carefully considered prior to entering into agreements, to ensure that:

- (i)** They are compatible with the aims and objectives of the Council;
- (ii)** The necessary procedures are in place to meet funding conditions and reporting requirements; and
- (iii)** Appropriate budget provision is available if 'match funding' is required.

All bids for external funding bids must go through the Head of Investments and Funding in compliance with the Council's [bids process](#).

9.3.2. Accounting for external funding

The Executive Director for Corporate Services, in conjunction with Executive Directors must, as appropriate, ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts. This will include ensuring that claims for funding are made by the due date, and in accordance with the funding conditions and the [accounting instruction notes on Grants](#) issued by the Executive Director for Corporate Services.

9.3.3. External funding claims

The Executive Director for Corporate Services and Executive Directors must, as appropriate, satisfy audit requirements in respect of external funding claims. This includes maintaining appropriate records that accord with the funding conditions, and making these available to the auditors as required.

9.3.4. Third party expenditure

Sometimes, grant funding awarded to the Council may be passed to an organisation falling outside of the direct responsibility of the Council. The Council will however remain accountable for the grant funding and, as such, will be responsible for ensuring that all of the terms of the grant are met.

The Executive Director in receipt of the grant must ensure that effective monitoring procedures are in place to provide assurances over the eligibility of expenditure incurred by the third party. Upon audit, if the eligibility of third party expenditure cannot be proven by the Council, the Council will itself be required to return the grant funding to the awarding body.

9.4. Work by the Council for Third Parties

9.4.1. Approval to contractual arrangements

Work can only be undertaken for third parties where the Council has the legal powers to undertake the work. Where such legal powers exist, Executive Directors are responsible for:

- (i) Approving the contractual arrangements for any work undertaken by their services for third parties or external bodies.
- (ii) Ensuring that the appropriate expertise exists to fulfil the contract.
- (iii) Ensuring that no contract adversely impacts upon the services provided by the Council.

9.4.2. Financial aspects of third party contracts

With regard to the financial aspects of third party contracts, Executive Directors will:

- (iv) comply with any guidance issued by the Executive Director for Corporate Services and will ensure that the appropriate insurance arrangements are made.
- (v) Ensure that all costs arising from the provision of services to a third party are recovered and hence that there is no subsidy included within the contract.
- (vi) Ensure that the Council is not exposed to the risk of bad debts.

9.4.3. Documenting and recording contracts

All contracts will be properly documented, and a register will be maintained of those contracts. Executive Directors will provide information on the contractual arrangements to the Executive Director for Corporate Services, in order that the appropriate disclosures can be made within the Council's annual statement of accounts.

10. Financial Limits

10.1. General

Throughout these Regulations, there are various financial limits. These limits have been brought together in this section, for ease of reference. The following tables summarise the minimum level of approval required on each matter; in the event that an officer at the specified level is unable to take a decision for any reason then the decision may be taken at a higher level in the organisation. This section is intended to set limits out in one place but it applies subject to any limitations set out elsewhere in Financial Regulations

10.2. Revenue budget virements

Virements that are being actioned to effect a change in policy or priorities (*either within the same portfolio or between portfolios*) will be subject to the following approval:

Amount of virement	Head of Service / Operational budget holder	Director	Executive Director	Executive Director for Corporate Services	Service Cabinet member	Cabinet Member for Finance	Cabinet
Up to £1m (<i>subject to consultation with the Service Cabinet Members</i>)	✓	✓	✓				
In excess of £1m, but less than £5m	✓	✓	✓	✓	✓	✓	
£5m and above	✓	✓	✓	✓	✓	✓	✓

10.3. Capital expenditure

The Council applies various de-minimis limits below which items that meet the definition of capital expenditure will be charged to revenue rather than capital on the grounds of materiality. The limits are as follows:

De-minimis limits	£
General limit (to be applied where no specific limit is applicable)	10,000
Specific limits	
▪ Schools' capital projects funded or supported by Formula Capital Grants	2,000

De-minimis limits	£
▪ Highways infrastructure	Nil
▪ Land	Nil

10.4. Property transactions

The approval required for property transactions is as follows:

Value of property transaction (including declaration of land / buildings as surplus to the Council's requirements)	Director for Property, Facilities Management and Business Support	Executive Director for Corporate Services	Cabinet Member for Finance	Cabinet
Up to £250,000	✓			
Greater than £250,000, but less than £500,000	✓	✓		
£500,000 or more, but less than £5m	✓	✓	✓	
£5m or more	✓	✓	✓	✓

10.5. Write off of inventory

The approval required to write off inventory balances per annum is as follows:

Value of stock to be written off	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for Finance
Up to £50,000	✓			
In excess of £50,000 and up to £100,000	✓	✓		
In excess of £100,000 and up to £250,000	✓	✓	✓	
In excess of £250,000	✓	✓	✓	✓

10.6. Acceptance of cash payments

The acceptance of cash payments of greater than **£10,000** is prohibited, other than with the prior approval of the Executive Director for Corporate Services.

10.7. Bad debts

The approval required to write off bad debts is as follows:

Minimum approval to write off debts	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for Finance
Up to £50,000	✓			
In excess of £50,000 and up to £100,000	✓	✓		
In excess of £100,000 and up to £250,000	✓	✓	✓	
In excess of £250,000	✓	✓	✓	✓

All debt write-offs of up to the **£100,000** threshold must be reported to the Service Cabinet Member.

10.8. Ex-gratia payments

The approval required to make ex-gratia payments to staff is summarised as follows:

Minimum approval to make ex-gratia and termination payments	Head of Service	Director	Executive Director	Executive Director for Corporate Services
Up to £5,000	✓			
In excess of £5,000 and up to £10,000	✓	✓		
In excess of £10,000 and up to £50,000	✓	✓	✓	
In excess of £50,000	✓	✓	✓	✓

10.9. Emergency Payments

The following approval is required to make emergency payments:

Minimum approval required to make an emergency payment	Executive Director	Any one of the following:			Cabinet Member for Finance
		Chief Executive	Deputy Chief Executive	Executive Director for Corporate Services	
Up to £250,000	✓				
In excess of £250,000 and up to £1m	✓	✓	✓	✓	
In excess of £1m	✓	✓	✓	✓	✓

10.10. Delegation of budget to a partnership

Approval is required to delegate budgets to a partnership as follows:

Minimum approval required to delegate budget to a partnership	Head of Service	Executive Director	Executive Director for Corporate Services	Service Cabinet Member	Cabinet Member for Finance	Cabinet
Up to £100,000	✓					
In excess of £100,000 and up to £250,000	✓	✓				
In excess of £250,000 and up to £500,000	✓	✓	✓			
In excess of £500,000 and up to £5m	✓	✓	✓	✓	✓	
In excess of £5m	✓	✓	✓	✓	✓	✓

11. Other key policies and documents

11.1. Introduction

The Financial Regulations should be read and used in conjunction with the Council's other policy documents and guidance. For ease of reference, links to the key documents and guidance are listed below:

11.2. Human Resources

- [HR Guidance - Working Here](#)
- [Officers' Code of Conduct](#)
- [Travel and subsistence policy](#)
- [Recruitment Guidance](#)
- [Establishment control policy](#)

11.3. Information handling

- [Corporate retention policy and schedule](#)
- [Policy for information management and security](#)
- [Standards on Data Protection](#)
- [Standard for payment card security](#)

11.4. Procurement

- [Marketplace](#)
- [Procurement Policies and Procedures](#)
- [VAT Manual](#)

11.5. Project governance

- [Programme and Project Governance](#)
- [Business case template](#)

11.6. Regulatory framework

- [Anti-bribery Policy](#)
- [Anti fraud and corruption policy](#)
- [Anti money laundering policy](#)
- [Business continuity](#)
- [Company Compliance Protocol](#)
- [Constitution](#)
- [Declaration of Interests Policy](#)
- [Fraud response plan for managers](#)
- [Gifts and hospitality](#)
- [Risk Management Policy and Strategy](#)
- [Whistle blowing policy](#)
- [Property Rules of Engagement](#)

Part 2 – Scheme of Delegation for Financial Management

Scheme of Delegation for Financial Management

1. Introduction

The purpose of the Financial Regulations is to set out the Council's financial policies and framework for managing the Council's financial affairs. The Regulations seek to ensure that the Council conducts its affairs in a way that complies with specific statutory provisions and best professional practice. All financial and accounting procedures and delegations must therefore be carried out in accordance with the Regulations and other corporate guidance.

The purpose of this document is to set out how non-executive decisions are reserved or are delegated to officers within the Council.

2. Principles of Delegation

2.1 Introduction

The Financial Regulations are organised around seven themes of financial management as follows:

- (i) [Financial planning](#) (Section 3)
- (ii) [Financial management](#) (Section 4)
- (iii) [Accounting records and financial systems](#) (Section 5)
- (iv) [Risk Management and Internal Control](#) (Section 6)
- (v) [Control of resources](#) (Section 7)
- (vi) [Income and expenditure](#) (Section 8)
- (vii) [External arrangements](#) (Section 9)

For each of these themes, delegation arrangements are needed that support the efficient running of the Council, through appropriate allocation of tasks and responsibilities, and that contribute to an effective internal controls framework. This latter point is assessed on an annual basis through the self-assessment process that Executive Directors are asked to undertake and reported in the Annual Governance Statement.

The specific components of the internal controls framework are:

- Preventative controls (*i.e. segregation of duties, authorisation procedures, physical custody, access limitations*);
- Detective controls (*i.e. arithmetical and accounting checks, consistency checks, continuity checks*); and
- Directive controls (*i.e. written policies and procedures, reporting lines, supervision and management and training*).

Scheme of Delegation for Financial Management

Compliance with Financial Regulations and the Scheme of Delegation for Financial Management not only enhances the Council's control environment but also protects employees against allegations of mismanagement, fraud and unprofessional conduct.

2.2 Powers for delegation

The Council operates a system of devolved financial management which is enshrined within its Constitution which states that any exercise of delegated powers shall be subject to:

- any statutory restrictions;
- Council Procedure Rules;
- Financial Procedure Rules;
- Procurement Policies and Procedures.

In exercising delegated powers:

- Cabinet Members and Officers shall not go beyond the provision made in the revenue or capital budgets for their service except to the extent permitted by financial procedure rules and procurement policies and procedures.
- The delegated authority to Officers includes management of the human and material resources made available for the service areas and the functions concerned.
- In each case the delegated authority excludes the determination of policy, exceptions to policy and budgets by the Cabinet Member or Officer concerned.

Decisions which an officer takes under delegated powers must:

- Only implement a policy or decision previously approved or taken by the Cabinet or Cabinet Member;
- Facilitate or be conducive or incidental to the implementation of a policy or decision previously taken by the Cabinet or Cabinet Member; or
- Relate to the management of the human, material and financial resources made available for the functions for which they are responsible.

Officers do not have the power to:

- Make changes to policies relating to fees, charges or concessions;
- Make decisions on the use of permanent savings in a budget;
- Approve the making of an order for the compulsory acquisition of land; or
- Approve the acquisition of land in advance of requirements.

Scheme of Delegation for Financial Management

This framework reflects the Financial Regulations and allocates responsibilities to Executive Directors as follows:

- Putting in place appropriate budget management and delegation arrangements to ensure the effective use of resources, the safeguarding of assets and the operation of a system of appropriate internal controls.
- Promoting the financial management standards set by the Executive Director for Corporate Services within their Services, and monitoring adherence to the standards and practices, liaising as necessary with the Executive Director for Corporate Services, and ensuring that appropriate training is provided to those staff with financial management responsibilities.
- Promoting sound financial practices in relation to the standards, performance and development of staff in their services.
- Advising Cabinet Members of the financial implications of all proposals and ensuring that the financial implications have been agreed by the Executive Director for Corporate Services.
- Seeking approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.
- Signing contracts on behalf of the Council (in accordance with the Council's Procurement Policies and Procedures).
- Consulting with, and obtaining the approval of, the Executive Director for Corporate Services before making any changes to accounting records or procedures.
- Complying with the following principles when allocating accounting duties:
 - Separating the duties of (i) providing information about sums due to or from the Council and calculating, checking (including reconciliations) and recording these sums, from (ii) the duty of collecting or disbursing them.
 - Employees with the duty of examining or checking the accounts of financial transactions must not themselves be engaged in these transactions.
- Ensuring that claims for funds, including grants and 'match funding', are made by the due date and that appropriate records are maintained, according to funding conditions.
- Contributing to the development of performance plans in line with statutory requirements.
- Contributing to the development of corporate and service targets, objectives and performance information.

3. Delegations

Matter	Threshold	Delegation to	Ref to Fin Regs
3.1 Financial Planning			Section 3
Preparation of detailed draft revenue budgets, for consideration by the appropriate Cabinet Member, in consultation with the Executive Director for Corporate Services, and in accordance with the laid-down guidance and timetable.		All of the following: <ul style="list-style-type: none"> • Heads of Service / Operational Budget Holder • Directors; and • Executive Directors 	3.3.3
Provision of any information for the Executive Director for Corporate Services to enable the robustness of the budget proposals to be assessed.		Executive Directors	3.3.3
Preparation, using the Council's generic templates, of business cases for all capital investment proposals that are strictly aligned to the Council's policies and project objectives and meet the scrutiny of the relevant board, as defined by the Council's Capital Projects' Management Governance.		All of the following: <ul style="list-style-type: none"> • Project Managers • Heads of Service / Operational Budget Holder; • Directors; and • Executive Directors 	3.4.2
Application of appropriate project management techniques to deliver capital project benefits as set out within the business case on time and within budget.		All of the following: <ul style="list-style-type: none"> • Project Managers • Heads of Service / Operational Budget Holder; • Directors; and • Executive Directors 	3.4.2
Granting and terminating of leases of land or buildings and other property agreements.		Director for Property, Facilities Management and Business Support	3.5

Matter	Threshold	Delegation to	Ref to Fin Regs
Granting and terminating leasing arrangements for vehicles, plant and equipment.	<i>Leases with rental of:</i>	<i>In consultation with Executive Director for Corporate Services:</i>	3.5
	Up to £10,000 p.a.	▪ Heads of Service / Operational Budget Holder	
	In excess of £10,000 p.a.	▪ Directors	
Preparation of annual financial plans for all internal trading activities.		Directors for internal trading accounts	3.6.2
3.2 Financial Management			Section 4
Incur expenditure in accordance with the estimates that make up the budget and not commit expenditure that would result in an approved budget being exceeded.	<i>At individual budget level</i>	Head of Service / Operational budget holder	4.3.2
	<i>At service level</i>	Director	
	<i>At aggregate level (i.e. when bringing together all of the areas for which the Executive Director is responsible)</i>	Executive Directors	
Properly record and account for all income and expenditure, following relevant guidance and certification procedures.		Head of Service / Operational budget holder / Capital Project Manager	4.3.2
Ensure that an appropriate budget holder is in place to ensure that responsibility is assigned for each item of income and expenditure under their control.		Executive Directors	4.3.2
Have in place an effective monitoring process to review performance levels / levels of service in conjunction with the budget.		Executive Directors	4.3.2
Report to the relevant Cabinet member upon the service's projected expenditure (revenue and capital) compared with its budget. Cabinet members must be fully briefed, as part of this		Executive Directors in consultation with Executive Director for Corporate Services	4.3.2

Matter	Threshold	Delegation to	Ref to Fin Regs
process on any budget pressures and proposals for addressing these pressures.			
Agree with the relevant Director where it appears that a budget proposal, including a <u>virement</u> proposal, may impact on another service area.		Executive Directors	4.3.2 and 4.3.3
Increase the budget by virement to effect a change in policy or priorities.	Up to £1m	All of the following: <ul style="list-style-type: none"> • Heads of Service / Operational Budget Holder • Directors; and • Executive Directors 	4.3.3
	In excess of £1m, but less than £5m	All of the above, plus: <ul style="list-style-type: none"> • Executive Director for Corporate Services • Cabinet Member for Finance 	
	£5m and above	Cabinet (<i>after consultation with all of the above</i>)	
Increase the budget, by supplementary estimate, following consultation with financial, legal and procurement (<i>and others, as appropriate</i>), prior to submitting the request for funding. The application must explain the purpose for which funding is being requested, the source of funding and the implications for the current and future years.		Decision reserved for Cabinet, after consultation with each of the following: <ul style="list-style-type: none"> • Executive Director • Executive Director for Corporate Services • Cabinet Member for Finance. 	4.3.4
Submit all requests for carrying forward unspent budget from one year to the next to the Executive Director for Corporate Services.		Executive Directors	4.3.5
Incur expenditure up to the amount allocated for each scheme in		Capital Project Manager	4.4

Matter	Threshold	Delegation to	Ref to Fin Regs
the approved Capital Programme, and in accordance with the payment approvals for that project in the current year.			
Apply the under spend against one capital project to offset an over spend against another approved scheme in the capital programme.		Decision reserved for Cabinet, after consultation with each of the following: <ul style="list-style-type: none"> Executive Director Executive Director for Corporate Services Service Cabinet Member Cabinet Member for Finance. 	4.4
Re-profile the payment guidelines for an approved capital project from one financial year to another.		Decision reserved for Cabinet, after consultation with each of the following: <ul style="list-style-type: none"> Executive Director Executive Director for Corporate Services Service Cabinet Member Cabinet Member for Finance. 	4.4
Adding a new scheme to the capital programme outside of the annual budget setting process; the addition of new schemes must follow the Council's capital projects' governance framework and capital financing resources must be secured.		Decision reserved for Cabinet, after consultation with each of the following: <ul style="list-style-type: none"> Executive Director Executive Director for Corporate Services Service Cabinet Member Cabinet Member for Finance. 	4.4
Alter (i.e. increase or decrease) the approved financial target for a trading account, explaining the implications of the revision.		Decision reserved for Cabinet, after consultation with each of the following: <ul style="list-style-type: none"> Director for Trading Activity 	4.5

Matter	Threshold	Delegation to	Ref to Fin Regs
		<ul style="list-style-type: none"> Executive Director Executive Director for Corporate Services Service Cabinet Member Cabinet Member for Finance. 	
3.3 Accounting records and financial systems			SECTION 5
Comply with the Council's General Ledger coding conventions. This includes adherence to the standard subjective classifications for categories of income and expenditure.		All of the following: <ul style="list-style-type: none"> Heads of Service / Operational Budget Holders Directors; and Executive Directors 	5.1
Comply with accounting instructions issued by the Executive Director for Corporate Services for closure of the accounts and provide information requested, by the dates specified.		All of the following: <ul style="list-style-type: none"> Heads of Service / Operational Budget Holders Directors; and Executive Directors 	5.2
Obtain the prior approval of the Executive Director for Corporate Services and Director for Information Services (CIO) to operate a financial system (<i>incl. any element of a non-financial or integrated system relied upon for financial reporting purposes</i>) within or on behalf of a service.		Executive Directors	5.3
Obtain the prior approval of the Executive Director for Corporate Services and Director for Information Services (CIO) to make change to a financial system (<i>incl. any element of a non-financial or integrated system relied upon for financial reporting purposes</i>) that is operated within or on behalf of a service.		Executive Directors and/or system owners	5.3

Matter	Threshold	Delegation to	Ref to Fin Regs
Document and back up financial systems and financial modules of non-financial systems to allow information system processing to resume quickly in the event of an interruption.		Executive Directors and/or system owners	5.3
Ensure that an adequate audit trail exists through financial systems and financial modules of non-financial systems.		Executive Directors and/or system owners	5.3
Register computer systems as appropriate in accordance with <u>data protection legislation</u> .		Executive Directors	5.3
Observe relevant policies and guidelines for computer systems that are issued by the Director for Information Services (CIO).		System owners	5.3
3.4 Risk Management and Control			Section 6
Ensure that risk management is implemented in line with the Council's Risk Management Strategy (including for partnerships) and ensure there are appropriate arrangements to identify and mitigate risks and maximise opportunities.		Executive Directors	6.2
Appoint a service Risk Co-ordinator and ensure that relevant officer receives appropriate training.		Executive Directors	6.2
Ensure that appropriate risk management arrangements are in place to ensure service delivery by third party providers.		Executive Directors	6.2
Notify the Executive Director for Corporate Services immediately of any loss, liability or damage that may lead to a claim against the Council.		Heads of Service / Operational Budget Holders	6.3
Notify the Executive Director for Corporate Services promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.		Heads of Service / Operational Budget Holders	6.3

Matter	Threshold	Delegation to	Ref to Fin Regs
Consult the Executive Director for Corporate Services and the Director for Corporate Law and Assurance on the terms of any indemnity that the Council is requested to give.		Executive Directors	6.3
Ensure that employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.		Heads of Service / Operational Budget Holder	6.3
Establish sound arrangements for planning, appraising, authorising and controlling operations in order to achieve continuous improvement, economy, efficiency and effectiveness.		Executive Directors	6.4
Manage processes to check that established controls are being adhered to and evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.		Executive Directors	6.4
Communicate responsibilities, codes of conduct and the importance of good governance arrangements to staff and ensure they understand the consequences of lack of control and inadequate governance arrangements.		Executive Directors	6.4
Review existing controls in the light of changes affecting the Council. Establish and implement new ones in line with guidance from the Executive Director for Corporate Services and remove controls that are unnecessary.		Executive Directors	6.4
Undertake interim and annual self-assessments of the status of the governance framework, including systems of internal control for each of their service areas, as directed by the Executive Director		Executive Directors	6.4

Matter	Threshold	Delegation to	Ref to Fin Regs
for Corporate Services.			
Support internal audit in any review being undertaken within their area, and respond to issues raised within audit reports within the agreed timescale		Executive Directors	6.4
Ensure that the anti-fraud and corruption policy is followed and that all appropriate action is taken. This will include reporting all suspected irregularities to the Head of Internal Audit.		Executive Directors	6.5.1
Maintain a Register of Interests within each service area in which any hospitality or gifts offered or received, and any interests of a personal nature with external bodies or persons who have (or could have) dealings with the Council, are recorded.		Executive Directors	6.5.2
Investigate and deal swiftly with those in breach, or fail to meet the standards defined within the Officers' Code of Conduct.		All of the following: <ul style="list-style-type: none"> Executive Directors Directors Heads of Service / Operational Budget Holder 	6.5.5
Ensure that staff understand what money laundering means and of their obligations under money laundering legislation.		Executive Directors	6.5.6
Ensure that corporate governance training is refreshed every 24 months.		Executive Directors	6.5.8
Ensure that internal and external audit and other inspection reports are responded to within the agreed timescale and that the responses detail the actions intended to address any recommendations, the officer(s) responsible for these actions and the timescales for implementation.		Executive Directors	6.6.1 and 6.6.2

Matter	Threshold	Delegation to	Ref to Fin Regs
3.5 Control of Resources			Section 7
Advise the Director for Property, Facilities Management and Business Support in any case where security of Council premises is thought to be defective or where it is considered that special security arrangements may be needed.		Executive Directors	7.1.1
Ensure that no Council asset is subject to personal use by an employee without proper authority.		Executive Directors	7.1.1
Ensure the safe custody of vehicles, equipment, furniture, inventory, stores and other property belonging to the Council.			7.1.1
Ensure cash holdings on premises are kept to a minimum.		Executive Directors	7.1.1
Ensure that keys to safes and similar receptacles are carried on the person of those responsible at all times; report loss of such keys to the Head of Internal Audit		Executive Directors	7.1.1
Provide the Executive Director for Corporate Services with any information necessary to maintain the Assets Register. This will include confirmation, and the location, of moveable assets, which should be appropriately marked and insured.		Executive Directors	7.1.2
The use of property other than for direct service delivery.		Director for Property, Facilities Management and Business Support	7.1.3
Undertake property transactions (including declaring land and buildings as surplus to the Council's requirements)	Up to £250,000	Director for Property, Facilities Management and Business Support	7.1.4
	Greater than £250,000, but less than £500,000	All of the following: <ul style="list-style-type: none"> Director for Property, Facilities Management and Business Support 	

Matter	Threshold	Delegation to	Ref to Fin Regs
		<ul style="list-style-type: none"> Executive Director for Corporate Services 	
	£500,000 or more, but less than £5m	All of the above plus: <ul style="list-style-type: none"> Cabinet Member for Finance 	
	£5m or more	Cabinet (following consultation with all of the above)	
Make adequate arrangements for the care and custody of consumable stocks and stores held by their services.		Executive Director	7.2
Produce a stock certificate at each financial year end, confirming the number and value (i.e. value represents the lower of cost and net realisable value) of items held as at 31st March.		Heads of Service / Operational Budget Holder	7.2
Write off of stocks and stores when it is no longer held or obsolete:	Up to £50,000	Executive Director	7.2
	In excess of £50,000 and up to £100,000	All of the following: <ul style="list-style-type: none"> Executive Director; and Executive Director for Corporate Services. 	
	In excess of £100,000 and up to £250,000	All of the above, plus: <ul style="list-style-type: none"> Service Cabinet Member. 	
	In excess of £250,000	All of the above plus: <ul style="list-style-type: none"> Cabinet Member for Finance. 	
Maintain the Council's Treasury Management Policy Statement and Treasury Management Practices (TMP's).		Executive Director for Corporate Services	7.3.2
Propose an annual Treasury Management Strategy to the Council which sets the parameters for investment and borrowing activity during the forthcoming financial year.		Executive Director for Corporate Services	7.3.2

Matter	Threshold	Delegation to	Ref to Fin Regs
Ensure that borrowing and investment activities are undertaken in accordance with the parameters and limits set by the Council.		<ul style="list-style-type: none"> Executive Director for Corporate Services; Director for Financial Services; and Chief Accountant. 	7.3.2
Day to day management of the Council's treasury management activities, ensuring that temporarily surplus funds are invested until next needed or that funds are borrowed to cover temporary shortfalls of cash.		<ul style="list-style-type: none"> Chief Accountant; and Authorised dealing officers. 	7.3.2
Maintenance of records of investment and borrowing transactions undertaken on the Council's behalf.		<ul style="list-style-type: none"> Chief Accountant; and Authorised dealing officers. 	7.3.2
Report to the Cabinet at regular intervals in each financial year, on treasury management activities undertaken within delegated powers.		Executive Director for Corporate Services	7.3.2
Giving of loans, for whatever purpose, at a discounted or concessionary rate of interest.		Executive Director for Corporate Services	7.3.3
Giving of loans to a third party for a purpose other than to support capital expenditure (e.g. where a service is being outsourced and the potential provider seeks an up-front payment to support cash flows).		Executive Director for Corporate Services	7.3.3
The opening or closing of any Council bank account (including a petty cash imprest account).		Executive Director for Corporate Services	7.3.4 and 7.3.5
Operation of a petty cash imprest account.		Nominated Petty Cash Account Holders	7.3.5
Authorisation of petty cash disbursements per item		Heads of Service / Operational Budget Holders	7.3.5
Ensure that staffing positions are only created as new requirements and associated funding emerge, and are deleted or		Executive Directors	7.4

Matter	Threshold	Delegation to	Ref to Fin Regs
modified as needs and funding change.			
Provision of advice on National Insurance and pension contributions, as appropriate.		Executive Director for Corporate Services	7.4
Ensure that their staff are not carrying out private work in Council time and that staff are aware of the Council's rights with regard to intellectual property.		Executive Directors	7.5
3.6 Income and Expenditure			Section 8
Establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and review it annually as part of the corporate budget planning process.		Executive Directors	8.1.2
Ensure there is an appropriate control arrangement in place relating to cash handling		Executive Directors	8.1.3
Ensure that a framework is in place that defines who is able to raise a debt on the Council's behalf		Executive Directors	8.1.4
Write off of a debt	Up to £50,000	Heads of Service / Operational Budget Holders to initiate the action and notify central finance, for approval by the Executive Director.	8.1.5
	In excess of £50,000 and up to £100,000	Executive Director for Corporate Services (<i>i.e. in addition to the above</i>)	
	In excess of £100,000 and up to £250,000	Service Cabinet Member (<i>i.e. in addition to all of the above</i>)	
	In excess of £250,000	Cabinet Member for Finance (<i>i.e. in addition to all of the above</i>)	

Matter	Threshold	Delegation to	Ref to Fin Regs
Issue a credit note to correct a factual inaccuracy or error in the calculation or billing of a debt.		Subject to the approval of the Head of Service / Operational Budget Holder.	8.1.6
Place orders for works, goods and services in accordance with the Council's Procurement Policies and Procedures and raise these in a form approved by the Executive Director for Corporate Services.		Head of Service / operational budget holder	8.2.2
Authority to authorise orders from Information Services' online catalogue	Orders for items individually up to £100	• Self-certification by person raising order	8.2.2
	Orders for item individually in excess of £100	• Head of Service / Operational Budget Holder	8.2.2
Procure Goods and Services by use of a Purchase Card.		Nominated Government Purchase Card Holder	8.2.2
Check goods and services upon receipt to ensure they are in accordance with the order.		Operational budget holders	8.2.3
Update the Spendvision system in respect of all work, goods or services obtained using a Purchase Card.		Purchase Card holder	8.2.3
Record receipt of goods on the Council's e-procurement (purchase to pay) system.		Operational budget holders or official receipting point	8.2.3
Authorisation to make a payment in advance of delivery of works, goods or services.		Executive Director for Corporate Services	8.2.4
Notify the Executive Director for Corporate Services immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.		Executive Directors	8.2.4
Quotation, tendering and contract procedures <i>(Limits derived from the Council's Procurement Policies and Procedures)</i>	Estimated contract value:		8.3.1
	<i>Up to relevant Public</i>	Head of Service / Operational Budget Holder	

Matter	Threshold	Delegation to	Ref to Fin Regs
	<i>Contracts Regulations (2006) threshold</i>		
	<i>In excess of relevant Public Contracts Regulations (2006) threshold and up to £500,000</i>	Directors	
	<i>In excess of £500,000</i>	<ul style="list-style-type: none"> Executive Directors 	
Negotiation and signing of contracts <i>(see Council's Procurement Policies and Procedures for further guidance)</i>	<i>Up to EU threshold</i>	<ul style="list-style-type: none"> Head of Service / Operational Budget Holder 	8.3.1
	<i>Above EU threshold</i>	<ul style="list-style-type: none"> Executive Director and nonimated Procurement Authority 	
Waiving of quotation and tender requirements <i>(see Council's Procurement Policies and Procedures for further guidance)</i>		<ul style="list-style-type: none"> Commercial Director 	8.3.1
Opening tenders and quotations <i>(see Council's Procurement Policies and Procedures for further guidance)</i>		<ul style="list-style-type: none"> Executive Director; and Commerical Director 	8.3.1
Approving expenditure greater than the tender price <i>(see Council's Procurement Policies and Procedures for further guidance)</i>	<i>Up to 10% or £50,000 (whichever is higher)</i>	<ul style="list-style-type: none"> Executive Director; and Executive Director for Corporate Services 	8.3.1
	<i>Greater than 10% or £50,000</i>	<ul style="list-style-type: none"> Executive Director for Corporate Services; and Service Cabinet Member 	8.3.1
Orders exceeding a 12 month period <i>(see Council's Procurement Policies and Procedures for further guidance)</i>		<ul style="list-style-type: none"> Executive Directors 	8.3.1
Authority to fill a funded post on the establishment with permanent or temporary staff		<ul style="list-style-type: none"> Head of Service / Operational Budget Holder 	8.4.1
Authority to appoint staff to a post <u>not</u> on the formal		<ul style="list-style-type: none"> Executive Director 	8.4.1

Matter	Threshold	Delegation to	Ref to Fin Regs
establishment			
Changes in remuneration, other than pay awards, agreements of general application and Performance Related Pay		▪ Director	8.4.1
Authority to approve standing data forms effecting pay, new starters, variations and leavers		▪ Head of Service / Operational Budget Holder	8.4.1
Authority to authorise overtime		▪ Head of Service / Operational Budget Holder	8.4.1
Approval of Performance Related Pay Assessment		▪ Director	8.4.1
Approval of annual leave and time off in lieu		▪ Line Manager	8.4.1
Annual Leave carry forward within thresholds		▪ Line Manager	8.4.1
Annual Leave carry forward outside threshold		▪ Executive Director	8.4.1
Compassionate and special leave (<i>up to 5 days for each</i>) and leave without pay		▪ Head of Service / Operational Budget Holder	8.4.1
Maternity / Paternity / Adoption leave paid and unpaid		▪ Line manager	8.4.1
Extension of sick leave on half pay and return to work part-time on full pay to assist recovery		▪ Head of Service / Operational Budget Holder	8.4.1
Extension of sick leave on full pay		▪ Director	8.4.1
Ensure that adequate and effective systems and procedures are operated in respect of payments to employees and contractors		▪ Director	8.4.1
Authorise the payment, to relevant government agencies and other bodies, of amounts either deducted from salaries, or related to officers' remuneration.		▪ Executive Director for Corporate Services; or ▪ Director for Corporate Operations	8.4.1
Authority to authorise expense claims (incl. travel and subsistence)	Claims of up to £100 (or 200 miles)	▪ Self-certification by claimant	8.4.2

Matter	Threshold	Delegation to	Ref to Fin Regs
	Claims in excess of £100 (or 200 miles) and up to £1,000 (or 2,000 miles)	▪ Line manager	8.4.2
	Claims in excess of £1,000 (or 1,000 miles)	▪ Head of Service / Operational Budget Holder	8.4.2
Make ex-gratia payments to staff	Up to £5,000	▪ Head of Service / Operational Budget Holder	8.4.3
	In excess of £5,000 and up to £10,000	▪ Director	
	In excess of £10,000 and up to £50,000	▪ Executive Director	
	In excess of £50,000	▪ Executive Director for Corporate Services	
Ensure that the Executive Director for Corporate Services is consulted on all proposals that may alter or affect the Council's tax liability.		All of the following, as appropriate: ▪ Executive Director ▪ Director ▪ Head of Service / Operational Budget Holder	8.5
Ensure compliance with the VAT guidance issued by the Executive Director for Corporate Services		All of the following, as appropriate: ▪ Executive Director ▪ Director ▪ Head of Service / Operational Budget Holder	8.5
Ensure that, where construction and maintenance works are undertaken, the sub-contractor fulfils the necessary construction industry tax scheme requirements.		All of the following, as appropriate: ▪ Executive Director ▪ Director	8.5

Matter	Threshold	Delegation to	Ref to Fin Regs
		<ul style="list-style-type: none"> Head of Service / Operational Budget Holder 	
Ensure that the Executive Director for Corporate Services' guidance on fee payments to consultants is complied with.		All of the following, as appropriate: <ul style="list-style-type: none"> Executive Director Director Head of Service / Operational Budget Holder 	8.5
Authorisation of Emergency Payments with the appropriate supporting documentation	Up to £250,000	Executive Director	8.6
	In excess of £250,000 and up to £1m	Executive Director Plus any one of the following: <ul style="list-style-type: none"> Chief Executive Deputy Chief Executive Executive Director for Corporate Services 	
	In excess of £1m	All of the above plus: <ul style="list-style-type: none"> Cabinet Member for Finance. 	
3.7 External Arrangements			
Ensure compliance with the Council's Company Compliance Protocol .		Executive Directors	9.1.1
Ensure that the Council's governance framework is followed through all stages of the development of business cases proposing alternative delivery models and that specialist advice is sought at each key stage of development.		Executive Directors	9.1.1
Ensure that Cabinet approval is obtained before any contract negotiations for an alternative delivery model are entered into, and that all agreements and arrangements are properly		Executive Directors	9.1.2

Matter	Threshold	Delegation to	Ref to Fin Regs
documented.			
Ensure that Cabinet are advised on all key elements of arrangements for commissioning services via an alternative delivery model.		Executive Directors	9.1.2
Ensure that the approval of the Executive Director for Corporate Services and Director for Corporate Law and Assurance is obtained prior to entering into a partnership agreement.		Executive Directors	9.2.2
Ensure that the approval of the Executive Director for Corporate Services is obtained where it is proposed that the Council adopts the role of 'Accountable Body' for a partnership.		Executive Directors	9.2.2
All partnership agreements and arrangements are documented, and a register of those contracts must be maintained.		Executive Director	9.2.2
Undertake a risk management appraisal of proposed new partnership arrangements for the Executive Director for Corporate Services that demonstrates that the risks associated with the arrangement are minimal and/or can be mitigated.		Executive Directors	9.2.2
Ensure that partnership agreements and arrangements do not impact adversely upon the services provided by the Council or upon its finances.		Executive Directors	9.2.2
Ensure that there is sufficient budget provision to meet any agreed financial contribution to a partnership.		Heads of Service / Operational Budget Holder	9.2.2
Ensure that Cabinet approval is secured for all delegations and frameworks for a partnership.		Executive Director	9.2.2
Delegation of funding to a partnership (i.e. allocation of funding to a partnership where the members of the partnership will	Up to £100,000	Head of Service / Operational Budget Holder	9.2.3
	In excess of £100,000 and	• Head of Service / Operational Budget Holder;	

Matter	Threshold	Delegation to	Ref to Fin Regs
collectively determine how that funding is to be utilised).	up to £250,000	and ▪ Executive Director	
	In excess of £250,000 and up to £500,000	All of the above plus: ▪ Executive Director for Corporate Services	
	In excess of £500,000 and up to £5m	All of the above plus: ▪ Service Cabinet Member ▪ Cabinet Member for Finance	
	In excess of £5m	▪ Cabinet (after consultation with all of the above)	
Promote the Council's high standards of financial administration to a partnership that the Council has delegated funding to.		▪ Executive Directors	9.2.4
Provide information on partnership arrangements to the Executive Director for Corporate Services in order that appropriate disclosure can be made within the Council's Annual Statement of Accounts.		▪ Head of Service / Operational Budget Holder; ▪ Director; and/or ▪ Executive Director	9.2.4
Ensure that all partnership agreements and arrangements are properly documented.		▪ Executive Director	9.2.5
Ensure that all bids for external funding go through the Director for Financial Services (Head of Investments and Funding)		▪ Head of Service / Operational Budget Holder; ▪ Director; and ▪ Executive Director	9.3.1
Ensure that all appropriate records are maintained in respect of grant and other funding, and that claims are prepared by the due date, in accordance with the funding conditions and in compliance with accounting instruction notes on Grants issued by the Executive Director for Corporate Services.		▪ Head of Service / Operational Budget Holder; ▪ Director; and ▪ Executive Director	9.3.3

Matter	Threshold	Delegation to	Ref to Fin Regs
Where grant funding is passed to an organisation falling outside of the direct responsibility of the Council, ensure that effective monitoring procedures are in place to provide assurances over the eligibility of expenditure incurred by the third party.		<ul style="list-style-type: none"> Head of Service / Operational Budget Holder; Director; and Executive Director 	9.3.4
Approval to undertake work for third parties (incl. ensuring that appropriate expertise and capacity exists to fulfil the contract and that appropriate contractual and charging arrangements are in place).		<ul style="list-style-type: none"> Executive Director 	9.4
3.8 Pension Fund Arrangements			
Approve the Annual Statement of Investment Principles.		Investment Steering Committee	N/A
Appoint Investment Managers, Custodian and advisors.		Investment Steering Committee	N/A
Set the investment parameters within which the investment managers can operate.		Investment Steering Committee	N/A
Approve the asset allocation benchmark for the fund.		Investment Steering Committee	N/A
Exercise the powers and duties of administering authority of the Essex Pension Fund.		Essex Pension Fund Board	N/A
To manage the Pension Fund including the power to seek professional advice and to devolve day to day handling of the fund to professional advisors within the scope of the Pension's Regulations.			N/A
Authorisation of: <ul style="list-style-type: none"> custody agreements and variations Investment advisor agreements and variations Partnership agreements and variations 		Director for Essex Pension Fund (<i>subject to Investment Steering Committee approval of the original appointment</i>)	N/A

Matter	Threshold	Delegation to	Ref to Fin Regs
<ul style="list-style-type: none"> Investment applications and related documentation 			
Authorisation of : <ul style="list-style-type: none"> Investment management agreements and variations Payment of capital calls on approved investments Instructions to the custodian to transfer funds and open/close accounts Applications to sovereign states and administrative areas Tax returns, applications and claims Appointment of tax consultants, actuaries and other specialist advisers and consultants The payment of invoices for services supplied to the Pension Fund and refunds of contributions Instructions to the fund actuary 		Director for Essex Pension Fund	N/A
3.9 Insurance arrangements			
Authorisation of: <ul style="list-style-type: none"> payment of invoices for services supplied by insurance brokers; payment of insurance premium invoices; instructions to Insurance Fund Actuary; appointment of consultants, actuaries and other specialist advisors. 	Up to £20,000	Any of the following: <ul style="list-style-type: none"> Health Safety and Risk Manager ISIS Risk Manager Business Continuity Risk Manager Risk Advisor 	N/A
	In excess of £20,000	Either of the following: <ul style="list-style-type: none"> Strategic Risk Manager Risk and Insurance Manager 	N/A
Settling of insurance claims against the Council.	Up to £20,000	Any of the following:	N/A

Matter	Threshold	Delegation to	Ref to Fin Regs
		<ul style="list-style-type: none"> Health, Safety & Risk Manager; ISIS Risk Manager; Business Continuity Risk Manager; Team Manager (Essex Legal Services); Solicitor (Essex Legal Services), Risk Advisor 	
	In excess of £20,000	Either of the following: <ul style="list-style-type: none"> Strategic Risk Manager; Risk & Insurance Manager 	N/A
Funding of risk management activities to schools and services	Up to £10,000	Any of the following: <ul style="list-style-type: none"> Health, Safety & Risk Manager; ISIS Risk Manager; Business Continuity Risk Manager; Risk Advisor; Strategic Risk Manager; Risk & Insurance Manager 	N/A

3.10 Summary of Financial Delegated Authority levels

Generic level reference	Title	Allocated cost centres	Purchasing					Budget			Write offs		Other		Payroll	
			Authorise orders & invoices	Raise orders	Approve orders from the online IT catalogue	Approve credit notes	Authorise emergency payments	Revenue virements changing policies	Supplementary estimates	Changes to Capital Programme	Write off of bad debts	Write off of stock	Disposal of assets	Delegation of budget to a partnership	Expense and allowance claims	Ex-gratia payments
	Cabinet Member for Finance	All					Over £1m	Up to £10m	✓	✓	Over £0.25m	Over £0.25m	Up to £1m	Up to £10m		
	Service Cabinet member	All related to services within Portfolio									Up to £0.25m	Up to £0.25m				
L1	Chief Executive	All	Over £2.5m				Up to £1m (any one of these)									
L2	Executive Director for Corporate Services	All	Over £2.5m					Up to £1m	✓	✓	Up to £100,000	Up to £100,000	Up to £0.25m	Up to £1m		In excess of £50,000
L2	Deputy Chief Executive	All	Up to £2.5m								Up to £50,000	Up to £50,000		Up to £0.5m		Up to £50,000
L2	Executive Directors	All related to areas of responsibility	Up to £2.5m				Up to £0.25m				Up to £50,000	Up to £50,000		Up to £0.5m		Up to £50,000
L3	Directors	As defined by Exec Director	Up to £1m													Up to £10,000
L3	Director for Property, Facilities Management and Business Support	As defined by Exec Director	Up to £1m										Up to £50,000			Up to £10,000
L4	Heads of Service (HoS) (when designated as the Operational budget holder)	As defined by Director	Up to £0.5m		Over £100	✓								Up to £0.25m	Over £1,000	Up to £5,000

Generic level reference	Title	Allocated cost centres	Purchasing					Budget			Write offs		Other		Payroll	
			Authorise orders & invoices	Raise orders	Approve orders from the online IT catalogue	Approve credit notes	Authorise emergency payments	Revenue virements changing policies	Supplementary estimates	Changes to Capital Programme	Write off of bad debts	Write off of stock	Disposal of assets	Delegation of budget to a partnership	Expense and allowance claims	Ex-gratia payments
L5	Officers with delegated authority to act on Operational Budget Holder's behalf	<i>As defined by HoS / Operational Budget Holder</i>	Up to £150,000			✓									Claims in excess of £100 and up to £1,000	
L6	All other officers	<i>As defined by HoS</i>		✓	Up to £100											

Scheme of Delegation for Financial Management

4. Guidance on roles and responsibilities

4.1 Introduction

The Council operates a system of devolved financial management which, in practice, means certain responsibilities are devolved to services, as follows:

- Ensuring that there is stewardship of public resources;
- Ensuring that statutory and regulatory standards are met;
- Ensuring value for money;
- Identifying, evaluating and managing risk;
- Supporting good decision making through the provision of financial information and advice to decision makers;
- Analysis of service activity costs and trends to feed into performance information;
- Aligning resource allocations with business objectives;
- Maximising income sources without being diverted from business priorities.

It is therefore important that there is clarity over roles and responsibilities within these areas of activity.

4.2 Budget Holders

The operation of financial management across the Council is carried out within a framework of budget holders, supported by Corporate Services.

The term 'budget holder' is used to cover a range of responsibilities and accountabilities starting from the Executive Director, who will oversee the overall delivery of a range of services, down to the operational budget holder who will be accountable for the day to running of a service and the management of the associated budget.

The default position is that the Director will be the operational budget holder. However, the Director may designate a Head of Service, or another officer, as the operational budget holder, where that officer has responsibility for a service area with a budget of at least **£1m**. Budgets of less than **£1m** are not permitted to be delegated without the approval of the Executive Director of Corporate Services.

There will usually be a series of delegations operating in support of the operational budget holder, whereby those with delegated authority are able to commit funds on the budget holder's behalf (*i.e. within parameters agreed by the operational budget holder*).

The role of each of these levels of 'budget holder', across the main themes in Financial Regulations, is summarised in the following pages.

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
Financial Planning	<ul style="list-style-type: none"> Provides the overall strategic direction, and oversees the preparation of the budget, for their set of services. 	<ul style="list-style-type: none"> Ensures that new initiatives and legislative requirements are considered as appropriate. Prepares the detailed revenue and capital budgets, reflecting the strategic direction set by the Executive Director / Director. 	
Financial Management	<ul style="list-style-type: none"> Assigns budget holder responsibility and ensures there are appropriate budgetary control processes in place. Receives regular reports on performance against budget from Directors. Where appropriate, approves virements within the financial limits set out with Financial Regulations, or seeks additional funding if necessary. Ensures budget provision is in place for any new policies. 	<ul style="list-style-type: none"> Places orders and incurs expenditure for services in accordance with appropriate procurement advice and the approved budget. Records income and expenditure properly and maintains appropriate commitment records to aid with budget management. Prepares reports, with finance support on performance against budget. Where appropriate, approves virements within the financial limits set out with Financial Regulations, or refers to the Executive Director for action, Reviews regularly the value for 	<ul style="list-style-type: none"> Places orders and incurs expenditure for services in accordance with appropriate procurement advice and the approved budget.

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
		money of the service delivery arrangements.	
Accounting records and Financial Systems	<ul style="list-style-type: none"> • Ensure Executive Director for Corporate Services' approval is obtained to operate or change a financial system (or any financial element of a non-financial system). • Ensure that systems are backed up and disaster recovery and business continuity plans are maintained to allow information system processing to resume quickly in the event of interruption. • Ensure adequate audit trail exists through computerised systems. 	<ul style="list-style-type: none"> • Ensures compliance with proper accounting guidance and practice by following advice and guidance from finance. 	<ul style="list-style-type: none"> • Complies with proper accounting practices and guidance issued from finance.
Risk Management and Control	<ul style="list-style-type: none"> • Takes overall ownership of risk within their service areas, ensuring risk management is implemented in line with the overall risk management strategy. • Reviews risks in their service areas and progress on mitigating 	<ul style="list-style-type: none"> • Ensures risk management within their area is implemented in line with the strategy. • Reviews service risks and progress on mitigating actions at regular management meetings. • Notifies the Executive Director for Corporate Services 	

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
	<p>actions at regular management meetings.</p> <ul style="list-style-type: none"> • Consults the Executive Director for Corporate Services and the Monitoring Officer on the terms of any indemnity. • Establishes sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness; and for achieving their financial performance targets. • Undertakes an annual self-assessment of the status of the systems of internal control within their service areas, as directed by the Executive Director for Corporate Services. • Supports Internal Audit in any review being undertaken within their area, nominates a sponsor responsible for taking forward audit issues, and responds to 	<p>immediately of any loss, liability or damage that may lead to a claim against the Council.</p> <ul style="list-style-type: none"> • Notifies the Executive Director for Corporate Services promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances. • Responds to internal audit reports in writing, within a timescale agreed detailing the action intended to address any recommendations, and monitors implementation of agreed actions • Maintains a Hospitality Register and a Register of Interests within each service in which the acceptance of any hospitality or gifts is recorded 	

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
	<p>issues raised within audit reports within the agreed timescale</p> <ul style="list-style-type: none"> Ensures that the anti-fraud and corruption policy is followed and that any appropriate action is taken. 		
Control of resources	<ul style="list-style-type: none"> Ensures there are appropriate control procedures in place with regard to assets, stock and stores 	<ul style="list-style-type: none"> Ensures the proper security of all buildings, vehicles, equipment, furniture, stock, stores and other property belonging to the Council and consults with the Director for Property, Facilities Management and Business Support in any case where security is thought to be defective or where it is considered that special security arrangements may be needed. Ensures that keys to safes and similar receptacles are carried on the person of those responsible at all times; loss of such keys must be reported to the Head of Internal Audit. Provides the Executive Director for Corporate Services with the 	<ul style="list-style-type: none"> Employees operating an imprest account will make adequate arrangements for the safe custody of the account as set out in paragraph 7.3.4 of the Financial Regulations

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
		<p>information required to maintain the asset register in relation to vehicles, plant and equipment (including IT)</p> <ul style="list-style-type: none"> • Maintains inventories of all furniture, fittings, equipment, plant and machinery, and carries out an annual check of all items on the inventory. 	
Income and Expenditure	<ul style="list-style-type: none"> • Establishes a charging policy for the supply of goods or services, and reviews it regularly, in line with corporate policies and annual budget setting timetables. • Ensures there are adequate arrangements and delegations in place for ordering, authorising and receipting of goods and services. • Maintains an up to date list of those staff who can order, authorise and receipt goods and services, and identifies in each case, any limits to an individual's 	<ul style="list-style-type: none"> • Implements the charging policies. • Acts in accordance with the delegated limits applied to ordering, authorisation and receipt of goods and services. • Has regard to value for money when considering procurement activities. • Establishes and initiates appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly. • Notifies the Executive Director for Corporate Services 	<ul style="list-style-type: none"> • Raises invoices according to the agreed charging policies. • Places orders for goods and services in accordance with the Council's Procurement Policies and Procedures (<i>and on the Council's e-procurement purchase to pay system</i>). • Checks goods and services upon receipt to ensure they are in accordance with the order (<i>wherever possible, goods should not be received by the person who approved the order</i>). • Records the receipt of goods on the Council's e-procurement

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
	<p>authority.</p> <ul style="list-style-type: none"> Ensures there is an appropriate control arrangement in place relating to cash handling. Provides an up-to-date list of the names of officers authorised to sign records to the Head of Human Resources, together with specimen signatures, Ensures that appropriate arrangements are made for meeting the competitive requirements set out in the Financial Regulations. 	<p>immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.</p> <ul style="list-style-type: none"> Ensures that adequate and effective systems and procedures are operated for payments to employees and for goods and services. 	<p>purchase to pay system in order to provide an approval to pay for goods and services received by the authority.</p> <ul style="list-style-type: none"> Ensures that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases and expenses complies with HM Revenue and Customs regulations. Follows the guidance on VAT issued by the Executive Director for Corporate Services.
External arrangements	<ul style="list-style-type: none"> Ensures partnership arrangements meet corporate policies and strategies for working with other bodies. Ensures partnerships are governed by formal documented agreements. Undertakes a risk management appraisal of proposed new partnership arrangement. Ensures information on the 	<ul style="list-style-type: none"> Monitors partnership arrangements to ensure they are operating according to agreements. Measures the performance of partnerships to ensure that the overall arrangements represent best value for the people of Essex. Ensures that all funding notified by external bodies is received 	

Theme	Executive Director	Operational Budget Holder	Officers with delegated authority to sign
	<p>partnership arrangements is provided to the Executive Director for Corporate Services, so that the appropriate disclosures can be made within the Council's annual statement of accounts.</p> <ul style="list-style-type: none"> · Approves the contractual arrangements for any work undertaken for third parties or external bodies. 	and properly recorded in the Council's accounts.	

Scheme of Delegation for Financial Management

4.3 Finance support

The Council's system of devolved financial management means that services take decisions on their budgets, supported by Financial Services. The organisational model for finance is one that seeks to minimise transactional resource through the use of technology, allowing for a focus on value-added support to budget holders, backed up by specialist financial analysts and technical accountants where appropriate and when needed.

There is a Head of Finance assigned to each Executive Director, acting as key liaison point between the services covered by the Executive Director and Finance; the Senior Financial Analyst (Capital) undertakes this role in respect of capital projects. The Heads of Finance and the Senior Financial Analyst (Capital) report to the Director for Financial Services, who in turn reports to the Executive Director for Corporate Services. They are required to report regularly on any issues relating to possible non-compliance with any financial rules or agreed practices and on any financial pressures which may result in a failure to meet the budgets.

5. Authorised Signatory Process

In order to facilitate compliance with the Financial Regulations and Scheme of Delegation for Financial Management (SoDFM), the Council has an authorised signatory process. All posts have been assessed by their Executive Director to determine the extent of their delegated authority. Generally this is aligned to the management hierarchy, as follows:

- Chief Executive assigned to level **one**;
- Executive Director assigned to level **two**;
- Directors to level **three**;
- Heads of Service (when designated as the Operational Budget Holder) to level **four**;
- Officers with delegated authority to act on behalf of an operational budget holder to level **five**.
- All other staff to level **six**.

All staff within posts deemed to have delegated authority at levels one to five are required to complete an authorised signatory form. This sets out the extent of the individual's authority, requires them to confirm the cost centres they have authority against and requires them to provide a specimen signature. By signing this form, managers are confirming that they will abide by the rules and regulations set out both within the Financial Regulations and the SoDFM.

Details from this form, along with a scanned copy of the signature, are recorded in the Council's Authorised Signatory Database. This Database is then used to confirm that persons authorising transactions have the appropriate authority to do so. As such, the Database may also be used by Internal and External Audit to support their testing of the Council's internal controls framework.

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Financial Regulations and Scheme of Delegation for Financial Management

Overview of main changes incorporated into 2013 update

1. Background

The Financial Regulations set out the financial policies and the framework for managing the Council's financial affairs, and the Scheme of Delegation for Financial Management explains how the Council's Financial Regulations are implemented and operated in practice. Together, they aim to ensure that the Council conducts its financial affairs in a way that complies with specific statutory provisions and best practice and to ensure that an effective internal controls framework is maintained.

The current Financial Regulations and Scheme of Delegation for Financial Management were approved by the Council on **7th February 2012** but they now require substantial update to reflect changes to the organisational structure and its new operating model. The changes that have been incorporated into the updated documents are explained in paragraphs 2 and 3 below.

2. Financial Regulations

2.1 Overview of the Financial Regulations

The Financial Regulations are set out in **Part 1** of the attached document and they explain the financial policies and the framework for managing the Council's financial affairs.

The Financial Regulations are organised into eleven sections, as follows:

- (i) **Introduction** (Section 1) - sets the context for the Financial Regulations, including the requirement to comply with them, and with any supporting guidance issued by the Executive Director for Corporate Services.
- (ii) **Financial roles and responsibilities** (Section 2) - provides an overview of the respective financial responsibilities of Members and Officers within the Council. This section includes an explanation of the statutory responsibilities of the Executive Director for Corporate Services.
- (iii) **Financial planning** (Section 3) - sets the framework for compilation of the annual budget (including the revenue budget, capital financial planning and the establishment of trading activities' financial plans).
- (iv) **Financial management** (Section 4) - provides the standards for financial management, including the framework for budgetary control, the scheme of virement, supplementary estimates, the treatment of year end balances and the monitoring of capital expenditure.

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- (v) **Accounting records and financial systems** (Section 5) - explains the responsibilities of the Executive Director for Corporate Services for determining the accounting procedures and records of the Council, and for the compilation of all accounts and accounting records.
- (vi) **Risk management and control** (Section 6) - sets out the responsibilities for risk management, business continuity, insurance and internal control. It also provides the framework for the prevention of fraud and corruption and requirements with regard to external and internal audit.
- (vii) **Control of resources** (Section 7) - deals with the requirements for controlling the Council's assets, inventories, stock, cash and staffing.
- (viii) **Income and expenditure** (Section 8) - covers procedures, systems and documentation for the recovery of income and the ordering and paying for goods and services, payments to staff and taxation matters.
- (ix) **External arrangements** (Section 9) - provides the framework for external arrangements; including partnerships, external funding and work for third parties.
- (x) **Financial limits** (Section 10) – the Financial Regulations contain various financial limits. These limits have been brought together within section ten for ease of reference.
- (xi) **Other key policies and documents** (Section 11) – the Financial Regulations reinforce the requirement to comply with other policy documents and guidance, as detailed throughout the Regulations. These policy and guidance documents are listed in Section 11 of the Regulations for ease of reference.

2.2 Overview of main changes

The following paragraphs summarise the updates of substance that it is proposed are made to the Financial Regulations:

(i) **Section two - Financial roles and responsibilities**

Paragraph 2.2 sets out the financial responsibilities of the Council, including its responsibility for approving the annual budget. This paragraph has been updated to include the Council's responsibilities for approving an annual income and charging policy and the annual pay policy statement.

(ii) **Section 3 - Financial Planning**

The Policy Framework (as outlined in paragraph 3.1) has been updated to acknowledge that the treasury management, prudential and 'minimum revenue provision' (MRP) policies, the income and charging policy and the pay policy statement form key parts of the Council's policy framework and budget.

Paragraph 3.3.3 on budget preparation has been simplified, to remove reference to the matters that Executive Directors should have regard to, and

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to replace these with a more generic requirement to follow guidance issued by the Executive Director for Corporate Services.

Paragraph **3.4.1** on Capital Expenditure has been updated to bring the definition of capital expenditure in line with statutory regulations and accounting codes. The capitalisation de-minimis limits have also been updated to remove reference to a separate de-minimis limit for trading activities. Neither of these amendments has any practical implications.

Paragraph **3.6** has been updated to provide greater clarity regarding the financial planning requirements for trading activities.

Paragraphs have also been added to provide explanation of the treasury management, prudential and MRP policy (paragraph **3.7**), the Income and Charging policy (paragraph **3.9**) and Pay Policy Statement (paragraph **3.10**), which all form part of the corporate planning process, and which are approved by Council in alignment with the budget setting timetable.

(iii) **Section four - Financial Management**

Paragraph **4.3.2** explains the framework for budgetary control. One of the requirements placed upon Executive Directors is to ensure that an appropriate budget holder structure is in place to ensure that responsibility is assigned for each item of income and expenditure under their control. The accompanying narrative has been updated to explain that Budget Holders will be accountable for the effective management of the budgets allocated to them, even where they put delegations in place that enable officers to commit expenditure on their behalf.

Paragraph **4.3.2** also introduces a requirement for officers to undertake approved finance training prior to their commencement as an operational budget holder and/or as an authorised signatory, and to refresh their learning at 24 monthly intervals.

Paragraph **4.3.3** proposes some changes to the financial limits set out within the 'Scheme of Virement'. These are explained in paragraph (viii) below.

Paragraph **4.4** has been expanded to clarify the extent to which the principles and framework for managing the revenue budget apply in respect of monitoring and management of the capital programme. Specifically, the updated Regulations stipulate that:

- In the event of an over spend against one 'scheme' or 'block' approval, the relevant service will need to identify savings against another scheme / block to compensate for the over spend.
- Where it is anticipated that a scheme will be progressed ahead of, or behind, schedule (i.e. such that expenditure is expected to vary from the approved payment guideline for the year), Cabinet approval must be sought to re-profile the payment guidelines from one year to the next.

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- The approval of Cabinet (or, in certain circumstances, the Cabinet Member for Finance) is required to add schemes to, or remove them from, the capital programme outside of the annual budget setting process.

(iv) **Section Six - Risk management and internal control**

Separate paragraphs have now been added on declarations of interest (paragraph 6.5.2) and on gifts and hospitality (paragraph 6.5.3) to make explicit the requirement to ensure compliance with the respective policies on both matters.

Paragraph 6.5.6, related to money laundering, has been updated to make it explicit that cash payments in excess of **£10,000** will not be accepted, other than with the prior approval of the Executive Director for Corporate Services.

(v) **Section Seven - Control of resources**

Paragraph 7.1.1 on security of assets has been updated to reflect the 'corporate landlord' role that the Director for Property, Facilities Management and Business Support has, and to explain the respective responsibilities of Executive Directors.

Paragraph 7.1.4 previously focussed upon the thresholds for declaring land and buildings surplus to the Council's requirements, and hence for disposing of these assets. This paragraph has now been updated to incorporate all types of property transaction, and there are also some proposed changes to the financial thresholds, as set out in paragraph (viii) below.

The previous requirement to maintain inventories of all furniture, fittings, equipment, plant and machinery has been removed.

Paragraph 7.2 proposes some changes to the thresholds for the 'write-off' of stocks and stores. The changes to the financial thresholds are set out in paragraph (viii) below.

Paragraph 7.3.3 sets out the circumstances in which loans may be given to third parties, and the approval required for each type of loan. In particular, the updated Regulations explain the implications of giving loans to third parties for the purpose of financing expenditure which, if incurred by the Council, would constitute capital expenditure, and for giving loans at a concessionary rate of interest.

Paragraph 7.4 on staffing has been updated to incorporate the requirements of the Council's establishment control policy.

(vi) **Section Eight - Income and Expenditure**

Paragraph 8.1.2 on charging policies introduces a requirement to make an annual statement on fees and charges in alignment with the budget setting timetable (i.e. unless agreed otherwise by the Executive Director for Corporate Services).

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Paragraph **8.1.6** proposes some changes to the thresholds for the 'write-off' of debts. The changes to the financial thresholds are set out in paragraph (viii) below.

Paragraphs **8.2.2** and **8.2.3** have been updated to provide greater clarity on the use of purchase cards.

Paragraph **8.2.4**, on payment of suppliers, has been updated to make reference to the amendment to the Late Payment of Commercial Debts (Interest) Act 1998, which was introduced by the Late Payment of Commercial Debts Regulations 2013.

Paragraph **8.2.4** has also been updated such that the Council's standard settlement terms for payments will not be altered, other than with the prior agreement of the Executive Director for Corporate Services.

Paragraph **8.3.2**, on monitoring of performance, now makes explicit the need for best value principles to underpin the Council's approach to procurement, and to demonstrate value for money in all procurement activities.

Paragraph **8.4.1**, on salaries, has been updated to incorporate the requirements of the Council's establishment control policy.

Paragraph **8.4.3** clarifies that ex-gratia payments include any one-off payments made to an employee or former employee as a gesture of goodwill, and not because there is a legal or contractual obligation to do so. This paragraph also confirms that ex-gratia payments include compromise and other payments made for loss of office. The financial thresholds for approval of ex-gratia payments have also been revised, as outlined in paragraph (viii) below.

Paragraph **8.5** confirms that the Executive Director for Corporate Services is responsible for ensuring compliance with all relevant taxation regulations and guidance that affects the Council either directly, as a consequence of its own activities, or indirectly, as a consequence of service delivery through external partners. As a consequence, the Executive Director for Corporate Services must be consulted on all activities that may affect the Council's tax liability, including proposals to implement alternative service delivery models.

Paragraph **8.6** proposes changes to the financial thresholds for making emergency payments, as outlined in paragraph (viii) below. Where an emergency payment is authorised other than by the Executive Director for Corporate Services, the relevant Executive Director must advise the Executive Director for Corporate Services of the payment as soon as it is practicably possible after the event.

(vii) **Section Nine - External arrangements**

This section has been re-written but the requirements have not changed fundamentally, other than to:

- Introduce an explicit requirement to adhere to the Council's business case governance framework (including use of the business case template);

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- Enforce the requirement to comply with the Company Compliance Protocol;
- Require any proposed new alternative delivery vehicles to use the Council's own support service functions, and deliver to services on behalf of the Council using the Council's premises, unless and until otherwise agreed by the Executive Director for Corporate Services and the Executive Director for Strategy, Transformation and Commissioning (i.e. as applicable);
- Require the prior approval of the Executive Director for Corporate Services where it is proposed that the Council undertakes the role of 'accountable body' for a partnership.
- Propose changes to the financial thresholds for delegating budget to a partnership, as outlined in paragraph (viii) below.
- Require Executive Directors to ensure that the Council is not exposed to the risk of bad debts as a consequence of entering into contracts for the provision of services to third parties (previously the Regulations required payment to be recovered in advance of service delivery).

(viii) **Section Ten - Financial limits**

This section provides a summary of the financial limits and thresholds referred to throughout the Financial Regulations. These limits and thresholds define the minimum level of approval required at each stage; in the event that an officer at the specified level is unable to take a decision for any reason, the decision may be taken at a higher level in the organisation.

As referred to in the previous paragraphs, various changes are proposed to the financial thresholds. These changes are summarised as follows:

– **Revenue virements**

A simplification of the revenue virement rules is proposed, such that Member approval is only required where the proposed virement is effecting a change in policies or priorities (*irrespective of whether the proposed virement is within the same portfolio or between portfolios*). Such virements will require Member approval where they amount to **£1m** or more, although it is expected that Executive Directors will consult with the relevant Service Cabinet Member(s) where the effect of a change in policies or priorities is less than **£1m**. Previously, Member approval was required for all virements of **£250,000** or more, regardless of the reason for the virement.

– **Property transactions**

It is now proposed that the Director for Property, Facilities Management and Business Support can approve property transactions (including declaring land or buildings surplus to the Council's requirements) where the total value of transaction reasonably foreseeable at the date of the approval does not exceed **£250,000**. It is further proposed that the

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Executive Director for Corporate Services can approve such transactions where the value does not exceed **£500,000**. Beyond that, Member approval will be required. Currently, officers are only able to approve property transactions where the value is less than **£50,000**.

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– Writing off inventory (stock) balances

The changes proposed to the thresholds for approving the writing off of inventory (stock) balances are summarised as follows:

Authoriser	Current threshold	Proposed threshold
Executive Directors	Up to £10,000	Up to £50,000
Executive Director for Corporate Services	Up to £20,000	Up to £100,000
Service Cabinet Member	In excess of £20,000	Up to £250,000
Cabinet Member for Finance		In excess of £250,000

– Writing off of bad debts

The changes proposed to the thresholds for approving the writing off of bad debts are summarised as follows:

Authoriser	Current threshold	Proposed threshold
Head of Service	Up to £10,000	Nil
Executive Directors	Up to £50,000	Up to £50,000
Executive Director for Corporate Services	Up to £50,000	Up to £100,000
Service Cabinet Member	In excess of £50,000	Up to £250,000
Cabinet Member for Finance		In excess of £250,000

– Ex-gratia payments

The changes proposed to the thresholds for approving ex-gratia payments are summarised as follows:

Authoriser	Current threshold	Proposed threshold
Head of Service	Up to £1,000	Up to £5,000
Directors		Up to £10,000
Executive Directors	Up to £6,000	Up to £50,000
Executive Director for Corporate Services	Up to £6,000	In excess of £50,000
Service Cabinet Member	Up to £10,000	
Cabinet Member for Finance	In excess of £10,000	

– Emergency payments

The changes proposed to the thresholds for approving emergency payments are summarised as follows:

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Authoriser	Current threshold	Proposed threshold
Service Director	Up to £50,000	
Executive Director		Up to £250,000
Any <u>two</u> of the following:	Up to £1m	
▪ Executive Director		
▪ Chief Executive		
▪ Executive Director for Corporate Services		
Any <u>one</u> of the following:		Up to £1m
▪ Chief Executive		
▪ Executive Director for Corporate Services		
▪ Deputy Chief Executive		
Cabinet Member for Finance	In excess of £1m	In excess of £1m

– Delegation of budget to a partnership

Authoriser	Current threshold	Proposed threshold
Head of Service	Up to £50,000	Up to £100,000
Executive Directors	Up to £200,000	Up to £250,000
Executive Director for Corporate Services		Up to £500,000
Service Cabinet Member	Up to £2m	Up to £5m
Cabinet Member for Finance	In excess of £2m	
Cabinet		In excess of £5m

In addition to these specific amendments, terminology has also been updated throughout the Financial Regulations, to reflect the current organisational structure of the Council, and various presentational changes have also been incorporated.

3. Scheme of Delegation for Financial Management

3.1 Introduction

The Scheme of Delegation for Financial Management is set out in **Part 2** of the attached document and it provides a summary of the financial delegated authority levels, guidance on financial management roles and responsibilities and guidance on the generic roles of budget holders.

The Scheme of Delegation for Financial Management is organised around the themes of financial management, as set out within the Council's Financial Regulations. The Scheme of Delegation for Financial Management therefore details every matter requiring action or a decision against each of these themes, and indicates how authority is delegated. References are included against each matter

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to the relevant section of the Council's Financial Regulations. A summary of financial delegated authority levels is also included.

3.2 Overview of the main changes

The Scheme of Delegation for Financial Management has largely been updated to reflect the changes proposed to the Financial Regulations. However, the following additional changes have also been incorporated:

(i) Authorised signatory process

In order to facilitate compliance with the Financial Regulations and Scheme of Delegation for Financial Management, the Council has an authorised signatory process. This is aligned to the management hierarchy as follows:

- **L1 = Chief Executive**
- **L2 = Executive Directors**
- **L3 = Directors**
- **L4 = Heads of Service** (*when designated as an operational budget holder*)
- **L5 = Officers with delegated authority to act on operational budget holders' behalf**
- **L6 = All other officers**

Financial delegations are assigned to each of these levels within the Scheme of Delegation for Financial Management.

The Scheme of Delegation for Financial Management explains that the 'operational budget holder' may be the Director, the Head of Service or a direct report of the Head of Service – the guiding principle is that budget holder responsibility will only be delegated below the Director (and in turn, below the Head of Service) where the resulting budget is **£1m**, or more. However, there will usually be a series of delegations operating in support of the operational budget holder, whereby those with delegated authority are able to commit funds on the budget holder's behalf (i.e. within the parameters agreed by the operational budget holder).

(ii) Delegated authority levels

The delegated authority levels within the Scheme of Delegation for Financial Management have been updated to reflect the proposed changes within the Financial Regulations. However, one financial limit not explicitly included within the Financial Regulations is that related to the authorisation of orders and invoices. The following changes are proposed to the limits for the authorisation of orders and invoices:

Authoriser	Current threshold	Proposed threshold
L1 - Chief Executive	Over £1m	Over £2.5m

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L2 - Executive Director for Corporate Services	Over £1m	Over 2.5m
L2 - Other Executive Directors	Up to £1m	Up to £2.5m
L3 - Directors	Up to £500,000	Up to £1m
L4 - Heads of Service (when acting as the Operational Budget Holder)	Up to £150,000	Up to £500,000
L5 - Officers with delegated authority to act on Budget Holder's behalf	Up to £20,000	Up to £150,000

4. Conclusions

The attached Financial Regulations and Scheme of Delegation for Financial Management have been updated to reflect the current management structure and policy framework, legislative changes and latest best practice guidance.

1. Standing Orders of the Council

The Council's constitution was reviewed in May after the elections to reflect the new political balance of the Council. As a result, Council agreed amendments to delete references to Leader of the Opposition Group in the Constitution. The Constitution, and in particular the Standing Orders, has been kept under review to ensure it continues to be fit for purpose.

It became clear at the Council's last meeting that the procedure for dealing with motions needed to be reviewed to enable there to be a reasonable opportunity to discuss opposition motions whilst also recognising the political balance on the Council. With this in mind, changes are proposed to regulate the order and numbers of motions to be considered at meetings and to reduce the amount of time to speak allocated to movers of motions and cabinet members responding to motions. Changes have also been made to recognise the potential need for meetings to continue into the afternoon to complete the day's business. The proposed revisions to the Standing Orders are shown in Annex "A" to this report.

Recommended:

That the revised version of the Standing Orders of the Council as set out in Annex "A" to this report be adopted.

2. Joint HOSC

The Council in May approved a revised version of Article 10 of the Constitution agreeing to the establishment of a Health Overview and Scrutiny Committee. This was necessary following the repeal of the provisions under the Social Care Act 2001 requiring the Council to establish such a Committee. The Council has membership of the Outer North East London Joint Health Overview and Scrutiny Committee with the London Boroughs of Barking & Dagenham, Redbridge, Havering and Waltham Forest created in accordance with the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013. The JHOSC's remit is to review and scrutinise any matter, including substantial variations, relating to the planning, provision and operation of health services that affect two or more boroughs in Outer North East London. The JHOSC will have the right to respond in its own right to all such consultations on such matters, both formal and informal. The Council's membership of the JHOSC is to recognise that some residents of the County look to North London for their health provision. The Council is represented on the JHOSC by Councillor Pond.

In order to regularise this position it is necessary that Article 10 be amended to include reference to the JHOSC.

Recommended:

- (1) That Article 10 be amended to include the Outer North East London Joint Health Overview and Scrutiny Committee with the following terms of reference:

“to review and scrutinise any matter, including substantial variations, relating to the planning, provision and operation of health services that affect two or more boroughs in Outer North East London. The JHOSC will have the right to respond in its own right to all such consultations on such matters, both formal and informal.”

- (2) That Councillor C Pond be confirmed as the Council’s representative on the Outer North East London Joint Health Overview and Scrutiny Committee.

3. Special Urgency Relating to Key Decisions

The Council’s Constitution provides in paragraph 19.7 of the Access to Information Procedure Rules for a key decision to be taken that has not been on the forward plan for 28 days without first giving five days’ notice of the intention to take the decision where the agreement of the Chairman of the Corporate Scrutiny has first been obtained that the taking of the decision is urgent and cannot be reasonably delayed. Paragraph 20.14 of the Overview and Scrutiny Procedure Rules also provides for the Chairman of the Council to agree that a decision is reasonable and that it should be treated as a matter of urgency and therefore not subject to call in. Where these provisions are enacted it is required that a report be made to the next meeting of the Council.

Following the devastating fire at the John Ray Infant School in Braintree on Saturday, 31 August the agreement of the Chairman of the Corporate Scrutiny Committee and the Chairman of the Council were obtained as to the urgency of the need to take a decision to procure temporary accommodation to ensure that education was provided to the pupils of the John Ray Infant School in Braintree at the earliest opportunity, given that the new school year was due to start the following week.

4. Scrutiny Protocol for working arrangements between the Cabinet and Overview and Scrutiny Committees

A protocol has been agreed between the Scrutiny Board and the Leader the aim of which is to set out and agree good practice to ensure an open, trusting and non-partisan relationship between the Executive and Scrutiny in order to deliver focused and transparent policy development and scrutiny. It highlights the key roles and responsibilities of the Overview and Scrutiny Committees and Cabinet. The protocol will contribute to more effective Overview and Scrutiny work programming and outcomes and, in doing so, enable the Committees to influence Council activity in a meaningful way. Council is asked to note the Scrutiny Protocol attached as Annex “B” to this report.

5. Dates of future Meetings

The Council is asked to approve the dates of its meetings for the Municipal Year 2014/15.

Recommended:

That meetings of the Council be held on Tuesdays at 10am on 8 July, 14 October and 9 December 2014 and 10 February (Budget) and 12 May 2015 (Annual).

6. Report of the Development and Regulation Committee

Since the last report to Full Council on 16 October 2012, nine meetings of the Development and Regulation Committee have taken place; on 23 November 2012, 25 January, 22 February, 22 March, 19 April, 31 May, 28 June, 26 July, 23 August and 27 September 2013.

Seventeen planning applications have been considered by the Committee: 15 were resolved to be approved, subject to planning conditions, and two were rejected. Six Village Green applications were considered: five were approved and one rejected.

Members also received updates on planning enforcement issues and appeals statistics.

16. STANDING ORDERS OF THE COUNCIL

16.1 Annual Meeting of Full Council

The Annual meeting of the Council shall be held:

- (i) in the year of election of Members to the Council, on the Tuesday within the twenty-one days immediately following the day of retirement of Council Members as the Council may fix; and
- (ii) in any other year, in May on the Tuesday following the first Thursday in the Month.

In addition to the Annual meeting of the Council and any meetings convened by the Chairman, or by Members of the Council, four meetings for the transaction of general business shall normally be held in each year in July, October, December and February except in the year of election of Members of the Council when an additional meeting may be held, on such date as the Council may determine.

All meetings of the Council shall be held at Chelmsford and shall commence at 10 am.

The Chairman, in his discretion, may alter the place or time of commencement or ending of any meeting.

At its annual meeting, the Council shall inter alia:

- (i) appoint members to such committees and sub-committees as the Council considers appropriate;
- (ii) confirm the size and terms of reference for those committees and sub-committees;
- (iii) decide the allocation of seats on all such committees and sub-committees in accordance with the political balance rules;
- (iv) elect a chairman for all such committees ; and
- (v) determine the dates of the Council meetings taking place in July, October, December and February.

In a year of ordinary elections of Members to the Council the Council shall, at its annual meeting, in addition to the requirements set out above:

- (i) receive a report of the Chief Executive on the return of Members elected;

- (ii) receive notification of the memberships of political groups;
- (iii) receive notification of the names of Group Leaders and their Deputies;
- (iv) elect the Leader of the Council, and
- (v) receive notification from the Leader of:
 - (a) the appointment of the Cabinet, including a Deputy Leader of the Council and the names of Cabinet Members and their portfolios;
 - (b) the terms of reference of any cabinet committees; and
 - (c) any delegation of executive functions to any area committees or in any joint arrangements and delegations of executive functions to Cabinet Members and officers.

16.2 Ordinary Meetings of Full Council

Ordinary meetings of the Council shall be conducted in accordance with the Order of Business set out in paragraph 16.7 below.

16.3 Extraordinary Meetings of Full Council

16.3.1 Calling Extraordinary Meetings

Those listed below may request the Chief Executive to call an Extraordinary Council meeting in addition to Ordinary meetings:

- (i) the Chairman of the Council;
- (ii) the Council by resolution;
- (iii) the Monitoring Officer in circumstances where a Section 5 report is to be presented; and
- (iv) any five Members of the Council if they have signed a requisition presented to the Chairman of the Council and he has refused to request a meeting or has failed to call a meeting within seven clear working days of the presentation of the requisition.

16.3.2 Business

The only business to be conducted at an Extraordinary meeting of the Council shall be the business specified in the summons to the meeting.

16.4 Chairman of meeting

Any power of the Chairman in relation to the conduct of a meeting may be exercised by the person presiding at the meeting.

16.5 Interpretation of the Standing Orders of the Council

The ruling of the Chairman at any meeting of the Council, as to the construction or application of any of these Standing Orders, or as to the proceedings of the Council, shall be final and shall not be challenged.

16.6 Quorum

If during any meeting of the Council the Chairman after counting the number of Members present declares that there is not at least one quarter of the whole number of Members of the Council present, the meeting shall stand adjourned.

The consideration of any business not transacted shall be adjourned to a time to be fixed by the Chairman at the time the meeting is adjourned, or, if he does not fix a time, to the next Ordinary meeting of the Council.

16.7 Order of business

Except as otherwise provided below, the order of business at every Ordinary meeting of the Council shall be:

- (i) to choose a person to preside if the Chairman and Vice-Chairman be absent;
- (ii) to deal with any business required by statute to be done before any other business;
- (iii) to approve as a correct record and sign the minutes of the last meeting of the Council;
- (iv) Chairman's announcements and communications (including the receipt of petitions presented by a Member of the Council, and deputations);
- (v) to deal with any business expressly required by statute to be done;

- (vi) to receive from the Leader of the Council or a Cabinet Member an Executive Statement on a current issue of importance that cannot be covered elsewhere as part of the usual business;
- (vii) to consider motions of which notice has been given under paragraph 16.11 below;
- (viii) to debate any petition containing at least 14,000 signatures, in accordance with the Council's Petition Policy;
- (ix) to consider a report of matters reserved to the Council ("Council Issues");
- (x) to receive and consider reports and recommendations of the Cabinet;
- (xi) to receive and consider reports and recommendations of committees, as required;
- (xii) to receive and consider any other relevant reports;
- (xiii) to review plans and strategies from the Policy Framework, as required;
- (xiv) to deal with questions submitted in accordance with paragraph 16.12 below;
- (xv) to consider other business, if any, specified in the summons; and
- (xvi) to debate matters "in Committee" under paragraph 16.14.

The order of business at any meeting of the Council (other than business falling under items (i), (ii) and (iii) above) may be varied by the Chairman.

16.8 Reporting of meetings by persons attending

The Chairman shall respond to requests made in accordance with section 100A(6)(c) of the Local Government Act 1972 from any person attending the meeting for the purpose of reporting the proceedings to be afforded reasonable facilities for taking their report.

16.9 Minutes

The Chairman shall put the question that the minutes of the meeting of the Council be approved as a correct record.

No discussion shall take place upon the minutes, except upon their accuracy. Any question of their accuracy shall be raised by motion. If no such question is

raised, or if it is raised then as soon as it has been disposed of, the Chairman shall sign the minutes.

Where a meeting is called under paragraph 3 (Extraordinary meetings) of Schedule 12 to the Local Government Act 1972, the next following meeting of the Council (being a meeting called otherwise than under that paragraph) shall be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) (signing of minutes) of that Schedule.

16.10 Petitions

The Council shall receive petitions in accordance with the Council's Petitions Policy.

Petitions are divided into five categories and shall be addressed at the following meetings:

- (i) a petition which contains over 14,000 signatures shall be debated by Full Council;
- (ii) a petition which contains between 10,000 – 13,999 signatures shall receive a written response from a relevant Cabinet Member;
- (iii) a petition which contains between 10 – 9,999 signatures on a Countywide issue will receive a written response from a relevant Senior Officer;
- (iv) a petition which requests that a Senior Council Officer or Cabinet Member give evidence before an Overview and Scrutiny Committee on an issue within its remit, must be supported by at least 2,000 signatures; and
- (v) a petition which contains less than 10 signatures (concerning a Countywide issue) or less than 100 signatures (concerning a local issue) shall be dealt with through standard correspondence.

The petition organiser shall be given five minutes to present the petition to the full Council or Overview and Scrutiny Committee, whereby the petition shall be discussed by the Members for a maximum of 15 minutes.

Where a Senior Council Officer or Cabinet Member is called to give evidence in accordance with (iv) above, only the Committee Members shall put questions to them. The organiser of the petition shall be allowed to suggest questions to the designated Scrutiny Officer up to five working days before the meeting.

The Petition Policy is contained in the Code of Corporate Governance.

16.11 Motions

16.11.1 Scope of motions

No motion or question shall be put unless it relates to some question over which the Council has power or which affects the Council. The Chairman shall decide whether any particular motion is a valid motion and that it should be included on the agenda for consideration by the Council.

Any Member moving a motion or an amendment shall state the reason for it.

16.11.2 Notices of motion

Except for motions which can be moved without notice under paragraph 16.11.5 below, written notice of every motion must be delivered to the Chief Executive not later than 10:30am on the twelfth calendar day before the Council meeting.

Written notice must be signed by the Member intending to move the motion and not less than one other Member.

Up to two Motions from any political group may be submitted to the Chief Executive prior to each meeting of the Council.

Other than at the annual budget meeting where no motions shall be permitted under this paragraph, no more than five motions shall be debated at an Ordinary Meeting of the Council unless the Chairman has exercised his discretion in accordance with paragraph 16.11.3 below to allow an additional urgent motion to be debated.

The five motions to be debated shall be allocated as follows:

- (a) up to two from the majority group in the order in which they were received;
- (b) the first motion received from an Opposition Group in the order received;
- (c) any second motion received from an Opposition Group in the order received;

provided that the Chairman shall exercise discretion to ensure that all Opposition Groups have at least one motion debated during the municipal year.

Any number of independent members shall be considered as a group for the purposes of this rule only.

16.11.3 Chairman's discretion

The Chairman may exercise his discretion and allow notice of motion signed as provided for in paragraph 16.11.2 above, to be received by the Chief Executive not later than 10.30 a.m. on the Wednesday prior to the Council meeting, to be debated at that meeting, where he considers the matter urgent.

Such notice of motion shall contain a request for the Chairman to exercise his discretion and shall specify the grounds upon which the matter is urgent.

The motion and the Chairman's decision shall be set out on the order paper and, in the event of the Chairman declining to allow the motion, the motion shall be referred to the relevant Cabinet Member for response at the next available meeting of the Council.

16.11.4 Response to motions

The relevant Cabinet Member shall respond to a motion at the meeting of Council at which it is moved.

Alternatively a Cabinet Member may first refer a motion to an appropriate Committee for consideration, in which case the Cabinet Member shall respond to the motion at the first available meeting of the Council after receiving the Committee's views which will be incorporated into the response.

16.11.5 Motions which may be moved without notice

The following motions and amendments may be moved without notice:

- (i) appointment of a Chairman of the meeting at which the motion is made;
- (ii) motions relating to the accuracy of the minutes;
- (iii) that an item of business specified in the summons have precedence;
- (iv) reference to a committee or reference back to a committee of any matter before the Council other than reference back of a decision made under delegated powers and already implemented;
- (v) appointment of a committee or member thereof, occasioned by an item mentioned in the summons to the meeting;
- (vi) adoption of reports and recommendations of committees and any consequent resolutions;
- (vii) comment upon matters contained in reports of committees for the information of the committee concerned;
- (viii) that leave be given to withdraw a motion;
- (ix) that the Council proceed to the next business;
- (x) that the question be now put;
- (xi) that the debate be now adjourned;
- (xii) that the Council does now adjourn;
- (xiii) that the Standing Orders be suspended, in accordance with Article 1;
- (xiv) motion to exclude the public in accordance with the Access to Information Procedure Rules;
- (xv) that a Member named under paragraph 16.15: Disorderly Conduct, not be heard further or leave the meeting;
- (xvi) giving consent of the Council where the consent of the Council is required by these Standing Orders; or
- (xvii) for such other purposes as the Chairman may approve.

16.11.6 Rules of debate

A motion shall not be discussed at Council unless notice has been given in accordance with 16.11.2 above and it has been proposed and seconded at the meeting of the Council at which the motion is to be considered.

That with respect to the agenda for the budget-setting meeting of the Council, the submission of motions unrelated to the Budget be prohibited, provided that discretion be granted by the Chairman of the Council to admit motions relating to matters of urgency.

16.11.7 Seconders' speech

A Member when seconding a motion or amendment may, if he then declares his intention to do so, reserve his speech until a later period of the debate.

16.11.8 Amendments to motions

An amendment shall be relevant to the motion and shall be either:

- (i) to refer a matter to a Committee, the Cabinet or a Portfolio Holder for consideration or reconsideration;
- (ii) to leave out words;
- (iii) to leave out words and insert or add others; or
- (iv) to insert or add words;

but such omission, insertion or addition of words shall not have the effect of introducing a new subject matter into the motion before the Council or negating the motion.

No amendment may be moved unless it has been put in writing and handed to the Chairman by no later than 9 am on the morning of the meeting in a format to be specified by the Monitoring Officer.

Only one amendment may be moved and discussed at any one time. No further amendment shall be moved until the amendment under discussion has been disposed of.

The Chairman may permit two or more amendments to be discussed (but not voted on) together if circumstances suggest that this course would facilitate the proper conduct of the Council's business.

If an amendment is not carried, other amendments to the original motion may be moved.

If an amendment be carried, the motion as amended shall take the place of the original motion and shall become the substantive motion to which any further amendment may be moved.

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

16.11.9 Alteration to Motions

A Member may alter a motion of which he has given notice, in accordance with paragraph 16.11.2 above, with the consent of the Council.

A Member may alter a motion he has moved without notice with the consent of both the Council and the Secunder.

The Council's consent will be signified without discussion.

Only alterations which could be made as an amendment may be made.

16.11.10 Right of reply

The mover of a motion has a right of reply, at the end of the debate on the motion, immediately before it is put to the vote.

If an amendment is moved, the mover of the original motion has the right of reply at the end of the debate on the amendment, but may not otherwise speak on it.

The mover of the amendment shall have no right of reply to the debate on his amendment.

16.11.11 Motions which may be moved during debate

When a motion is under debate no other motion shall be moved except the procedural motions:

- (i) to amend the motion;
- (ii) to adjourn the meeting;
- (iii) to adjourn the debate;
- (iv) to proceed to the next business;
- (v) that the question be now put;
- (vi) that a Member named under paragraph 16.15 below: Disorderly Conduct, not be heard further or do leave the meeting; or
- (vii) a motion to exclude the public in accordance with the Access to Information Procedure Rules.

16.11.12 Withdrawal of motion

A Member may withdraw a motion he has moved with the consent of both the Secunder and of the Council.

The Council's consent will be signified without discussion.

No Member may speak on the motion after the mover has asked permission to withdraw it unless such permission is refused.

16.11.13 Closure motions

A Member may move, without comment, the following motions at the conclusion of a speech of another Member:

- (i) that the Council proceeds to the next business;
- (ii) that the question be now put;
- (iii) that the debate be now adjourned; or
- (iv) that the Council does now adjourn;

on the seconding of which the Chairman shall, unless in his opinion the matter before the meeting has been insufficiently discussed, proceed as follows:

- (i) on a motion to proceed to the next business: he shall first give the mover of the original motion a right of reply, and then put to the vote the motion to proceed to the next business;
- (ii) on a motion that the question be now put: he shall put to the vote the motion that the question be now put, and if it is passed then give the mover of the original motion his right of reply under paragraph 16.11.10 above before putting his motion to the vote;
- (iii) on a motion to adjourn the debate or the meeting: he shall put the adjournment motion to the vote without giving the mover of the original motion his right of reply on that occasion.

16.11.14 Motions affecting persons employed by the Council

If any question arises at a meeting of the Council as to the appointment, promotion, dismissal, salary, superannuation or conditions of service, or as to the conduct of any person employed by the Council, a motion in accordance with the Access to Information Rules, for the exclusion of the public shall be moved forthwith by the Chairman of the committee concerned and put without debate.

16.12 Questions

16.12.1 Written questions

A Member of the Council may, if notice has been given in writing to the Chief Executive before 10.30 a.m. on the Wednesday prior to the Council meeting, ask the Leader, Cabinet Member or Chairman of a Committee any question on any matter in respect of which the Council has powers or duties.

Where he considers the matter urgent, the Chairman may allow any member to put to the Leader, Cabinet Member or Chairman of any committee any question of which the above notice has not been given; but a copy of any such question shall, if possible, be delivered to the Chief Executive not later than nine o'clock in the morning of the day of the meeting.

16.12.2 Editing of questions

Any written question may be edited both to bring it into proper form and to secure reasonable brevity.

16.12.3 Supplementary question

If after a reply is given to a written question the Member who asked the question considers that the reply requires clarification, he may ask once for clarification but otherwise no supplemental question shall be put except by leave of the Chairman.

16.12.4 Restriction on number of questions

The number of written questions which may be asked pursuant to notice given in accordance with paragraph 16.12.1 above by any one Member at any one meeting shall be limited to two.

16.12.5 Questions on reports

A Member of the Council may ask the Leader, Cabinet Member or Chairman of a committee any question on any report of the Cabinet or a committee when that item is under consideration by the Council.

16.12.6 Other questions

In accordance with paragraph 16.7 any Member of the Council may ask any verbal question of:

- (i) the Chairman;
- (ii) the Leader;
- (iii) a Member of the Cabinet; or
- (iv) the Chairman of any Committee or Sub-Committee;

on any matter in relation to which the Council has powers or duties or which affects the area but which is not capable of being dealt with under paragraph 16.12.5.

16.12.7 Essex Police and Crime Panel and/or Essex Fire Authority

A Member of the Council may ask any question of the representative of either the Essex Police and Crime Panel or the Essex Fire Authority relevant to the business of the bodies.

16.12.8 Time for questions

The time allotted at each meeting for the putting and answering of questions asked under paragraph 16.12.6 (Other questions) shall not exceed 20 minutes, without the leave of the Chairman of the Council.

The person to whom a question has been put may, on reasons stated, decline to answer.

16.12.9 Form of answer

An answer may take the form of:

- (i) a direct oral answer; or
- (ii) where the desired information is contained in a publication of the Council, a reference to that publication; or
- (iii) where the Chief Executive considers that the reply to the question can conveniently be so given, by a written answer circulated to the Members of the Council present at the meeting.

16.13 Rules of debate

16.13.1 Only one Member to stand at a time

A Member when speaking shall stand and address the Chairman. If two or more Members indicate, the Chairman shall call on one to speak; the other or others shall then sit. While a Member is speaking the other Members shall remain seated, unless rising to a point of order or in personal explanation.

16.13.2 Content and length of speeches

(a) Members shall direct their speeches to the question under discussion or to a personal explanation or to a point of order. Unless the Chairman otherwise approves, the length of time given to each Member to speak will not exceed the following time limits:

- (i) the mover of a motion or recommendation – three minutes;
- (ii) a Member exercising the right of reply in accordance with paragraph 16.11.10 – three minutes;
- (iii) a Cabinet Member, or another Member nominated to speak on their behalf, responding to the question under discussion where that question relates to a matter under their portfolio responsibility – three minutes;
- (iv) any other Member – three minutes;
- (v) the limits set out above shall not apply to a Member presenting or responding to questions in connection with a report or a paper and recommendations;
- (vi) there will be a maximum time limit of 25 minutes per motion and the maximum length of time for the consideration of motions presented under paragraph 16.11.2 will be 120 minutes unless the Chairman of the Council agrees to extend those limits.

(b) When dealing with the annual budget debate:

- (i) the Leader of the Council when making the budget speech and summing up the debate – no time limit;
- (ii) the Cabinet Member speaking in support of the budget speech – 10 minutes;
- (iii) each Leader of the three largest opposition groups when responding to the budget speech – 6 minutes;

- (iv) individual Cabinet Members when responding to any specific issues raised in relation to their Portfolio budgets – six minutes; and
- (v) any other Member – three minutes.

All timings are at the discretion of the Chairman.

16.13.3 When a Member may speak again

The mover of a motion or recommendation, but not the mover of an amendment, shall have a right of reply, immediately after which reply the question shall be put to the vote: no other Member shall be allowed to speak more than once on the same question except:

- (i) on a point of order; or
- (ii) by leave of the Chairman in explanation of any material statement made by him which he believes to have been misunderstood.

16.13.4 Points of order

A Member may rise on a point of order or by leave of the Chairman in personal explanation and shall be entitled to be heard forthwith.

A point of order shall relate only to an alleged breach of a Standing Order or statutory provision and the member shall specify the Standing Order or statutory provision and the way in which he considers it has been broken.

A personal explanation shall be confined to some material part of a former speech by him which may appear to have been misunderstood in the present debate.

16.13.5 Respect for chair

Whenever the Chairman rises during a debate a Member then standing shall resume his seat and the Council shall be silent.

16.14 Council in Committee

A Member of the Council may, by written notice to the Chief Executive given before 10.30am on the Wednesday prior to the Council meeting, require that an item is placed on the order paper for debate.

The matters that may be the subject of such a notice are those which relate to general interest of the Council and the community and are not the subject of report to the Council by a committee.

If more than one such notice is given in respect of any meeting of the Council the Chairman shall determine the order in which they are put to the Council which shall decide whether or not to proceed with the debate.

In the event of a debate taking place under this Standing Order,

- (i) paragraph 16.11.1 (Scope of motions),
- (ii) paragraph 16.11.7 (Seconder's speech),
- (iii) paragraph 16.11.8 (amendments to motions),
- (iv) paragraph 16.13.1 (Only one Member to stand at a time) and
- (v) paragraph 16.13.2 (content and length of speeches),

shall be suspended until its conclusion, provided that the Chairman shall retain the right to regulate the proceedings.

16.15 Disorderly conduct

If at a meeting any Member of the Council, in the opinion of the Chairman notified to the Council, misconducts himself by persistently disregarding the ruling of the Chair, or by behaving irregularly, improperly, or offensively, or by willfully obstructing the business of the Council, any Member may move:

- (i) "that the Member named be not further heard"; and the motion if seconded shall be put and determined without discussion;
- (ii) if the Member named continues his misconduct after a motion under the foregoing paragraph has been carried a Member shall:
 - (a) either move "that the Member named do leave the meeting" (in which case the motion shall be put and determined without seconding or discussion); or;
 - (b) the Chairman may adjourn the meeting of the Council for such period as he in his discretion shall consider expedient: and,
 - (c) the Chairman may also give such directions as he shall consider appropriate for the removal of the Member named and the restoration of order.

16.15.1 General disturbance

In the event of general disturbance which in the opinion of the Chairman renders the due and orderly despatch of business impossible, the Chairman in addition to any other power vested in him, may, without question adjourn the meeting of the Council for such period as he in his discretion shall consider expedient.

16.15.2 Disturbance by members of the public

If a member of the public interrupts the proceedings at any meeting the Chairman shall warn him. If he continues the interruption the Chairman shall order his removal from the Council Chamber or direct that the part of the Council Chamber open to the public be cleared.

16.16 Rescission of preceding resolution

No motion to rescind any resolution passed within the preceding six months, and no motion or amendment to the same effect as one which has been negatived within the preceding six months, shall be considered unless:

- (i) in the opinion of the Chairman significant new information has come to light; or
- (ii) the notice thereof given in pursuance of paragraph 16.11.2 above bears the names of at least 25 Members of the Council; or
- (iii) it is moved in pursuance of the recommendation of a committee.

16.17 Voting

On a division (except as otherwise provided in these Standing Orders) the voting shall be by show of hand or, at the discretion of the Chairman, by members standing in their places.

Before a vote is taken, any ten Members may demand a division by name by standing in their places, in which event the Chief Executive then shall call on each Member of the Council to state whether he votes for or against the motion or amendment, take down the votes, and inform the Chairman of the numbers, whereupon the Chairman shall declare the result.

In a division by name, the names of Members voting for and against the proposition shall be recorded in the minutes.

Where immediately after a vote is taken any Member so requires, there shall be recorded in the minutes of the proceedings of the meeting whether that person cast his vote for the question or against the question or whether he abstained from voting.

16.18 Voting on appointments

Where there are more than two persons nominated for any position to be filled by the Council, and of the votes given there is not a majority in favour of one person the name of the person having the least number of votes shall be struck off the list and a fresh vote shall be taken, and so on until a majority of votes is given in favour of one person.

16.19 Record of attendances

Every Member of the Council attending a meeting of the Council is requested to sign his name in the attendance book or on the sheet provided for that purpose.

The attendance book shall be used to monitor Members' attendance and ensure compliance with the Article 3.8(xvi).

16.20 Officers' interest in contracts and other matters

In addition to disclosing any interest in a contract pursuant to section 117 of the Local Government Act 1972, any officer of the Council shall also disclose in writing to the Chief Executive any such interest which he may have in a proposed contract or other matter.

Any officer present at a meeting at which a contract, proposed contract or other matter in which he has disclosed an interest under section 117 of the 1972 Act shall as soon as practicable after the commencement of the meeting, disclose orally that interest which shall be recorded in the minutes of the meeting.

16.21 Standing Orders to apply to committees

The following Standing Orders of the Council and those relating to contracts shall, with any necessary modification, apply to committees, and groups;

- 16.8** Reporting of meetings by persons attending
- 16.11.6** Rules of debate except those parts which relate to standing and to speaking more than once;
- 16.11.14** Motions affecting persons employed by the Council;
- 16.15** Disorderly conduct;
- 16.15.2** Disturbance by members of the public;
- 16.17** Voting;
- 16.18** Voting on appointments;
- 16.19** Record of attendances;
- 16.20** Officers' interest in contracts and other matters;
- 16.23** Attendance of non-members of committees.

Provided that the ruling of the Chairman of the meeting as to the construction or application of these Standing Orders or as to any other aspect of the

proceedings of the meeting, shall be final and shall not be challenged at any meeting of the committee, or group.

The Standing Orders (Rules of debate) will not apply to Overview and Scrutiny Committees or their sub-structure. During debate taking place at these meetings the Chairmen shall have the right to regulate the proceedings.

At the Chairman's discretion the four Education Co-opted Members may be invited to Council in Committee if the subject is an Educational matter. They will be allowed to speak but will not be entitled to vote.

16.22 Executive Statements

The Leader of the Council or a Cabinet Member may update the Council on current issues of importance that cannot be covered elsewhere as part of the usual business.

Executive Statements should normally be limited to one per meeting, but more may be made at the discretion of the Chairman.

16.22.1 Procedure

- (i) An item ('Executive Statements') will be included on the agenda for every Ordinary Council meeting, as indicated in paragraph 16.7 above;
- (ii) The subject of any proposed statement and the identity of the person who will be making it should be notified to the Governance Team Manager by 5.00pm on the Friday prior to the Council meeting, for e-mail notification to all Members of the Council.
- (iii) In exceptional circumstances where it has not been possible to provide notification and identify the person making the statement by 5:00pm on the Friday prior to the Council meeting, such notification and identification shall be made to the Governance Team Manager as soon as possible for notification to the leaders of all political groups and for the agreement of the Chairman of the Council that it may proceed.
- (iv) At the meeting, the Leader of the Council or Cabinet Member will be entitled to address the Council on the subject of the Statement for a maximum of 10 minutes.
- (v) The Chairman will then invite questions from Members of the Council for a period of time at his discretion. The originator of the Statement shall respond to the questions as they are raised.

16.23 Attendance of non-members at meetings

A Member of the Council shall be able to attend any committee of which he is not a member and, if invited to do so by the Chairman of the meeting, may take part in a discussion but may not vote.

16.24 Minority reports

If a minority consisting of not less than one-fourth of the members present at any meeting of a committee signs a minority report on a matter upon which the committee is proposing to report to the Council, and forwards it to the Chief Executive so that it reaches him by the fourth working day following the date of the meeting, he shall cause copies of such minority report to be circulated with the report of the committee.

In any event a minority shall not be less than two members present at any meeting of a committee.

16.25 Substitute members

A member of a committee shall if he wishes, appoint another Member of the political group to which he belongs to attend a meeting of that committee in his place.

In such circumstances that Member shall give the relevant Governance Officer written notice not later than thirty minutes before the start of the meeting on the day advising that he is unable to attend and that the substitute member named in the notice will attend in his place.

A substitution notice may be given by the leader of a political group or by the group spokesman of the relevant committee.

The effect of a substitution notice shall be that the Member named in the notice shall cease to be a member of that committee for the duration of that meeting and that the substitute member shall be a full member of the committee for the same period.

A substitution notice may be revoked at any time preceding the deadline for the giving of such notice.

These arrangements shall apply equally in respect of meetings of groups and panels of all committees.

16.26 E-mail

Where any notice is required to be given under these Standing Orders or any other provision of the Constitution it may be validly given by fax or e-mail and a signature shall be deemed to include a typed subscription of the Member or Members' name or names to the fax or e-mail.

16.27 Proceedings and Business

In this Standing Order –

“Cabinet” and “Leader” have the same meanings as “Executive” and “Executive Leader” in Part II of the Local Government Act 2000; and

“plan or strategy” and “working day” have the same meaning as in the Local Authorities (Standing Orders) (England) Regulations 2001.

16.28 Draft Plan or Strategy

Where the Cabinet has submitted a draft plan or strategy to the Council for its consideration and, following consideration of that draft plan or strategy, the Council has any objections to it, the Council must take the action set out in paragraph 16.28.1 below.

16.28.1 Objections to Draft Plan or Strategy

Before the Council:

- (i) amends the draft plan or strategy;
- (ii) approves, for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft) of which any part is required to be so submitted; or
- (iii) adopts (with or without modification) the plan or strategy,

it must inform the Leader of any objections which it has to the draft plan or strategy and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, the draft plan or strategy submitted to it.

16.28.2 Leader’s Action on Receipt of Objections

Where the Council gives instructions in accordance with paragraph 16.28.1, it must specify a period of at least five working days beginning on the day after the date on which the Leader receives the instructions on behalf of the Cabinet within which the Leader may:

- (i) submit a revision of the draft plan or strategy as amended by the Cabinet (the “revised draft plan or strategy”), with the Cabinet’s reasons for any amendments made to the draft plan or strategy, to the Council for the Council’s consideration; or

- (ii) inform the Council of any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for any such disagreement.

16.28.3 Council's Action when Considering Amended Drafts

When the period specified by the Council, referred to in paragraph 16.28.2, has expired, the Council must, when:

- (i) amending the draft plan or strategy, or if there is one, the revised draft plan or strategy;
- (ii) approving, for the purpose of its submission to the Secretary of State or any Minister of the Crown for his approval, any plan or strategy (whether or not in the form of a draft or revised draft) of which any part is required to be so submitted; or

- (iii) adopting (with or without modification) the plan or strategy;

take into account:

- (i) any amendments made to the draft plan or strategy that are included in any revised draft plan or strategy;
- (ii) the Cabinet's reasons for those amendments;
- (iii) any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for that disagreement;

which the Leader submitted to the Council, or informed the Council of, within the period specified.

16.29 Council Tax

Subject to paragraph 16.29.4, where, before 8 February in any financial year, the Cabinet submits to the Council for its consideration in relation to the following financial year:

- (i) estimates of the amounts to be aggregated in making a calculation (whether originally or by way of substitute) in accordance with any of sections 32 to 37 or 43 to 49, of the Local Government Finance Act 1992;

- (ii) estimates of other amounts to be used for the purposes of such a calculation;
- (iii) estimates of such a calculation; or
- (iv) amounts required to be stated in a precept under chapter IV of Part I of the Local Government Finance Act 1992;

and following consideration of those estimates or amounts the Council has any objections to them; it must take the action set out in paragraph 16.29.1.

16.29.1 Council Tax - Objections

Before the Council makes a calculation (whether originally or by way of substitute) in accordance with any of the sections referred to in paragraph 6(a), or issues a precept under Chapter IV of Part I of the Local Government Finance Act 1992, it must inform the Leader of any objections which it has to the Cabinet's estimates or amounts and must give to him instructions requiring the Cabinet to reconsider, in the light of those objections, those estimates and amounts in accordance with the Council's requirements.

16.29.2 Leader's Action on Receipt of Objections

Where the Council gives instructions in accordance with paragraph 16.29.1, it must specify a period of at least five working days beginning on the day after the date on which the Leader receives the instructions on behalf of the Cabinet within which the Leader may:

- (i) submit a revision of the estimates or amounts as amended by the Cabinet ("revised estimates or amounts"), which have been reconsidered in accordance with the Council's requirements, with the Cabinet's reasons for any amendments made to the estimates or amounts, to the Council for the Council's consideration; or
- (ii) inform the Council of any disagreement that the Cabinet has with any of the Council's objections and the Cabinet's reasons for any such disagreement.

16.29.3. Council's Action when Considering Amendments

When the period specified by the Council, referred to in paragraph 16.29.2, has expired, the Council must, when making calculations (whether originally or by way of substitute) in accordance with the sections referred to in paragraph 6(a), or issuing a precept under Chapter IV of Part I of the Local Government Finance Act 1992, take into account:

- (i) any amendments to the estimates or amounts that are included in any revised estimates or amounts;
- (ii) the Cabinet's reasons for those amendments;
- (iii) any disagreement that the Cabinet has with any of the Council's objections;
and
- (iv) the Cabinet's reasons for that disagreement;

which the Leader submitted to the Council, or informed the Council of, within the period specified.

16.29.4 Paragraphs 16.29 – 16.29.3 shall not apply in relation to:

- (a) calculations or substitute calculations which a Council is required to make in accordance with section 52I, 52J, 52T or 52U of the Local Government Finance Act 1992; and
- (b) amounts stated in a precept issued to give effect to calculations or substitute calculations made in accordance with section 52J or 52U of that Act.

(Note: The above relate to various substitute calculations - TO)

ESSEX COUNTY COUNCIL

PROTOCOL FOR WORKING ARRANGEMENTS BETWEEN THE CABINET AND OVERVIEW AND SCRUTINY COMMITTEES

Principles of Overview and Scrutiny

Legislation and government guidance require overview and scrutiny committees (OS) to play an integral role in councils’ delivery of service improvement. OS should enhance councils’ corporate governance by ensuring that non-executive members are contributing to the improvement of services for residents and that the executive is subject to non-partisan constructive challenge.

OS is a member led process. Its success or otherwise will depend on the executive’s ability to establish and sustain an effective working relationship between its OS committees and their chairmen and cabinet members. The legislation includes provisions setting out what OS may expect from the executive, and the Council’s Constitution describes how some aspects of that relationship will operate in Essex.

The relationship between the OS, cabinet, and senior management is complex. OS must be in a position to provide effective challenge to the organisation but cannot do so without the positive and practical co-operation of cabinet members and senior managers who must be prepared to respond constructively to the challenge offered by OS.

Scrutiny councillors and officers should maintain their independence but must at the same time develop a constructive relationship with the cabinet if the full benefits of the OS process are to be realised. The cabinet remains solely responsible for the determination of the policies and priorities of the council and executive decisions and senior managers and staff will deliver these on their behalf. However, the role of scrutiny as a challenge to the exercise of the executive’s power and the value that this can bring to the council as a whole must be agreed, safeguarded and promoted. At the same time, OS must arrange its business in such a way as to be able to deliver these potential benefits. Once agreed it is critical to the effectiveness of a council’s OS function that roles and responsibilities are observed and respected. Failure to do so will mean that resources are wasted, reviews are ineffectual in terms of outcomes, and ultimately the positive role that OS may fulfil is undermined.

Detailed guidance on the Council’s OS processes and procedures, including topic selection and managing OS projects, has been published separately.

Protocol

The aim of this protocol is to set out and agree good practice to ensure an open, trusting and non-partisan relationship between Cabinet Members and senior OS members in order

to deliver focused and transparent policy development and scrutiny. It highlights the key roles and responsibilities of the OS Committees and Cabinet. The protocol will contribute to more effective OS work programming and outcomes and, in doing so, enable the Committees to influence Council activity in a meaningful way.

1. What the Cabinet can expect from Overview and Scrutiny

- OS will offer constructive challenge to the Cabinet having regard to the Council's budget framework, and provide non-partisan checks and balances to secure maximum benefits for the Essex community.
- OS will ensure that its work programmes are targeted appropriately so that they are able to complement the Council's and partners' other improvement processes in order to add value to them. OS Committees will engage with the Cabinet and other appropriate parties in determining items for inclusion in a committee's work programme.
- OS will engage with appropriate officers and portfolio holders in the development of the methodology and scopes adopted for the consideration of specific projects and will have a mind to the impact that these investigations will have upon the resource commitments of the specific services.
- OS will ensure that at all times councillors and senior officers are kept informed of its deliberations in order to ensure that there are 'no surprises' as the result of investigations.
- OS will endeavour to ensure that the recommendations it makes following investigation are SMART (Strategic, Measurable, Achievable, Realistic and Timed). These recommendations will be discussed with appropriate officers and portfolio holders as part of the preparation of a final report.
- OS will endeavour, while acting as a critical friend of the Cabinet, to provide an effective means of championing the interests of the council and residents through its activities.
- OS accepts that once a scrutiny report is agreed by a Committee, it is for the relevant Cabinet Member to decide what further investigations, consultations and reports are required before being in a position to consider his/her response to a review's recommendations.
- OS accept that on certain issues the Cabinet and Cabinet Members need to take urgent action and in such cases the opportunity for consultation with scrutiny will be limited. Where such a need arises the cabinet member will brief the appropriate scrutiny chairman.

2. What Overview and Scrutiny Committees can expect from the Cabinet

- The Cabinet will respect the independence of OS.

- The Cabinet and senior management will recognise the value that OS can add to service improvement and will ensure that appropriate referrals are proposed for specific investigations.
- The Cabinet will publish a rolling twelve month executive work programme, updated monthly, to indicate when policies are to be reviewed and when decisions are planned to be taken. This will facilitate timely involvement by scrutiny in emerging policy decisions, and reflect the principle that OS should be given adequate opportunity to comment before executive decisions are taken.
- There will be a regular dialogue during which the Cabinet Member will share with the relevant scrutiny chairmen their plans for their portfolio and give early notice of new developments, policy reviews and decisions in order to determine the best way for the OS Committees to add value. Given the wide remits of the OS Committees, topic selection will be critical in the consideration of work programmes with priorities having to be determined, and it will not be possible for all matters to be scrutinised. Having considered the comments of the cabinet member OSC committees will determine their work programmes.
- At the invitation of an OS Committee cabinet members will participate in the evidence gathering process, the consideration of emerging findings, and the deliberation on recommendations. Cabinet members will be informed at an early stage about scrutiny reviews that are being established to look at issues within their portfolio, and about possible dates for attending a meeting for the purpose of giving evidence. The notice given should be sufficient to enable the production of any documentation or report that may be required. Any report and discussion will be in the public domain unless the provisions relating to exempt information apply.
- Cabinet Members will attend OS Committee meetings when invited to give evidence, respond to questions, respond to the outcomes of reviews or update the committee on work falling within their executive portfolio. They may also attend meetings that are considering scrutiny issues within their area. If a Cabinet Member wishes to attend a meeting in other circumstances, it should be as an observer. In each case seating arrangements will reflect the role they are playing.
- Following approval of a scrutiny report it will be formally submitted to the Cabinet Member for consideration of any OS Committee recommendations. Under the Constitution the Cabinet Member will within one month of it being received, acknowledge its receipt and give an indication of the likely timescale for the preparation of a response. In due course the cabinet member will provide a response to the committee setting out the executive view of the recommendations made, the reasons for any recommendations being rejected or accepted and, where appropriate, the timescale for the implementation of any proposed action in respect of the topic considered.

- Any representation made by a scrutiny committee, and the cabinet member's response, will be included in any subsequent report considered by the Cabinet or Cabinet Member. When scrutiny committee comments are included in a cabinet report, the scrutiny committee chairman shall be invited to attend the cabinet to present their committee's comments.

3. Supporting Activity

To secure the implementation of this proposal there will be regular meetings between OS Chairman, Vice Chairmen, and Cabinet Members to discuss development of the work programme, to confirm progress on on-going projects, to discuss in-year referrals, and to identify problem areas.

If difficulties arise in the operation of this protocol they shall be referred by the Cabinet or the Scrutiny Board to the Corporate Governance Steering Group.

Agenda item 11

Cabinet Issues

1. Lower Thames Crossing – Submission of the County Council's Response to Department of Transport Consultation

The Government has opened a consultation on three potential route options for additional Thames Crossings. A map showing the options is attached below. The Cabinet has agreed to support Option C, connecting the M2 with the A13 and the M25 between junctions 29 and 30.

Cabinet also agreed in supporting option C, the Council should request in its formal response that, in addition to the provision of a new crossing, the Department for Transport must also evaluate the impact that this nationally important link has on the local trunk and county strategic road network. Improvements to the junctions of the A13 and A12 with the M25, the A127 with the A130 and the A130 with the A12 all need to be considered as part of a wider package of measures to ensure that journeys in the vicinity of the Crossing are also reliable on the busy trunk and county strategic network.

2. Essex BDUK Broadband Project

Cabinet has agreed to award the Essex BDUK Project contract to the preferred bidder in line with the BDUK framework contract, subject to concluding due diligence and successfully passing the Alcatel period without any objections.

In 2010 the Government announced aspirations for the UK having access to the fastest broadband in Europe by 2015. A sum of £530m was set aside and allocated to local authorities to plan, procure and deliver broadband infrastructure projects. In late 2011 details of the allocations were released and Essex, including Thurrock and Southend, was allocated £6.46m. This funding had to be matched by council funding.

In November 2011 Cabinet endorsed the Next Generation Access strategy and supported the Essex Local Broadband Plan which set out the rationale for investing in the infrastructure using the funding provided through BDUK. Capital provision was made and governance established in early 2012.

The Department for Culture, Media and Sport (DCMS) approved a framework agreement in June 2012, to provide an umbrella arrangement for local authorities to procure the project through a Call-Off Contract. The County Council agreed to use the framework which has two suppliers with only one supplier willing to respond to the tender.

DCMS secured state aid approval on 20 November 2012 which clears the way for the roll-out of broadband infrastructure across the UK. This grant is for the UK's rural

broadband programme and acts as an umbrella cover for all BDUK Projects that come under this programme.

The DCMS Framework provides the necessary tools to ensure value for money; contract terms and conditions; financial modelling and profiling; risk management and more to support the County Council's due diligence process.

3. Approval of Lifelong Learning Strategy Implementation Plan 2013/14

Cabinet has approved the Lifelong Learning Strategy Implementation Plan for 2013/14 and the approach to the annual review and refresh and 'in year' monitoring.

In order to succeed Essex cannot simply be content with keeping pace with other local authorities. It needs to work hard, with partners, to extend aspirations and create a restlessness to succeed throughout Essex. In recognising this, the Lifelong Learning Strategy was launched on 1 April 2013.

The Lifelong Learning Strategy Implementation Plan is a key driver of the strategy's vision and priorities, outlining the actions required to deliver the strategy and to be both monitored in year and reviewed and refreshed annually.

4. 2012/13 Essex County Council Annual Report and Corporate Plan Progress Report 2012/13 Year End

Cabinet received the 2012/13 Year End Corporate Plan Progress Report providing detail of the available data for each of the indicators within the 2012-2017 Corporate Plan, focusing on 2012/13 performance, with the inclusion of latest 2013/14 data where this is available.

5. Renewal of the S75 Mental Health Partnership Agreements

Cabinet has agreed to renew the Mental Health S75 National Health Services Act 2006 Partnership Agreements between the Council and North Essex Mental Health Partnership University Foundation Trust (NEPFT) and South Essex Mental Health Partnership University Foundation Trust (SEPT). The agreements will provide integrated mental health service provision under a single management arrangement.

The agreements with both NEPFT and SEPT will be for five years, containing break clauses after two years and eighteen months respectively and then annually to allow for flexibility to mitigate against any implications from the transfer of Health contract responsibility from Primary Care Trusts to Clinical Commissioning Groups. Staff currently seconded to NEPFT will be transferred to the Trust under a TUPE compliant process. Staff currently seconded to SEPT will continue to be seconded to the Trust because work underpinning the implementation of the South Essex Mental Health Strategy is likely to change the way that mental health services are commissioned in future and, potentially, the delivery vehicle for social care provision.

6. Social Care Case Management

Cabinet has approved the investment of £647,000 for a project to produce a final business case in relation to the procurement of a Social Care Case Management System. A mini-tender process will be initiated using a pre-procured Government Procurement Service framework and the procurement will be structured to enable purchase of one or more discrete components of a system that both aligns with the needs of the Transformation Programme Mark II and its associated programmes and facilitates a staged transition in Adults and Family Operations.

Currently there are about 35 separate systems supporting Adults Operations and Family Operations, many of which are in need of replacement. Procurement of a modular Social Care Case Management solution will offer the technical functionality to support the social care services of Adults and Family Operations and enable both to meet the requirements of Transformation Mark II by providing adequate systems support. It will cleanse and migrate social care data from the existing systems and allow these systems to be decommissioned, saving on costly support and maintenance. The procurement will result in a number of benefits to Essex residents in terms of greater choice of care and ability to make more informed decisions as well as greater independence. It will also benefit the Council in a number of ways, including by minimising the risk and potential cost of system failure, improving efficiencies, reducing maintenance costs and improving performance monitoring.

Cabinet has also agreed to extend the licence for the current Family Operations Case Management Tool until May 2015 whilst procurement of the new system is completed and implemented.

7. Capita Contract Extension

Cabinet has approved the extension of the existing recruitment service contract with Capita until 24 September 2015 (its maximum duration).

The contract for the managed service for recruitment services between the Council and Capita was implemented in September 2008. The maximum duration of the contract is seven years, made up of an initial three-year period with opportunity for up to four, one-year periods. The contract has already been extended for two of those periods, expiring at the end of December 2013.

Having considered a number of options, extension of the contract for a further two years is considered to offer the maximum benefit to the Council. It provides an opportunity to continue stable service provision for recruitment and safeguarding checks through challenging times and will also ensure that the eventual approach to market will take place after completion of the Corporate Systems tender process, the outcome of which will provide clarity in relation to the business needs of the new organisational model.

8. 2013-14 Financial Review as at the First Quarter Stage

Cabinet has received an updated assessment of the financial position of the Council in 2013/14, based upon the position at the first quarter stage. A number of actions to deal with variances arising were approved, resulting overall in a forecast under spend at year end.

9. Establishment of a Company to Facilitate the Transformation Programme

The Cabinet has approved the establishment of an operating company which is able to receive work directly from the Council. This is an initial step towards creating a group company structure owned by the Council.

The Council and the European Union recognise that sometimes there is a benefit for a public authority to establish trading companies to discharge part of its functions. Usually the award of the contracts has to be tendered, but in certain circumstances, where the company is controlled by the Council, a direct award of contracts may be possible.

Establishment of an operating company represents phase 1 of a process to create a group company structure, the aim of which is to enable the Council to make direct award to the parent company or an appropriate subsidiary once a business case has been established evidencing that a transfer of services to the company will produce best value. Phase 2 of the process will be the creation of a broader company structure, providing that a clear business case exists to support this.

Any decision to transfer work or let contracts to any company within the group structure will be the subject of further decisions by the Leader of the Council or the Cabinet, supported by individual business cases.

10. Proposal for the Use of Sustainability Funding S256 2013/14

The Cabinet has approved the use of £5.647m remaining sustainability funding to fund sustainability schemes and integration activity, as recommended by the Health and Wellbeing Board.

Section 256 Sustainability funding transfers occur each year from the NHS to local authorities to contribute to the costs of Adult Social Care, subject to conditions set within Directions from the Department of Health. Funding must be used to support adult social care services in each local authority, which also have a health benefit.

The amount of funding allocated to the Council for 2013/14 was some £5.647m higher than expected. Proposals for use of these additional funds for sustainability schemes and integration have been developed based on Integrated Plans already developed between the Council, NHS England and the Clinical Commissioning Groups. They also take account of both the existing evidence base and the work carried out in October 2012 as part of the Whole Essex Community Budgets submission.

The schemes proposed include work towards the avoidance and prevention of falls, reablement and support work at Colchester Garrison and various mental health projects. They are intended to improve social care services and outcomes for service users. Benefits will be achieved by preventing admissions to hospital and to residential care, resulting in financial savings to both health and social care, and delivering improved outcomes for service users arising from prevention and early intervention activity.

The schemes were supported by the Health and Wellbeing Board at its July meeting.

11. The Children, Young People and Families Partnership Plan 2013 – 16

The Cabinet has agreed to recommend to Council for approval the Children, Young People and Families Partnership Plan 2013 – 16. This is the subject of a separate report on the agenda for this meeting.

12. Foster Care Rolling Select List

The Cabinet has agreed to the appointment of a Rolling Select List for the provision of independent foster carers as a replacement for the previous contractual arrangement which ended in April 2013. The list will run from 1 October 2013 until 30 September 2017, with the option of two one-year extensions, meaning the maximum contract period will extend until 30 September 2019.

A Rolling Select List is a framework-type agreement (although not a formal framework agreement) with multiple independent foster care agencies to provide foster carers when the Authority is unable to provide them from within its own internal pool. Suppliers on the list are tiered at three levels, based on quality and price criteria.

David Finch
Leader of the Council

Overview and Scrutiny Issues

1. A Snapshot of some of the Scrutiny Work currently being undertaken

Corporate Scrutiny

The Corporate Scrutiny Committee has met three times since the May elections and has considered standing items such as Transformation II and the Budget Outturn. Additionally, the Committee has established two Task and Finish Groups which are looking at the ECC Procurement Strategy, and *Your Essex Public Engagement*, which is part of the wider *Engaging Essex* Strategy.

The next meeting of the Corporate Scrutiny Committee is Tuesday, 22 October at 9.30 a.m. in Committee Room 2. For further information contact Robert Fox on 01245 430526 or email: robert.fox@essex.gov.uk .

Health Overview & Scrutiny Committee

The Committee has met twice since May. At their June meeting the Committee received a report on maternity services in NE Essex and gave first consideration to their work programme for the year.

At its last meeting the Committee considered an update on issues arising from the Keogh Report, and, as a result, a request for a written update on its action plan has been requested from Basildon Hospital. A request to attend a future HOSC meeting has also been extended to the Hospital. A report on Stroke Services was also received with the HOSC supporting the proposals contained within the report.

Future work includes a presentation from the East of England Ambulance Service at the next HOSC meeting on 9 October. Other future work includes a report from Colchester Hospital and a report on the Pan Essex Maternity Capacity Plan. For further information contact Miles Smith on 01245 432133 or email miles.smith@essex.gov.uk .

People and Families

The work of the People and Families Scrutiny Committee has been dominated by the future of The Deanes School. A Task and Finish Group report was ratified by the full Committee at its last meeting. The Task and Finish Group worked throughout July and August and delivered the report to assist the Cabinet Member in coming to his decision in early September.

The Committee has agreed to meet with the Cabinet of the Young Essex Assembly to see how it can work with the YEA in the future.

Much of the future workload of the Committee will be undertaken through Task and Finish Groups and includes Children in Care; Special Educational Needs and Disability; Carers Strategy; and Children's Centres and Early Years.

Members of the Committee are to undertake an Adult Social Care case training session on 28 October. The next meeting of the Committee is on Thursday, 14 November at 10.00 a.m. in Committee Room 1. For further information contact Robert Fox on 01245 430526 or email robert.fox@essex.gov.uk .

Place Services & Economic Growth

The Place Services and Economic Growth Scrutiny Committee has had various briefings to learn more about its remit and develop its work programme that will include in depth reviews on the Future of Recycling Centres for Household Waste; Integrated Passenger Transport; Economic Growth Strategy; Government Consultation on Aviation Policy; and Parking Partnerships.

At its last meeting it gave some preliminary consideration to the Cabinet's response to two recently-completed reviews on Financial Inclusion, and Off Site Emergency Planning Arrangements around COMAH (Control of Major Accident Hazards) Sites in Essex. Both scrutiny reports have been generally well received. Further work will be conducted by the Committee to analyse how scrutiny may have promoted improvements in practice.

At present part of the Committee's focus is upon the implementation of Part Night Street Lighting, and a Task and Finish Group is due to investigate the current consultation process and application of new technology.

The next meeting of the Committee is on Thursday, 24 October in Committee Room 1. For further information contact Christine Sharland on 01245 430450 or email christine.sharland@essex.gov.uk .

The Scrutiny Board

The Scrutiny Board has organised a training session for Chairmen and Vice-Chairmen of Scrutiny Committees to be facilitated by Mark Palmer, Development Director at South East Employers, between 10.00 a.m. and 1.00 p.m. on Thursday, 17 October.

The purpose of the event is to enable Chairmen and Vice-Chairmen to understand and develop the leadership role of overview and scrutiny; and to consider all aspects of the Chairman and Vice-Chairman's role in order to support improvement and develop performance. This session will build upon the two previous sessions for Members of Scrutiny Committees held in July and September. These two sessions were well attended with 27 Members benefitting from sessions which have been fully evaluated and highly regarded (in excess of 80% of those attending identifying the sessions were excellent or good; and in excess of 85% indicating the session met their objectives).

For further information contact Miles Smith on 01245 432133 or email miles.smith@essex.gov.uk .

Simon Walsh
Chairman of the Scrutiny Board

Essex Fire Authority

Report to the Constituent Authorities

4 September 2013

1. FUNDING FOR SPRINKLERS

Members of the Essex Fire Authority support the budget allocation of £250,000 in each of the next 3 years (commencing 2013/14) for a 'Sprinkler Fund' to encourage the retro-fitting of sprinklers in order to protect vulnerable members of the community, fire fighters and community assets.

2. OPERATIONAL ASSESSMENT AND PEER CHALLENGE

In support of its on-going ethos of continuous improvement the Authority requested a Peer Challenge Team (PCT) to visit Essex to conduct an independent assessment of the Service, which took place between 20 and 23 May 2013. Prior to the Peer Assessment the Service provided the PCT with a 'Self-Assessment' which provided an overview of the Service's current position and corporate documentation.

The Operational Assessment and Peer Challenge process is designed to form a structured and consistent basis to drive continuous improvement nationally within the Fire and Rescue Service, and provide Elected Members and Service Senior Management with information that allows them to challenge their service delivery to ensure it is efficient, effective and robust.

During their visit to Essex, the Peer Team analysed the seven key assessment areas identified in the national peer assessment framework, which are:

- Community Risk Management;
- Prevention;
- Protection;
- Response;
- Health & Safety;
- Training & Development; and
- Call Management & Incident Support

The PCT was led by Chief Fire Officer Peter Dartford from Staffordshire Fire and Rescue Service and consisted of further experienced and trained Members and Officers who have specific skills in the following three key themes which the Service had identified for the PCT to focus on, these were;

- Community Risk Management;
- Incident Command Systems; and
- Operational Risk Information

The PCT met with a broad cross-section of Members, Operational Personnel, Support Staff and external partner agencies. During their visit a range of on-site activities included interviews, focus groups; and visits to Service Control and three fire stations. In total the team met with over 170 personnel.

Overall the report described the Service's performance as good. There was further acknowledgement of the strong political leadership of the Fire Authority, the on-going work on relationship building with the Fire Brigades Union, and the Service's effective financial foundation in facing increasing pressures on budgets. Other aspects of note where the Service's strength in emergency planning and it's strong working relationships with other blue light responders, with the report summarising;

'Overall ECFRS is a well organised Fire and Rescue Service that is benefiting from skilled and dedicated staff and sound relations with Members. It is self-aware and its own assessment of its strengths, weaknesses, threats and opportunities in the areas the peer challenge team was asked to examine is sound'.

On a more cautionary note, the report also expressed a need for the Service to build effective relationships throughout the organisation, including the Authority, workforce and representative bodies in order to best move forward in a positive manner.

The report recognises a number of areas in which the Service is currently performing strongly, whilst also identifying a number of areas which will help drive improvements within the Authority. Some of the areas which were identified as needing further exploration have already been addressed, or form part of on-going programmes/projects.

3. COMMUNITY BUILDER PILOT

Two Officers have been nominated as Community Builders based on their skill set and involvement and connections with communities they either live and or work in. One will be concentrating on the Rochford District as well as the Southend Wards, Milton, Kursaal and Victoria. The other will be concentrating on the St Andrews Ward in Colchester and the Golf Green Ward in Tendring.

Their focus is to reduce demand on public services by enabling the local community to help themselves. This of course includes demands placed on this Fire Service.

Part of their role is to help map and develop local assets, the Community Connectors (who are our volunteers) can then work to support the Community Builder in their efforts to 'unlock' local capacity; facilitating community's local solutions to solve local problems.

Community Builders, alongside Community Connectors are regarded as facilitators, helping 'join the dots' in a community to forge new connections, which are essential when trying to create stronger and more resilient communities.

The Community Builders have attended a two day training event in July, and received some light touch mentoring which is provided by the ABCD Institute, resourced by the Strengthening Communities Project.

The aims of the pilot for Essex County Fire and Rescue Service are:

- Increased individual activity and community resilience;
- Connecting with communities;
- Innovation in tackling local problems; and
- Increased investment in the community.

Outcomes for Essex County Fire and Rescue Service

- A reduction of risk to the community;
- Proactive alignment of requirements for specific initiatives to avoid duplication of work;
- An increase in quality and awareness of services provided;
- A decrease in community need for the Fire Service
- An improved understanding of the role of the public sector (by the partners, the community and individuals) and how they all link together; and
- An improved relationship between the Fire Service and the community.

These will be achieved by:

- A concentration of an Officer in a limited area;
- A drive to ensure local service providers know each other;
- Involvement with community groups and individuals;
- Links to parish councils and local Government;
- Sharing data and information;
- Identifying common issues between the partnerships;
- A design of bespoke products to deliver shared messages across a number of agendas; and
- Use of current partnerships/stakeholders.

This pilot will run for one year and has four distinct parts; whilst the parts have a direction the work of the Officers will be led predominantly by risk and environment.

Months 1 – 2

Map the risk that impacts on the community e.g. vulnerable people, geographical, work, travel, industry, at home.

Months 3 – 4

Build relationships and map the work delivered by the public sector, groups and individuals within the community (people, work plans and programmes, effort, activity etc.), identifying existing community assets as well as identifying the work where duplication exists.

Month 5

Complete and analyse the public sector effort as well as the community asset effort and describe the 'As Is' situation and the desired 'To Be' in terms of a journey; including a

coherent action plan which will encompass the asset based community development approach.

Months 6-12

Deliver against the agreed action plan using identified Community Connectors who will support the Community Builders in the delivery of the plan. During the delivery period the impact of the new delivery models will be evaluated and a report will be written up to feed back into the Whole Essex Community Budget project.

Councillor Anthony Hedley
Chairman