



**Neudd y Cyngor
Y Rhadyr
Brynbuga
NP15 1GA**

**County Hall
Rhadyr
Usk
NP15 1GA**

17 Medi 2014

17th September 2014

**Notice of meeting:
Monmouthshire County Council**

***Hysbysiad o gyfarfod:
Cyngor Sir Fynwy***

**Thursday 25th September 2014, at 2.00pm
Council Chamber, County Hall, Rhadyr, Usk**

***Dydd Iau 25 Medi 2014, am 2.00yp
Siambr y Cyngor, Neuadd y Cyngor, Y Rhadyr, Brynbuga,***

Prayers will be said prior to the Council meeting at 1.55pm. All members are welcome to join the Chairman for prayers should they wish to do.

AGENDA

The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with adequate notice to accommodate your needs.

Item No	Item
1.	Apologies for absence.
2.	Chairman's report and receipt of petitions.
3.	To receive declarations of interest.
4.	To confirm and sign the minutes of the following meeting: (a) Extraordinary Council Meeting 8th July 2014 (b) Council Meeting 31st July 2014
5.	Public Forum items (none received).

<p>6.</p> <p>7.</p> <p>8.</p> <p>9.</p> <p>10.</p>	<p>To receive the minutes of the following meetings:</p> <p>(a) Democratic services 23rd June 2014</p> <p>(b) Standards Committee 1st September 2014</p> <p>Notices of motion</p> <p>(a) Submitted by County Councillor D. Batrouni <i>‘That the Council requires all Cabinet Members and Committee Chairs to bring forward an Annual report in April of each year. Such reports should include an analysis of the strengths and weaknesses of the previous year and the plans for the year ahead (i.e. the opportunities and threats) in relation to their delegated areas of responsibility.’</i></p> <p>(b) Submitted by County Councillors J. Marshall and F. Taylor <i>“In the face of unprecedented cuts to public sector services, welfare reform and growing inequality this Council will begin to focus our services on citizens and their needs. This Council will work collaboratively across service areas and will avoid working in silos and adopting policies, practices and decision-making protocols which are easy and practical for the Authority but difficult and disempowering for residents. We will adopt citizen focussed approaches in particular to our priorities;</i></p> <ul style="list-style-type: none"> • Education • Safeguarding vulnerable people • Supporting enterprise, job creation and entrepreneurship creation” <p>(c) Submitted by County Councillor F. Taylor <i>“This Council will take its statutory duties under the Equalities Act 2010 seriously. This Council will ensure that in developing new budget proposals for 2015/16 or making changes to services and policies, analysis of adverse impact on protected groups will be conducted with rigour and with an open mind. This Council will carry out robust and good quality Equality Impact Assessments on policies, procedures, functions, service delivery and financial savings proposals. If adverse impacts are identified there must also be meaningful consultation and engagement with interested parties. Once adverse impacts have been identified, this authority will attempt to avoid that impact prior to fixing on a solution. In addition, this Authority will review decisions on a regular basis in line with its legal duties, such as those taken in the 2014/15 budget where adverse impacts have been identified and will report to full Council”.</i></p> <p>Report of the Chief Officer, Children and Young People: Monmouth Comprehensive/Leisure Centre Swimming Pool (To Follow)</p> <p>Report of the Chief Officer, Enterprise: Annual Report</p> <p>Reports of the Head of Finance/S151 Officer:</p> <p>a) Statement of Accounts 2013/2014</p> <p>b) ISA 260 Report (To Follow)</p>
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11.	<p>Reports of the Head of Policy and Engagement: Stage 2 Improvement Plan 2014</p>
12.	<p>Report of the Internal Auditor: Financial Procedure Rules</p>
13.	<p>Report of the Head of Democracy and Regulatory Service: Revision of Planning Scheme of Delegation and Code of Practice</p>
14.	<p>Report of the Monitoring Officer: Constitution</p>
15.	<p>Members' questions</p> <p>(a) From County Councillor A. Easson to County Councillor P. Hobson (deferred from meeting on 31st July 2014) <i>"At full Council on January 16th 2014, the decision to sanction Health and Safety works at Park Street School, prior to handing the property over to ACT was confirmed after an earlier call-in. The decision included the apportionment of £56,000 to the total cost of these works. Would Cllr Hobson provide a detailed update to Council, on works so far completed, works outstanding ,with timescale for their , the cost expended to date on these works. Does he expect there to be any overrun on costs, if so where will the funding come from. Furthermore, in anticipation of a successful conclusion to these works by Mon CC to make the building safe for hand-over, is he aware of any external grants providers that have given firm promises to further the ambitions of ACT."</i></p> <p>(b) From County Councillor D. Batrouni to County Councillor B. Jones <i>'A number of residents in my ward are concerned by grass not being picked up after being cut. Could the Council look into having grass cutters that pick up the grass?'</i></p> <p>(c) From County Councillor D. Batrouni to County Councillor B. Jones <i>'I have received numerous complaints from residents in Bulwark about cars parking on grass verges. Is the Council considering enforcement measures to ensure people don't park on grass verges in Bulwark or more generally in the county?'</i></p> <p>(d) From County Councillor D. Batrouni to County Councillor G. Howard <i>'What is his assessment on the amount of burial space left in Undy/Magor, Caldicot and Chepstow?'</i></p> <p>(e) From County Councillor D. Batrouni to County Councillor B. Greenland <i>'Have any representatives from MCC been invited to the international investment conference taking place at the Celtic Manor in November?'</i></p>

(f) From County Councillor D. Batrouni to County Councillor P. Hobson

'Is he able to supply the Council with the full details on the manning of Caldicot Fire station over the course of a normal week?'

Paul Matthews

**Chief Executive
*Prif Weithredwr***

***I Gadeirydd ac Aelodau
Cyngor Sir Fynwy***

**To the Chairman and Members of
Monmouthshire County Council**

Aims and Values of Monmouthshire County Council

Sustainable and Resilient Communities

Outcomes we are working towards

Nobody Is Left Behind

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

People Are Confident, Capable and Involved

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

Our County Thrives

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation

Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

Nodau a Gwerthoedd Cyngor Sir Fynwy

Cymunedau Cynaliadwy a Chryf

Canlyniadau y gweithiwn i'w cyflawni

Neb yn cael ei adael ar ôl

- Gall pobl hŷn fyw bywyd da
- Pobl â mynediad i dai addas a fforddiadwy
- Pobl â mynediad a symudedd da

Pobl yn hyderus, galluog ac yn cymryd rhan

- Camddefnyddio alcohol a chyffuriau ddim yn effeithio ar fywydau pobl
- Teuluoedd yn cael eu cefnogi
- Pobl yn teimlo'n ddiogel

Ein sir yn ffynnu

- Busnes a menter
- Pobl â mynediad i ddysgu ymarferol a hyblyg
- Pobl yn diogelu ac yn cyfoethogi'r amgylchedd

Ein blaenoriaethau

- Ysgolion
- Diogelu pobl agored i niwed
- Cefnogi busnes a chreu swyddi

Ein gwerthoedd

- **Bod yn agored:** anelwn fod yn agored ac onest i ddatblygu perthnasoedd ymddiriedus
- **Tegwch:** anelwn ddarparu dewis teg, cyfleoedd a phrofiadau a dod yn sefydliad a adeiladwyd ar barch un at y llall.
- **Hyblygrwydd:** anelwn fod yn hyblyg yn ein syniadau a'n gweithredoedd i ddod yn sefydliad effeithlon ac effeithiol.
- **Gwaith tîm:** anelwn gydweithio i rannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd i gyflawni ein nodau.

MCC Chairman's Duties**26th July 2014 – 15th September 2014**

Date	Engagement
Saturday 26 th July 6.30 p.m.	Gold Wing Owners GB South Wales Region Charity Event, Usk Rugby Grounds
Monday 28 th July 3 p.m.	Official opening of Tintern Abbey and Llanthony Priory exhibition Abergavenny Museum
Wednesday 30 th July 6 p.m. onwards	Wales Open Criterium British Cycling Event Chepstow Town Centre
Monday 4 th August 10 p.m.	National Service of Commemoration for First World War Llandaff Cathedral, Cardiff
Tuesday 5 th August 10.15 a.m.	100 th Anniversary of departure of 'E' Company of Monmouthshire Regiment The Drill Hall, Chepstow
Friday 1 st August 10 a.m.	Launch of Gwent and the Great War Exhibition Gwent Archives
Saturday 23 rd August 1.30 p.m.	Invitation by Brigadier Martyn Gamble to Reception Riverfront Theatre, Newport
Thursday 28 th August	Presidents Luncheon Monmouthshire Show
Saturday 6 th September	Caldicot Male Voice Choir Gala Concert
Sunday 7 th September 3 p.m.	Bridgend Civic Service St John The Divine, Church Street, Aberkenfig
Tuesday 9 th September 2 – 4.30 pm	Tour of Britain Event Hospitality Tent, The Tumble
Wednesday 10 th September 6 pm	GAVO Monmouthshire Volunteer Awards Ceremony Cwrt Bleddyn Hotel, Llangybi
Thursday 11 th September 11 am	Citizenship Ceremony Registry Office, Usk
Thursday 11 th September 1pm – 3 pm	MCC Access for all Forum Council Chamber, County Hall, Usk
Thursday 11 th September 6.30 – pre drinks with Head 7 pm Awards	Monmouth Comprehensive School Sports Hall of the Leisure Centre at Monmouth Comprehensive School
Saturday 13 th September 9 – 6 p.m.	Usk Show
Saturday 13 th September 7 pm	Adventa Dinner at Kings Head, Abergavenny
Monday 15 th September 2.30 pm	Youth Magistrates Panel Visiting County Hall, Usk

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the Special Meeting of Monmouthshire County Council
held in the Council Chamber at County Hall, Usk
on Tuesday 8th July 2014 at 2.00 p.m.**

PRESENT: County Councillor J. Prosser (Chairman)
County Councillor B. Strong (Vice Chairman)

County Councillors: D. Batrouni, Mrs. D. Blakebrough, R.F. Chapman, P.R. Clarke, D.L.S. Dovey, G.L. Down, D.L. Edwards, Mrs R.M. Edwards, D.J. Evans, P.S. Farley, P.A. Fox, Mrs L. Guppy, Mrs. E. J. Hacket Pain, R.G. Harris, R.J.C. Hayward, M. Hickman, R.J.Higginson, P.A.D. Hobson, G. Howard, S.G.M. Howarth, D.W.H. Jones, Mrs. P. Jones, Ms. S. Jones, S.B. Jones, R.P. Jordan, P. Murphy, Mrs. M. Powell, Mrs. V.E. Smith, B. Strong, Mrs. F. Taylor, A.C. Watts, Mrs P. Watts, Mrs. A.E. Webb, Mrs S. White, K. Williams and A.M. Wintle.

OFFICERS IN ATTENDANCE:

Mr P. Matthews	Chief Executive
Mr W. Mclean	Head of Policy and Engagement.
Mrs J. Robson	Head of Finance/Section 151 Officer
Mr M. Andrews	Monitoring Officer
Mr R. Tranter	Head of Legal Services
Mrs S. King	Senior Democratic Services Officer

ALSO IN ATTENDANCE:

Rebecca Sandford - Police Cadet

1. APOLOGIES FOR ABSENCE

These were received from County Councillors G. Burrows, J.E. Crook, A. Easson, J. George, R.J.W. Greenland and J. Marshall

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. REVIEW OF CONSTITUTION

Section 37 of the Local Government Act 2000 provides that a local authority operating executive arrangements must prepare and keep up to date a document (the constitution) which contains:

- (a) such information as the Secretary of State may direct,
- (b) a copy of the authority's standing orders for the time being,
- (c) a copy of the authority's code of conduct for members and
- (d) such other information (if any) as the authority consider appropriate.

The Council's first constitution was agreed and published in 2000. Since then, a number of amendments consequent upon legislative changes and to reflect operational experience and governance changes such as the development of Area Committees have been made following report by the Monitoring Officer.

Over the past two years, Monitoring Officers in Wales have collaborated in a revision of a model constitution for consideration by their respective authorities. Members were asked to consider the adoption of suitable elements by way of modification of the existing constitution which has not benefitted from an overall review since 2002.

Within the existing Constitution, members considered in particular: the Articles (pages 1 to 39), the Rules of Procedure (pages 91 to 106), the Executive and Select Procedure Rules (pages 119 to 130) and the Officer Employment Rules (pages 180 to 185) against some suggested amendments. A review of the remaining sections will be the subject of further reports to council.

We noted that the current constitution was as set out in Appendix A to the report and agreed that changes set out in Appendix B be agreed to come into effect on 1 August and maintaining the format of the current constitution. Specific changes which were considered are set out below. Not all were agreed. We noted that a further report would be presented to us for consideration of remaining amendments in due course. .

The specific amendments considered:

- Agenda papers are to be despatched 5 clear working days before all meetings.
- The notice period for submission of questions and notices of motion by members will now be seven clear working days and that for these purposes, the working day shall end at midnight.
- The Access to Information Rules will reflect the decision of council in January 2013 that all agenda papers (including exempt and confidential items) will be made available to all members
- The Armed Forces Covenant will be added to the Council's Policy Framework
- The Chair will preside at Council meetings. We shall not appoint a Presiding Officer
- Meetings will not be routinely time-limited with automatic adjournments
- The role of the Chair will be enhanced in relation to the interpretation of the Rules of Procedure and the waiver of rules of debate.

- The issue of “remote attendance” will be the subject of further consideration.
- There will be no limit on the number of questions which may be asked, nor motions by members on notice.
- Questions will be taken as read
- Substitute members may be appointed to all Council meetings, save cabinet, Standards and Audit committees. We noted that for quasi-judicial committees, including planning committee, substitutes must have received relevant formal training.
- The Leader may appoint two deputy leaders with one being identified “to exercise all of the functions of the Leader where the position is vacant or where the Leader is absent or otherwise unable to act”.
- There will be no substantive change to the extent of delegation available to the Leader and in particular no appointment of “Executive Support Members”. During consideration of this provision, Councillor Blakebrough expressed an interest to shadow the Cabinet member for Education.
- The only change to the current restrictions on “call-in” will be to remove the financial threshold.
- Those members “calling-in” a decision and the relevant cabinet member must attend the relevant select committee in the absence of “exceptional” circumstances, to be adjudicated by the Head of Paid Service).
- The Employment Procedure Rules will henceforth allow a relevant chief officer to undertake the shortlisting process where appropriate.

Clarification was requested regarding the procedure for changing meeting dates after the diary had been agreed at full Council. We were informed that there were no recommended changes within this section of the constitution, the diary of meetings was agreed and fixed at the annual meeting and would be published accordingly. However, it would be inevitable that sometimes dates would have to be changed.

We resolved to agree recommendations as follows:

1. To note the current provisions of the constitution reflecting the amendments agreed hitherto and set out at Appendix A.
2. To amend the Constitution as set out in Appendix B subject to the foregoing determinations set out above.
3. That until the Review of the Constitution is complete (to include the Scheme of Delegation, Financial Standing Orders, and various officer and member protocols), the continuing *format* of the constitution be as at Appendix A incorporating any substantive amendments agreed by Council.

We agreed that changes would be effective from 1st August 2014.

Meeting ended 3.50 p.m.

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Monmouthshire County Council held
at County Hall, Usk on Thursday 31st July 2014 at 2.00 p.m.**

PRESENT: County Councillor J. Prosser (Chairman)
County Councillor B. Strong (Vice Chairman)

County Councillors: D. Batrouni, G.C. Burrows, R.F. Chapman, P.R. Clarke, J.E. Crook, D.L.S. Dovey, G.L. Down, A. Easson, D. Edwards, D.J. Evans, P.S. Farley, P.A. Fox, R. J. W. Greenland, L. Guppy, Mrs. E. J. Hackett Pain, R.G. Harris, Hickman, R.J.Higginson, G. Howard, Mrs. P. Jones, Ms. S. Jones, S.B. Jones, R.P. Jordan, P. Murphy, Mrs. M. Powell, Mrs. V.E. Smith, B. Strong, Mrs. F. Taylor, A.C. Watts, P. Watts, Mrs. A.E. Webb, Mrs S. White, K. Williams and A.M. Wintle.

OFFICERS IN ATTENDANCE:

Mr P. Matthews	Chief Executive
Mr S. Burch	Chief Officer, Social Care and Health
Mr W. Mclean	Head of Policy and Engagement.
Mrs J. Robson	Head of Finance/Section 151 Officer
Mr S. Kneafsey	21 st Century Schools Programme Manager
Mr M. Andrews	Monitoring Officer
Mrs S. King	Senior Democratic Services Officer

ALSO IN ATTENDANCE:

Mrs S. Lightbound	CEO Monmouthshire Citizens Advice Bureau
J. Chohan	Cadet
R. Chohan	Cadet

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillors D. Blakebrough, R. Edwards, J George, S. Howarth, P. Hobson, D. Jones, and J. Marshall.

2. CHAIRMAN'S REPORT AND RECEIPT OF PETITIONS

We received and noted the Chairman's report.

There were no petitions presented.

The Chairman welcomed cadets Joshua and Ruth Chohan.

3. DECLARATIONS OF INTEREST

County Councillors D. Dovey, A. Easson, D. Evans, L. Guppy and S. White, declared personal interests pursuant to the members' code of conduct, as school governors, in relation to the 21st Century School report.

County Councillor S. White declared a personal interest pursuant to the members code of conduct, in relation to the presentation from the Citizens Advice Bureau.

County Councillor D. Edwards declared a personal interest pursuant to the members' code of conduct in relation to item 11(c).

4. MINUTES

a) Council Meeting 26th June 2014

We confirmed and signed the minutes of the meeting held on 26th June 2014.

- During discussion it was requested that information from the Community Health Council, sent to the Chief Executive and Leader, was passed to all members.

b) Extraordinary Council Meeting 8th July 2014

We resolved that the content of the minutes was not appropriate as a stand-alone document. Therefore, the minutes would be deferred for consideration at the next meeting.

5. PUBLIC FORUM

There were no public forum items received.

6. COMMITTEE MINUTES

We resolved that the following minutes be received:

- (a) Internal Monitoring Board 13th June 2014

7. NOTICES OF MOTION

a) Submitted by County Councillor P. Jones

'This Council thanks and supports the Conservative, Lib Dem partnership in progressing its 21st Century Schools programme. It recognises the commitment of the Partnership in funding half of the cost of the project. The Council thanks the Welsh Government for its financial contribution. It looks forward to the commencement of building work on the Caldicot and Monmouth schools in the coming months.

This Council supports the Partnership's commitment to a new and improved swimming pool for Monmouth and urges the Administration to minimise the inevitable period of disruption until the new pool is built and commissioned.'

In moving the motion, Councillor P. Jones emphasised the commitment to a new and improved swimming pool, with minimised disruption.

During the debate, the following points were noted:

- Some concerns and disappointment were expressed that the motion was politicised, it was noted that an amendment would be raised.
- Members required commitment regarding timescales for building a new pool and that it would be built simultaneously with the school.
- It was highlighted that there was a need for the best facilities for children and young people, however, the priority should be focused on the inside of the schools, quality of teaching and learning.
- A proportion of members felt that they would be unable to support the motion.
- We recognised that the process should not be rushed and schools should be built to be sustainable for the future.
- It was noted that the Cabinet decision would be subject to funding.

County Councillor R.G. Harris proposed an amendment to the motion, which was duly seconded, this became the substantive motion:

This Council supports the 21st century schools programme. It recognises the commitment of the partnership in funding half of the cost of the project. Thanks the Welsh government for initiating the project and committing nearly £1.4bn to deliver it, despite capital cuts from the Coalition government in Westminster.

This Council supports and is committed to a new and improved swimming pool for Monmouth and urges the partnership to build a new pool simultaneously with the new school, ensuring the pool is up and running as quickly as possible. It looks forward to the commencement of building work on the Caldicot and Monmouth schools in the coming months.

During debate the following points were noted:

- Members highlighted the importance of achieving high quality teaching and learning for young people.
- As whole, we noted that the Council supported 21st century school.
- We noted that the feasibility study was ongoing and further progress would be made once results were received.
- There was a requirement for a pool on the site as soon as possible.

Upon being put to the vote, the substantive motion was defeated.

County Councillor F. Taylor proposed an amendment to the original motion, which was duly seconded, this became the substantive motion:

'This Council thanks and supports the Conservative, Lib Dem partnership in progressing its 21st Century Schools programme. It recognises the commitment of the Partnership in funding half of the cost of the project. The Council thanks the Welsh Government for its financial contribution. It looks forward to the commencement of building work on the Caldicot and Monmouth schools in the coming months.

This Council is committed to the delivery of the pool at the same time as the school is built.

Members discussed substantive motion and the following points were noted:

- It was noted that the pool would be vitally important to people of Monmouthshire and the commitment had been made by Cabinet.
- Members requested that an additional report was submitted to full Council, detailing finances for the pool.
- We highlighted the importance of timescales being included within the project.

It was requested that a recorded vote was taken.

Votes were recorded as follows:

FOR: County Councillors Batrouni, Chapman, Crook, Easson, Evans, Farley, Harris, Higginson, Smith, Taylor, A. Watts, P. Watts, Williams and Wintle

AGAINST: County Councillors Burrows, Clarke, Dovey, D. Edwards, Fox, Greenland, Guppy, Hacket Pain, Howard, P. Jones, S. Jones, B. Jones, Jordan, Murphy, Powell, Prosser, Strong, Webb and White.

The substantive motion was defeated.

Members discussed the original motion and the following points were noted:

- Members were reminded that the executive had committed to the report and the preferred option must be viable to go forward.
- There was a need to reduce to absolute minimum period of closure for Monmouth, to ensure minimum disruption.
- It was reiterated, that there was a requirement for a report at the next Council meeting, which will identify the budget for pool and how it will be delivered.

Votes were recorded as follows:

FOR: County Councillors Burrows, Clarke, D. Edwards, Fox, Greenland, Guppy, Hacket Pain, Hickman, Howard, P. Jones, S. Jones, B. Jones, Jordan, Murphy, Powell, Prosser, Strong, Webb and White

AGAINST: County Councillors Chapman and Dovey.

ABSTAINED: County Councillors Batrouni, Down, Easson, Evans, Farley, Harris, Higginson, Smith, Taylor, A. Watts, P. Watts, Williams and Wintle.

b) Submitted by County Councillor K. Williams

“This coalition is committed to working together with opposition parties to achieve the best possible outcomes for residents throughout the county of Monmouthshire regardless of their political beliefs and voting preferences. In achieving this, council will send the decision by officers to turn street lighting off at midnight until 5am back to scrutiny via Strong Communities to further explore other, more suitable option to helping to achieve the savings proposed”.

Councillor G. Down left the meeting at 3.30pm.

During discussion the following points were noted:

- It was noted that some areas should be reconsidered, to gain further knowledge of streets and appropriateness of lighting.
- It was noted that significant engagement had been undertaken and further work would be done. It was recognised that some areas required lighting to remain.
- The Leader of the Council sympathised with the motion, however, the decision had been agreed as part of budget efficiencies.
- It was suggested that savings could be achieved through reducing consultant fees.
- A member noted that the equality impact assessment that accompanied the report was not sufficient.

Votes were recorded as follows:

FOR: County Councillors Batrouni, Chapman, Crook, Easson, Evans, Farley, Harris, Higginson, Smith, Taylor, A. Watts, P. Watts, Williams and Wintle.

AGAINST: County Councillors Burrows, Clarke, Dovey, D. Edwards, Fox, Greenland, Guppy, Hacket Pain, Hickman, Howard, P. Jones, S. Jones, B. Jones, Jordan, Murphy, Powell, Prosser, Strong, Webb and White

The motion was defeated.

(c) Submitted by County Councillor K. Williams

“This council is shocked and horrified to hear of the poisoning of family pets within the county using Anti-Freeze recently highlighted in The Abergavenny Chronicle in the Llanwenarth Ultra ward. It will commit to writing to both Welsh Government and UK Government departments to legislate for a bittering agent to mandatory in Anti-

freeze in the UK in order that family pets will not be tempted to consume poisoned food”.

During discussion the following points were noted:

- Significant concern was expressed by all members that this product was being used.
- It was believed that active ingredient in anti-freeze was sweet and attractive to animals.
- We agreed that a letter would be sent to Welsh Government and Westminster asking that bitterants were added to anti-freeze to stop animals being poisoned.

Upon being put to the vote the motion was unanimously carried.

Councillor Clarke left the meeting at 4.20pm.

8. PRESENTATION CEO MONMOUTHSHIRE CITIZENS ADVICE BUREAU

We welcomed Mrs S. Lightbound, CEO , Monmouthshire Citizens Advice Bureau, we were presented with information regarding the service and the following points were noted:

- Abergavenny, Caldicot and Chepstow Offices were merged on 30th September 2013. Gone through commissioning process and revamped and restructured. Paired down to lean structure, all part time 5 officers and service in county is part time. Monmouth Bureau is stand alone and subcontracted.
- As countywide service, maintained office in Abergavenny, Chepstow and Caldicot. One change is that service is now available 5 days a week. Also part of wales wide advice line service, any advice available 9am -4.30pm and recorded outside that time.
- Clients come with 6500 issues and number of contacts 5700, figures broken down give an increase of nearly 7% in last quarter. Debt is major area of concern. 227 clients seen by one caseworker and dealt with over £1million of debt, funding had been lost for the caseworker post, trying to replace with a combination of volunteers and part time staff.
- Use facilities and refer to housing association due to stretch on housing service, trying hard to make service countywide. Instead of 3 or 4 separate offices, have an advice service to all citizens of Monmouthshire outreach and doctor surgery.
- Significant recruitment programme, officer has huge training plan to deliver service that is desired. Nearly 60 volunteers are in place, however, twice the number would be sufficient.

- Aim to spread the word and increase awareness. Working collaboratively to ensure that citizens of Monmouthshire receive advice they need when they are at the most vulnerable.

During discussion we noted the following points:

- We thanked the officer for attending and presenting the information.
- The Cabinet Member provided thanks and commended the team for facilitating merged bureau and commissioning process. Monmouthshire Council were pleased to be able to continue to support the service. Members were urged to support the entity.
- The importance of the service was recognised and concerns were expressed that funding had been cut.
- It was suggested that members could assist in lobbying and any support, written representations of knowledge of areas of deprivation would be useful. Problems identified in Monmouthshire, because of areas of relative affluence the areas of deprivation get over ruled. Need help in identifying them and supporting.
- The service received cross party support and members understood the difficulties and challenges that were faced.
- The Cabinet Member advised that there should be a way to help the community look after themselves. Community coordinators were in post and could assist in mapping out people who are out there and contact details would be provided to the CAB in relation to assistance from volunteers.
- Members discussed the possibility of support from other avenues e.g. community councils. We were informed that this avenue was being explored across the county.
- Debt issues and loans were recognised as a significant problem. It was disappointing that the money advice service funding had been removed and members would work with colleagues to coordinate response and lobby.
- Housing issues were intrinsic and there were problems across the board. Funding was providing but only for advice. The aim was to recruit housing support officer, however, further funding was needed.
- Challenges for community, figures are staggering. Debt is horrible thing. Physical effect and horrible, want to work together and want relationships in place and strengthened. Not specific questions, but thanks for time and service and to share we'll do whatever possible to lobby for support needed.

We expressed thanks to the CEO and team. Citizens Advice was a valued service that people could use, however, members were frustrated that the service was not always recognised.

9. 21st CENTURY SCHOOLS PROGRAMME

We received the Cabinet report and log dated 16th July 2014, the purpose of which was:

1. To include the 21st Century Schools development programme in the Councils Capital Programme.
2. To establish the best option in the development of Monmouth Comprehensive School.
3. To re-allocation of the funds associated with the Welsh Medium Secondary Provision from 2015-2016 to 2018-2019 (within the agreed Band A funding period)
4. To extend the current secondment arrangements for two employees currently seconded to the 21st century schools project.

The Chief Executive clarified that Council were asked to include the 21st Century Schools programme in the capital programme. Officers would need to undertake work by September, for a viable way forward.

The Cabinet Member confirmed that the purpose of the report was to move the budget for 21st Century Schools to the capital programme. This would be a significant building project for schools and the 21st Century Team were thanked for the work that had been involved and engagement undertaken.

During discussion we noted the following points:

- Some members felt that information should have been available sooner.
- Discussions were held regarding the options included within the report and some members felt that the information should have been provided at an earlier date.
- We were advised that three options had been considered and Option 2 was the preferred option for development.
- It was recognised that significant work and engagement had been involved in the project and officers were commended.

We resolved to endorse the report and agreed that the appropriate elements would be included in the capital project.

10. STANDING ORDERS RELATING TO STAFF

The Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2014 (“the Regulations”) came into force on 1 July. They require the council to revise its existing standing orders in so far as is necessary to conform with the amendments made by the Regulations by no later than 9 September 2014. The Regulations amend earlier (2006) regulations relating to the process for appointing, dismissing and conducting disciplinary investigations of certain officers.

We noted that there was currently only one chief officer who had been appointed at an annual remuneration of £100,000 or more.

We resolved to agree the recommendation, that the Monitoring Officer is authorised to make such changes to the Council’s Constitution as will give effect to the regulations.

County Councillors Jordan, Webb and White left 17.05pm

11. MEMBERS' QUESTIONS

(a) From County Councillor A. Easson to County Councillor B. Jones

"Would Cllr Jones provide me with details of contacts and consultation made between the Highways Department and Network Rail ,with regard to the Electrification of the South Wales railway line from Paddington to Swansea. In particular discussions regarding any work required on bridges on the Monmouthshire Section of the line. How many meetings have taken place and to what depth does any written correspondence relate to projected time frames for any works. Furthermore who, if any, Senior Officers have met with Network Rail in any formal or informal capacity regarding this matter."

In response we noted:

- The Cabinet Member advised that the responsible officer was on leave and a response would be provided on his return.

(b) From County Councillor A. Easson to County Councillor B. Jones

"Would Cllr Jones provide me with details of the time-scale for a programme of works in my Ward, committed to by Highways in relation to road safety, to which I am still awaiting details of completion . The first four are issues directly linked to the safety of children attending Dewstow School ,and have not been addressed to the satisfaction of parents..

- 1) 20 mph zoning of Birbeck Road, and Beech Road.
- 2) 20 mph zoning of New Road, .Fernleigh Road , The Close and Woodland View.
- 3) Active physical restrictions to prevent disregard for the one-way system on Woodland View.
- 4) A programme of works , timescale and funding for a pedestrian crossing adjacent to Cherry Trees on the B4245. (this is not in my Ward ,but directly affects residents of my Ward, who cannot cross the B4245 road with confidence). The B4245 carries in the region of 4.00 million traffic movements every year, far higher than some other A roads in Monmouthshire that have crossing facilities and with far less traffic movements.
- 5) The completion of residents parking bays in Herbert Road, which was agreed and costed in collaboration with MHA.

I have waited far too long for resolution of these matters ,I would seek positive assurances from yourself regarding their completion."

In response we noted:

- The Cabinet Member advised that in relation to 1 and 2, were put on hold due to 20mph draft order, subject to statutory consultation it was anticipated that it would soon be delivered.

- In relation to 3, Woodland View enforcement were matters for Gwent Police and would soon be implemented.
- In relation to 4, Recent on site discussions had been held in relation to a pedestrian crossing at Cherry Tree. The local members were considering options for funding.
- Further information would be requested from Monmouthshire Housing Association (MHA) in relation to 5.

(c) From County Councillor A. Easson to County Councillor P. Hobson

“At full Council on January 16th 2014, the decision to sanction Health and Safety works at Park Street School, prior to handing the property over to ACT was confirmed after an earlier call-in. The decision included the apportionment of £56,000 to the total cost of these works.

Would Cllr Hobson provide a detailed update to Council, on works so far completed, works outstanding ,with timescale for their , the cost expended to date on these works. Does he expect there to be any overrun on costs, if so where will the funding come from.

Furthermore, in anticipation of a successful conclusion to these works by Mon CC to make the building safe for hand-over, is he aware of any external grants providers that have given firm promises to further the ambitions of ACT.”

We resolved that the question would be deferred as the Cabinet member was not present.

The meeting ended at 5.20 p.m.

ACTION LIST
MEETING OF MONMOUTHSHIRE COUNTY COUNCIL
31st JULY 2014

MINUTE NUMBER AND SUBJECT	ACTION TO BE TAKEN	TO BE ACTIONED BY	PROGRESS
4a. MINUTES 26TH JUNE	<ul style="list-style-type: none"> • Discussions held regarding Community Health Council. Information passed to Chief Executive and Leader, to be forwarded to all members. 	Chief Executive and Leader Office	<ul style="list-style-type: none"> • Ongoing progress required
4b. MINUTES EXTRAORDINARY MEETING 8TH JULY	<ul style="list-style-type: none"> • Members felt the minutes were inappropriate as a stand-alone document. • Minutes to be re-written and approved at September Council 	Democratic Services / Monitoring Officer	<ul style="list-style-type: none"> • Completed (minutes on agenda).
7. NOTICE OF MOTION <i>'This Council thanks and supports the Conservative, Lib Dem partnership in progressing its 21st Century Schools programme. It recognises the commitment of the Partnership in funding half of the cost of the project. The Council thanks the Welsh Government for its financial contribution. It looks forward to the commencement of building work on the Caldicot and Monmouth schools in the coming months.</i> <i>This Council supports the Partnership's commitment to a new and improved swimming pool for Monmouth and urges the</i>	<ul style="list-style-type: none"> • Additional report required regarding financial implications and timescales for the new pool • Report to be presented to September Council 	21 st Century Schools Officers	<ul style="list-style-type: none"> • Completed (report on agenda).

<p><i>Administration to minimise the inevitable period of disruption until the new pool is built and commissioned.'</i></p>			
<p>7. NOTICE OF MOTION <i>"This council is shocked and horrified to hear of the poisoning of family pets within the county using Anti-Freeze recently highlighted in The Abergavenny Chronicle in the Llanwenarth Ultra ward. It will commit to writing to both Welsh Government and UK Government departments to legislate for a bittering agent to mandatory in Anti-freeze in the UK in order that family pets will not be tempted to consume poisoned food".</i></p>	<ul style="list-style-type: none"> • Members were appalled to learn that some household pets had been poisoned using anti-freeze. It was believed that the main agent was sweet and attractive to animals. • Letter to be sent to Welsh Government and Westminster encouraging manufacturers to use a bitter agent in the product 	<p>Democratic Services</p>	<ul style="list-style-type: none"> • Completed
<p>11(c). MEMBERS' QUESTIONS <i>"At full Council on January 16th 2014, the decision to sanction Health and Safety works at Park Street School, prior to handing the property over to ACT was confirmed after an earlier call-in. The decision included the apportionment of £56,000 to the total cost of these works.</i> <i>Would Cllr Hobson provide a detailed update to Council, on works so far completed, works outstanding ,with timescale for their , the cost expended to date on these works. Does he expect there to be any overrun on costs, if so where will the funding come from.</i> <i>Furthermore, in anticipation of a successful conclusion to these works by Mon CC to make the building safe for hand-over, is he aware of any external grants providers that have given firm promises to further the ambitions of ACT."</i></p>	<ul style="list-style-type: none"> • From Councillor Easson to Councillor Hobson • To be deferred to September 	<p>Democratic Services</p>	<ul style="list-style-type: none"> • Completed (included on agenda)

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of the Democratic Services Committee held at County Hall, Usk on 23rd June 2014 at 2.00 p.m.

PRESENT: County Councillor D. Blakebrough (Chairman)

County Councillors: D. Evans, D.L. Edwards, R.G. Harris, P. Jones, S. Jones, S.G.M. Howarth, V.E. Smith and S. White.

OFFICERS IN ATTENDANCE:

Mrs. T. Harry	-	Head of Democracy and Regulatory Service
Mr J. Pearson	-	Local Democracy Manager
Mrs S. King	-	Senior Democratic Services Officer

1. APPOINTMENT OF CHAIR OF DEMOCRATIC SERVICES COMMITTEE

We noted the appointment of County Councillor D. Blakebrough as Chair of the Democratic Services Committee.

2. APPOINTMENT OF VICE CHAIRMAN

County Councillor D. Evans was appointed as Vice-Chair of the Democratic Services Committee.

3. APOLOGIES FOR ABSENCE

Apologies for absence were received from County Councillors P.R. Clarke, D. Edwards and J. Prosser.

We welcomed the Local Democracy Manager and thanked the previous Chairman for the success of the committee. The aim of the meeting was to review the purpose and direction of the committee and highlight aspirational actions to take forward.

4. PUBLIC OPEN FORUM

There were no members of the public present.

5. DECLARATIONS OF INTEREST

There were no declarations of interest.

**Minutes of the Democratic Services Committee
Dated 23rd June 2014 - continued**

6. CONFIRMATION OF MINUTES

We resolved that the minutes of the meeting of the Committee held on 12th May 2014 be confirmed as a correct record and signed by the Chairman.

We noted updates, as follows:

- The Health and Safety questionnaire would be circulated by the end of the week.
- Members requested that the questionnaire would contain feedback regarding the suitability of the whole building.
- Members requested that a clock was provided in the Council Chamber.

We resolved that a whole building/site questionnaire would be circulated to all members. Feedback would be submitted to the meeting in September and the Design Manager would be invited to attend the meeting.

7. PURPOSE OF THE DEMOCRATIC SERVICES COMMITTEE

The Chair invited members to comment and discuss the purpose of the committee. During discussion we noted the following:

- It was recognised that the committee had a useful function and had developed.
- We were advised that some other authorities had reduced the frequency of Democratic Services Committee meetings to 4 times a year.
- The Chair highlighted three pillars of the committee, 1) point of committee that services/resources in place to support members doing job – charter is action list for checking 2) promoting democracy to residents in Monmouthshire, i.e. going out to meetings, know role of councillors and what 'we' do.
- An item had been included on the agenda, promoting local democracy and ideas were invited on how this could be developed. 3) how do we engage with Welsh Government and establish links e.g. do we invite minister or we visit them. There was a requirement to raise awareness and for the public to understand the purpose of the committee.
- Further discussions were required in terms of finding ways of engaging, with Welsh Government and the public.
- It was recognised that the remit of the committee would be broader than just making sure that resources and support were available to members.
Members were encouraged to be proactive and update information and profiles on the website.

8. WALES CHARTER FOR MEMBER SUPPORT AND DEVELOPMENT

The Chair highlighted that the charter was an action plan for ensuring that appropriate measures were in place.

It was suggested that the document could be colour coded (Red Amber Green).

**Minutes of the Democratic Services Committee
Dated 23rd June 2014 - continued**

The Head of Democracy advised that a report on member review would be considered by Council and there would be a possibility of aiming for charter status.

We were advised that the provision must be in place for member review, but it would be the choice of an individual member if they took up the offer, and the member would choose who they met with as facilitator. There would be a requirement for a training programme to be compiled.

Members were reminded that refresher training was undertaken on a rolling programme, in terms of finance, performance, risk, scrutiny, code of conduct, however, the number of members attending training had been limited.

The purpose of the charter would be to consider skills and competency of members. A consultation document would be developed for member training. At present, only licensing and planning training would be mandatory.

We resolved that a working group would be established to colour code the document and a few of the contentious items would be included on a future agenda for discussion.

A member requested a locker and paper copy of a phone book, which contained officer contact numbers.

We were informed that the information management officer was undertaking work, to ensure that all information would be available on the Hub. Laptops would be provided in the group offices, which would be set up for easy access for members.

9. PROMOTING LOCAL DEMOCRACY

We welcomed the Local Democracy Manager and the committee were advised of promotional work that had been undertaken in the past. In 2010, 6 young people visited County Hall (Cwmbran), which was successful and built upon for subsequent years.

Events were proposed in 2012 and members were invited to get involved, however, take up was low. The 'Run MCC for a day' event was held earlier in 2014 and competition finalists were involved in activities.

During discussion we noted the following points:

- Members expressed concern that competition finalists had not been involved in what had been promised.
- It was recognised that there was a need for work on local engagement, which would include a strategy and action plan.
- Actions for promoting democracy, would involve, working with schools, development of a strategy for the year, meetings with the community, updating website, raising awareness for residents to get involved in democracy. Success would be measured at the end of the year.

**Minutes of the Democratic Services Committee
Dated 23rd June 2014 - continued**

A working group would be established (which would not be formally minuted), to develop an engagement and awareness strategy.

We resolved that a letter would be sent to each of the four secondary schools in Monmouthshire, advising that the committee were looking at engagement of democracy portfolio and asking to notify when head boys/girls have been appointed.

We agreed that the meeting in October and 3 subsequent meetings, would be held in schools.

10. DEMOCRATIC SERVICES STRUCTURE

We were informed that the team consisted of, the Local Democracy Manager, Elections Officer, Senior Democratic Services Officer, 2.5 Democratic Services Officers (one was currently vacant and 0.5 would soon be vacant), Leader Secretary, Chairman Secretary and Member Secretary.

A flow chart would be circulated to members in relation to the structure within Democratic Services, which included, elections, Democratic Services, member support and Chairman's office.

During discussion the following points were noted:

- Concerns were expressed regarding the number of officers within the team and continuity in supporting meetings. We were advised that when the team was at full complement there could be dedicated officers to each committee, but whilst the team were short staffed cover would be shared between officers.
- Time had been saved by sending out electronic agendas and changes would be made with the website.
- Sufficient resources would be available when the team was fully staffed and it was confirmed that vacant posts would be filled.
- It was requested that all councillors received all full agendas. The Head of Democracy advised that this issue would be clarified, as part of the review of constitution.

The committee requested that feedback was provided regarding the vacant posts, at the meeting on 1st September 2014.

11. UPDATE ON TAX ON HOME TO WORK MILEAGE CLAIMS

The Head of Democracy advised that in accordance with HMRC rules, the authority had now started to tax members claims from home to county hall. The guidance stated that home becomes a workplace if members met with constituents at the members home.

**Minutes of the Democratic Services Committee
Dated 23rd June 2014 - continued**

It was recognised that members work from home, but there was a requirement to comply with rules and a need to be able to demonstrate that there was a regular occurrence meeting constituents at home.

During discussion the following points were noted:

- A member highlighted that taxation was a personal circumstance and there was a need to be able to demonstrate that the main place of work was home.
- The committee did not believe that the main place of work was County Hall, particularly for constituency business.
- Members expressed concerns that home details were displayed on the website, and if home was not the main place of work then these details should be removed and the main County Hall details used.
- Due to the nature of Monmouthshire as a rural County, members emphasised that they often had to go out and visit constituents at their homes.
- It was recognised that a definition of a place of work was required, particularly as members used their own utilities at their homes, for work purposes.
- We confirmed that further information and clarification was required.

We resolved that a member seminar, with payroll, would be arranged.

12. ENGAGING WITH WELSH GOVERNMENT

We resolved that this issue would be discussed by the working group looking at local democracy would look at this.

13. WORK PROGRAMME 2014/15

We discussed items for the future work programme, and noted actions as follows:

- Questionnaire on building
- Report on H&S
- Working Group to be established to colour code the Charter
- Working Group to be established to look at draft strategy for local democracy
- Letters to be sent to schools
- Organisation chart to be circulated to members
- Head of Democracy to check and confirm agenda despatch
- 1st September meeting, receive information on vacant posts
- Seminar to be arranged regarding tax on mileage

14. DATE AND TIME OF NEXT MEETING

We discussed the frequency of meetings and agreed to continue with the interval between meetings.

We agreed that a letter would be sent to schools and if possible, meetings would be held at schools in October, November, December and January.

**Minutes of the Democratic Services Committee
Dated 23rd June 2014 - continued**

It was noted that the next meeting of the Committee would be held at County Hall, Usk on **Monday 1st September 2014 at 2.00pm.**

The meeting ended at 4.30 p.m.

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of a meeting of the Standards Committee held at County Hall, Usk,
on Monday 1st September 2014 at 10.00 a.m.**

PRESENT:

Mrs P Reeves (Chair)
County Councillors D.L. Edwards, D.J. Evans and R.P.Jordan

INDEPENDENT REPRESENTATIVES:

Mr T. Auld and Mr G. Preece

COMMUNITY REPRESENTATIVE:

Mrs I Cameron

OFFICERS IN ATTENDANCE:

Mr R. Tranter – Head of Legal Services
Mr R. Williams - Democratic Services Officer.
Mrs N. Perry – Democratic Services Officer

1 ELECTION OF CHAIRMAN

We resolved that Mrs P. Reeves be elected as Chairman of the Committee.

2 APPOINTMENT OF VICE CHAIRMAN

We resolved that Mr T. Auld be appointed as Vice Chairman of the Committee.

3 APOLOGIES FOR ABSENCE

We received apologies from Mr. G. Powell and Mr. M. Sutton.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 MINUTES

We resolved that the minutes of the meeting of the Committee held on 7th March 2014 be confirmed as correct record, and signed by the Chairman, subject to the following amendments:

- Present: County Councillor R.P. Jordan and Mr. T Auld
- Apologies: Delete County Councillor R.P. Jordan and Mr. T. Auld.

**Minutes of the Standards Committee
Monday 1st September 2014 at 10.00 a.m.**

6i GUIDANCE TO MEMBERS SERVING ON OTHER BODIES

We received a report from the Head of Legal Services on behalf of the Monitoring Officer regarding guidance for Members serving on other bodies.

The report stated that each year the County Council makes over 100 appointments to outside bodies. The Council's Code of Conduct for members requires that a member must observe the Council's Code of Conduct whenever they are acting as a representative of the Authority.

The Code of Conduct requires that:

- Where you are elected, appointed or nominated by your authority to serve
 - on another relevant authority, or any other body, which includes a police authority or Local Health Board you must, when acting for that other authority or body, comply with the code of conduct of that other authority or body; or
 - on any other body which does not have a code relating to the conduct of its members, you must, when acting for that other body, comply with this code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

The officer advised that at any time of potential conflict, Members should contact the Monitoring Officer.

As no formal guidance had been previously been issued to members, the Monitoring Officer has asked that the committee consider and approve the report, and that it should be issued to all Members.

A query was raised as to how this guidance would be disseminated to other members of the council. It was confirmed that this would be distributed electronically should the committee approve the report. It was also agreed that it would be useful to send the report to town / community clerks.

A Member raised a concern that there are no reports back to Council regarding the issues raised at the meetings of outside bodies. It was agreed that representatives on an outside body that the council has appointed, should report back to Council and thought would be given to how best to proceed with this.

A recommendation was put forward that an electronic council library be created where all Members can access the information.

The Chairman agreed that a recommendation be put in place so that Members report back from their respective meetings. The Head of Legal Services agreed to discuss this with the Head of Democratic Services.

We resolved to approve the report.

**Minutes of the Standards Committee
Monday 1st September 2014 at 10.00 a.m.**

6ii OMBUDSMAN ANNUAL REPORT AND LETTER 2013/14

We received an annual report from the Ombudsman covering both maladministration and conduct complaints across Wales, and an annual letter regarding performance.

The Annual letter to the County Council showed that there had been an overall increase in maladministration complaints across Wales but a decrease of 22% in Code of Conduct complaints, attributable, in part to new local resolution procedures.

The penultimate paragraph of the letter commented on Monmouthshire's performance and included a note of a satisfactory response rate to requests for information and a significant reduction in the number of complaints received in respect of Planning and Building Control, compared to the previous year.

Committee was informed that a new permanent Ombudsman has now been appointed.

A Member queried that the one complaint shown on the report for Monmouthshire County Council, was known to be a representative of his ward, but the member was unaware of the detail. We were informed that the report must remain anonymous and that the Ombudsman's investigations must remain confidential. There may, however, be scope to include as exempt items.

We resolved to receive the report.

6iii RECENT CASES AND DECISIONS

We received a report issued by The Public Services Ombudsman for Wales which provided details of casebooks, demonstrating how the Code and its enforcement operate across Wales both at a local (standards committee) and national (adjudication panel) level.

Members were asked to note that one of the cases dealt with by the committee is mentioned on page 11 of the casebook.

We were referred to the recent High Court decision in the case of a Flintshire Councillor, which highlighted a number of issues relevant to all Standards Committees in Wales. Important principles to be taken from this case included that a civil standard of proof should be adopted.

It was pointed out that the casebook was a welcome report. The casebooks would provide helpful information for Monitoring Officers and Standards Committees across Wales, and should help to provide consistency in decision making.

A query was raised as to the rate the Councils indemnity insurance was capped. We were informed that it is set at £30,000. It was stressed that if a member was found to have breached the Code of Conduct, he or she would be liable for costs regardless of the indemnity.

**Minutes of the Standards Committee
Monday 1st September 2014 at 10.00 a.m.**

An update was requested on the Code of Conduct, section 10, 2b. It had previously been discussed that a new code would be issued. It was reported that it was anticipated that this paragraph would be removed but this has not been approved by the Welsh Government yet. Going forward the understanding would be that this relates to Cabinet only.

We resolved to receive the report.

7 DATE AND TIME OF NEXT MEETING.

Monday 8th December at 10.30a.m.

The meeting ended at 10.50 a.m.



Enabling Our County and
People to Thrive



monmouthshire
sir fynwy

Annual Report of the Chief
Officer for Enterprise 2014

ENTERPRISE 2013-2014



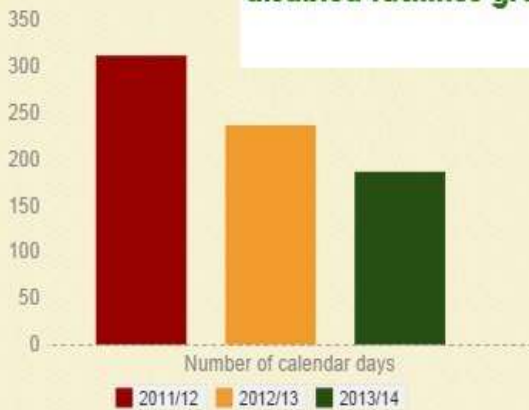
We continue to focus on managing our budget effectively & making savings wherever possible

Income generated from Tourism



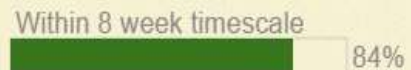
£165,080,000
2013/14

Days taken to deliver a disabled facilities grant



Number of staff assisted to deliver service redesign
453

Planning applications approved within mandatory timescale



Library materials issued, per 1,000 population



5,828



10% increase in use of leisure facilities



Business start ups supported by Monmouthshire Enterprise
103

AMOUNT OF ENERGY GENERATED FROM RENEWABLE SOURCES



2011/12 169,924 KWH



2012/13 292,174 KWH



2013/14 509,649 KWH



140

TOURISM AMBASSADORS TRAINED

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Introduction

'All it takes is one idea to solve an impossible problem' (Robert Schuller)

I am pleased to present my inaugural annual plan for the new Enterprise division. By way of introduction I want to set out what we mean by 'Enterprise'; how it fits with our wider planning processes and how it connects our people and performance with the Council's core purpose of delivering **sustainable and resilient communities**. Whilst Enterprise has a clear external focus on economic productivity and competitiveness – it is just as much about an internal approach – galvanizing an enterprising mindset and culture. The factor common to both inward and outward approaches to enterprise, is the ability to **develop solutions to problems**.

Cultivating a spirit of enterprise empowers people to have ideas and make things happen in line with purpose. We want people to challenge the status quo; develop more *effective* ways of working and turn ideas into action with confidence and alacrity. Working in this environment is, and should not be a comfortable existence and whilst business development and job creation is one of the Council's three core priorities, Enterprise is not a 'protected' function because to be enterprising, means to in-build self-reliance.

Enterprise comprises a family of diverse but complementary services. It exists as one of our core 'departments' but also serves the whole organization and its impact should be felt by everyone visiting and living, learning and working in our county. We enable a range of mainly, non-statutory 'discretionary' functions, which, must continue their shift from public finance dependency to self-sufficiency. Enterprise is about much more than 'tweaking' existing services to accommodate 'cuts' - it is about fundamentally re-purposing and building the sustainability of services that contribute to ingraining resilience.

The plan comes at a time when the service must not only redouble its efforts to help plan and deliver the activity required to meet the Council's budget gap in 2014-15 – but do so in line with enhancing outcomes and impact in two of the four priority areas highlighted in our annual Improvement Plan: enabling our county to thrive and delivering more efficient and effective ways of working. Whilst talk of public finance constraint dominates much of the current debate about local government in Wales – we are clear the challenge is less about those of us 'in the Council' and more about those of us 'in the County'. Our biggest opportunity is in leaning-in to communities to co-design and deliver services that will enable our county to flourish. Whole-place delivery is starting to unlock civic innovation and the kind of day-in day-out conversations with communities it inspires, are the bedrock of Monmouthshire Engages. Working closely with our citizens in this way is allowing us to pursue new resources, opportunities and relationships.

We're also making in-roads with People Services and evolving frameworks for appraisal and self assessment through 'Check-in, Check-out' - connecting our people more strongly to purpose and performance. We're rolling out our RESULT coaching model to people on and off our payroll to help them design and deliver 21st century public services. We have an emerging 'iCounty' strategy and 'Digital Roadmap' which targets improved data, decision-making; a stronger infrastructure and opportunities for enterprise. Our forthcoming Business Growth and Enterprise Strategy is facilitating new relationships, a keener focus on inward investment and the establishment of enterprise hubs. We have secured through a competitive process - the prestigious GB National Road Race Championships, the Wales

stage of the Tour of Britain and in 2016, the National Eisteddfod all of which bring thousands into our county with large-scale Returns on Investment.

There is as always, much more to be done and the window of opportunity is narrowing. Being enterprising is no longer the preserve of just the 'creatives'; neither is it a culture we can adopt next week, or month, or as projects or services require – it has to become part of the day job. Our experience to date shows that *everyone* is capable of having great ideas and we are creating the conditions in which *anyone* can make a contribution.

Creativity and ideas must serve purpose. Connecting our people to purpose, should make for better use of the resources available and clear improvements in performance. For Team Enterprise – this alignment is critical. The detail of our objectives for 2014-15 are set out in our Head of Service Business Plans which can be accessed [here](#). Increasingly - and given the nature of our business is enabling delivery through market intervention and creating the conditions for others to up their game – our challenge is to demonstrate outcomes not just through numbers and statistics, but through rich stories that evidence impact upon quality of life. Deep evaluative dives, ongoing self-assessment and ROI is writ large in this challenging but important approach.

The path ahead is unknown. We'll only make it, by walking it.

Kellie Beirne

Chief Officer, Enterprise

Our Journey - what are we trying to achieve?

Enterprise was born in April 2014 following the division of Regeneration and Culture. With Operations' functions now separate, services such as HR, Community Learning, Training, Innovation and Technology (SRS) joined the remaining line-up of services to become part of Enterprise. However, the story to tell is less about how Enterprise has come about and more about why it came about and what it seeks to do.

Do we really *need* Enterprise?

A question I frequently get asked: 'Why should we invest in innovation or x special event, or y festival or venture, when money is tight and we should be putting more investment into *z?'

(*usually a high profile/ statutory service).

It's a great question and notwithstanding the matter of political choices and priorities, in a climate of significantly declining public funds, moreover it is the right challenge. So, why invest in Enterprise – in developing our people and equipping them with the skills to solve problems? Why invest in festivals, events, promotional activities, economic development and community regeneration? *Especially* at a time of unparalleled public finance constraint.

The simple answer is that we need to think, do and be enterprise *especially at a time of unparalleled public finance constraint*. We need enterprise because we have major problems that require radical solutions and it is our key lever. Enterprise is not the same as 'making money' – but it is all about creating value. Whilst the figures on our balance sheet have less zeros, enterprise enables us to leverage what we do have in abundance; skills, ideas, high social capital, assets and above all a 'can do' mindset. Without it, we cannot hope to connect people to contributing to our purpose; to delivering sustainable and resilient communities. In a nutshell, we need to be enterprising on purpose, for purpose.

Enterprise within

In Monmouthshire, Enterprise has two customers – internal and external. Starting with our internal customer – our employees – we need to promote an enterprising culture and mindsets because we have to equip our people with the tools and techniques to develop solutions to challenges; think differently and convert ideas into action. The notion of 'competent managers of stable services' no longer exists and we need our people at the top of their game delivering 21st century services that have less reliance on traditional public funding and move toward self-sufficiency. This unlocks new forms of economic power and allows the Council to become the rapidly adapting entity it needs to be. The alternative is that the Council could just try harder to become more efficient; to cut costs, trim budgets and generally do the same old things better. This requires little skill and soon, it becomes impossible to cut again because there is nothing left.

This version of events is unthinkable. However, pursuing an agenda of people development; embedding innovation and enterprise and challenging the status quo does not come without its own problems. Principally because this way of working requires a culture of trust and

accepting that when people try to do something differently, failure will be inevitable. Whilst I'm entirely comfortable with that – in fact it is a sign that people are actually doing something and are not failing by omission – tolerance for failure in times of austerity tends to be low. As a division and a team, we need to educate that rather than condemn failure, apportion blame and see it as a means of making front page headlines, we must stand firm and encourage people to get up and have another go. It is this relentless pursuit of trying, learning and trying again that can achieve true effectiveness on the scale it is now so badly needed. Effectiveness is about adding value; generating recurrent revenue streams, attracting new skills, opportunities and resources. It's far removed from just doing the same things right: it is doing the right things.

Enterprise outside

Our external customer is our community, residents, businesses and service users – the largest proportion of whom will have ideas, solutions, suggestions, skills, time, capacity and assets to potentially bring to the table. They are our widest team of value creators. Living, learning and working locally, they understand what matters, what will work and more so, are willing to help us develop the kinds of services people actually want to receive. In many cases, there will be groups and collections of people who will feel so strongly about locally shaped and led service provision, they will want to own, manage and deliver functions for themselves, in-building community sustainability and resilience. The benefits of enterprise in this context, to council and community, are self-evident.

Creating value in our places, for our residents and economy – is a central premise of being enterprising. In the majority of cases, there is no direct return to the Council. The Return on Investment is to the county at large. So, why invest in something that doesn't directly benefit us, the Council? The answer is there is only us, the County, because that's why the Council exists. Enterprise is one of three core priorities and very often it is seen as the least 'social' of our aims. Yet, without enterprise – there is no support system for vulnerable people. Without enterprise, prospects for school leavers seeking work, further learning and careers, are non-existent. Enterprise may be more focussed on returns, yield and the bottom line – but it only does so to enable reinvestment in scaling social impact and furthering our social mission. A special or major event is not just about tourism gains or a higher visitor profile – it is about community spirit, volunteering, mentoring, growing confidence and invest ability. Without a buoyant local economy, there is no vibrant national economy. A declining national economy means more pressure on and cuts to public finance.

Enterprise: on purpose, for purpose

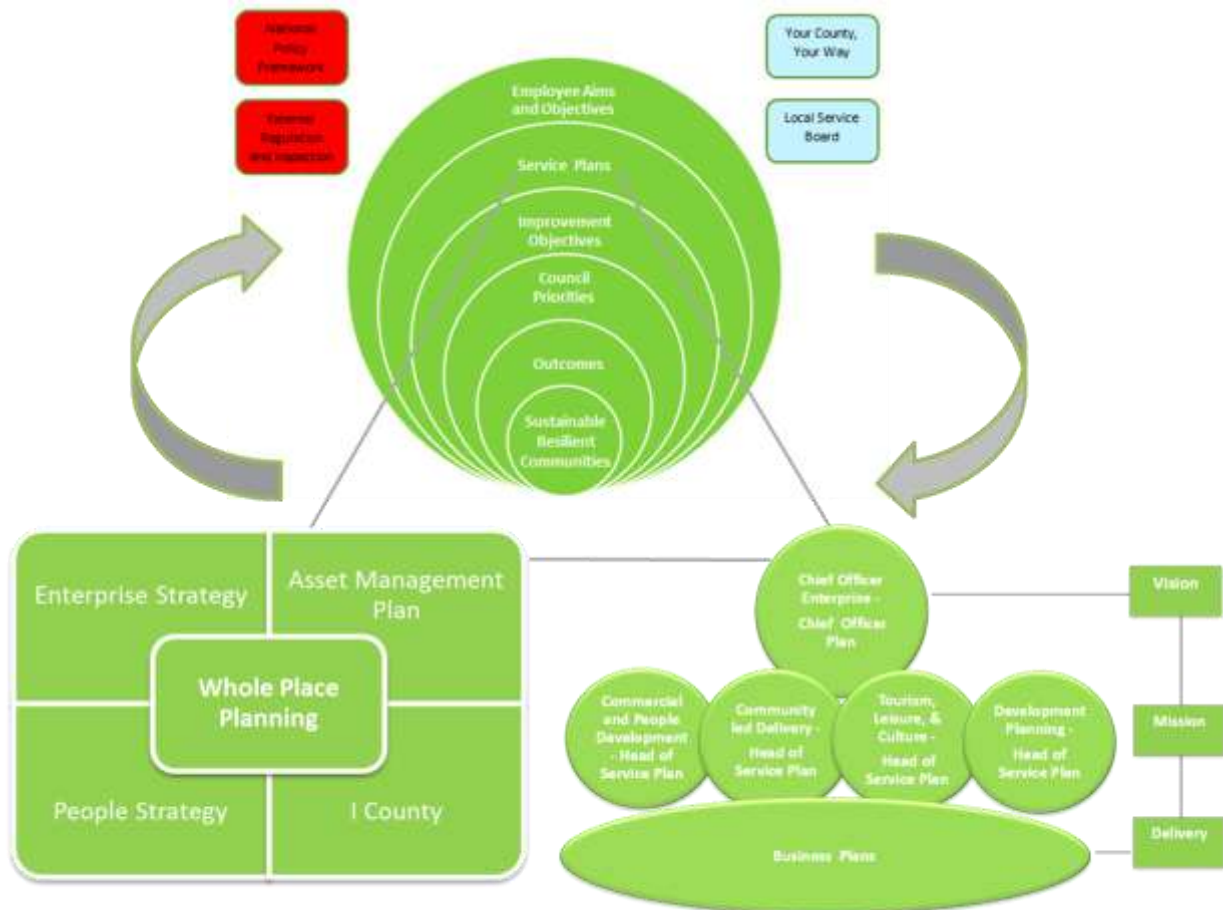
If we pitch enterprise against schools or social care – on face value it can never win. However, we do enterprise because we want to create more value for schools and social care; because we want income streams and opportunities that will help sustain them. Enterprise on purpose, for purpose. Experience also shows that simply putting additional amounts into services without change, can run the risk of making them inefficient because they never have to think differently. We need enterprise in both our internal and external economies because it creates value, gives us options and choices and is the fastest path to true sustainability and resilience.

Our purpose

At the heart of the Councils work is the vision for delivery of sustainable and resilient communities; our main outcomes that contribute to this vision relate to our desire to enable our county to thrive and to develop our people and organisation to become increasingly efficient and effective.

This provides a unifying direction for the diverse range of services that comprise Enterprise. Our contribution to this purpose is to promote an enterprising culture, in and out, that enables the development of solutions to problems. Our purpose is underpinned and delivered by a specific mission and delivery aims which are attached to each service area in the division. This is further influenced, shaped and impacted by a key set of strategic plans that set the direction for our work, for the organisation and the county. These are our Business and Enterprise Strategy; iCounty and the Digital Roadmap, the People Strategy and the Strategic Asset Management Plan. They in turn support and are supported by our frameworks for place-based working – Whole Place Plans.

Connecting purpose to planning



Our principles and approach

Enterprise is a new division. The fit and configuration of services is emergent and there are many challenges inherent in bringing teams, themes and strands together. Within and across teams and services, the functions enjoy alignment and synergies. However, many are at different stages of development, growth and capability. This is impacted by the fact that our customer is both internal and external. As such, creating a sense of shared purpose, establishing collective goals and clear direction is critical. Our chosen way of achieving this, is to ingrain our values, beliefs and 'what matters' in a cultural process. To do so, we've developed mechanisms that allow us to 'lean in' to our communities, employees and businesses. Through interactions and processes such as Whole Place, Community Hub creation, Monmouthshire Engages, Business Survey, training, appraisals and systems thinking - we've been able to build a picture of unmet needs that inform our approach:

Community:

- Communities want recognition of place distinctiveness and not 'one size fits all'
- They want more ongoing and imaginative ways of being able to tell us what matters
- Communities want 24-7 access; virtual channels & opportunities to shape services
- They want to play a part as co-creators, volunteers and possible delivery agents
- Communities want 'real' information about the costs of services
- They want packages of support and development that will allow them to play new roles, particularly around community ownership and asset transfer
- Communities want a greater sense of responsiveness, for council officers to be more human and accessible
- They want us to really listen and meaningfully engage

Businesses

- Businesses want more co-ordination of enterprise support services
- Businesses and start-ups in particular want more dedicated programmes of support; better access to available finance and a 'one stop shop' for their needs
- Businesses want more recognition of economic development benefits from wider council services such as Environmental Health and Planning

Staff

- Employees want to feel connected to purpose; to know their fit and be clear about the contribution required of them
- They want space and permission to develop new skills, think and do differently and develop ideas into action
- Employees want to know they are supported to fail fast and forward
- They want career paths, opportunities for outward (not just upward) progression and the chance to broaden experience
- Employees want the right tools to do the job, particularly technology provision
- They want opportunities to prototype and 'invest to generate'

We have thought long and hard about the new qualities and characteristics we need to develop and exhibit and how they align to create effective combinations of new service

groupings and teams. This has resulted in the following configurations that help serve and fulfil a set of individual but connected missions:

Service	Teams	Lead	Mission
Commercial and People Development	Monmouthshire Enterprise, CMC2, SRS, Technology, People Services and Training	Peter Davies	Developing the enterprise capacity to create the future
Community Delivery	Estates and Sustainability, Housing, Libraries, Community Education, Cemeteries, Village Halls and Whole Place	Deb Hill Howells	Investing in communities to enable them to build their own resilience
Tourism, Leisure and Culture	Tourism, Museums and Cultural Services, Leisure and Sports Development, Countryside and Outdoor Education	Ian Saunders	Developing new models and vehicles to enable self-sufficiency
Planning	Local Development Plan, Forward Planning, 106 and Professional Services	George Ashworth	Creating the community vision for land-use

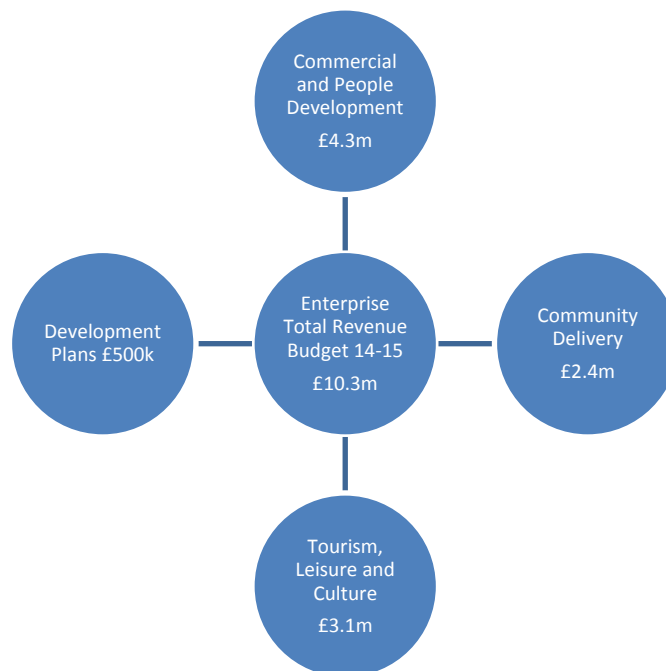
Based on our clear vision for Enterprise, how it contributes to the Council's core purpose, the above delivery configurations and our understandings of 'what matters' – our collective goals and principles are:

- Committing to driving change through our people
- Creating the conditions and opportunities for our people to be the best they can be
- Connecting our responsibility for people development, with organisational purpose and effectiveness, in order to improve performance
- Connecting 'what matters' to the bottom line – doing what counts should make for realisation of budget reductions and income targets
- Putting effectiveness – *doing the right thing*, before efficiency – doing the thing right
- Measuring the benefits and ROI of better, different & more effective ways of working
- Making engagement part of the 'day job' and not one-off events
- Investing in better data recording and analysis in order for data-led decision making
- Clearing the path for businesses and reducing the barriers to assistance
- Ensuring all Enterprise services make a contribution to economic development
- Understanding value of assets to the capital programme *and* community regeneration
- Place based regeneration that recognises diverse needs and priorities

The actions and activities that accompany this are the business plans and work programmes produced and overseen by service heads. This work is reviewed and monitored quarterly, evaluated sequentially through the Head of Service Challenge process and is considered and discussed through 121s. This supports and underpins our focus on improvement activities in 2014/15:

- One integrated and common evaluation framework, incorporating vision, values and direction; clear and relevant performance measures and an approach to gauging value for money
- Further developing 'what matters' measures including a capture leverage, the role of partners and financial and social returns on investment
- Outcomes from across service areas that aim to inform future policy choices, improve management and identify good practice
- The introduction, over time, of a series of whole place initiatives which move us toward more unified area based working, which will in turn, lead to a more uniform reporting system as we move away from project-by-project monitoring and a clearer set of priorities for local intervention

Our Finances



How well are we doing?

In last year's report I set out some specific areas of opportunity and focus for the future of the Regeneration & Culture directorate. Now this service no longer exists – some of those areas have become part of Operations and some, part of Enterprise – it is difficult at this time to evaluate 'how well' the new service configurations are doing since they are brand new. One of features that does remain relevant however, is recognising that regeneration was not a series of plans, projects or events, but instead it is a process that plays over time, is steeped in local place and is connected across Council services. The section focuses on feedback from Regulatory reports that were undertaken for the former Regeneration and Culture department and more recent customer feedback.

What do others say?

The Wales Audit Office reports each year on how well we are planning for improvement in delivering services. We value and use their assessments as a vital part of our improvement framework.

Their latest report covering performance in 2012-13 related to the enterprise directorate objectives identifies "the Council's performance on businesses and tourism was mixed", "the Council's performance in Area Regeneration was mixed... but with significant improvements in delivery of affordable homes" and "the Council made good progress on 'the Way We Work', which focussed on modernising the way the council is run to improve efficiency and effectiveness.

During 2012-13 WAO also reviewed how well the Council was managing with fewer resources in selected service areas and concluded "the Council's expenditure on Environmental Health, Housing and Waste Management is reducing and performance is mostly being maintained, the long term sustainability of these services is unclear and some services are managing increasing risks".

Wales Audit Office, in their review of whole place concluded: whilst officers and members are enthusiastic about Whole Place, the lack of a single strategy means that the Council is not yet able to demonstrate added value from the approach. The review has provided proposals for improvement related to clarifying the approach, building on the momentum created and assessing the value added of whole place that we are in the process of carrying out. We use this feedback to help inform our future delivery, where Wales Audit Office (WAO) make specific proposals we regularly provide an update on the authority's progress against these.

We routinely and systematically collect customer feedback as a means of informing our ongoing improvement and development journey:

New homes built for local people:

"To be able to stay in the area that I love and raise my children close to my family for support and in a beautiful new home really is a dream come true".



Purpose built housing:

"it has always been a dream of mine to have my independence. When this house became available, in a great location for me with better transport links I couldn't have wished for anything better."

TRAINING

Investing in our staff is integral to delivering the best services possible....

THIS IS WHAT OUR STAFF SAID ABOUT TRAINING:

"RESULT Coaching Training changed my life !! The work that we did during the two days of the training has made me think and work in a completely different way."

"It has given me the confidence and skills to enable me to coach and mentor my team to deliver the service that we are providing"



"A very worthwhile course that would be of benefit to everyone"

"Integral to 21st Century working"

Majority of attendees thought that there were tangible outcomes as a result of the event



100% of attendees believed the event helped them to understand the bigger picture for their area

Community Event Feedback

"This as an exciting opportunity to make a difference in both marketing the town and area and improving the public realm."

"We look forward to working in partnership with stakeholders who share the vision for the way forward"

CALDICOT CASTLE
Various activities which all the children loved. All the staff friendly, and patient with the children. Would definitely recommend and look forward to returning



OLD STATION TINTERN
Thank you! Fab day. Lovely birthday treat for my daughter she had a lovely day xx

TOURISM
Proud of Our County

Old Station Tintern:
Best Place to Eat (café) in the National Tourism Awards for Wales.
Voted best Hikers' café in the UK (The Guardian Readers' Tips) and won a Gold Award in the True taste of Wales best tea room in Wales 2012/13



Abergavenny Food Festival won 'Best Event in Wales'

Parva Farm Vineyard won 'Best Food Tourism Business'



94% of visitors would recommend Monmouthshire to others

"lovely museum and a great place to visit"

"Really enjoyed our visit and will return"

"I really love this place and I love your Roman things 100/100" – Georgie aged 9

Overall, visitor attractions are exceeding expectations in customer service and quality of goods and services



Feed back from young carers:

"I'm so chilled here. It's the atmosphere here, the concentrating on doing something"

"I can't believe I've actually done something good"

"It's weird I actually did [made] something, nobody will believe it"

"I've never concentrated so much in my life"



Green Flag Judges:
"Strong Community involvement demonstrated by the "Friends" group with two fantastic ambassadors accompanying us on the visit."



Volunteers & Tourism Ambassadors

"Very pro-active Local Authority in guiding the work of volunteers and supporting them, allow volunteers to work at making a real difference in some areas."

Ambassador Training Feedback -
How will you use the skills/knowledge you've learnt?

"To engage with locals & visitors. Looking out for more opportunities to promote the area and do our bit"

"spread knowledge and enthusiasm for Monmouthshire to others"

"to persuade others to visit this lovely area - thank you so much, course was wonderful"

Over 130 Sport for Life volunteers recruited giving more than 1200 volunteer hours through sport.

LEISURE



64 Bronze Young Ambassadors trained, delivering and having a voice

“Excellent value for money”

£69,643 Invested in 2013-2014 — supporting 55 different community sports clubs and associations

“The staff are excellent, welcoming and friendly”

“The venue and facilities are excellent”

“A great resource – thank you so much”

Retweeted by Mon Leisure Centres

Nick Butler @nickbutler36 · Aug 22

Some great feedback on Facebook from this years playscheme at Monmouth LC @MonmouthshireCC @mccleisure
pic.twitter.com/kJQOpNw4ZC

Monmouth Leisure Centre, Louise Goulding and 12 others like this.

Rachael Davies
Playscheme is a fantastic programme that is really valued - great job play team!
Yesterday at 21:08 · Unlike · 2

Liz Cleaves
My 2 have enjoyed every minute this year! Some great activities - well done to everyone involved!
Yesterday at 21:12 · Unlike · 1

Kirsty Jones
Ryan had thoroughly enjoyed play scheme this year, brilliant activities and fabulous staff.

Sally Williams
You guys deserve medals for keeping our children so entertained - u should be so proud of this - such a fab service for the people of Monmouth. Thank you all!
Yesterday at 21:07 · Unlike · 1

Helen Edwards
Thankyou playscheme you have again been fantastic and my daughter has loved it...fantastic staff...
Yesterday at 22:13 · Unlike · 2

David Blair
Great work by committed staff. First class organisation and delivery. I've congratulated several of the staff and the Leisure Centre manager. A1.



Leisure Services awarded the insport Development Bronze Standard for delivering inclusive sport within communities

Customers say:
“We will definitely return”

Richard Parks @richardparks · Jun 26
Awesome to have @roadchamps here in #monmouthshire #wales seeing riders up close. Go @geraintthomas86 #fast pic.twitter.com/xKN2LAZxNv

What others are saying about Monmouthshire

Free Press: Surge in popularity for Monmouthshire tourism - "You couldn't find anywhere better"

Retweeted by Paul Matthews

Vintage Vision @Vintage_Vision · Apr 9
We love Museums in #monmouthshire because they work with their communities and make the past come alive for everyone #WhyILoveMuseums
Expand

Phil Barker @Monnowman · Mar 17
Monmouth voted one of the top places to live in the UK itv.com/news/wales/upd... #Monmouthshire

ITV News

Monmouth voted one of the top places to live in the UK
The Welsh borders town of Monmouth has been named as one of the best places to live in the UK according to the Sunday Times



Performance in 2013/14

In this section I comment on how well services performed in 2013/14. In many ways this is challenging because Enterprise only came into being in 14/15 and as such, the benefits, synergies and co-operation efficiencies of being one department, cannot yet be realised or reflected upon. For the purposes of this report, I have therefore drawn on the performance of services in the context of their old configurations and service areas, and this must be borne in mind when reading. In the light of this, it has been difficult to properly rate performance of service areas that haven't previously operated as such and this therefore has moderated the way in which we have reviewed performance for 13-14.

Assessments have been undertaken in accordance with our whole-authority evaluation system.

Level	Definition	Description
Level 6	Excellent	Excellent or outstanding
Level 5	Very Good	Major strengths
Level 4	Good	Important strengths with some areas for improvement
Level 3	Adequate	Strengths just outweigh weakness
Level 2	Weak	Important weaknesses
Level 1	Unsatisfactory	Major weakness

1. Commercial and People Development

Level 3 Adequate, strengths just out way weaknesses

- Monmouthshire secured the position of the highest ranking LA area in Wales (156 out of 400) on the UK Competitiveness Index 2013;
- A report by the Centre for Entrepreneurs over the period 2011-14 puts Monmouthshire as the top local authority (across England and Wales) for spend with small local businesses (Local Authority Spend Index);
- Monmouthshire Enterprise and partners have continued to work with pre-start and existing businesses in Monmouthshire; 103 businesses have been supported to start up, leading to the creation of 124 jobs. Some targets were not achieved since this is facilitation of an external market function in which lead-in and development times frequently do not fit into our annual improvement timeframe;
- The council's Community Interest Company in year 2 of its Business Plan made a financial profit of £c15k and delivered significant social value in the form of Y-Prentis digital community development and a contribution to establishing 'whole place' frameworks recognising the uniqueness of our towns;
- 11 services areas were supported through the process of whole-scale service reviews and business case development that will feed into and support the 2014/15 budget with an estimated efficiency/effectiveness benefit of £7.2m over three years;
- A new sickness absence reporting system has been introduced and is increasingly providing valid and reliable data. System and recording inadequacies have been identified and this is an area for priority action;

- All core Human resources policies and procedures have been re-purposed and approved, and a new process of Induction introduced alongside new coaching training (RESULT), made mandatory for all managers; and,
- Digital mobile applications have been devised for frontline operations workers; our website won the SOCITM award for our new website accessibility and we replaced and re-purposed our local intranet 'The Point' with a Sharepoint bespoke application, called The Hub;

2. Community led delivery

Level 3 Adequate, strengths just out way weaknesses

- [The way ahead](#) Better Bryn – Cwm Whole Place plan has been produced bringing together the priority actions that the Bryn y Cwm community, local businesses, voluntary groups and public services will be taking forward to bring about tangible area regeneration. A Town Team has been established and governance arrangements for a programme board are being developed. Funding has been secured to support the feasibility work for establishing a Business Improvement District (BID);
- Whole place has continued to progress in Severnside. Key governance structures have been established and agreed with the Programme Board and Caldicot Town Team have developed town and community events, a local magazine and held consultation events to inform the Asda supermarket 'linkage scheme';
- Whole Place now needs to build on this momentum and evaluate performance on a set of broader indicators which provide insights into changes in quality of life. In 2013/14 84% of people in Monmouthshire have a feeling of belonging to their local area and 26% agree they can influence decisions affecting local area both increased from the previous year and are above the Wales average. The WAO review, undertaken in the year, provides some helpful guidance on how this can be realised and work continues on implementing processes for more meaningful evaluation;
- 86 Disabled Facilities Grants have been provided during the year helping support people to live in their own homes. The time taken processing these grant has decreased to 186 days – a rate which is amongst the best in Wales;
- Our homeless prevention rate for at least 6 months although improved remains in reporting terms, as amongst the worst in Wales at 24.5%. However the WG has now taken action based upon the evidenced inconsistencies in data reporting and for 13-14 this indicator will now be qualified as no longer comparable across Wales. Calculated in line with other areas, our rate of prevention increases to 63%. This remains an area for targeted action with the new supported lodging scheme, more of a focus on financial inclusion and the development of a joint Housing Solutions Service with Torfaen Council;
- Our Library services continues to see a trend for an increase in online usage and digital borrowing. Visitor numbers have remained broadly consistent for a few years and amongst the best in Wales; and,
- Our Estates and Sustainability Team raised £939,740 in revenue streams and £2.529m in capital receipts.

3. Tourism, Leisure & Culture

Level 4 Good, important strengths with some areas for improvement.

- There is a continuing upturn in footfall to leisure centres during the year with around +10% increases on the previous year. A survey for Sport Wales covering every primary and secondary school has revealed 42% of children and young people are “Hooked on sport for life” in Monmouthshire;
- The Monmouthshire Tourism Ambassador programme to enable more individuals and businesses to play their part in promoting Tourism information, advice and services has trained 140 people to date. Tourism generated £165m for Monmouthshire in 2013 with more than 2m visitors both increasing from 2012;
- The service has started to develop and deliver a programme of major events. Through a national competitive tendering process, it has secured the National Road Race Championships in June 2014. In addition, Chepstow will host the Elite Series Circuit in July 2014 and the Tour of Britain Stage 3 – the only Welsh stage – will come to Abergavenny in September 2014. In addition, Monmouthshire has been confirmed as the host county for the prestigious National Eisteddfod in 2016. The Return on Investment to the local economy as a result of these events represents several millions of pounds of investment to the local economy;
- Countryside continues to support more volunteering and community action in our Countryside. In 13/14 we worked with 115 volunteers yielding 3196 volunteer hours; and,
- Museums and cultural services have reduced their reliance on central budgets by taking opportunities to generate income through a Museums Development Trust and further exploring opportunities for volunteering. Using the *AIM Economic Toolkit*, the Monmouthshire Museums Service contributed over £1.246M to the local economy.

4. Development Planning

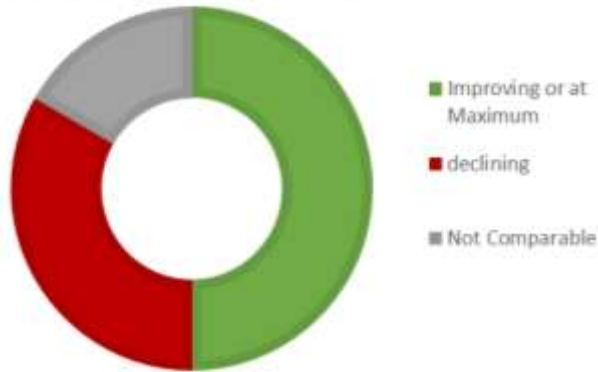
Level 4 Good, important strengths with some areas for improvement.

- Following an extensive development and consultation process, Monmouthshire adopted the Local Development Plan (LDP) in February 2014; Monmouthshire is one of fourteen Welsh authorities to have an adopted LDP in place;
- The number of affordable housing units provided in 2013/14 decreased to 48, while the proportion of housing units provided in 2012/13 that were affordable also decreased to 31% but this indicator has been caveated as unreliable, not least because it is an annual measure of a function that is led and provided by the market and third sector Registered Social Landlords. Our target is to achieve at least a 5 year housing land supply. In April 2013 the land supply in the county was 3.8 years, and the newly adopted LDP will guide the Council’s land use decisions and it is anticipated that beyond April 2014, the Council will have a targeted 5 year housing land supply; and,
- In Development Control 93% of planning applications are now approved which is above the national average and in the top quarter for Wales. This highlights the ways in which applications are successfully negotiated rather than refusing some of the more complex and multi-faceted planning applications. Householder planning applications approved within the 8 week mandatory timeframe, have improved to 84% which is in line with the Wales average.

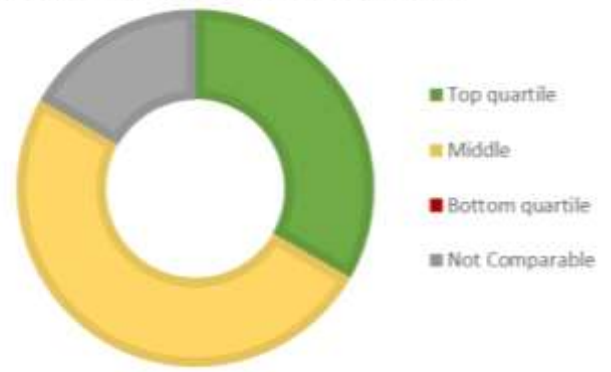
How do we compare?

Welsh Government publishes performance indicators on a range of services delivered by local authorities in Wales. We have assessed our performance on the National Performance Indicators under the Enterprise directorate.

ENTERPRISE NATIONAL PI TREND



ENTERPRISE NATIONAL PI COMPARISON



	2011/12	2012/13	2013/14	Wales Av 2013/14	Quartile Ranking 13-14
The percentage of all potentially homeless households for whom homelessness was prevented for at least 6 months	30.4	21.4	24.2	Not Comparable	Not comparable ¹
The average number of calendar days taken to deliver a Disabled Facilities Grant.	311	236	186	239	Top
The percentage of all additional housing units provided during the year that were affordable.	31	101	31	37	Lower Middle
The percentage of private sector homes that had been vacant for more than 6 months that were returned to occupation during the year through direct action by the local authority.	0.23	Not published	4.66	9.23	Lower Middle
The number of visits to local authority sport and leisure centres during the year per 1,000 population where the visitor will be participating in physical activity	5962	6852	8099	8954	Lower Middle
The number of visits to public libraries during the year, per 1,000 population	7293	7279	7270	5851	Top

Performance Measures

We have clear strategies to set the direction our services will be taking in the years ahead. We recognise that some of our approach is not easily measurable at the current time and that we cannot take our eyes off the basics of service delivery. In view of the scale and magnitude of our service area covering economic, social and environmental functions we agreed a set of performance indicators based on our purpose and tailored towards what matters to our service area, while also including some of the National Performance Indicators that are comparable with the whole of Wales but aren't always in line with what matters to our services. This year we will continue to develop better measures of the outcome and impact of our new ways of working that are better linked to our purpose to provide more meaningful evaluation of our work, as the current indicators will not tell the whole of the story. Our targets for 2014/15 are set based on information and knowledge of past performance and influences on future performance. It is not always possible to set specific targets due to some of the better indicators of the outcome of our work not being directly applicable to specific action we take. Instead they reflect the outcome of our work from many connected service areas, where this is the case our target is to see an improvement in performance.



Finance	2011/12	2012/13	2013/14	2014/15 Target
Regeneration & Culture Directorate Expenditure against Budget	27,746	27,325	26,112	N/A (new target for Enterprise in Our Finances section)
Level of savings achieved in the year within Regeneration & Culture:				
Included within MTFP balanced budget	2,178	1,550	1,92	
Underspend achieved during the year	1,161	838	210	
Total	3,339	2,388	2,135	
Level of Capital receipts achieved against projections				
Budget	2,473	1,455	2,375	
Outturn	1,895	949	2,29	
Staff	2011/12	2012/13	2013/14	2014/15 Target
The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence in the Enterprise directorate			8.0	5.0

Percentage of staff that have received a performance review (Check-in, Check-out)			Not collected	100%
Process (How Much did we do & How Well did we do it)	2011/12	2012/13	2013/14	2014/15 Target
Number of additional affordable housing units built	78	63	48	96
The percentage of all potentially homeless households for whom homelessness was prevented for at least 6 months	30.4%	21.4%	24.2%	35%
The average number of calendar days taken to deliver a Disabled Facilities Grant.	311	236	186	230
Mean period from planning application being received to determined	66.8	104	105.5	90
The percentage of applications for development determined during the year that were approved (PLA/002)	93.6%	93.7%	93.7%	93%
Housing land supply years ⁱⁱ	5.0	4.4	3.6	5
Amount of energy generated from renewable sources	169,924 kWh	292,174 kWh	509,649 KWH	625,000 KWH
The number of visits to local authority sport and leisure centers during the year per 1,000 population where the visitor will be participating in physical activity	5962	6852	8099	7130
% of children & young people who participate in physical activity 5 x 60	N/A	39%	40%	41%
Number of new business start-ups where assistance was provided by Monmouthshire Enterprise and Partners	57	60	103	70
Number of new jobs created where assistance was provided by Mon Enterprise and partners	185	331	124	200
Number of inward investment projects delivered as a direct result of Monmouthshire Enterprise support	Not recorded	5	2	5
Total number of tourists per year ⁱⁱⁱ	2,102,500	2,015,300	2,052,500	>2,052,500
The number of library materials issued, during the year, per 1,000 population (LCL/004)	6180	5985	5828	6000
Number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence	13.3	11.9	11.0	<11.0
Customers (Is anyone better off?)	2011/12	2012/13	2013/14	2014/15 Target
Percentage unemployment among the economically active ^{iv}	4.9%	5.8%	5.3%	<5.3%
Percentage of working residents who work within Monmouthshire ^v	57.9%	56.5%	58.6%	>58.6%
Total income generated from tourism per year ^{vi}	£163.5 million	£163.3 million	£165.08 million	>£165.08 million
Percentage reduction in Carbon dioxide emissions ^{vii}				

i) Absolute	i) 7%	i) 1%	i) 5%	3%
ii) Adjusting for seasonal conditions like cold winters	ii) 2%	ii) 11%	ii) +2%	
Percentage of people with a feeling of belonging to local area^{viii}	Not applicable	82%	84%	>84%
Percentage of people who agree they can influence decisions affecting local area^{ix}	Not applicable	22%	26%	>26%
Average wage levels in the county (gross weekly pay by workplace)^x	Not applicable	£438	£427	£465
Number of Complaints received Enterprise directorate	Not applicable	Not applicable	24	N/A
Number of Compliments received Enterprise directorate	Not applicable	Not applicable	9	N/A

New and Developing performance measures

We have already started to identify new measures that better measure the outcome and impact of our new ways of working. We will continue to test and grow these over the year and I will be reporting back on these measures and those we further develop in my next plan.

New & Developing measures	2013/14
Percentage of residents who use the internet^{xi}	80%
Number of Volunteer Hours delivered across enterprise directorate and equivalent economic impact	Not collected to date
Whole Staff Surveys (Satisfaction, Wellbeing & Engagement)	Not collected to date
Localised Public Satisfaction Surveys	Not collected to date
Percentage of visitors who would recommend Monmouthshire	94%

Conclusion

Our overview of performance in 2013/14 is not a straightforward or 'true' one, since the Enterprise directorate is new and 2014/15 marks its first full year of operation as one cohesive unit. In essence, with a range of services, functions and measures coming together in this way, for the first time, this first report provides a baseline and sets out key principles and priorities for the way we want to work.

In summary, the plan identifies:

- Our clear sense of organisational and departmental purpose;
- How our planning process links our frameworks, thinking and activity to purpose and performance;
- A picture of both adequate and good services, wherein, it is anticipated through the markers, objectives and outcomes set out in this report and its supporting strategies and plans, that key improvements will be made year on year;
- A distinctive function in that it has community, businesses and employees as its customer, meaning it is both enabler and direct service provider;
- A commitment to not drive our people through the significant changes still to come – but to drive change through our people;
- Our commitment to honestly and rigorously applying self-evaluation; and,
- Clear actions, objectives and impact statements which will guide and focus our activity over the next 12 months.

To finish where I started, Enterprise is not exclusively about the money, the economy or business. Enterprise is first and foremost, a mindset: *enterprise on purpose, for purpose*. People – on and off our payroll – are our most valuable resource and my goal is to ensure that as a council and county, we are growing the right skills, embodying the necessary behaviours and adapting nimbly to new conditions in order to meet the changing demands of our organisation and society.

Our priority actions for 2014/15

Our priorities for action in our first year as a new division are clearly identified. This section provides the specific detail and deliverables of the key actions in each of our four service areas. We will continually assess and evaluate progress against these actions and report back in next year's report.

Mission	Commercial and People Development - Build the enterprise capacity to create our future
Outcomes	<ul style="list-style-type: none"> • Improve organisational performance and effectiveness via investing in developing our people so that we develop solutions to problems • Inspiring digital advancement through a better economy, smarter public service and stronger society • Local people are benefitting from economic prosperity and supporting local enterprise through 'shopping' locally and contribute to an entrepreneurial spirit
Delivery	<ul style="list-style-type: none"> • Year 1 delivery of Monmouthshire People - People Strategy and Action Plan. This will involve: – Rolling out RESULT training, embedding and evaluating check-in, check-out, conducting a staff survey, reviewing certain terms and conditions, improving data and systems for recording and contributing to local engagement in order to unlock new ideas. • Year 1 delivery of iCounty and the actions prioritised in the Digital Roadmap. This will involve: – developing expertise in software development to create our own more cost efficient systems; working with partners to implement the review of SRS; ICT exploitation for businesses, broadband study to inform Superfast Cymru roll-out, coding and computer science projects for young people and creating a pipeline of potential commercial opportunities. Reviewing and informing the future purpose of CMC2. • Year 1 delivery of Business Enterprise Strategy. This will involve beginning a process of ongoing engagement with the business community to establish what matters; establishing the new Mon Enterprise Team, building the programme for RDP 2014-18 and facilitating delivery of targets associated with job creation, start-up businesses and support for existing businesses.

Mission	Community-led delivery - Invest in communities to enable them to build their own resilience
Outcomes	<ul style="list-style-type: none"> • Optimising the Council's land and property assets to delivery key council and community outcomes • Facilitating delivery of area regeneration that recognises local 'sense of place' and demonstrably improves quality of life • Bringing together council services to form 'heart of the community' service hubs, that focus on what matters to local people • Enabling a better quality, variety and affordability of housing for local people • Creating learning and developing opportunities for our communities to prepare them for work and life

Delivery	<ul style="list-style-type: none"> • Production of the Strategic Asset Management Plan and all supporting policies and frameworks • Review of whole place delivery to date and implementation of WAO proposals for improvement • Continuation of Whole Place Plan delivery (focussed on agreed priority areas through programme boards) in Abergavenny/ Bryn-y-cwm and Severnside. begin preparation of frameworks for Lower Wye • Establish clear policy position on creation of community hubs bringing together front line customer services and library/ learning functions; undertake engagement work in Usk and bring forward the community hub business case • Implement the Shared Lodgings Scheme, develop the business case for a Shared Housing Solutions Service and focus activity on financial inclusion projects • Delivering franchise agreement through Community Education Service
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Mission	Tourism, Leisure and Culture - Develop the models and vehicles to build self-sufficiency and independence.
Outcomes	<ul style="list-style-type: none"> • Maximise the economic return to the towns, communities and economy of Monmouthshire through delivery of planned major events • Encourage everyone to participate in sport and recreation, through open access to activity, leisure centres and supporting inclusion • Increase income in leisure centres through continued membership drive • Develop a new ownership model through which to run, operate and grow cultural services • Increase public value creation through developing and growing our community of volunteers
Delivery	<ul style="list-style-type: none"> • Delivery of the Road Race Champs, Tour of Britain, Elite Series and Eisteddfod launch with clear measures of economic return • Deliver Sports' Development and InSports' Inclusion Programmes • Continue marketing action plan to increase footfall and membership in Leisure Centres • Business case underpinning Future of Cultural Services • Create volunteer action plan

Mission	Development Plans - Promote community-wide vision for land-use
Outcome	Create more access to opportunity through a planned approach to land-use
Delivery	<ul style="list-style-type: none"> • Development of key Supplementary Planning Guidance • Develop policy for operation of Community Infrastructure Levy • Delivery of affordable homes plan • Ensure compliance with 5 year housing land supply requirement

¹ Welsh Government have confirmed: A Wales Audit Office report in 2013 identified a wide variation in how local authorities interpret guidance for indicator HHA/013 relating to homelessness prevention. In addition to different practices in local authorities, this has resulted in a wide variation in performance. Therefore, this indicator should not be compared by local authority. However, comparisons can be made over time for individual local authorities.

ⁱⁱ Data is produced each year by Monmouthshire County Council Joint Housing Land Availability Study. The land supply is dated at 1st April each year and looks at activity in the previous year, for example as at 1 April 2014 data relates to activity in 2013/14 and the target for 2014/15 relates to the land supply situation at 1 April 2014, a figure that will not be formally established until September 2014 or, if subject to objection, until an inspector's report is provided in March 2015. Local planning authorities are required by Planning Policy Wales to ensure that sufficient land is available, or will become available, for a five-year supply of land for housing.

ⁱⁱⁱ Based on annual calendar year data produced by STEAM

^{iv} NOMIS Official labour market statistics, obtained from NOMIS Local authority profile at <https://www.nomisweb.co.uk>, All people - Economically active - Unemployed (Model Based) for Monmouthshire

^v Stats Wales Report 004893 Commuting patterns in Wales by Welsh local authority

^{vi} Based on annual calendar year data produced by STEAM.

^{vii} Calculated from all stationary sources, for example buildings and street lighting. Absolute and weather adjusted figures have been included to provide a more standardised and comprehensive comparison as emissions are dependent on energy consumption used for heating which will be influenced by periods of cold weather. The closure of County Hall will also have an influence on 2012/13 CO2 emissions.

^{viii} Welsh Government [National Survey for Wales](#)

^{ix} Welsh Government [National Survey for Wales](#)

^x ONS, Annual Survey of hours and earnings - based on 2012 & 2013 data respectively. Median earnings in pounds for employees who work in Monmouthshire. This based on place of employment not place of residence; therefore this is likely to include a mix of people who live outside as well as inside Monmouthshire. NOMIS Official labour market statistics - www.nomisweb.co.uk +

^{xi} Welsh Government [National Survey for Wales](#)

SUBJECT:	STATEMENT OF ACCOUNTS 2013/2014
MEETING:	Council
DATE:	25th September 2014
DIVISIONS/WARD AFFECTED:	All Authority

1. PURPOSE:

1.1 The purpose of this report is to:

- Consider the final annual accounts for the Authority for 2013/2014

Members are asked to note that, at the time of writing this covering report, the external auditors are still undertaking a payroll analytical review, a transactional analytical review and an examination of fixed assets, which may still introduce late changes to the Statement of Accounts.

2. RECOMMENDATIONS:

2.1 The final Monmouthshire County Council Statement of Accounts for 2013/2014, as reviewed by audit, be approved (Appendix 1).

3. KEY ISSUES

3.1 Under current legislation, the accounts closure process has to be concluded each year by 30th June. The Authority is also required to complete and prepare a set of accounts by this date. This deadline was met. Council approval of the accounts follows the audit process which must be completed by 30th September.

3.2 Draft accounts were submitted to Audit Committee on 17th July 2014. The attached Accounts are presented as a final version with the caveat that they may still change subject to ongoing external audit consideration. Issues raised during the Audit of Accounts are considered and reported in the Wales Audit Office ISA 260 response, which is also included on this Agenda.

3.3. To date the audit process has raised no materiality issues that prejudice the Accounts, and anecdotal feedback (prior to formal ISA 260 confirmation) suggests the Accounts have been prepared with the same rigour as previously. WAO colleagues have identified some refinements, textual clarifications and minor restatements designed to aid the reader, the majority of which have been accommodated. A summary of corrections is commonly provided by WAO as part of their ISA 260 report.

3.4 Once the External Audit process is complete, the Audited Statement of Accounts requires approval by Council in September 2014. Should the Accounts need to change, that change will be highlighted for explicit consideration.

- 3.3 The Statement of Accounts, shown in Appendix 1, is a highly technical document and its form and content are heavily regulated. The main regulations come through the:
- Code of Practice on Local Authority Accounting in the United Kingdom 2013/2014
 - Service Reporting Code of Practice 2013/2014
 - supported by International Financial Reporting Standards (IFRS).
- 3.4 In complying with these Standards, the accounts are highly technical and do not always make easy reading. With this in mind a summary of the 2013/2014 Accounts has been produced (Appendix 2) and will be available on the Authority's website along with the statutory accounts, when published later in the year. In the meantime, supplementary information, regarding the Authority's financial performance, has also been provided to Cabinet and Select Committees through the Revenue and Capital Outturn Reports.
- 3.5 These Outturn Reports identify that the position is largely positive, with a surplus of £877,000 on the Council Fund reported at year end. This under spend mainly resulted from under spends on treasury activity, improved recovery on council tax, a reduction in anticipated borrowing costs, underspends in corporate costs, Chief Executive office costs, and Regeneration & Culture Directorate costs offset by a net over spend on Social Care & Health and Children & Young people Directorate services. This under spend position has meant that a planned draw down from the Council Fund was not required. As a consequence the level of the Authority's reserves is felt to be adequate.
- 3.6 2013/2014 saw significant cost pressures within the service budgets, which are expected to continue into 2014/2015. Members and Officers will therefore need to ensure that the budget is carefully managed in order to ensure that the current stable corporate financial position is maintained.
- 3.7 The Authority acts as sole or custodian trustee for a number of charitable trust funds. These trust funds require independent audit scrutiny and examination. The accounts have to be prepared in accordance with the Charity SORP (Statement of Recommended Practice) 2005.
- 3.8 The Monmouthshire County Council Welsh Church Act Fund accounts and the Llanelly Hill Social Welfare Centre Accounts require approval by Council at its meeting in September 2014. The Monmouthshire Farm School Endowment Trust Fund was considered and accepted by the Monmouthshire Farm School Endowment Trust Fund Committee on 14th July 2014.

4. REASONS

- 4.1 To consider the Council's accounts after review by external audit, in conjunction with the external audit ISA 260 response.

5. RESOURCE IMPLICATIONS

- 5.1 As outlined in the respective Accounts to be found in the Appendices.

6. CONSULTEES

Strategic Leadership Team
Cabinet Members
Head of Finance
Head of Legal Service

7. BACKGROUND PAPERS

Statutory and legislative guidance.

Appendices:

1. Statement of Accounts 2013/2014
2. Summary Statement 2013-14

3. AUTHORS:

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4. CONTACT DETAILS

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MONMOUTHSHIRE COUNTY COUNCIL

ANNUAL ACCOUNTS

2013/14

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1 EXPLANATORY FOREWORD

1.1 Introduction

- 1.1.1 Monmouthshire County Council is a Welsh Unitary Authority and was created on 1st April 1996 by virtue of the Local Government (Wales) Act 1994.
- 1.1.2 Monmouthshire County Council was formed from a transfer of the services, assets and liabilities of the functions of the former Monmouth Borough Council and parts of the former Blaenau Gwent Borough and Gwent County Councils.
- 1.1.3 The purpose of this explanatory foreword is to offer a guide to the most significant matters appearing in the accounts and to explain the Authority's overall financial position. I hope it assists the reader in understanding the financial statements that follow.

1.2 The Accounting Statements

- 1.2.1 The Authority's accounts for the year 2013/14 are set out in sections 5 to 16. They consist of:

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. This is different from the statutory amounts required to be charged to the Council Fund Balance for council tax setting. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory Council Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the council.

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations. This may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories:

- The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt).
- The second category of reserves is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the authority.

1.2 The Accounting Statements (continued)

Notes to the Accounts

The "core" financial statements outlined above are supported by notes to further assist the reader in interpreting the Authority's financial position for the year ended 31st March 2014. The notes are sectioned to aid the user of the accounts to navigate the extensive supporting notes.

1.3 Code of Practice on Local Authority Accounting

- 1.3.1 The accounts have been prepared in accordance with the latest code of practice applying to local authorities in England and Wales.
- 1.3.2 The Code requires authorities to enhance their statement of accounts with information about any material interest in subsidiaries, associates and jointly controlled entities in a set of group accounts. These accounting requirements result in the consolidation of the transactions and balances of subsidiaries and of interests in associates and joint ventures, thus ensuring group accounts provide a complete picture of the authority's control over other entities.
- 1.3.3 The Authority accounts for its respective contributions to joint committees within services in the Comprehensive Income and Expenditure Statement on an accruals basis. For 2013/14 the Authority has consolidated its respective shares of the income, expenditure, assets and liabilities into its financial statements. Where appropriate these adjustments have been shown under the heading of 'Adjustments relating to JANES'.

1.4 2013/14 Net Revenue Expenditure

- 1.4.1 The details of the Authority's revenue expenditure for the year are set out in the Comprehensive Income and Expenditure Statement and further transfers to and from the Council Fund have taken place within the Movement in Reserves Statement. These statements appear in sections 5 and 6 of the accounts.
- 1.4.2 The Authority manages against its budget requirement for the year based on its internal management and directorate structure. Schools are reported separately during the financial year and are consolidated as part of the production of the year end accounts.
- 1.4.3 The Authority is reporting a £16,413,000 deficit for the year, the principal reasons for this being:
- £26,226,000 of depreciation (£12,106,000), revaluation losses (£8,217,000) and impairment charges (£5,903,000) on property, plant and equipment assets and;
 - An underlying deficit of £2,303,000 which has been transferred from the Authority earmarked revenue reserves via the Movement in Reserves Statement; offset by:
 - £8,387,000 of net revaluation gains relating to Assets held for sale (£6,810,000) and Investment properties (£1,577,000) and;
 - £4,758,000 of capital grants applied during the year that are recognised in full in the Comprehensive Income & Expenditure Account
- 1.4.4 These charges and credits are reversed or replaced in the Movement in Reserves Statement with other statutory charges, together with other adjustments required to move from an accounting basis to a funding basis under regulations. When combined with transfers to and from earmarked reserves the Authority has incurred a surplus on its Council Fund Balance of £625,000. This comprises a £877,000 surplus relating to non-school budgets and a £252,000 deficit relating to school budgets.
- 1.4.5 When compared against the revised budgets set by the Authority and schools respectively, this illustrates how the Authority has performed against budget for the year of account.
- 1.4.6 The analysis below of outturn against revised budget is based on the internal management structure of the Authority and not on the classification prescribed by the Code of Practice. Readers will be able to reconcile the Council Fund surplus to that reported in the Movement in Reserves Statement by reference to note 11.1 to the accounts and the Authority's revenue outturn report.
- 1.4.7 The Council fund balance, excluding school balances, has increased from £6,203,000 to £7,079,000 as a result of the surplus for the year. Earmarked revenue reserves have decreased from £15,552,000 to £13,249,000 during the financial year. In total, available revenue reserves to the Authority (excluding school balances) have decreased by £1,427,000 from £21,755,000 to £20,328,000.

1.4 2013/14 Net Revenue Expenditure (continued)

	Revised Budget £000	Actual £000	Variance £000
Net Expenditure:			
Net cost of services (internal management structure)	145,878	144,651	(1,227)
Attributable costs – Fixed Asset Disposal	199	103	(96)
Interest and Investment Income	(30)	(192)	(162)
Interest Payable and Similar Charges	3,798	3,670	(128)
Charges Required Under Regulation	4,970	4,950	(20)
Capital Expenditure financed from revenue	76	76	0
Earmarked Contributions to Reserves	125	1,276	1,151
Earmarked Contributions from Reserves	(3,447)	(3,294)	153
Financed by:			
General government grants	(74,755)	(74,755)	0
Non-domestic rates	(28,377)	(28,377)	0
Council tax	(54,508)	(54,763)	(255)
Council Tax Benefit Support (included in n.c.s)	6,069	5,775	(294)
Contribution to/(from) Council Fund	0	0	0
Council Fund (surplus)/deficit - Non-Schools	(0)	(877)	(877)
Council Fund (surplus)/deficit - Schools	752	252	(500)
Council Fund (surplus)/deficit - Total	752	(625)	(1,377)

1.5 Reserves

1.5.1 Movements in the Authority's reserves for the year are detailed in the Movement in Reserves Statement and is supported by notes to the Accounts which appear in section 10 of the accounts.

1.6 2013/14 Capital Expenditure

1.6.1 Detailed information on capital expenditure incurred in the year appears in note 12.6 to the accounts. Total capital expenditure in 2013/14 was £20,433,000 (£22,815,000 in 2012/13). The main items within this figure are shown below along with an analysis of the capital financing arrangements:

Financing	£000
Capital receipts	1,339
Borrowing and Finance Lease Commitments	13,425
Grants and Contributions	5,308
Revenue and Reserve Contributions	362
	20,433
Expenditure	£000
Infrastructure and Transport Schemes	4,612
Asset Management Schemes	3,727
School Development Schemes	3,364
Regeneration Schemes	5,803
Other scheme types	2,928
	20,433

1.6 2013/14 Capital Expenditure (continued)

1.6.2 The major capital schemes supported by the Authority during the year comprise:

- Additional investment in its highways infrastructure, specifically its road resurfacing programme (£2,280,000), other schemes such as flood alleviation, bridges and street lighting (£2,211,000) as well as further investment in grant funded transport schemes (£121,000);
- Asset management schemes, principally comprising expenditure incurred in rationalising the Authority's office accommodation (£1,296,000), major property maintenance schemes (£2,124,000) and 'other' asset management schemes (£307,000).
- Schemes delivered as part of the Authority's schools modernisation programme included investment at Thornwell Primary School (£2,597,000), 21st Century Schools (£312,000), Raglan Primary School (£303,000), Flying Start (£111,000) & completion of other brought forward schemes (£41,000).
- Investment in Regeneration schemes, mainly: Replacement Cattle Market Raglan (£5,119,000), Abergavenny Regeneration (£246,000), Section 106 (£232,000), Rural Development Plan Schemes (£144,000) & Other Regeneration Schemes (£62,000).

1.6.3 Other than specific funding support being received from external funding bodies, the Authority is reliant on useable capital receipts and revenue support. The useable capital receipts balance as at 31st March 2014 amounted to £8,023,000 (£6,613,000 as at 31st March 2013). In terms of revenue support, reference is made to available balances in paragraph 1.4.7 of this foreword.

1.7 Loan Debt

1.7.1 The loan debt at 31st March 2014 was £98,634,000 compared to an opening position for the year of £83,346,000. Separate to the cost of servicing debt the Authority is required to make prudent provision through its revenue account for the repayment of debt. £4,871,000 (£4,487,000 in 2012/13) was provisioned for the repayment of principal and £3,647,000 (£3,567,000 in 2012/13) was provisioned for the repayment of interest, a total cost in the year of £8,518,000 (£8,054,000 in 2012/13).

1.8 Pension Liabilities

1.8.1 The requirements of IAS19 *Employee Benefits* are incorporated into the Code of Practice. This requires the recognition of a net pension liability and a pensions reserve in the Balance Sheet together with entries in the Comprehensive Income and Expenditure Statement for movements in the asset/liability relating to defined benefit schemes (with reconciling entries back to contributions payable for council tax purposes via the Movement in Reserves Statement).

1.8.2 The pension liability at the end of the year amounted to £121,878,000 (£144,986,000 in 2012/13). The Authority is being charged increased employer contributions in order to contribute to the redressing of the balance of the pension fund. Further details are given in section 14 of the notes to the Accounts.

1.9 Conclusions

1.9.1 The accounts have been produced to comply with legislative and best practice. Supporting outturn statements on both revenue and capital accounts are separately available and show comparisons of service and project expenditure against budget in a clearer manner, with explanations of variances. These reports, together with the Statement of Accounts are available on the Authority's website.

1.9.2 The under spend for 2013/14 has largely resulted from under spends on treasury activity, improved recovery on council tax, a reduction in anticipated borrowing costs alongside a net under spend on Directorate services. This resulted in a net surplus on the account and as anticipated earlier in the year has enabled a transfer to the Council fund balance to assist with underwriting the Medium Term Financial Plan.

1.9 Conclusions (continued)

1.9.3 However, the 2014/15 budget is extremely challenging, with continuing pressures in Children's social services. The MTFP requires significant changes in service provision in order to meet the challenging financial targets and these changes are being developed. Indications are that the settlement for 2015/16 is going to be worse than forecast and therefore further scope for savings will need to be assessed. Members and officers will need to ensure that the budget is carefully managed in 2014/15 in order to ensure the current stable corporate financial position is maintained.

J Robson
Head of Finance (S151 Officer)

Date

2 STATEMENT OF RESPONSIBILITIES

2.1 The Authority's Responsibilities

2.1.1 The Authority is required to:-

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Head of Finance.
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- approve the Statement of Accounts.

2.2 The Head of Finance's Responsibilities

2.2.1 The Head of Finance is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the *CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

2.2.2 In preparing this Statement of Accounts, the Head of Finance has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Local Authority Code.

2.2.3 The Head of Finance has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

CERTIFICATION OF ACCOUNTS

I certify that the accounts set out within sections 5 to 16 gives a true and fair view of the financial position of the Council as at the 31st March 2014 and its income and expenditure for the year ended 31 March 2014.

Joy Robson
Head of Finance (S151 Officer)

Date

I confirm that these accounts were approved by the Leader of the Council on ...th September 2014 on behalf of Monmouthshire County Council.

Cllr Peter Fox
Leader of the Council

Date

3 ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

This Statement has been prepared in accordance with guidance produced by the Chartered Institute of Public Finance and Accountancy (C.I.P.F.A.) and the Society of Local Authority Chief Executives and Senior Managers (S.O.L.A.C.E.), the 'Delivering Good Governance in Local Government Framework'. It embraces the elements of internal financial control required by the 'Code of Practice on Local Authority Accounting in the United Kingdom'.

The Statement itself demonstrates that Monmouthshire has governance arrangements in place to meet the challenges of the governance principles and that a review has been undertaken to assess the effectiveness of those arrangements. We have demonstrated that in most areas we have effective governance arrangements in place which are continually improving, but also recognise that there is further work to do. Previous external audit comments have been addressed (see paragraph 3.7.2). The main areas of concern identified by the Council are shown at paragraph 3.7 and an action plan to address known gaps is shown at Appendix 1 (available upon request).

3.1 Scope of Responsibility

- 3.1.1 Monmouthshire County Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This has been updated in recent years through the Wales Programme for Improvement 2005 and even more recently through the Local Government (Wales) Measure 2009 to encompass responsibility for securing continuous improvement based on the needs of and in engagement with communities.
- 3.1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions and which includes arrangements for the management of risk.
- 3.1.3 The Code of Corporate Governance, which is consistent with the principles of the C.I.P.F.A. / S.O.L.A.C.E. Framework 'Delivering Good Governance in Local Government', was approved by Council in July 2011; the Code was revised and updated in May 2014. A copy of the code is available from the Chief Internal Auditor. This statement explains how the Council has complied with the Code and also meets the requirements of the Accounts and Audit (Wales) Regulations 2005.

3.2 The Purpose of the Governance Framework

- 3.2.1 The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its population outcomes, priorities and objectives and to consider whether those objectives have met the outcomes and led to the delivery of appropriate, cost effective services.
- 3.2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, outcomes and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 3.2.3 The governance framework has been in place at the Council for the year ended 31 March 2014 and up to the date of approval of the statement of accounts.

3.3 The Governance Framework

- 3.3.1 The Council's Code of Governance has been developed in line with the following principles:
- Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area;
 - Members and officers working together to achieve a common purpose with clearly defined functions and roles in order to achieve the best possible outcomes for citizens;
 - Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
 - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk in order to foster innovation;
 - Developing the capacity and capability of members and officers to be effective; and
 - Engaging with local people and other stakeholders to ensure robust public accountability.
- 3.3.2 The Authority's financial management arrangements conform with the governance requirements of the *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)*.
- 3.3.3 The key elements of the Council's governance arrangements are set out in The Improvement Plan; the latest version, *Shaping Our Future 2014-2017*, was approved by Council in May 2014. The Council's three priorities are education of young people, protecting the vulnerable and supporting business and job creation. The Council subscribes to a vision shared with other public service partners of working to deliver 'Sustainable resilient communities'. This is the cornerstone of the County's Single Integrated Plan where three themes have been adopted: Nobody is Left Behind; People are Confident, Capable and Involved; Our County Thrives.

3.4 Review of Effectiveness

- 3.4.1 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Senior Leadership Team within the Authority which has responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 3.4.2 The governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.
- 3.4.3 The processes that have been applied to maintain, review and improve the effectiveness of the governance framework include:
- i) The Monitoring Officer has reviewed the Council's Constitution and ethical governance arrangements during the year. Amendments and updates are due to go to Council for approval early in 2014/15;
 - ii) periodic reviews of the financial controls including the financial procedure rules by the Chief Finance Officer (Head of Finance);
 - iii) formal risk management and regular ongoing review of the processes involved;
 - iv) internal and external review of the risk management processes;
 - v) the Internal Audit function, whose work takes account of identified risks through regular audits of the major systems, establishments and major projects in accordance with the annual internal audit plan, and which includes 'follow-up' work to ensure that agreed recommendations are implemented;
 - vi) the annual assessment of Internal Audit by the Council's external auditors;
 - vii) the work of the Council's Select and other Committees, including its Audit and Standards committees;

- viii) the opinions and recommendations of the Council's external auditors, following both financial audit work and per the Local Government Measure in regard to matters, including governance issues, which are considered for action and implementation;
- ix) The opinions and recommendations of other inspection, regulation and review agencies;
- x) regular monitoring of performance against the Improvement Plan and service plans and of key targets, and reporting of this to senior management and members.

3.4.4 Did the governance framework in place enable Monmouthshire to deliver the right services to the right people at the right time, and in doing so, achieve our corporate objectives?

Improvement Objective June 2013	MCC Evaluati on Score		
1. We will provide an improved education provision for Monmouthshire	Adequate - Strengths just outweigh weaknesses		
2. We will work to help people live their own lives by building flexible and responsive services building on people's strengths and helping people find local connections and lasting solutions to their needs	Good – Important strengths with some areas for improvement		
3. We will help to regenerate our towns and assist in creating employment opportunities within the County	Good – Important strengths with some areas for improvement		
4 . We want to work with our residents to reduce the impact we have on our environment and use our resources more sustainably	Good – Important strengths with some areas for improvement		
5. We want to remain an efficient and effective organisation, delivering our priorities in conjunction with key partners, stakeholders and citizens amidst significant ongoing financial constraints	Good – Important strengths with some areas for improvement		

3.4.5 The following paragraphs review the effectiveness of the governance arrangements in Monmouthshire under the 6 principles. A senior officer working group was set up to undertake the initial review; the outcome of that process fed into this statement which then went to the Senior leadership team (SLT) for review before being taken to Audit Committee for a further review.

3.4.6 Principle 1: Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area

3.4.7 The Single Integrated Plan sets out the vision of the Local Service Board – a partnership of the key public service providers in Monmouthshire which includes the Council – it has three key themes; nobody is left behind, people are confident, capable and involved; and our County thrives. It is developed by and agreed by all our partner organisations who are members of the Board.

3.4.8 The Council's strategic partners and wider stakeholders were fully engaged in the development of the Single Integrated Plan 2013-17 (SIP) incorporating key themes and outcomes to realise the shared vision. The organisation's Stage 1 Improvement Plan underpins the Council's contribution to the SIP by setting Annual Improvement Objectives for 2013/14. The Stage 1 Improvement Plan (Three-year Plan), was presented to Council in June 2013 and was reviewed, Stage 2, in December 2013.

- 3.4.9 The Annual Improvement Plan Objectives for 2013/14 are supported by service plans to operationally deliver these objectives. Planned improvements and targets are aligned to the annual Improvement Objectives. Service plans were developed in 2013/14 covering all service areas. These were quality assessed as part of the service planning process.
- 3.4.10 Reports were taken through the Scrutiny process during the year which linked service plans to the Council's policies, priorities and objectives. The agendas and minutes of which became public documents available through the Council's website.
- 3.4.11 In addition the Medium Term Financial Plan supports the vision for Monmouthshire and there were several extensive public engagement events undertaken in 2013/14 for the 2014/15 budget and Medium Term Financial Plan which engaged with the public in their own community; the Chief Executive and Leader of the Council also held consultation roadshows across the whole County with staff. These proved to be popular events which were well attended by the community who were keen to be involved with the process. There was broad agreement with the key priorities set out for Monmouthshire.
- 3.4.12 The use of social media has really taken off during 2013/14 through Twitter and Facebook to raise awareness of forthcoming events, to provide live updates to Cabinet and Council meetings, to promote the activities and services provided and to show support and encouragement for community groups. The Cabinet Member for Finance posted a You Tube video on the Council's budget proposals. The effectiveness of social media is measured via a 'Klout' score; Monmouthshire's score was higher than the average score.
- 3.4.13 The provision of high quality of services has been measured by the Welsh Government survey 'Living in Wales'. This stated that in 13/14 63% of Monmouthshire residents agree the local authority provides high quality services (Wales average 57%). In 12/13 53% agreed.
- 3.4.14 Mechanisms for improving service quality have included System reviews that were undertaken in planning, building control and social services. For example in Building Control, performance was based on what matters to customers has seen building notice processing time decrease from 9.3 days to 1.8 days and Full Planning Applications decrease from 28 days to 22 days since the start of the system review.
- 3.4.15 Dealing with customer complaints helps Monmouthshire to identify and deal with failures in service delivery. The Council's complaint / compliment procedure is available on the web site. Out of 144 complaints received in 13/14, 134 were resolved informally [93%]; out of 124 received in 12/13, 106 were resolved informally [85%]. 12 complaints were referred to the Ombudsman
- 3.4.16 With regards Freedom of Information requests in 2013/14, 918 were received, 841 (93%) were closed within the 20 days deadline.
- 3.4.17 There were 2 referrals to the Ombudsman which were sent back to the Standards Committee.
- 3.4.18 To ensure the best use is made of resources and that taxpayers and service users receive excellent value for money, there are a number of mechanisms within the Council to support this. The option appraisals for the 21st Century schools considered cost and quality to determine the best outcome for the service; budget mandates were in place to monitor and capture the savings assessments; the IT Board reviewed business cases for future IT investment;

- 3.4.19 Regular budget / outturn reports for revenue and capital were presented to and approved by Cabinet during the year. The budget monitoring reports contain some output measures and unit cost data, so that trends in performance can be assessed. The updated MTFP was reviewed and approved by Cabinet over the course of the budget setting period (Sept 2013 to Feb 2014) and in response to feedback from engagement and scrutiny sessions.
- 3.4.20 Performance and spend – Welsh Government published data which showed that in comparison with other Welsh Authorities a number of services in Monmouthshire have a low level of funding per head but the service performance is consistently above average. Education, above average spend, above average achievement; Roads & Transport below average spend above average achievement; Waste & Recycling below average spend and above average achievement; Libraries above average spend above average achievement [source Welsh Government local authority service performance 2012/13]. This was included within the Council's Improvement Plan.
- 3.4.21 Contract Procedure Rules exemptions are reported to the Audit Committee 6 monthly; managers have been challenged in year to justify their procurement outside the Council agreed procedures.
- 3.4.22 The Council utilises 'Buy For Wales' contracts and the Joint Procurement Unit to ensure value for money is obtained in procuring the many goods and services required to run the Council.
- 3.4.23 Communication is important to Monmouthshire; the Annual Statement of Accounts was taken through the Audit Committee process before being endorsed by Council. All Council decisions, reports and questions asked by Members are available on the website. Headline figures of the Council's financial position were included in the Council tax leaflets distributed with all bills. Financial information, Improvement Plan progress, Council activities, achievements, developments, updates and events were included on the Council's intranet and website.
- 3.4.24 Equality Impact Assessments are required by law under the Equality Act 2010. Monmouthshire's assessments also examine 'Fairness' and the Welsh language to ensure that the needs of other vulnerable people are considered, as well as the effect on different areas within Monmouthshire. A range of these were undertaken during 2013/14 which have been published on the website.
- 3.4.25 The LDP review includes the monitoring of targets to ensure policies are delivering the agreed outcomes.
- 3.4.26 **Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles in order to achieve the best possible outcomes for citizens**
- 3.4.27 The Constitution is updated periodically by the Monitoring Officer; it was reviewed and updated between January 2014 and June 2014, and is going through a further review process. It can be found on the Council's website and sets out:
- how the Council operates and makes decisions,
 - the procedures to ensure that decision-making is transparent and accountable to local people and other stakeholders,
 - the key roles of all members and chief officers, including the lead responsibilities for corporate governance of the Leader, the Chief Executive and other designated chief officers,
 - a scheme of delegated powers for decision-taking
 - responsibilities for reviewing and agreeing the Council's corporate governance arrangements,
 - arrangements for ensuring it is regularly reviewed and updated
 - its related codes and protocols.

- 3.4.28 Policy and decision-making is facilitated through (i) the Cabinet, the meetings of which are open to the public except where exempt or confidential matters are being discussed, and (ii) a scheme of delegation to committees and officers as set out in the Constitution: Four select committees and a separate audit committee review, scrutinise and hold to account the performance of the Cabinet, decision-making committees and officers. A Scrutiny "Call-In" process for decisions which have been made but not yet implemented is incorporated in the Constitution in order to consider their appropriateness.
- 3.4.29 Appropriate and relevant job descriptions were in place for the Chief Executive, Senior Leadership Team (SLT), Monitoring Officer and Head of Finance. The minutes of the SLT were also maintained during the year.
- 3.4.30 To ensure agreed procedures and all applicable statutes are complied with the Monitoring Officer attends all Council meetings; to ensure sound financial management is a key factor in decisions, the Head of Finance attends Cabinet and Council meetings. Authors of all scrutiny, audit committee, Cabinet, Council reports consult with the Monitoring Officer and the Chief Finance Officer before submission.
- 3.4.31 There is Council policy on information sharing along with numerous information sharing protocols with our partners.
- 3.4.32 Information sharing is key to joined up service delivery. The Wales Accord on the Sharing of Personal Information (WASPI) was developed as a practical approach to multi agency sharing for the public sector in Wales, and Monmouthshire signed up to this in January 2011. The Authority is required to meet statutory obligations regarding the handling and sharing of data, in accordance with the Data Protection Act 1998. The Information Sharing Policy has been developed to ensure information is only shared appropriately, safely and compliantly.

3.5 Partnerships/collaboration working

- 3.5.1 The Council ensures that it has appropriate governance arrangements around its collaborations with other public agencies and other third parties. These can take a range of forms, from informal arrangements to those where governance arrangements are determined through legislation. The governance arrangements form a key part of the decision making processes that the Cabinet or Council follow when deciding to enter a collaborative arrangement, transparent local accountability is a key area of focus.
- 3.5.2 The Wales Audit Office (WAO) provided a report in year on the Council's collaboration arrangements. As a result of this, an exercise was undertaken by the Policy and Partnership Team to determine the full extent of the Council's collaboration and partnership arrangements and their respective governance arrangements. A Partnership Audit was undertaken and reported into the Audit Committee in May 2014; 100 partnership / collaboration arrangements were identified. Although the governance arrangements for the majority of partnerships identified have been captured, further work is on-going to clarify the governance arrangements for all of the partnerships; this will be reported to Members in due course.
- 3.5.3 Governance arrangements have been put in place around all key partnerships the Council is involved with.
- 3.5.4 The Shared Resource Service (SRS) is a shared information technology service provided by Torfaen, Monmouthshire and Gwent Police. The SRS is underpinned with a Memorandum of Understanding that enables a single management structure across the board. The SRS Board is made up of three Directors who are senior managers within each partner organisation.
- 3.5.5 CMC2; Monmouthshire County Council is the 100% shareholder of this community interest company which has an established Board of Directors. The elected Chairperson of CMC2 is MCC's Deputy Leader.
- 3.5.6 Prosiect Gwyrdd is a residual waste treatment project that has the key objective of diverting municipal waste from landfill. Legal Agreements are established via a Joint Working Agreement (JWA) 1 (Procurement phase) and 2 (Transition and Contract Service Period), both the JWA 1 & 2 were agreed via individual Full Council meetings and subsequently signed by all Five Partnering Authorities.

- 3.5.7 The establishment of the Education Achievement Service (EAS) for 5 South East Wales Education authorities in 2012 including Monmouthshire, has appropriate governance arrangements in place, although these will be reviewed in year to bring them in line with the National Model for Regional Working.
- 3.5.8 The Gwent Frailty Programme was launched in April 2011. Progress of achievements was reported through Cabinet during 2013/14. The Frailty Programme is a multi-agency partnership aimed at improving Intermediate Care services in Gwent and spans the Aneurin Bevan Health Board (ABHB), 5 Local Authority partners and a number of voluntary sector organisations.
- 3.5.9 In One Place obtained Cabinet support in November 2013 to facilitate collaboration between ABHB, the five local authorities and Housing Associations within Gwent with the aim of streamlining the process of developing suitable accommodation for people with complex health and social care needs in Gwent.
- 3.5.10 **Principle 3: Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;**
- 3.5.11 The code of conduct and member / employee relationship document are set out in the constitution.
- 3.5.12 There were no successful “call-in” challenges to decisions on procedural grounds and no judicial review challenges on grounds of legality during the year.
- 3.5.13 There were 2 complaints of Member misconduct made to the Ombudsman in 2013/14 involving County Councillors; 2 were referred to the Standards Committee.
- 3.5.14 All waivers of the Contract Standing Orders are reported through Audit Committee quarterly. The Internal Audit team continues to deliver awareness raising sessions on the importance of compliance with these Contract Standing Orders.
- 3.5.15 The Audit Committee called in a Head of Service and Cabinet Member, and challenged them on why a procurement process went outside the Council’s normal tendering processes.
- 3.5.16 15 Internal Audit opinions were issued in 2013/14. None were deemed to be unsatisfactory or unsound.
- 3.5.17 The overall opinion on the adequacy of the internal control environment for 2013/14 was GOOD. Management agreed to implement the recommendations made in audit reports in order to address the weaknesses identified. The internal audit opinions issued in 2013/14 were as follows and more detail can be found in the Annual Internal Outturn Report for 2013/14:

Opinion	2012-13	2013-14
Very Good	1	0
Good	16	8
Reasonable	20	7
Unsatisfactory	2	0
Unsound	0	0
Total	39	15

- 3.5.18 The Internal Audit team had reduced resources for the majority of the year which meant that only 60% of the 2013/14 plan was achieved. These issues have subsequently been resolved for 2014/15. The reviews of some of the financial systems were ongoing at the year end so no opinions could be formed; these were all completed to at least draft report stage by the end of the first quarter of 2014/15.
- 3.5.19 A framework is in place to ensure the economic, effective and efficient use of resources and for securing continuous improvement. This is supported by a range of mechanisms including collaborative working initiatives and reviews undertaken both internally and by the external auditors and inspectors. This framework works in conjunction with the Local Government Wales Measure 2009.

- 3.5.20 Chief Officers and Heads of Service are accountable for ensuring that the Council Priorities are delivered, and performance against key targets is regularly monitored via the performance management framework and is regularly reported to members via Select Committees.
- 3.5.21 **Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk in order to foster innovation**
- 3.5.22 There are robust arrangements for effective financial control through the Council's accounting procedures and financial regulations. These include established budget planning procedures, which are subject to risk assessment, and regular reports to members comparing actual revenue and capital expenditure to annual budgets. The Chief Finance Officer is responsible for the proper administration of the Council's financial affairs, as required by Section 151 of the Local Government Act 1972. Procedures for tendering and contract letting are included in the Contract Procedure Rules and Financial Regulations. The Council's Treasury Management arrangements follow professional practice, are subject to regular review and are contained in the Treasury Management Strategy approved by Council each year.
- 3.5.23 The ethical governance framework includes:
- codes of conduct for officers and members
 - a protocol governing Member/Officer relations,
 - a whistle-blowing policy widely communicated within the Council and which is regularly reviewed.
 - registers of personal and business interests for Members
 - an agreed policy and associated corporate procedures for ensuring that complaints about services can
 - equalities awareness training
- 3.5.24 In accordance with the Local Government and Housing Act, 1989, the Monitoring Officer ensures compliance with established policies, procedures, laws and regulations. After appropriate consultation, this officer will report to the full Council in respect of any proposals, decisions or omissions which could be unlawful or which have been subject of an Ombudsman Investigation resulting in a finding of maladministration.
- 3.5.25 The anti-fraud and corruption strategy (approved by Cabinet March 2012) provides a deterrent, promotes detection, identifies a clear pathway for investigation and encourages prevention.

- 3.5.26 The Audit Committee considers the effectiveness of the Council's arrangements for securing continuous improvement including risk management arrangements. The Audit Committee also considers corporate governance, monitors the work of auditors and inspectors, and monitors the relationships between auditors and staff and the responses to audit and inspection recommendations. It also has responsibility for reviewing the annual Statement of Accounts and its associated reports (which include this statement) before approval by Council. The Audit Committee has an independent, non political, Chairman.
- 3.5.27 Internal Audit operate to the standards set out in the 'Public Sector Internal Auditing Standards' which have been developed from the IIA's International Internal Auditing Standards which came into effect in April 2013. The team's role and status is set out in the Council's Internal Audit Terms of Reference. The Chief Internal Auditor reports to the Audit Committee a summary of audit findings for each quarter, and also reports annually an opinion on the overall adequacy and effectiveness of the Council's control environment.
- 3.5.28 The audit team has always been compliant with the Code of Practice, but with effect from April 2013 the Chief Internal Auditor will ensure Internal Audit complies with the Public Sector Internal Audit Standards.
- 3.5.29 The Council has an objective and professional relationship with its external auditors and statutory inspectors, as evidenced by the Annual Improvement Report. This can be found on the Council's website.
- 3.5.30 Minutes, Agendas & Reports along with their subsequent decision schedules and questions to Cabinet Members are all available on the web site. Council, Cabinet, Scrutiny and Audit Committee reports are available on the Council's website

3.6 Risk management

- 3.6.1 The Council's Strategic Risk Management Policy was updated and approved by Cabinet in March 2013. The policy requires the proactive participation of all those responsible for planning and delivering services in identifying, evaluating and managing high level strategic risks to the Council's priorities, services and major projects. The risk controls necessary to manage them are identified and monitored to ensure risk mitigation.
- 3.6.2 A Whole Authority Strategic Risk Assessment for 2014-2017 has been compiled as a starting point from service improvement plans. In addition a wide range of performance information including reports from regulators and inspectors, data and performance analysis and feedback from the Authority's partners and service users was used. In order to mitigate the risks, proposed action was recorded and factored back into the respective service improvement plan. This was presented to Cabinet in March 2013.
- 3.6.3 Of the 25 key risks identified in the Council's Strategic Risk Assessment, these were rationalised and reviewed as 11 high risks within the 2013/16 risk assessment.

Risk	2012/13 Risk Rating	2013/14 and/or 2014/15 Risk Rating
Unable to guarantee meeting our statutory responsibilities to homeless people.	High	High
In 2013/14 this is likely to be exacerbated by the introduction of welfare reform proposals and continuing decline in of Social Housing Grant.	High	High
Inherent risk that in continuing climate of economic constraint, more people will become vulnerable and in need, placing ever-increasing demand pressures on services. This will impact the ability to enable people to live safely and independently.	High	High
A small group of vulnerable children may potentially be exposed to significant harm Impact of welfare reform policy implementation and potential for significantly increasing levels of poverty, vulnerability and disadvantage	High	High
Young people do not achieve to their full potential in part because of existing outdated learning environments	Medium	High
Mounton House School becomes unviable and closes with significant cost implications and placement difficulties for the future	High	High
Young people do not achieve their full potential in part because the opportunity to progress to advanced level courses, employment and work based training is constrained as a result of them under-achieving at Key Stage 4, Level 2 (including Maths and English)	High	High
Potential that young people do not achieve their full potential in part because the Education Achievement Service (EAS) will not help to stimulate rapid improvement in teaching and learning	High	Medium
Our budget strategy is not well enough aligned to our policy priorities and does not take full advantage of the opportunity to apply innovation and creativity	High	High
Income generation targets associated with new service models are not fully achieved	High	High
Restricted ability to deliver largescale Capital projects as a result of lower than projected asset sales	High	High

3.6.4 Principle 5: Developing the capacity and capability of members and officers to be effective

3.6.5 The Standards Committee, which includes a majority of independent representatives, advises on and monitors the Members' Code of Conduct, the Protocol for Member/Officer Relations, and any other Codes relating to the conduct of Members.

3.6.6 The Council's recruitment procedures provide equality of employment opportunities. The equality-assessed pay structure meets the requirements of the Single Status Agreement of 1997. The Single Status Collective Agreement was approved by Cabinet in September 2010.

3.6.7 Agreed arrangements enable the Council to comply with statutory requirements in respect of child protection and the protection of vulnerable adults. Recruitment procedures help ensure that Council employees and Members working with children or vulnerable adults are checked for their suitability to do so.

3.6.8 In accordance with its statutory responsibilities, the Council has in place a Health and Safety Policy and related procedures.

3.6.9 The Council operates a Data Protection policy and also has procedures in place to meet its responsibilities

3.6.10 Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability

3.6.11 The Scrutiny Annual Report is produced for the Council meeting in July each year.

3.6.12 The Scheme of Delegation sets out responsibilities for decision making. The Council's website includes the Cabinet and Cabinet Member decisions / Member profiles. The Scrutiny Handbook is being updated. Development of Customer Insight to better understand our communities. Dissemination of ward meeting minutes.

3.6.13 Social media, Twitter and Facebook for example, is increasingly being used to engage local people and communicate the corporate message.

3.6.14 The Majority of meetings are held in public as shown from Committee agendas and minutes which are then available on the website. The Council is looking to broadcast Council meetings and Planning / Licensing Committees live on the internet.

3.6.15 The Council has responded to Freedom of Information Act requests within the required 20 days:

	2013-14
No. of FOI requests	918
No. responded to within 20 days	841
Percentage of FOIs responded to within 20 days	93%

3.7 Main areas of Concern

3.7.1 The following Table outlines where the Council has identified gaps in its governance arrangements, which will be addressed in the forthcoming months to further strengthen governance in Monmouthshire County Council.

Governance Principle	
Principle 1: Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area	Linkage that takes the vision right through organisation and connecting all plans will be developed further to ensure consistent SIP monitoring and self evaluation which will include performance and vfm
Principle 2: Members and officers working together to achieve a common purpose with clearly defined functions and roles in order to achieve the best possible outcomes for citizens	Following the Estyn review the scrutiny process within Education will be further developed; a review of the constitution is ongoing which will update the scheme of delegation and ensure there is a comprehensive set of JDs for members. The performance review process for both Member and officers will be reviewed to ensure consistency across the Council. Self evaluation of specific committees eg Audit committee, partnership and collaboration governance arrangements will be developed further.
Principle 3: Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;	The Council's Financial Procedure Rules are currently being reviewed and will be presented to Council for formal adoption; awareness training will then be rolled out to services areas to ensure there is sound financial management across the whole Council.
Principle 4: Taking informed and transparent decisions which are subject to effective scrutiny and managing risk in order to foster innovation	Scrutiny process will be further developed to ensure robustness in the way it functions. The quality of decision making reports and business cases in terms of the consideration of user perspectives, resource impacts, setting clear outcomes, performance measures, equality issues and risks will be reviewed and improved. We will ensure the Internal Audit team is adequately resourced moving forward to ensure appropriate coverage across all service areas and key activities.
Principle 5: Developing the capacity and capability of members and officers to be effective	The Appraisal process will be rolled out to all staff which will pick up any issues here.
Principle 6: Engaging with local people and other stakeholders to ensure robust public accountability	Decision making work programmes will be populated in advance in future.

3.7.2 The WAO previously commented on the robustness and appropriateness of Monmouthshire’s Annual Governance Statement:

WAO Comment	Monmouthshire’s Response
The 2011-12 process relied too heavy on input from a limited number of officers, there was no ‘self assessment’ or review / acknowledgement of areas of weakness	1) Presentation on the Annual Governance Statement delivered to the Senior Leadership Team in January 2014 2) Working Group of senior officers was set up to review the Code of Corporate Governance and contribute to its effectiveness through the Annual Governance Statement (AGS) 3) SLT and Audit Committee reviewed the AGS prior to publication 4) Action Plan for areas of further development included within the 2013/14 AGS
Stronger links/formal evidence is needed that shows whether the specific assurance measures stated in the Statement have been delivered satisfactorily	1) Reference to specific documentation, measures, performance Cabinet, Scrutiny review process subsequently within the AGS 2) Documentation available to support the completion of the AGS includes links to corresponding documentation held within Monmouthshire Council along with a review of its effectiveness [Code of Governance – effectiveness]
The review of governance (and the AGS itself) has limited review/content on key areas such partnerships/collaboration working	1) A review of partnership arrangements was completed by Heads of Service and presented to the Audit Committee 2) Examples of governance arrangements in place for key partnerships subsequently included in the AGS, although further work required to assess the effectiveness of the governance arrangements of all partnership arrangements the Council has in place.

3.8 Action Plan 2013/14

3.8.1 An Action Plan 2013/14 has been developed to capture known gaps in the Council’s governance arrangements; the issues will be reviewed and considered during 2014/15 to further enhance the Council’s governance arrangements. This is shown at Appendix 1 (available on request).

3.9 Monitoring & Evaluation

3.9.1 We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Paul Matthews, Chief Executive

Date

Cllr Peter Fox, Leader of the Council

Date

4 INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONMOUTHSHIRE COUNTY COUNCIL

I have audited the accounting statements and related notes of Monmouthshire County Council for the year ended 31 March 2013 under the Public Audit (Wales) Act 2004.

Monmouthshire County Council's accounting statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet and the Cash Flow Statement.

The financial reporting framework that has been applied in their preparation is applicable law and the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13 based on International Financial Reporting Standards (IFRSs).

Respective responsibilities of Head of Finance (Responsible Financial Officer) and the Independent Auditor

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out in sections 5 to 16, the responsible financial officer is responsible for the preparation of the statement of accounts, which gives a true and fair view.

My responsibility is to audit the accounting statements and related notes in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounting statements

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements and related notes sufficient to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to Monmouthshire County Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the responsible financial officer and the overall presentation of the accounting statements and related notes.

In addition, I read all the financial and non-financial information in the Explanatory Foreword to identify material inconsistencies with the audited accounting statements and related notes. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the accounting statements of Monmouthshire County Council

In my opinion the accounting statements and related notes:

- give a true and fair view of the financial position of Monmouthshire County Council as at 31 March 2013 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

Opinion on other matters

In my opinion, the information contained in the Explanatory Foreword for the financial year for which the accounting statements and related notes are prepared is consistent with the accounting statements and related notes.

Matters on which I report by exception

I have nothing to report in respect of the Governance Statement on which I report to you if, in my opinion, it does not reflect compliance with 'Delivering Good Governance in Local Government: Framework' published by CIPFA/SOLACE in June 2007, or if the statement is misleading or inconsistent with other information I am aware of from my audit.

4 INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONMOUTHSHIRE COUNTY COUNCIL (CONTINUED)

Certificate of completion of audit

I certify that I have completed the audit of the accounts of Monmouthshire County Council in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Code of Audit Practice issued by the Auditor General for Wales.

Signature _____

Date _____

Anthony Barrett
Appointed Auditor
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

SECTION 5

**Movement in Reserves Statement
for the Year Ended
31st March 2014**

MOVEMENT IN RESERVES STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

		Council Fund Balance	Earmarked Reserves	Capital Receipts Reserve	Total Useable Reserves	Unusable Reserves	Total Authority Reserves	Total JANES Reserves	Total Reserves
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2012		7,209	18,086	7,352	32,646	43,381	76,028	653	76,680
Movement in reserves during 2012/13:									
Surplus/(deficit) on the provision of services		(15,868)	-	-	(15,868)	-	(15,868)	(403)	(16,271)
Other Comprehensive Income and Expenditure		-	-	-	0	(3,345)	(3,345)	325	(3,020)
Total Comprehensive Income and Expenditure		(15,868)	0	0	(15,868)	(3,345)	(19,212)	(78)	(19,291)
Adjustments between accounting basis & funding basis under regulations	10.2	13,567	-	(738)	12,829	(12,829)	0	0	0
Net Increase/(Decrease) before Transfers to Earmarked Reserves		(2,300)	0	(738)	(3,039)	(16,173)	(19,212)	(78)	(19,291)
Transfers to/(from) Earmarked Reserves	10.4	2,534	(2,534)	-	0	-	0	0	0
Increase/(Decrease) in 2012/13		234	(2,534)	(738)	(3,039)	(16,173)	(19,212)	(78)	(19,291)
Adjustments relating to JANES		0	0	0	0	0	0	0	0
Balance at 31st March 2013 carried forward		7,443	15,552	6,614	29,608	27,208	56,816	575	57,391
Movement in reserves during 2013/14:									
Surplus/(deficit) on the provision of services		(16,413)	-	-	(16,413)	-	(16,413)	(151)	(16,564)
Other Comprehensive Income and Expenditure		-	-	-	0	40,487	40,487	218	40,705
Total Comprehensive Income and Expenditure		(16,413)	0	0	(16,413)	40,487	24,073	67	24,140
Adjustments between accounting basis & funding basis under regulations	10.2	14,735	-	1,410	16,145	(16,145)	(0)	0	(0)
Net Increase/(Decrease) before Transfers to Earmarked Reserves		(1,679)	0	1,410	(269)	24,342	24,073	67	24,140
Transfers to/(from) Earmarked Reserves	10.4	2,303	(2,303)	-	0	-	0	0	0
Increase/(Decrease) in 2013/14		624	(2,303)	1,410	(269)	24,342	24,073	67	24,140
Balance at 31st March 2014 carried forward		8,068	13,249	8,023	29,340	51,549	80,888	642	81,530

SECTION 6

**Comprehensive Income
and Expenditure Statement
for the year ended
31st March 2014**

COMPREHENSIVE INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	Note	31 March 2014			31 March 2013 (Restated)		
		Gross Expenditure £000	Gross Income £000	Net Expenditure £000	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Education and children's services		90,934	(18,830)	72,104	89,866	(20,659)	69,208
Adult social care		38,257	(6,386)	31,871	37,388	(6,650)	30,738
Highways and transport services		23,852	(5,750)	18,102	24,691	(5,939)	18,752
Environment and Regulatory Services		12,681	(3,310)	9,371	12,089	(3,162)	8,927
Cultural and Related Services		12,651	(5,072)	7,579	12,607	(4,790)	7,817
Planning Services		6,722	(2,610)	4,111	4,840	(1,935)	2,905
Central services to the public		21,005	(12,019)	8,986	41,857	(38,477)	3,380
Housing services		27,486	(25,452)	2,034	4,856	(3,216)	1,640
Corporate and democratic core		9,789	(6,325)	3,465	5,378	(1,192)	4,186
Non distributed costs - other		307	(0)	307	986	(0)	986
Non distributed costs - post-employment benefits		0	0	0	0	0	0
Exceptional item - equal pay and single status provision		0	0	0	48	0	48
Net Cost of Services	11.1	243,684	(85,755)	157,929	234,606	(86,020)	148,586
Other operating expenditure:							
<i>Precepts & Levies:</i>							
Gwent Police Authority		8,739	0	8,739	8,392	0	8,392
South Wales Fire & Rescue Authority		4,317	0	4,317	4,278	0	4,278
Community and Town Councils		1,523	0	1,523	1,398	0	1,398
National Parks		126	0	126	127	0	127
Internal Drainage Boards		117	0	117	117	0	117
Gains/losses on the disposal of non-current assets	11.2	903	(980)	(77)	560	(210)	350
		15,725	(980)	14,745	14,871	(210)	14,661
Financing and investment income and expenditure	11.3	23,940	(17,019)	6,921	23,582	(15,354)	8,228
Taxation & non-specific grant income:							
Council Tax	11.5	70	(54,833)	(54,763)	130	(54,369)	(54,239)
Non-domestic rates redistribution	11.6	0	(28,377)	(28,377)	0	(23,978)	(23,978)
General government grants	11.7	1	(79,893)	(79,892)	0	(76,987)	(76,987)
				(163,031)			(155,204)
(Surplus) or Deficit on Provision of Services				16,564			16,271
(Surplus) or deficit on revaluation of Property, Plant and Equipment assets	10.7			(11,920)			(15,665)
(Gains)/losses on remeasurement of pension assets / liabilities	14.2/16.7			(28,626)			19,033
Adjustments relating to JANEs	16.7			(159)			(348)
Other Comprehensive Income and Expenditure				(40,705)			3,020
Total Comprehensive Income and Expenditure				(24,140)			19,290

2012/13 figures have been restated due to revisions to the IAS19 standard on accounting for pensions. Further information can be found in note 14.2.

**Notes to the Accounts
for the Year Ended
31st March 2014**

SECTION 7

**Balance Sheet
as at 31st March 2014**

BALANCE SHEET AS AT 31 MARCH 2014

31 March 2013		Note	31 March 2014
£000s			£000s
	Property, Plant & Equipment		
171,885	Other land and buildings	12.1	162,251
535	Other land and buildings - JANEs	16.7	516
6,055	Vehicles, plant, furniture and equipment	12.1	5,075
64,089	Infrastructure	12.1	62,749
3,191	Community assets	12.1	3,908
9,316	Assets under construction	12.1	3,559
1,758	Surplus assets not held for sale	12.1	216
256,829			238,274
4,596	Heritage Assets	12.14	4,650
24,847	Investment Property	12.8	25,138
243	Intangible Assets	12.10	345
40	Long-Term Investments	13.1	40
582	Long Term Debtors	13.6	449
287,136	Long term assets		268,896
4,191	Short Term Investments	13.1	6,569
520	Inventories	13.7	476
19,472	Short Term Debtors	13.8	22,146
3,940	Cash and Cash Equivalents	15.3	3,736
864	Assets Held for Sale	12.9	29,165
28,988	Current Assets		62,092
(2)	Cash and Cash Equivalents	15.3	(2,916)
(11,351)	Short Term Borrowing	13.1	(30,219)
(22,674)	Short Term Creditors	13.9	(20,296)
(2,516)	Provisions	13.10	(2,942)
(36,543)	Current Liabilities		(56,373)
(144,986)	Liability related to defined benefit pension scheme	14.4	(121,878)
(484)	Provisions	13.10	(161)
(71,995)	Long Term Borrowing	13.1	(68,415)
(312)	Long term Creditors	16.7	(298)
(1,490)	Other Long Term Liabilities	13.1/16.7	(1,378)
(2,924)	Capital Grants Receipts in Advance	11.8(b)	(953)
(222,190)	Long Term Liabilities		(193,084)
57,392	Net Assets		81,530
7,443	Council Fund Balance	10.3	8,068
15,552	Earmarked Reserves	10.4	13,249
403	Earmarked Reserves - JANEs	16.7	429
6,613	Capital Receipts Reserve	10.6	8,023
30,010	Usable Reserves		29,768
35,861	Revaluation Reserve	10.7	45,441
(144,986)	Pensions Reserve	10.10	(121,878)
139,693	Capital Adjustment Account	10.8	131,770
13	Deferred Capital Receipts Reserve	10.11	7
(1,175)	Financial Instrument Adjustment Account	10.9	(1,095)
(2,198)	Accumulating Absence Adjustment Account	10.12	(2,696)
172	Unusable Reserves - JANEs	16.7	214
27,381	Unusable Reserves		51,762
57,392	Total Reserves		81,530

SECTION 8

**Cash Flow Statement
for the Year Ended
31st March 2014**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	Note	31 March 2014 £000	31 March 2014 £000	31 March 2013 £000	31 March 2013 £000
Net (surplus) or deficit on the provision of services	15.1	16,564		16,271	
Adjustments to net surplus or deficit on the provision of services for non-cash movements	15.1	(20,008)		(23,540)	
Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	15.1	3,872		7,446	
Adjustments relating to JANEs	15.1	(361)		(490)	
Net cash flows from Operating Activities	15.1		66		(313)
Investing Activities					
<i>Cash outflows</i>					
Purchase of property, plant and equipment, investment property and intangible assets		19,710		21,502	
Purchase of short-term and long-term investments		20,015		22,950	
Other payments for investing activities		1,442		1,567	
		<u>41,166</u>		<u>46,019</u>	
<i>Cash Inflows</i>					
Proceeds from the sale of property, plant and equipment, investment property and intangible assets		(2,749)		(1,135)	
Proceeds from short-term and long-term investments		(17,703)		(28,014)	
Other receipts from investing activities		(2,569)		(7,879)	
		<u>(23,022)</u>		<u>(37,027)</u>	
Net Cash (Inflow)/Outflow from Investing Activities			18,145		8,993
Financing Activities					
<i>Cash Outflows</i>					
Repayments of short- and long-term borrowing		12,427		131	
Cash payments for the reduction of the outstanding liabilities relating to finance leases and on-balance sheet PFI contracts		123		125	
Other payments for financing activities		0		0	
		<u>12,550</u>		<u>256</u>	
<i>Cash Inflows</i>					
Cash receipts of short- and long-term borrowing		(28,000)		(9,008)	
Other receipts from financing activities		356		(1,181)	
		<u>(27,644)</u>		<u>(10,189)</u>	
Net Cash (Inflow)/Outflow from Financing Activities			(15,093)		(9,934)
Net (increase) / decrease in cash and cash equivalents			3,118		(1,255)
Cash and cash equivalents at the beginning of the reporting period			3,938		2,683
Cash and cash equivalents at the end of the reporting period	15.3		<u>820</u>		<u>3,938</u>
			Check	820	3,938
			Difference	0	(0)

9 STATEMENT OF ACCOUNTING POLICIES

9.1 General Principles

- 9.1.1 The Statement of Accounts summarises the Authority's transactions for the 2013/14 financial year and its position at the year-end of 31 March 2014. The Authority is required to prepare an annual Statement of Accounts by the *Accounts and Audit (Wales) Regulations 2005*, which those Regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2013/14* and the *Service Reporting Code of Practice 2013/14*, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.
- 9.1.2 The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

9.2 Accounting Standards issued not yet adopted

- 9.2.1 The Code of Practice on Local Council Accounting in the United Kingdom 2014/15 has introduced several changes in accounting policies which will be required from 1 April 2014. If these had been adopted for the financial year 2013/14 there would be no material change to the statements.
- 9.2.2 A number of new and revised standards have been issued addressing the accounting for consolidation, involvements in joint arrangements and disclosure of involvements in other entities. These include:
- 9.2.3 • IFRS 10 Consolidated Financial Statements – This standard introduces a new definition of control, which is used to determine which entities are consolidated for the purposes of group accounts. The Council has a number of joint committees which it already consolidates into the main financial statements.
- 9.2.4 • IFRS 11 Joint Arrangements – This standard addresses the accounting for a 'joint arrangement', which is defined as a contractual arrangement over which two or more parties have joint control. These are classified as either a joint venture or a joint operation. In addition proportionate consolidation can no longer be used for jointly controlled entities.
- 9.2.5 • IFRS 12 Disclosures of Involvement with Other Entities – This is a consolidated disclosure standard requiring a range of disclosures about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated 'structured entities'.
- 9.2.6 • IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures – These statements have been amended to conform with the changes in IFRS 10, IFRS 11 and IFRS 12. Given that there would be no changes in the financial statements, except for disclosure, due to the changes to IFRS 10, IFRS 11 and IFRS 12, there is therefore also no impact as a result of changes in IAS 27 and IAS 28.
- 9.2.7 • IAS 32 Financial Instruments Presentation – The Code references to amended application guidance when offsetting a financial asset and a financial liability. The gains and losses are separately identified on the Comprehensive Income and Expenditure Statement and therefore no further disclosure is required.
- 9.2.8 • IAS 1 Presentation of the Financial Statements – The changes clarifies the disclosure requirements in respect of comparative information of the preceding period. The Statement of Accounts fully discloses comparative information for the preceding period therefore these changes will not have a material impact on the Statement of Accounts.

9.3 Accruals of Income and Expenditure

- 9.3.1 Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:
- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.

- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet where such balances are considered material.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

9.4 Cash and Cash Equivalents

- 9.4.1 Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 24 hours or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.
- 9.4.2 In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

9.5 Charges to Revenue for Non-Current Assets

9.5.1 Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- Depreciation attributable to the assets used by the relevant service.
- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- Amortisation of intangible fixed assets attributable to the service.

9.5.2 The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to either an amount calculated on a prudent basis determined by the authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the Council Fund Balance with a Minimum Revenue Provision (MRP), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

9.6 Critical Judgements in Applying Accounting Policies

9.6.1 In applying the accounting policies set out above, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There is a high degree of uncertainty about future levels of funding for local government. However, the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.
- The Council is deemed to control the services provided under its PFI arrangements and also to control the residual value of the assets at the end of the contract. The accounting policy for PFIs and similar contracts has been applied to these arrangements and the assets are recognised as Property, Plant and Equipment in the Council's Balance Sheet.
- A provision is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is calculated by taking a sample of non-school employee records and extrapolating the data over the total non-school employee base. The sample return for 2013/14 was 35% (34% for 2012/13).

9.7 Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

9.7.1 The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

9.7.2 The items in the Authority's Balance Sheet at 31 March 2014 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
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<p>Revaluation of Property, plant & equipment</p>	<p>Property, plant and equipment (with the exception of infrastructure, community assets, assets under construction and vehicles, plant and equipment) are revalued on a periodic basis and tested annually for indicators of impairment. Judgements are required to make an assessment as to whether there is an indication of impairment. The impairment tests include examination of capital expenditure incurred in the financial year to ascertain whether it has resulted in an increase in value or an impairment of an asset.</p>	<p>If the actual results differ from the assumptions the value of PPE will be over or understated. This would be adjusted when the assets were next revalued.</p>
<p>Property, Plant and Equipment</p>	<p>Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.</p>	<p>If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls.</p>
<p>Pensions Liability</p>	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.</p>	<p>The assumptions interact in complex ways. Further information is provided in note 14.10 concerning changes in the pension assets and liabilities that have resulted from estimates being corrected as a result of experience.</p>
<p>Provisions</p>	<p>The Council has included provisions for known insurance claims as at 31 March 2014. The value of these claims is based on information provided by our Insurance brokers on the number of claims outstanding at the end of the financial year, the average settlement amount for each type of claim and the likelihood of each type of claim being settled. However the outcome of these cases is still uncertain as outstanding legal cases and negotiations remain on going.</p>	<p>The Authority maintains the insurance and risk management reserve to assist in the control of the Authority's insurance risks. The provisions in place and the balance on the insurance and risk management reserve at 31st March 2014 are deemed to provide sufficient cover for the Authority's claims exposure. Notes 13.10(a) & 13.10(b) provide further information on the types of claims the Authority is exposed to.</p>

Arrears	<p>At 31 March 2014, the Authority had a balance of £9.1m (£9.2m as at 31 March 2013) of debtors relating to council tax arrears, business rate arrears, rent arrears, corporate sundry debtors, social services sundry debtors and housing benefit overpayments. A review of these balances suggested that an impairment of doubtful debts of £2.8m (£2.9m as at 31 March 2012) was appropriate. However, in the current economic climate it is not certain that such an allowance would be sufficient.</p>	<p>If collection rates were to deteriorate, there would be a consequential increase in the impairment of doubtful debts.</p>
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9.8 Employee Benefits

Benefits Payable During Employment

9.8.1 Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. A provision is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The provision is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The provision is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

9.8.2 Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

9.8.3 Where termination benefits involve the enhancement of pensions, statutory provisions require the Council Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

9.8.4 Employees of the Authority are members of two separate pension schemes:

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).
- The Local Government Pensions Scheme, administered by Torfaen County Borough Council

9.8.5 Both schemes provided defined benefits to members (retirement lump sums and pensions), earned as employees when they worked for the Authority and related to final salary and length of service.

9.8.6 However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot be identified to the Authority. The scheme is therefore accounted for as if it were a defined contributions scheme and no liability for future payment of benefits is recognised in the Balance Sheet. The Children's and Education Services line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pensions in the year.

The Local Government Pension Scheme

- 9.8.7 All other staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme which is administered by Torfaen County Borough Council. The pension costs charged to the Authority's accounts in respect of this group of employees is determined by the fund administrators and represents a fixed proportion of employees' contributions to this funded pension scheme.
- 9.8.8 The Local Government Scheme is accounted for as a defined benefit scheme:
- The Liabilities of the pension fund attributable to the Authority are included in the balance sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions such as mortality rates, employee turnover rates, etc., and projections of earning for current employees.
 - Liabilities are discounted to their value at current prices, using a single discount rate which is derived from the spot rates on a selection of AA rated corporate bonds of various durations which match the liabilities within the Authority's pension fund. This is known as the yield curve approach.
 - The assets of the Greater Gwent (Torfaen) Pension Fund attributable to the Authority are included in the balance sheet at their fair value as determined by the Fund's actuary.
 - The change in the net pensions liability is analysed into seven components:
 - Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
 - Interest cost – the expected increase in the present value of liabilities during the year as they move one year closer to being paid – debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
 - Interest on plan assets – this is the interest on assets held at the start of the period and cashflows occurring during the period, calculated using the discount rate at the start of the year.
 - Gains or losses on settlements and curtailments – the result of actions to relieve the Authority of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
 - Gains or losses on remeasurement – changes in the net pensions liability (Liabilities less assets) that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve.
 - Contributions paid to the pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.
- 9.8.9 In relation to retirement benefits, statutory provisions require the Council Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the Council Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

9.8.10 Further details are given in section 14 of the notes to the Financial Statements.

9.8.11 The impact of accounting for IAS19 *Employee Benefits* as analysed in 14.2 has had the following effects on the results of the prior and current periods:

- The overall amount to be met from the Council Fund has remained unchanged as a result of statutory provisions in place, but the costs disclosed for individual services are £1,151,000 (0.7%) lower (£1,429,000 (1.0%) restated from £1,766,000 (1.2%) lower in 2012/13) after the replacement of employer's contributions by current and past service costs. The surplus on the Provision of Services is £4,701,000 (28.4%) lower (£4,278,000 (26.3%) restated from £2,086,000 (18%) lower in 2012/13) than it would otherwise have been.
- The requirement to recognise the net pensions liability in the balance sheet has reduced the reported total reserves of the authority by 60.1% (reduced by 71.9% in 2012/13).

Discretionary Benefits

9.8.12 The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

9.9 Events After the Balance Sheet Date

9.9.1 Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

9.9.2 Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

9.1 Exceptional Items

9.10.1 When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

9.11 Financial Instruments

Financial Liabilities

9.11.1 Financial liabilities are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

9.11.2 For most of the borrowings that the Authority has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

9.11.3 However, one stepped loan held by the Authority is carried at a higher amortised cost than the outstanding principal, and interest is charged at a marginally lower effective rate of interest than the interest payable under the terms of the loan contract.

- 9.11.4 Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.
- 9.11.5 Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the Council Fund Balance to be spread over future years. The Authority has a policy of spreading any loss over the term that was remaining on the loan against which the premium was payable and any gain over lesser of the term remaining on the loan against which the discount was receivable or 10 years. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the Council Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets – Loans and Receivables

- 9.11.6 Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.
- 9.11.7 The Authority has made one loan at less than market rates (soft loans) for policy reasons. Due to the immaterial nature of the loan, it is recorded in the balance sheet at the value of the principal outstanding.
- 9.11.8 Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service (for receivables specific to that service) or the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. Where the impact is deemed to be material, the impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.
- 9.11.9 Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

9.12 Government Grants and Contributions

- 9.12.1 Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:
- The Authority will comply with the conditions attached to the payments, and
 - The grants or contributions will be received.

- 9.12.2 Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.
- 9.12.3 Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.
- 9.12.4 Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Council Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

9.13 Heritage Assets

- 9.13.1 Heritage assets are assets that are held by the authority principally for their contribution to knowledge or culture.
- 9.13.2 Heritage assets were previously shown in community assets but are now recorded in a separate category on the balance sheet as a non-current asset class. The Authority does not classify any operational assets as heritage assets.
- 9.13.3 Heritage Assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Authority's accounting policies on property, plant and equipment. However, some of the measurement rules are relaxed in relation to heritage assets and as a result the Authority has chosen not to value heritage assets if the cost is deemed to be excessive.
- 9.13.4 A further condition for expenditure to be capitalised is that it exceeds the relevant de minimus limit in place. A de-minimus limit has been put in place of £10,000 for heritage assets.
- 9.13.5 The Authority considers that the heritage assets held by the Authority will have indeterminate lives and a high residual value, hence the Authority does not consider it appropriate to charge depreciation for the assets.
- 9.13.6 The carrying amounts of heritage assets are reviewed where there is evidence of impairment, for example where an item has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Authority's general policies on impairment. The trustees of the Authority's Museum will occasionally dispose of heritage assets which have a doubtful provenance or are unsuitable for public display. The proceeds of such items are accounted for in accordance with the Authority's general provisions relating to the disposal of property, plant and equipment. Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

9.14 Intangible Assets

- 9.14.1 Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority for more than one financial year.

9.14.2 Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

9.14.3 Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.

9.14.4 Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

9.14.5 Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and, for any sale proceeds greater than £10,000, the Capital Receipts Reserve.

9.15 Interests in Companies and Other Entities

9.15.1 The Code requires authorities to enhance their statement of accounts with information about any material interest in subsidiaries, associates and jointly controlled entities in a set of group accounts.

9.15.2 These accounting requirements result in the consolidation of the transactions and balances of subsidiaries and of interests in associates and joint ventures, thus ensuring group accounts provide a complete picture of the authority's control over other entities.

9.15.3 The authority does not hold any material interests in subsidiaries, associated or jointly controlled entities. In the Authority's own single-entity accounts, it is the Authority's policy to disclose as a note to the balance sheet details of the name, business, shareholding, net assets and results of operations and other financial transactions of any related companies.

9.16 Inventories and Long Term Contracts

9.16.1 Inventories are included in the Balance Sheet at the latest price paid, with an allowance made for obsolescent and slow moving items. This is a departure from the requirements of the Code which require inventories to be shown at the lower of actual cost and net realisable value. However, the amounts concerned are not considered material.

9.16.2 Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

9.17 Investment Property

9.17.1 Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

9.17.2 Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arm's-length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

9.17.3 Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the Council Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the Council Fund Balance. The gains and losses are therefore reversed out of the Council Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

9.18 Jointly Controlled Operations and Jointly Controlled Assets

9.18.1 Jointly controlled operations are activities undertaken by the Authority in conjunction with other venturers that involve the use of the assets and resources of the venturers rather than the establishment of a separate entity. The Authority recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure it incurs and the share of income it earns from the activity of the operation.

9.18.2 Jointly controlled assets are items of property, plant or equipment that are jointly controlled by the Authority and other venturers, with the assets being used to obtain benefits for the venturers. The joint venture does not involve the establishment of a separate entity. The Authority accounts for only its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint venture and income that it earns from the venture.

9.19 Leases

9.19.1 Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

9.19.2 Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

9.19.3 Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Authority as Lessee - Finance Leases

9.19.4 Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

9.19.5 Lease payments are apportioned between:

- A charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability, and
- A finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).
- A revenue provision (MRP) equal to the principal repayments made, taken to the Capital Adjustment Account via the Movement in Reserves Statement.

9.19.6 Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the authority at the end of the lease period).

9.19.7 The Authority is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the Council Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

The Authority as Lessee - Operating Leases

- 9.19.8 Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

The Authority as Lessor - Finance Leases

- 9.19.9 Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Again, representing the Authority's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.
- 9.19.10 Lease rentals receivable are apportioned between:
- A charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
 - Finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).
- 9.19.11 The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the Council Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the Council Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the Council Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.
- 9.19.12 The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital Adjustment Account from the Council Fund Balance in the Movement in Reserves Statement.

The Authority as Lessor - Operating Leases

- 9.19.13 Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Where material, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

9.2 Overheads and Support Services

- 9.20.1 The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2013/14 (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:
- Corporate and Democratic Core – costs relating to the Authority's status as a multifunctional, democratic organisation.
 - Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale.

9.20.2 These two cost categories are defined in SeRCOP and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on Continuing Services.

9.21 Property, Plant and Equipment

9.21.1 Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

9.21.2 Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

9.21.3 A further condition for expenditure to be capitalised is that it exceeds the relevant de minimus limit in place. Different de-minimus limits are in place for different categories of asset. These are:

- Land and Buildings - no de minimus limit
- Vehicles - no de minimus limit
- IT Equipment - £10,000
- Plant and Machinery - £5,000

Measurement

9.21.4 Assets are initially measured at cost, comprising:

- The purchase price.
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

9.21.5 The Authority does not capitalise borrowing costs incurred whilst assets are under construction.

9.21.6 The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

9.21.7 Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the Council Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

9.21.8 Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost.
- All other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

9.21.9 Adopted roads built by developers are in many respects seen as donated assets. Whilst donated assets are required to be measured at fair value at recognition, infrastructure assets are measured initially at historical cost and subsequently at depreciated historical cost rather than fair value. The authority have taken the view that the historical cost of such adopted roads is zero.

9.21.10 Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

- 9.21.11 Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value. Vehicles, plant and equipment are categories of asset treated in this manner.
- 9.21.12 Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.
- 9.21.13 Where decreases in value are identified, they are accounted for by:
- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
 - Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.
- 9.21.14 The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

- 9.21.15 Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.
- 9.21.16 Where impairment losses are identified, they are accounted for by:
- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
 - Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.
- 9.21.17 Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

- 9.21.18 Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).
- 9.21.19 Depreciation is calculated on the following bases:
- Dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer
 - Vehicles, plant, furniture and equipment – straight-line allocation over the life of the asset as advised by a suitable qualified officer
 - Infrastructure – straight-line allocation over 60 years
- 9.21.20 Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Components

- 9.21.21 An asset may consist of several different and significant physical components. If an item of property, plant and equipment comprises two or more significant components with substantially different useful lives, then each component is treated separately for depreciation purposes and depreciated over its individual useful life.
- 9.21.22 When a component is replaced or restored, the old component is written off to avoid double counting and the new component capitalised. Where a component does not have its own carrying amount because it has not previously been accounted for separately the cost of the new component is used as an indication of the cost of the replaced part. A component is derecognised where no future economic benefits are expected from its use.
- 9.21.23 The Authority has established thresholds for the separation of significant components. As a result components of an item of property, plant or equipment that make up a significant part of the cost of the item would only need to be separated where the item itself is material individually or when aggregated with like items.

Disposals and Non-current Assets Held for Sale

- 9.21.24 When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale.

Assets held for Sale Assets are assets where the:

- asset is immediately available for sale
- sale is highly probable
- asset is actively marketed
- sale is expected to be completed within 12 months

The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

- 9.21.25 If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale, adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.
- 9.21.26 Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.
- 9.21.27 When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.
- 9.21.28 Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the Council Fund Balance in the Movement in Reserves Statement.
- 9.21.29 The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the Council Fund Balance in the Movement in Reserves Statement.

9.22 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

- 9.22.1 Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

9.22.2 Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

9.22.3 Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

9.23 Private Finance Initiative (PFI) and Similar Contracts

9.23.1 PFI and similar contracts are agreements to receive services, where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. As the Authority is deemed to control the services that are provided under its PFI schemes, and as ownership of the property, plant and equipment will pass to the Authority at the end of the contracts for no additional charge, the Authority carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

9.23.2 The original recognition of these assets at fair value (based on the cost to purchase the property, plant and equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment.

9.23.3 Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Authority.

9.23.4 The amounts payable to the PFI operators each year are analysed into five elements:

- Fair value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement
- Finance cost – an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure
- Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement
- Payment towards liability – applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease)
- Lifecycle replacement costs – proportion of the amounts payable is posted to the Balance Sheet as a prepayment and then recognised as additions to Property, Plant and Equipment when the relevant works are eventually carried out.

9.24 Provisions, Contingent Liabilities and Contingent Assets

Provisions

9.24.1 Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

9.24.2 Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the authority becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

9.24.3 When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

- 9.24.4 Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the authority settles the obligation.

Contingent Liabilities

- 9.24.5 A contingent liability arises where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.
- 9.24.6 Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

- 9.24.7 A contingent asset arises where an event has taken place that gives the authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.
- 9.24.8 Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

9.25 Reserves

- 9.25.1 The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the Council Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Council Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.
- 9.25.2 Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Authority – these reserves are explained in the relevant policies.

9.26 Revenue Expenditure Funded from Capital under Statute

- 9.26.1 Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the Council Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax.

9.27 VAT

- 9.27.1 VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs (HMRC). VAT receivable is excluded from income.

10 MOVEMENT IN RESERVES STATEMENT NOTES

10.1 Movement on Reserves

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'useable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable' reserves. A summary of the movement in reserves during the financial year is illustrated below. More detailed information to support the Movement in Reserves Statement follows this note.

	Note	Balance at 1 April 2012	Movement in Reserve	Balance at 31 March 2013	Movement in Reserve	Balance at 31 March 2014
		£000	£000	£000	£000	£000
Useable Reserves:						
Council Fund balance: Authority	10.3	6,184	19	6,203	877	7,079
Council Fund balance: LMS School Balances	10.5	1,025	215	1,240	(252)	988
Earmarked reserves	10.4	18,086	(2,534)	15,552	(2,303)	13,249
Capital Receipts Reserve	10.6	7,351	(738)	6,613	1,410	8,023
Total Useable Reserves		32,646	(3,038)	29,608	(268)	29,340
Unusable Reserves:						
Revaluation Reserve	10.7	21,432	14,429	35,860	9,581	45,441
Capital Adjustment Account	10.8	147,708	(8,016)	139,693	(7,923)	131,770
Financial Instruments Adjustment Account	10.9	(1,255)	80	(1,175)	80	(1,095)
Pension Reserve	10.10	(121,698)	(23,288)	(144,986)	23,108	(121,878)
Deferred Capital Receipts Reserve	10.11	21	(8)	13	(7)	6
Accumulated Absences Adjustment Account	10.12	(2,827)	629	(2,198)	(497)	(2,695)
Total Unusable Reserves		43,381	(16,173)	27,207	24,341	51,548
Total Authority Reserves		76,027	(19,211)	56,815	24,073	80,888

10.2 Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note summarises the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. A more detailed overview is provided in the individual notes that follows for each reserve:

Movements in 2013/14:	Council Fund Balance £000	Capital Receipts Reserve £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<u>Adjustments primarily involving the Capital Adjustment Account:</u>					
<i>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</i>					
Charges for depreciation and impairment of Property, Plant and Equipment assets	18,009	0	18,009	(18,009)	0
Charges for impairment of Heritage Assets	121	0	121	(121)	0
Revaluation movements on Property Plant and Equipment (charged to SDPS)	8,218	0	8,218	(8,218)	0
Revaluation movements on Heritage Assets (charged to SDPS)	0	0	0	0	0
Revaluation movements on Assets Held for Sale (charged to SDPS)	(6,810)	0	(6,810)	6,810	0
Movements in the market value of Investment Properties	(1,577)	0	(1,577)	1,577	0
Amortisation and impairment of intangible assets	82	0	82	(82)	(0)
Capital grants and contributions applied	(5,137)	0	(5,137)	5,137	0
Revenue expenditure funded from capital under statute	1,442	0	1,442	(1,442)	(0)
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	2,487	0	2,487	(2,487)	0
<i>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</i>					
Statutory provision for the financing of capital investment (MRP)	(4,871)	0	(4,871)	4,871	0
Capital expenditure charged against the Council Fund	(362)	0	(362)	362	0
<u>Adjustments involving the Capital Receipts Reserve:</u>					
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(2,744)	2,744	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(1,339)	(1,339)	1,339	(0)
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	0	5	5	(5)	(0)
<u>Adjustments involving the Financial Instruments Adjustment Account:</u>					
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	(79)	0	(79)	79	0

10.2 Adjustments Between Accounting Basis and Funding Basis Under Regulations (continued)
Movements in 2013/14 (continued):

	Council Fund Balance £000	Capital Receipts Reserve £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<u>Adjustments involving the Pensions Reserve:</u>					
Reversal of items relating to retirement benefits debited or credited to the CIES	15,566	0	15,566	(15,566)	0
Employer's pensions contributions and direct payments to pensioners payable in the year	(10,107)	0	(10,107)	10,107	(0)
<u>Adjustment involving the Accumulated Absences Account:</u>					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	498	0	498	(498)	0
<u>Adjustment between the Capital Adjustment Account and the Revaluation Reserve:</u>					
Depreciation of non-current asset revaluation gains	0	0	0	(0)	(0)
Total adjustments between accounting basis & funding basis under regulations	14,735	1,410	16,145	(16,145)	(0)

Movements in 2012/13 (Restated):

	Council Fund Balance £000	Capital Receipts Reserve £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<u>Adjustments primarily involving the Capital Adjustment Account:</u>					
<i>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</i>					
Charges for depreciation and impairment of non-current assets	9,194	0	9,194	(9,194)	(0)
Charges for impairment of Heritage Assets	67	0	67	(67)	0
Revaluation losses on Property Plant and Equipment (charged to SDPS)	10,501	0	10,501	(10,501)	(0)
Revaluation movements on Heritage Assets (charged to SDPD)	0	0	0	0	0
Revaluation losses on Assets Held for Sale (charged to SDPS)	7	0	7	(7)	0
Movements in the market value of Investment Properties	(186)	0	(186)	186	(0)
Amortisation and impairment of intangible assets	68	0	68	(68)	0
Capital grants and contributions applied	(5,732)	0	(5,732)	5,732	0
Revenue expenditure funded from capital under statute	1,567	0	1,567	(1,567)	0
Amounts of non current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	1,174	0	1,174	(1,174)	0
<i>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:</i>					
Statutory provision for the financing of capital investment (MRP)	(4,487)	0	(4,487)	4,487	0
Capital expenditure charged against the Council Fund	(1,038)	0	(1,038)	1,038	0

10.2 Adjustments Between Accounting Basis and Funding Basis Under Regulations (continued)

Movements in 2012/13 (continued):

	Council Fund Balance £000	Capital Receipts Reserve £000	Total Useable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
Adjustments involving the Capital Receipts Reserve:					
Transfer of sale proceeds credited as part of the gain/loss on disposal to the CIES	(1,135)	1,135	0	0	0
Use of the Capital Receipts Reserve to finance new capital expenditure	0	(1,882)	(1,882)	1,882	0
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	0	8	8	(8)	0
Adjustments involving the Financial Instruments Adjustment Account:					
Amount by which finance costs charged to the CIES are different from finance costs chargeable in the year in accordance with statutory requirements	(80)	0	(80)	80	0
Adjustments involving the Pensions Reserve:					
Reversal of items relating to retirement benefits debited or credited to the CIES	14,124	0	14,124	(14,124)	0
Employer's pensions contributions and direct payments to pensioners payable in the year	(9,846)	0	(9,846)	9,846	0
Adjustment involving the Accumulated Absences Account:					
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(630)	0	(630)	630	0
Adjustment between the Capital Adjustment Account and the Revaluation Reserve:					
Depreciation of non-current asset revaluation gains	0	0	0	0	0
Total adjustments between accounting basis & funding basis under regulations	13,567	(738)	12,829	(12,829)	0

10.3 Useable Reserves available for Revenue Purposes

The in-year movements in the Authority's Useable Reserves that are available to be applied for revenue purposes are summarised below:

	At 1 April 2012 £000	In Year Movement £000	At 31 March 2013 £000	In Year Movement £000	At 31 March 2014 £000
Amount of Council Fund Balance held by Schools under Local Management Schemes	1,025	215	1,240	(252)	988
Amount of Council Fund Balance generally available for new expenditure	6,184	19	6,203	877	7,079
Total Council Fund Balance	7,209	234	7,443	625	8,068
Earmarked Revenue Reserves	18,086	(2,534)	15,552	(2,303)	13,249
Total Useable Reserves available for Revenue Purposes	25,294	(2,300)	22,995	(1,678)	21,316

Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. The balance on the Council Fund includes £988,000 in respect of underspent (or overspent) budgets which have been delegated to schools. These balances are at the disposal of the respective schools and represent an earmarked reserve which is not available for the Authority to use generally.

10.4 Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the Council Fund into earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet Council Fund expenditure.

Earmarked reserves have been set up where there has been a need to set aside resources for a specific future purpose. The purpose of each earmarked reserve is detailed below. Utilisation of these reserves is under the control of the Cabinet and has been approved by it.

- **Invest to Redesign Reserve**

To fund service redesign to either improve the service, generate income or reduce costs.

- **I.T. Transformation Reserve**

To invest in information technology in support of the organisations outcomes and generation of improved service efficiency, income generation or cost savings.

- **Capital Investment Reserve**

To finance future capital expenditure.

- **Priority Investment Reserve**

To fund additional one off investment in the Authority's agreed priorities.

- **Redundancy and Pensions Reserve**

To meet redundancy costs and commuted payments for early retirements over a maximum of 5 years.

- **Insurance and Risk Management Reserve**

To meet excesses and administration costs on claims against the Council, to provide cover on self insured risks and contribute to risk management activities.

- **Treasury Equalisation Reserve**

Originally created from rescheduling discounts and premia, intended for use under the concept of prudence to permit a long term view to be taken of treasury decisions.

- **Capital Receipt Generation Reserve**

Securing capital receipts is a vital element of the Authority's capital investment strategy. Improving the final disposal value by investment, either in the fabric of the asset or by proper disposal expertise ensures the Council obtains the best possible value for surplus assets.

Current accounting regulations are such that investing in disposal must be taken against the revenue account and these costs cannot be fully offset against the ultimate capital receipt. The reserve has been established to finance such expenditure.

- **Single Status & Equal Pay Reserve**

The Authority approved a Single Status Collective Agreement in September 2010, confirming an implementation date of 1st April 2009. The reserve was set up to cover any additional potential future costs, for which provision was not in place, as a result of the implementation or any equal pay claims that were lodged prior to the implementation date.

- **Service Reserves**

Created from surpluses and deficits on the Authority's external and internal trading account activities, and maintained to support and develop these services.

- **Other Reserves**

These include a number of other reserves where separate classification is not deemed necessary in the accounts due to the level of the reserve balance or its nature.

- **Trading Reserves**

Trading reserves at the year-end now represent balances created as a result of external trade or where the Authority assumes lead authority status for administering funds on behalf of other partner organisations.

10.4 Earmarked Reserves (continued)

The transfers to and from Earmarked Reserves in 2013/14 can be summarised as follows:

Description	At 1 April 2012	Transfer to Reserves	Transfer from Reserves	31 March 2013	Transfer to Reserves	Transfer from Reserves	31 March 2014
	£000	£000	£000	£000	£000	£000	£000
Invest to Redesign Reserve	0	3,565	(445)	3,120	20	(931)	2,209
Priority Investment Reserve	0	4,064	(614)	3,450	0	(981)	2,469
HRA Pension Deficit Reserve	3,097	0	(3,097)	0	0	0	0
Change management reserve	3,064	0	(3,064)	(0)	0	0	(0)
Invest to save reserve	1,936	0	(1,936)	0	0	0	0
Insurance and risk management reserve	1,717	61	(256)	1,522	562	(117)	1,968
IT Transformation Reserve	1,698	0	(315)	1,383	0	(436)	947
Single Status and Equal Pay Reserve	1,552	0	0	1,552	0	(500)	1,052
Treasury equalisation reserve	1,124	0	0	1,124	0	0	1,124
Capital Investment Reserve	1,122	1,000	(529)	1,593	75	(31)	1,637
Redundancy and Pensions Reserve	735	0	(113)	622	500	(378)	744
Capital Receipt Generation Reserve	519	0	(187)	332	0	(88)	244
Agile Working Transition Reserve	120	0	(120)	0	0	0	0
Direct Services Support Reserve	1	0	(1)	0	0	0	0
<i>Other reserves</i>							
Elections reserve	108	25	(100)	33	25	0	58
Museums acquisition reserve	57	2	0	59	0	0	59
Chairman's reserve	37	0	0	37	0	0	37
Astroturf contributions reserve	21	0	(21)	0	0	0	0
<i>Service Reserves:</i>							
Grass Routes to Schools Reserve	247	39	(26)	260	0	(73)	187
Property Reserve	146	0	(146)	0	0	0	0
Museums Reserve	124	0	(124)	0	0	0	0
Landscape Reserve	100	0	(100)	0	0	0	0
Facilities Reserve	10	0	(10)	0	0	0	0
Transport Reserve	9	0	(9)	0	0	0	0
Education Achievement Service Reserve	0	0	0	0	69	0	69
<i>Trading Accounts:</i>							
Youth Offending Team trading reserve	383	0	0	383	0	(2)	381
Outdoor education centres trading reserve	161	0	(28)	133	24	0	157
School library service trading reserve	0	0	(47)	(47)	0	(44)	(91)
Building Control trading reserve	(2)	0	(2)	(4)	0	0	(4)
	18,086	8,756	(11,290)	15,552	1,276	(3,579)	13,249

10.5 School Balances

The balance on the Council Fund includes £988,156 in respect of underspent (or overspent) budgets which have been delegated to schools. These balances are at the disposal of the respective schools and represent an earmarked reserve which is not available for the Authority to use generally. Details of the movements of these reserves are shown below:

School Name	At 1 April 2012	In Year Movement	At 31 March 2013	In Year Movement	At 31 March 2014
	£	£	£	£	£
Comprehensives					
Caldicot	(83,047)	119,981	36,934	23,686	60,620
Chepstow	(73,782)	75,781	1,999	(216,589)	(214,589)
King Henry VIII	50,263	169,452	219,715	(105,197)	114,519
Monmouth	949	79,588	80,537	50,437	130,974
Sub Total	(105,617)	444,802	339,185	(247,662)	91,523
Primaries					
Archbishop R Williams	30,669	(49,224)	(18,555)	40,546	21,992
Caldicot Green Lane	86,844	(86,844)	0	0	0
Caldicot West End	52,625	(52,625)	0	0	0
Cantref	90,354	(14,970)	75,384	(7,246)	68,138
Castle Park	(54,618)	(43,184)	(97,802)	(196)	(97,999)
Cross Ash	49,047	12,786	61,834	(13,845)	47,989
Deri View	(137,318)	(33,349)	(170,667)	90,715	(79,952)
Dewstow	0	94,370	94,370	11,743	106,113
Durand	57,396	7,376	64,772	(20,047)	44,725
Gilwern	68,326	(13,499)	54,827	(13,770)	41,057
Goytre Fawr	47,450	(39,642)	7,808	(3,100)	4,708
Kymin View	8,836	1,326	10,162	24,193	34,355
Llandogo	(3,542)	11,081	7,539	(13,319)	(5,780)
Llanfair Kilgeddin CV	45,851	(22,376)	23,475	(863)	22,612
Llanfoist	(19,321)	37,556	18,235	14,699	32,934
Llantillo Pertholey	133,469	(27,874)	105,594	(40,254)	65,340
Llanvihangel Cruorney	(61,874)	1,388	(60,486)	19,830	(40,656)
Magor Vol Aided	30,455	(5,791)	24,665	6,472	31,136
New Pembroke Primary	54,181	(11,828)	42,353	37,318	79,671
Osbaston Church in Wales	26,010	10,333	36,343	12,369	48,713
Our Lady's & St Michael's Catholic Primary	56,890	(11,699)	45,192	(21,529)	23,663
Overmonnow	78,702	(12,074)	66,628	(32,899)	33,729
Raglan	39,440	3,501	42,941	(1,681)	41,259
Rogiet	87,419	(16,047)	71,372	11,780	83,152
Shirenewton	52,939	22,239	75,178	6,390	81,568
St Mary's (Chepstow)	27,333	(24,381)	2,952	(2,139)	813
The Dell	62,631	(40,932)	21,699	28,408	50,107
Thornwell	72,318	(9,915)	62,403	(46,267)	16,135
Trellech	16,101	13,109	29,209	4,396	33,606
Undy	27,786	(20,598)	7,188	2,928	10,116
Usk CV	(12,349)	32,341	19,991	8,695	28,686
Ysgol Gymraeg Y Fenni	60,368	31,845	92,212	(60,052)	32,161
Ysgol Gymraeg Ffin	(44,862)	2,497	(42,366)	24,451	(17,915)
Sub Total	1,029,556	(255,105)	774,451	67,725	842,176
Special					
Mounton House	43,586	33,006	76,592	(58,128)	18,465
Pupil Referral Unit	57,158	(7,343)	49,815	(13,823)	35,992
Sub Total	100,744	25,663	126,407	(71,951)	54,457
TOTAL	1,024,683	215,361	1,240,044	(251,888)	988,156

10.6 Capital Receipts Reserve

Amounts in excess of £10,000 are categorised as capital receipts. The balance of receipts is required to be credited to the Useable Capital Receipts Reserve, and can then only be used for new capital investment or set aside to reduce the Council's borrowing requirement. Receipts are appropriated to the reserve from the Council Fund via the Statement in Movements Statement.

The in-year movements on the reserve are summarised below: -

	2013-14 £000	2012-13 £000
Balance as at 1st April	6,613	7,351
Transfer of sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	2,744	1,135
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	5	9
Less: capital receipts set aside	0	0
Less: use of the Capital Receipts Reserve to finance new capital expenditure	(1,339)	(1,882)
Balance as at 31st March	<u>8,023</u>	<u>6,613</u>

10.7 Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment, Heritage Assets and Intangible Assets. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost;
- Used in the provision of services and the gains are consumed through depreciation; or
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	2013-14 £000	2013-14 £000	2012-13 £000	2012-13 £000
Balance at 1 April		35,860		21,432
Upward revaluation of assets	13,541		19,268	
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(1,621)		(3,603)	
Surplus or (deficit) on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services		<u>11,920</u>		<u>15,665</u>
Difference between fair value depreciation and historical cost depreciation	(1,896)		(1,166)	
Accumulated gains on assets sold or scrapped	(443)		(71)	
Amount written off to the Capital Adjustment Account		<u>(2,339)</u>		<u>(1,237)</u>
Balance at 31 March		<u>45,441</u>		<u>35,860</u>

10.8 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties that have yet to be consumed by the Authority. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

This note provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

	2013-14 £000	2013-14 £000	2012-13 £000	2012-13 £000
Balance at 1 April		139,693		147,708
<i>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</i>				
• Charges for depreciation and impairment of property, plant and equipment assets	(18,009)		(9,194)	
• Charges for impairment of heritage assets	(121)		(67)	
• Revaluation losses on Property, Plant and Equipment	(8,218)		(10,501)	
• Revaluation movements on Assets Held for Sale	6,810		(7)	
• Amortisation & impairment of intangible assets	(82)		(68)	
• Revenue expenditure funded from capital under statute	(1,442)		(1,567)	
• Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(2,044)		(1,103)	
• Adjusting amounts written out of the Revaluation Reserve	1,896		1,166	
		<u>(21,210)</u>		<u>(21,341)</u>
Capital financing applied in the year:				
• Use of the Capital Receipts Reserve to finance new capital expenditure	1,339		1,882	
• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	5,137		5,732	
• Statutory provision for the financing of capital investment charged against the Council Fund	4,871		4,487	
• Capital expenditure charged against the Council Fund	362		1,038	
		<u>11,709</u>		<u>13,139</u>
Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement		1,577		186
Balance at 31 March		<u>131,770</u>		<u>139,692</u>

10.9 Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The Authority uses the Account to manage premiums paid and discounts received on the early redemption of loans. Premiums/discounts are debited/credited to the Comprehensive Income and Expenditure Statement when they are incurred, but reversed out of the Council Fund Balance to the Account in the Movement in Reserves Statement. Over time, the amount incurred is posted back to the Council Fund Balance in accordance with statutory arrangements for spreading the burden on council tax. In the Authority's case, this period is:

- The longer of the outstanding term on the replaced loan or the term of the replacement loans for premiums incurred
- The outstanding term of the replaced loan(s) or 10 years (if shorter) for discounts incurred

As a result of this, the Authority is spreading premiums incurred over the next 38 years and discounts over the next 4 years

	2013-14 £000	2012-13 £000
Balance at 1 April	(1,175)	(1,255)
Premiums/discounts incurred in the year and charged/credited to the Comprehensive Income and Expenditure Statement	0	0
Proportion of premiums/discounts incurred in previous financial years to be charged/credited against the Council Fund Balance in accordance with statutory requirements	80	80
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	0	0
Balance at 31 March	(1,095)	(1,175)

10.10 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

During 2012/13 the accounting standard IAS19 was updated, now commonly referred to as IAS19 R. These revisions affect 2013/14 but also require a restatement of the 2012/13 figures. The changes have not affected the balance on the Pension Reserve brought forward from 2012/13. See Note 14 for more details.

	2013-14 £000	2012-13 £000 (Restated)
Balance at 1 April	(144,986)	(121,698)
Remeasurement gains or (losses) on pension assets and liabilities	28,567	(19,010)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(15,566)	(14,124)
Employer's pensions contributions and direct payments to pensioners payable in the year	10,107	9,846
Balance at 31 March	(121,878)	(144,986)

10.11 Deferred Capital Receipt Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Authority does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

	2013-14	2012-13
	£000	£000
Balance at 1 April	13	21
Transfer to the Capital Receipts Reserve upon receipt of cash	(6)	(8)
Balance at 31 March	<u>7</u>	<u>13</u>

Deferred capital receipts represents income relating to capital receipts due in previous years which have been agreed to be received in instalments over a period of time. It has arisen from the sale of property under a mortgage arrangement and to a foster carer loan.

10.12 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the Council Fund Balance from accruing for compensated absences earned but not taken in the year, for example, annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the Council Fund Balance is neutralised by transfers to or from the Account.

	2013-14	2012-13
	£000	£000
Balance at 1 April	(2,198)	(2,827)
Settlement or cancellation of accrual made at the end of the preceding year	2,198	2,827
Amounts accrued at the end of the current year	(2,695)	(2,198)
Balance at 31 March	<u>(2,695)</u>	<u>(2,198)</u>

11 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT NOTES

11.1 Amounts Reported for Resource Allocation Decisions

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by the *Service Reporting Code of Practice*. However, decisions about resource allocation are taken by the Authority's Cabinet on the basis of budget reports analysed across directorates. These reports are prepared on a different basis from the accounting policies used in the financial statements. In particular:

- No charges are made in relation to capital expenditure (whereas depreciation, revaluation and impairment losses in excess of the balance on the Revaluation Reserve and amortisations are charged to services in the Comprehensive Income and Expenditure Statement).
- The cost of retirement benefits is based on cash flows (payment of employer's pensions contributions) rather than current service cost of benefits accrued in the year
- Support service recharges are not reported as they do not have a net impact on the revenue account. However, such costs are reported in the Comprehensive Income and Expenditure Statement as required by CIPFA's *Service Reporting Code of Practice*.

The income and expenditure of the Authority's directorates, also referred to as Net Cost of Services, is recorded in the budget monitoring reports for the year is as follows:

For the year ended 31 March 2014

a) Service Information

	Social Care & Health £000	Children & Young People £000	Regeneration & Culture £000	Chief Executives Dept £000	Corporate Costs and Levies £000	Schools £000	Total £000
Fees, charges & other service income	(6,434)	(2,045)	(30,541)	(24,112)	(308)	(52,970)	(116,411)
Government grants and contributions	(3,237)	(11,121)	(6,006)	(2,136)	0	0	(22,500)
Total Income	(9,671)	(13,166)	(36,547)	(26,248)	(308)	(52,970)	(138,911)
Employee expenses	15,949	7,064	26,451	8,224	792	44,494	102,974
Other operating expenses	30,939	58,325	37,907	28,540	16,401	8,728	180,840
Total operating expenses	46,887	65,389	64,359	36,764	17,192	53,222	283,814
Net Cost of Services reported to Internal Management	37,217	52,223	27,812	10,516	16,884	252	144,903

11.1 Amounts Reported for Resource Allocation Decisions (continued)

b) Information Reported to Internal Management in addition to Net Cost of Services

	£000
Net Cost of Services b/f	144,903
Attributable Costs – Fixed Asset Disposal	103
Interest & Investment Income	(192)
Interest Payable & Similar Charges	3,670
Charges Required Under Regulation	4,950
Capital Expenditure Financed from Revenue	76
Contributions to Earmarked Reserves	1,276
Contributions from Earmarked Reserves	(3,294)
General Government Grants	(74,755)
Non-Domestic Rates	(28,377)
Council Tax	(54,763)
Council Tax Benefit Support (included in n.c.s)	5,775
Total (surplus)/deficit reported to Internal Management	<u>(625)</u>

c) Reconciliation of Directorate Income and Expenditure to Net Cost of Services in the Comprehensive Income and Expenditure Statement

	£000
Cost of Services in Service Analysis	150,678
<i>Add:</i> Amounts not reported to management	21,894
<i>Less:</i> Amounts reported to management not included in Comprehensive Income and Expenditure Statement	(14,644)
Net Cost of Services in Comprehensive Income and Expenditure Statement	<u>157,929</u>

11.1 Amounts Reported for Resource Allocation Decisions (continued)
d) Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the analysis of directorate income and expenditure relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

	Service Analysis £000s	Not Reported to Management £000s	Not Included in I&E £000s	Net Cost of Services £000s	Corporate Amounts £000s	Total £000s
Reconciliation to Subjective Analysis						
Fees, charges & other service income	(116,411)	0	0	(116,411)	0	(116,411)
Income and movement in relation to investment properties	0	0	255	255	(1,903)	(1,648)
Interest and Investment Income	0	0	0	0	(192)	(192)
Income from council tax	0	0	0	0	(54,763)	(54,763)
Income Non-Domestic Rates Redistribution	0	0	0	0	(28,377)	(28,377)
Internal Recharges	0	(18,395)	0	(18,395)	0	(18,395)
Government grants and contributions	(22,500)	0	0	(22,500)	(79,892)	(102,392)
Total Income	(138,911)	(18,395)	255	(157,050)	(165,126)	(322,176)
Employee expenses	102,974	0	0	102,974	0	102,974
Expenditure in relation to investment properties	0	0	0	0	0	0
Other service expenses	171,716	149	0	171,865	0	171,865
Support Service recharges	0	19,190	0	19,190	0	19,190
Depreciation, amortisation and impairment	0	20,864	0	20,864	0	20,864
Interest Payments	0	0	0	0	3,662	3,662
Precepts & Levies	14,822	0	(14,822)	0	14,822	14,822
(Surplus)/Deficit on Trading Undertakings not within NCS	76	0	(76)	0	(500)	(500)
Gain or Loss on Disposal of Fixed Assets	0	0	0	0	(77)	(77)
Accumulated absences	0	498	0	498	0	498
Pension costs as required by Code	0	(560)	0	(560)	5,852	5,292
Total operating expenses	289,589	40,140	(14,899)	314,831	23,759	338,590
Adjustments relating to JANEs	0	149	0	149	2	151
(Surplus)/deficit on the provision of services	150,678	21,894	(14,644)	157,929	(141,365)	16,564

For the year ended 31 March 2013
a) Service Information

	Social Care & Health £000	Children & Young People £000	Regeneration & Culture £000	Chief Executives Dept £000	Corporate Costs and Levies £000	Schools £000	Total £000
Fees, charges & other service income	(7,246)	(3,961)	(29,719)	(30,168)	(461)	(52,483)	(124,038)
Government grants and contributions	(2,304)	(11,900)	(6,077)	(2,112)	0	0	(22,392)
Total Income	(9,549)	(15,861)	(35,796)	(32,280)	(461)	(52,483)	(146,430)
Employee expenses	15,443	7,703	25,575	8,457	797	43,694	101,669
Other operating expenses	30,520	60,027	37,332	34,356	16,419	8,573	187,228
Total operating expenses	45,963	67,729	62,907	42,813	17,216	52,268	288,897
Net Cost of Services	36,414	51,869	27,112	10,533	16,755	(215)	142,467

11.1 Amounts Reported for Resource Allocation Decisions (continued)

b) Information Reported to Internal Management in addition to Net Cost of Services

	£000
Net Cost of Services b/f	142,467
Attributable Costs – Fixed Asset Disposal	184
Interest & Investment Income	(153)
Interest Payable & Similar Charges	3,670
Charges Required Under Regulation	4,567
Capital Expenditure Financed from Revenue	166
Contributions to Earmarked Reserves	8,756
Contributions from Earmarked Reserves	(10,419)
General Government Grants	(71,255)
Non-Domestic Rates	(23,978)
Council Tax	(54,239)
Total (surplus)/deficit reported to Internal Management	<u>(234)</u>

c) Reconciliation of Directorate Income and Expenditure to Net Cost of Services in the Comprehensive Income and Expenditure Statement

	£000
Cost of Services in Service Analysis	142,467
<i>Add:</i> Amounts not reported to management	20,575
<i>Less:</i> Amounts reported to management not included in Comprehensive Income and Expenditure Statement	(14,456)
Net Cost of Services in Comprehensive Income and Expenditure Statement	<u>148,585</u>

11.1 Amounts Reported for Resource Allocation Decisions (continued)

d) Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the analysis of directorate income and expenditure relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

	Service Analysis £000s	Not Reported to Management £000s	Not Included in I&E £000s	Net Cost of Services £000s	Corporate Amounts £000s	Total £000s
Reconciliation to Subjective Analysis						
Fees, charges & other service income	(112,398)	0	0	(112,398)	0	(112,398)
Income and movement in relation to investment properties	(206)	0	206	0	(628)	(628)
Interest and Investment Income	0	0	0	0	(153)	(153)
Income from council tax	0	0	0	0	(54,239)	(54,239)
Income Non-Domestic Rates Redistribution	0	0	0	0	(23,978)	(23,978)
Internal Recharges	0	(15,086)	0	(15,086)	0	(15,086)
Government grants and contributions	(22,392)	0	0	(22,392)	(76,987)	(99,380)
Total Income	(134,996)	(15,086)	206	(149,876)	(155,986)	(305,862)
Employee expenses	96,761	0	0	96,761	0	96,761
Expenditure in relation to investment properties	0	0	0	0	0	0
Other service expenses	166,040	18	0	166,058	0	166,058
Support Service recharges	0	16,111	0	16,111	0	16,111
Depreciation, amortisation and impairment	0	21,266	0	21,266	0	21,266
Interest Payments	0	0	0	0	3,657	3,657
Precepts & Levies	14,311	0	(14,311)	0	14,311	14,311
(Surplus)/Deficit on Trading Undertakings not within NCS	350	0	(350)	0	(433)	(433)
Gain or Loss on Disposal of Fixed Assets	0	0	0	0	350	350
Accumulated absences	0	(630)	0	(630)	0	(630)
Pension costs as required by Code	0	(1,429)	0	(1,429)	5,707	4,278
Total operating expenses	277,463	35,336	(14,662)	298,137	23,592	321,730
Adjustments relating to JANEs	0	324	0	324	79	403
(Surplus)/deficit on the provision of services	142,467	20,575	(14,456)	148,586	(132,315)	16,271

11.2 Gains and Losses on the Disposal of Fixed Assets

The net gain on the disposal of fixed assets for the year amounted to £77,000 (£350,000 net loss in 2012/13). The following analysis is provided to support the net gains:

	2013-14 £000	2012-13 £000
Sales Proceeds	(980)	(210)
Carrying value of assets disposed of	836	383
	(144)	173
Attributable costs of disposal	67	177
Net (Gain)/Loss on Disposal of Fixed Assets	(77)	350

The sales proceeds and movement in carrying value of Investment properties is excluded from these totals (see note 12.8 - Investment properties and note 11.3 Financing and Investment income and expenditure).

Sales proceeds exclude any income received in respect of deferred capital receipts, the receipt of which has been accrued in previous financial years.

11.3 Financing and Investment Income and Expenditure

A summary level breakdown of Financing and Investment Income and Expenditure reported on the face of the Comprehensive Income and Expenditure Statement for the year is shown below. Further information is contained within the respective notes to the accounts.

	Note	31 March 2014			31 March 2013		
		Gross Expend £000	Gross Income £000	Net Expend £000	Gross Expend £000	Gross Income £000	Net Expend £000
Interest payable and similar charges	13.2	3,680	(18)	3,662	3,678	(21)	3,657
Pensions interest cost and expected return on pensions assets	14.2/16.7	5,854	0	5,854	5,786	0	5,786
Interest receivable and similar income	13.2	0	(166)	(166)	6	(159)	(153)
Income and expenditure in relation to investment properties and changes in their fair value	12.8	2,463	(4,366)	(1,903)	1,408	(2,036)	(628)
(Surpluses)/deficits on trading undertakings not included in the Net Cost of Services	11.4	11,943	(12,443)	(500)	12,704	(13,137)	(433)
Other investment income	13.2	0	(26)	(26)	0	(1)	(1)
Total Financing and Investment Income and Expenditure		23,940	(17,019)	6,921	23,582	(15,354)	8,228

11.4 Significant Trading Operations

The Authority has established 8 trading units where the service manager is required to operate in a commercial environment and balance their budget by generating income from other parts of the authority or other organisations.

Details of those units are as follows:

Grounds Maintenance

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	(2,451)	(1,378)	(3,829)	(2,570)	(1,136)	(3,706)
Expenditure	2,451	1,313	3,764	2,541	1,082	3,623
(Surplus)/Deficit	0	(65)	(65)	(29)	(54)	(83)

The Authority's Grounds Maintenance function was awarded to an in-house unit after a competitive tender process. The trading objective is to make a profit whilst ensuring value for money to all customers. The unit competes successfully in the private sector carrying out work that includes play areas, horticulture and fencing.

Building Cleaning

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	(733)	0	(733)	(784)	0	(784)
Expenditure	788	0	788	755	0	755
(Surplus)/Deficit	55	0	55	(29)	0	(29)

The Building Cleaning function was awarded in-house work after a competitive tender process. The unit provides cleaning services to council offices, schools and public toilets. The trading objective is to recover costs whilst ensuring value for money. This has not happened in 13-14 where a loss has been made due in the main to staffing costs exceeding original expectations, the unit will review this to ensure it does not happen in future years.

11.4 Significant Trading Operations (continued)

Building Control

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	0	(329)	(329)	0	(308)	(308)
- Chargeable	0	(329)	(329)	0	(308)	(308)
- Non-Chargeable	0	0	0	0	0	0
Expenditure	0	472	472	0	441	441
- Chargeable	0	330	330	0	310	310
- Non-Chargeable	0	142	142	0	131	131
(Surplus)/Deficit	0	143	143	0	133	133
- Chargeable	0	1	1	0	2	2
- Non-Chargeable	0	142	142	0	131	131

Building Control enforces the Building (Local Authority Charges) Regulations 2010 to ensure building construction is carried out in a safe manner alongside the control of dangerous structures and demolitions. The Regulations state that a "break even" position should be maintained on the chargeable trading element and a earmarked reserve for surpluses and losses be set up and reviewed over a suggested three year rolling basis.

The service has returned a chargeable deficit of £1,000 (£2,000 deficit in 2012/13). The building control trading account reserve has a £4,000 deficit as at 31st March 2014. The deficit will have to be recovered through revised charges being applied in future years.

Retail Markets

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	0	(356)	(356)	0	(346)	(346)
Expenditure	0	343	343	0	329	329
(Surplus)/Deficit	0	(13)	(13)	0	(17)	(17)

The authority operates 3 retail markets in Monmouth, Caldicot and Abergavenny. The Markets run twice per week at each site and has the aim of providing traders with the environment to allow them to operate to their full potential benefiting not only themselves but their customers. The Authority views it's markets as an integral part of the life and economic regeneration of Monmouthshire towns.

Industrial Units

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	0	(140)	(140)	0	(143)	(143)
Expenditure	0	84	84	0	107	107
Movement in asset value	0	(28)	(28)	0	0	0
(Surplus)/Deficit	0	(84)	(84)	0	(36)	(36)

The Council manages 44 industrial units, situated predominantly in the south of the County. The units are let at market rents on flexible terms, and generate a net surplus which is used to support service delivery.

Wentwood Timber Centre

	2013-14			2012-13		
	£000 Internal	£000 External	£000 Total	£000 Internal	£000 External	£000 Total
Turnover	0	(29)	(29)	0	(4)	(4)
Expenditure	0	32	32	0	3	3
(Surplus)/Deficit	0	3	3	0	(1)	(1)

Wentwood Timber Centre provided locally sourced sustainable timber to wood finishing and building companies. Its trading objective was to return a profit but in recent years the account has returned deficits and the centre has ceased operating. The entries in 13-14 predominately relate to shut down costs and include stock write off and equipment sales.

11.4 Significant Trading Operations (continued)

South Wales Trunk Road Agency (SWTRA)	2013-14			2012-13		
	£000	£000	£000	£000	£000	£000
	Internal	External	Total	Internal	External	Total
Turnover	0	(6,610)	(6,610)	0	(6,924)	(6,924)
Expenditure	0	6,096	6,096	0	6,414	6,414
(Surplus)/Deficit	0	(514)	(514)	0	(510)	(510)

The authority provides a Highways Maintenance function to the South Wales Trunk Road Agency that was awarded via a competitive tender process. The unit provides services ranging from safety fence repair to winter Maintenance for all motorway and trunk roads in the Greater Gwent area. The trading objective is to fully recover costs and ensuring value for money on behalf of SWTRA and WG. The surplus is very dependant upon spend patterns within SWTRA and WG across the South East Wales area. Higher than budgeted spend patterns in the Gwent area skews surpluses significantly as overheads are fully recovered at budgeted levels.

Trade Refuse	2013-14			2012-13		
	£000	£000	£000	£000	£000	£000
	Internal	External	Total	Internal	External	Total
Turnover	0	(363)	(363)	0	(363)	(363)
Expenditure	0	393	393	0	417	417
(Surplus)/Deficit	0	30	30	0	54	54

The Authority offers a residual waste collection to local businesses. Whilst the collection side covers costs due to increases in landfill costs the service as a whole showed a small loss. The council is currently undertaking a review of fees to ensure that they are sufficient to cover all costs.

Summary

Trading operations are incorporated into the Comprehensive Income and Expenditure Statement. Some are an integral part of one of the Authority's services to the public whilst others are support services to the Authority's services to the public. The expenditure of these operations is allocated or recharged to headings in the Net Operating Expenditure of Continuing Operations. Only a residual amount of the net surplus on trading operations is charged as Financing and Investment Income and Expenditure.

	2013-14	2012-13
	£000	£000
Net (Surplus)/Deficit On Trading Operations	(445)	(490)
Support Services recharged to Expenditure of Continuing Operations	(55)	57
Net (Surplus)/Deficit taken to financing and investment income and expenditure	(500)	(433)

11.5 Council Tax

Council tax derives from charges raised according to the value of residential properties. Each dwelling has been classified into one of nine valuation bands according to its capital value at 1 April 2003 for this specific purpose. Charges are calculated by taking the amount of income required for the Authority, Gwent Police Authority and town and community councils for the forthcoming year and dividing this amount by the council tax base. The council tax base is the total number of properties in each valuation band adjusted by a proportion to convert the number to a Band D equivalent, totalled across all bands and adjusted for discounts. The tax base was 44,083 for 2013/14 (43,460 for 2012/13).

This average basic amount for a Band D property, £1,230.83 (£1,228.94 in 2012/13), is multiplied by the proportion specified for the particular band to give the individual amount due.

Council tax bills were based on the following multipliers for bands A to I.

Band	A	B	C	D	E	F	G	H	I
Multiplier	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9	21/9
Chargeable Dwellings	553	3,029	6,606	8,233	6,728	7,063	5,026	1,670	651
Valuation (£,000)	UP TO 44	44-65	65-91	91-123	123-162	162-223	223-324	324-424	424+

The analysis of the net proceeds from council tax are as follows:

	2013-14	2012-13
	£000	£000
Council tax collectable	(54,833)	(54,369)
Provision for non-payment of council tax	70	130
	<u>(54,763)</u>	<u>(54,239)</u>

11.6 National Non-Domestic Rates (NNDR)

NNDR is organised on a national basis. The Welsh Government specifies an amount for the rate, 0.464p per £ in 2013/14 (0.452p per £ in 2012/13) and, subject to the effects of transitory arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount. The Authority is responsible for collecting rates due from ratepayers in its area but pays the proceeds into the NNDR pool administered by the Welsh Assembly Government. The Welsh Government redistributes the sums payable to the local authorities on the basis of a fixed amount per head of population.

The NNDR income after relief and provisions of £20,197,000 (£19,608,000 for 2012/13) was based on an average rateable value of £56,609,000 (£56,270,000 for 2012/13).

The analysis of the net proceeds from non-domestic rates is as follows:

	2013-14	2012-13
	£000	£000
Non-domestic rates collectable	20,430	19,750
Cost of collection allowance	(170)	(166)
(Increase)/Decrease in provision for bad debts	(64)	24
Payments into national pool	<u>20,197</u>	<u>19,608</u>
Redistribution from national pool	(28,377)	(23,978)

11.7 General Government Grants

The Authority received grants of £79,892,000 of General Government grants in 2013/14 that were identified as not being attributable to specific services within Net Cost of Services (£76,987,000 in 2012/13). The following analysis is provided:

	2013-14	2012-13
	£000	£000
Revenue support grant	(73,386)	(70,428)
Outcome Agreement grant	(820)	(827)
Council tax reduction scheme	(549)	0
Capital grants and contributions	(5,137)	(5,732)
Total	<u>(79,892)</u>	<u>(76,987)</u>

11.8 Grant Income

a) Capital Grants and Contributions

The Authority has also credited £4,929,000 to the Comprehensive Income and Expenditure Statement in 2013/14 (£6,016,000 in 2012/13). This is comprised of:

	31 March 2014		31 March 2013	
	£000	£000	£000	£000
WAG General Capital Grant		1,420		1,570
Section 106 Developer Contributions		228		294
<i>Other Grants and Contributions:</i>				
HLF		14		(4)
WAG Grants:				
Flood Alleviation Grant	308		127	
Future Schools	300		0	
Flying Start Minor improvements	111		0	
Transport Grant	0		90	
Local Road Safety Grant	62		622	
Walking & Cycling Scheme Development	60		0	
Schools Building Improvement Grant	0		3,197	
Regional Capital Access Fund	0		54	
Democracy Grant	0		40	
Regional Development Fund	0		11	
Local Improvement Maintenance	0		2	
Other	23		0	
		<u>865</u>		<u>4,143</u>
Other Contributions		811		0
Insurance Settlement Income		1,970		13
		<u>5,307</u>		<u>6,016</u>

The capital grants and contributions have been credited to the Comprehensive Income and Expenditure Statement as follows:

	2013-14	2012-13
	£000	£000
Grants and contributions applied towards Revenue Expenditure Funded from Capital under Statute	(170)	(284)
Capital grants and contributions applied and credited to Taxation and Non-specific Grant Income	(5,137)	(5,732)
	<u>(5,307)</u>	<u>(6,016)</u>

11.8 Grant Income (continued)

b) Capital Grants and Contributions Received in Advance

The Authority has also received a number of capital grants and contributions that have yet to be recognised as income as they have conditions attached to them that will require the monies or property to be returned to the provider. The balances at the year-end are as follows:

	31 March 2014 £000	31 March 2013 £000	
Capital Grants Receipts in Advance:			
<i>Welsh Assembly Government:</i>			
Road Safety Grants	0	18	
Regional Transport Consortia Grant	34	19	
	<u> </u>	<u> </u>	37
	34		
Developer Contributions held in Advance:			
S106 Developer contributions	919	917	
Insurance Settlement Income			
Thornwell Primary School	0	1,970	
	<u> </u>	<u> </u>	2,887
	<u>919</u>		2,887
	<u>953</u>		<u>2,924</u>

11.8 Grant Income (Continued)
c) Revenue Grants and Contributions

The Authority credited the £22,499,000 of revenue grants and contributions to Net Cost of Services within the Comprehensive Income and Expenditure Statement for 2013/14 (£22,392,000 in 2012/13), along with Housing benefits subsidy of £22,213,000 (£23,855,000 in 2012/13). These are comprised of:

	31 March 2014		31 March 2013 (Restated)	
	£000	£000	£000	£000
Central Government				
Housing benefit subsidy	<u>22,213</u>		<u>23,855</u>	
		22,213		23,855
Welsh Assembly Government				
Sixth Form Funding (DCELLS)	3,476		4,248	
Early Years / Foundation Phase	3,035		2,978	
Supporting People	2,468		2,115	
Sustainable Waste Management	1,923		2,038	
SEG / WEG (PDG)	1,185		1,190	
Rural Development Plan	1,318		1,115	
Flying Start Grant	899		675	
Concessionary Fares (PTSG)	868		826	
Families First	818		933	
Community Education General	514		433	
Enhancement of Learning	431		508	
Local Transport Services Grant	336		371	
Social Care Workforce Dev't Programme	248		234	
Regional Collaboration Fund	210		0	
Aspirational Monmouthshire Axis 4	188		0	
Council Tax & NNDR	173		171	
Safer Community Fund	163		144	
National Exercise Referral Grant	140		137	
JAFF (Joint Assessment Family Framework)	88		0	
Flood Risk Assessments	72		0	
Strategic Intervention Grant	72		75	
Ethnic Minorities Grant	68		66	
Healthy Schools	60		0	
FSIP Grant (Contingency)	54		0	
Animal Welfare	48		71	
NOVUS	44		0	
Autistic Spectrum Disorder Grant	41		0	
Digitisation/Documentation Project	35		0	
Appetite for Life	34		66	
Tidy Towns	31		0	
Primary Breakfast Initiative	0		269	
Houses for Homes	0		125	
Local Government Borrowing initiative	0		123	
Community Focused Schools	0		71	
Other grants	<u>638</u>		<u>362</u>	
		19,680		19,346
Home Office				
Unaccompanied Asylum Seeking Children	62		163	
Police and Crime Commissioner	80		93	
Building Safer Communities	<u>39</u>		<u>39</u>	
		181		295

Other Grants & Contributions

Coleg Gwent Community Education	581	500	
Youth Justice Board	343	346	
Innovation (NESTA)	209	5	
Rural Development Plan	154	0	
Sports Council Wales	137	120	
Rural Payments Agency	125	117	
Heritage Lottery Fund	121	31	
Countryside Council For Wales	100	195	
S106 Commuted	94	79	
Care Council for Wales	79	100	
Lottery Sports Fund (Sportlot)	58	65	
Disability Sport Wales	23	0	
Arts Council of Wales	23	0	
CYMAL	8	11	
Scottish Power	0	453	
Wye Valley AONB	0	91	
Public Health Wales NHST	0	75	
Regional Tourism	0	34	
Herefordshire C.C.	0	26	
Energy Saving Trust - Leaf	0	19	
Other Grants	583	485	
		2,638	2,751
Revenue Grants and Contributions Receivable	44,712	46,247	

12 NON-CURRENT ASSET & CAPITAL FINANCING NOTES

12.1 Property, Plant and Equipment

a) Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. All valuations were carried out by the Authority's Estates Section under the supervision of the Estates & Sustainability Manager, Mrs D. Hill-Howells MRICS. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors (RICS).

The following statement summarises the progress of the Authority's rolling programme for the revaluation of fixed assets:

- The 2013/14 revaluations were all carried out or approved by qualified valuers within the Authority's Estates section. The basis for valuation is set out in the accounting policies within section 9 of the notes to the accounts.
- All assets requiring valuations have been revalued in the 5 year period ending 31st March 2014. The valuations carried out during 2013/14 primarily included the new Usk headquarters, the replacement cattle market and community facilities.

	Other Land and Buildings and Buildings Vehicles, Plant, Furniture & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant and Equipment	
	£000	£000	£000	£000	£000	£000	
Carried at historical cost	64	5,074	62,749	3,908	0	3,559	75,355
Valued at fair value as at:							
31 March 2014	9,788	0	0	0	32	0	9,820
31 March 2013	87,599	0	0	0	158	0	87,757
31 March 2012	48,602	0	0	0	26	0	48,627
31 March 2011	16,181	0	0	0	0	0	16,181
31 March 2010	16	0	0	0	0	0	16
Total Cost or Valuation	162,251	5,074	62,749	3,908	216	3,559	237,757

b) Effects of Changes in Estimates

Assets revalued during the 2013/14 financial year as part of the Authority's rolling programme for revaluation had their useful economic lives reviewed and subsequently amended where appropriate. No other amendments to useful economic lives were made during the year. The same approach was taken when undertaking revaluations in 2012/13.

The Authority has made no other material changes to its accounting estimates for Property, Plant and Equipment.

c) Depreciation Methodology

Depreciation has been calculated and charged on the following basis for the 2013/14 financial year:

- Other land and buildings - on a straight line allocation over the life of the asset.
- Vehicles, plant and equipment - on a straight line allocation over the life of the asset.
- Infrastructure assets - straight line allocation over 60 years.
- No depreciation is charged on community assets and non-operational assets.
- No depreciation is charged in the year of acquisition. A full year charge is applied in the disposal year.
- Individual assets are allocated useful economic lives as determined by the Authority's valuers.

12.1 Property, Plant and Equipment (continued)

d) Depreciation and Impairment of Property, Plant & Equipment

Depreciation charges and impairments relating to property, plant and equipment for the financial year are shown below:

	Dep'n Charges 2013-14 £000	Impair- ments 2013-14 £000	Total 2013-14 £000	Dep'n Charges 2012-13 £000	Impair- ments 2012-13 £000	Total 2012-13 £000
Other Land and Buildings	8,480	486	8,966	6,688	(5,759)	928
Vehicles, Plant, Furniture & Equipment	2,044	64	2,108	1,403	34	1,437
Infrastructure Assets	1,481	4,554	6,035	1,478	5,323	6,802
Community Assets	0	24	24	0	80	80
Surplus Assets	101	806	907	14	422	436
Assets Under Construction	0	0	0	0	(0)	(0)
	12,106	5,933	18,039	9,583	100	9,683

The amount charged to the Surplus or Deficit on the Provision for Services for the year amounted to £18,009,000 (£9,194,000 in 2012/13), comprising depreciation charges for the year of £12,106,000 (£9,583,000 in 2012/13) and a charge due to impairments £5,903,000 (a net surplus of £390,000 in 2012/13). Further to this, £30,000 of impairment losses were taken against the revaluation reserve to reverse past revaluation gains that had arisen (£489,000 in 2012/13).

The net impairment charged to the Surplus or Deficit on the Provision of Services of £5,903,000 consists of:

- £5,972,000 of capital expenditure incurred by the Authority in 2013/14 has not resulted in a £ for £ increase in the value of the fixed assets, primarily in relation to the following schemes:
 - a) Highways resurfacing programme, Bridges and retaining walls, Footways, Street Lighting column replacement (£3,848,000)
 - b) Various other infrastructure schemes (£705,000)
 - c) County Hall Demolition & remodelling (£848,000)
 - d) Other schemes (£571,000)

Offset by:

- £66,000 of revaluation gains reversing impairment losses in Land and Buildings and Surplus Assets
- £3,000 of depreciation written out as a result of impairments to Land and Buildings

12.1 Property, Plant and Equipment (continued)
e) In-Year Movements in Property, Plant and Equipment

The following tables summarise the movements in the Authority's property, plant and equipment portfolio by asset type for the years ending 31st March 2013 and 31st March 2012.

Movements in 2013/14:	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant and Equipment	PFI Assets Included in Property, Plant and Equipment*
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation:								
At 1 April 2013	176,974	9,709	82,599	3,192	2,014	9,316	283,804	1,200
Additions	7,507	1,128	4,673	56	848	3,303	17,513	0
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	(639)	0	0	(17)	0	0	(656)	(11)
Revaluation increases/ (decreases) recognised in the SDPS	(8,509)	0	(0)	0	0	0	(8,509)	0
Impairment losses/(reversals) recognised in the Revaluation Reserve	(38)	0	(0)	(1)	0	0	(39)	0
Impairment losses/(reversals) recognised in the SDPS	(451)	(64)	(4,553)	(31)	(806)	0	(5,906)	0
Reclassified (to)/from Held for Sale	(7,632)	(115)	0	(6)	(1,741)	(446)	(9,939)	0
Other movements in cost or valuation	7,897	0	23	715	(100)	(8,613)	(77)	0
At 31 March 2014	175,109	10,658	82,741	3,908	215	3,559	276,191	1,189
Accumulated Depreciation:								
At 1 April 2013	(5,089)	(3,654)	(18,511)	0	(255)	0	(27,510)	(0)
Depreciation charge	(8,480)	(2,044)	(1,481)	0	(101)	0	(12,106)	(41)
Depreciation written out to the Revaluation Reserve due to revaluation increases/decreases	184	0	0	0	0	0	184	34
Depreciation written out to SDPS due to revaluation increases/decreases	293	0	0	0	0	0	293	0
Depreciation written out to the Revaluation Reserve due to impairments	0	0	0	9	0	0	9	0
Depreciation written out to SDPS due to impairments	3	0	0	0	0	0	3	0
Reclassified (to)/from Held for Sale	218	115	0	0	357	0	689	0
Other movements in depreciation	14	0	0	(9)	0	0	5	0
At 31 March 2014	(12,859)	(5,583)	(19,992)	0	0	0	(38,434)	(7)
Net Book Value:								
At 31 March 2014	162,251	5,075	62,749	3,908	216	3,559	237,757	1,181
At 1 April 2013	171,885	6,055	64,088	3,192	1,759	9,316	256,293	1,200

12.1 Property, Plant and Equipment (continued)

Movements in 2012/13:	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Infrastructure Assets	Community Assets	Surplus Assets	Assets Under Construction	Total Property, Plant and Equipment	PFI Assets Included in Property, Plant and Equipment*
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation:								
At 1 April 2012	170,001	7,784	82,467	3,209	2,437	5,410	271,308	1,312
Additions	2,407	1,474	5,456	80	422	10,765	20,603	0
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	8,009	635	0	0	14	0	8,657	(113)
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	(11,245)	0	0	(17)	(971)	0	(12,233)	0
Impairment losses/(reversals) recognised in the Revaluation Reserve	(206)	(0)	0	0	(284)	0	(490)	0
Impairment losses/(reversals) recognised in the SDPS	2,317	(34)	(5,323)	(80)	(138)	0	(3,258)	0
Derecognition – disposals	0	0	0	0	0	0	0	0
Assets reclassified (to)/from Held for Sale	(309)	(149)	0	(0)	(189)	0	(648)	0
Other movements in cost or valuation	6,000	(0)	0	0	723	(6,859)	(136)	0
At 31 March 2013	176,974	9,709	82,599	3,192	2,014	9,316	283,804	1,200
Accumulated Depreciation:								
At 1 April 2012	(11,135)	(2,360)	(17,033)	0	(39)	0	(30,567)	(118)
Depreciation charge	(6,688)	(1,403)	(1,478)	0	(14)	0	(9,583)	(41)
Depreciation written out to the Revaluation Reserve due to revaluation increases/decreases	7,018	29	0	0	0	0	7,047	159
Depreciation written out to SDPS due to revaluation increases/decreases	1,732	0	0	0	0	0	1,732	0
Depreciation written out to the Revaluation Reserve due to impairments	3,648	0	0	0	0	0	3,648	0
Depreciation written out to SDPS due to impairments	0	0	0	0	0	0	0	0
Reclassified (to)/from Held for Sale	79	79	0	0	54	0	213	0
Other movements in depreciation	256	0	0	0	(256)	0	0	0
At 31 March 2013	(5,089)	(3,654)	(18,511)	0	(255)	0	(27,510)	0
Net Book Value:								
At 31 March 2013	171,885	6,055	64,088	3,192	1,759	9,316	256,294	1,200
At 1 April 2012	158,866	5,424	65,434	3,209	2,398	5,410	240,741	1,195

12.1 Property, Plant and Equipment (continued)

f) Information on Assets Held

Plant, property and equipment assets owned by the Council as at 31st March 2014 include the following:

	31 March 2014 Number	31 March 2013 Number Restated
Schools:		
Primary	22	22
Comprehensive	4	4
Special	1	1
Land Parcels	2	2
Nurseries	5	4
Playgroups	1	1
Schools Service Tenancies	3	4
Parks and Open Spaces	281	282
Associations and Clubs	43	43
Recreational Grounds and Picnic Sites	29	28
Libraries	5	5
Historic Sites	0	1
Museums and Theatres	6	5
Leisure Centres	4	4
Youth Centres	1	1
Outdoor Education Centres	2	2
Learning and Resource Centres	1	1
Residential Homes	4	4
Sheltered Housing Units	3	3
Community Centres	6	6
Day Centres	2	2
Industrial Units	27	27
Land Parcels	113	120
Allotments	4	4
Car Parks	38	38
Offices & Depots	43	41
Public Conveniences	24	25
District Shops & Restaurants	1	1
Cemeteries & Crematoria	14	13
Waste Disposal Sites	9	5
Sewerage Treatment Plants	23	27
Markets	1	2
Bus Stations	1	1
Vehicles	101	101
Plant and Machinery	39	36
Infrastructure	2	2
IT Equipment	10	10
Surplus Assets not Held for Sale	10	5

12.2 Summary of Capital Expenditure treatment

In order to assist the user of the accounts, the summary below provides a concise analysis of capital expenditure incurred by the Authority during the financial year and its resultant treatment in the statement of account.

Total capital expenditure in the year amounted to £20,433,000 in 2013/14 (£22,815,000 in 2012/13). The expenditure was accounted for as follows:

	2013-14 £000	2012-13 £000
Enhancing value:		
Property, plant and equipment additions	11,528	13,577
Investment properties	51	0
Intangible assets	133	68
Assets held for sale	329	0
Heritage assets	54	0
Not enhancing value:		
Property, plant and equipment additions	5,986	7,027
Investment properties	241	182
Intangible assets	52	43
Assets held for sale	328	0
Heritage assets	121	67
Revenue Expenditure Funded from Capital under Statute	1,612	1,851
	20,433	22,815

Capital expenditure incurred by the Authority that does not result in an equivalent increase in the value of the underlying fixed asset is initially charged in full as a fixed asset addition, and then subsequently impaired in order to ensure that the carrying value of the fixed asset concerned is not overstated.

£39,000 of expenditure that did not enhance the value of Property, Plant and Equipment assets was debited to the Revaluation Reserve in 2013/14 (£489,000 in 2012/13)

12.3 Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of fixed assets has been charged as expenditure to the relevant service revenue account in the Comprehensive Income and Expenditure Statement in the year.

As the Authority has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer to the Capital Adjustment Account then reverses out the amounts charged to the Comprehensive Income and Expenditure Statement so there is no impact on the level of council tax.

Revenue expenditure funded from capital under statute for the year amounted to £1,612,000 (£1,851,000 in 2012/13) and comprised grants for the Community Economic Development Schemes (CEDs), Disabled Facility Grants (DFGs) provided to homeowners within the community and other Capital Grants and payments. Grant funding applied by the Authority to finance such expenditure amounted to £170,000 (£284,000 in 2012/13).

	CED's Grants £000	Disabled Facility Grants £000	Other £000	Total £000
Capital expenditure incurred during the year	144	533	935	1,612
Associated grant financing	0	0	(170)	(170)
	144	533	765	1,442

12.4 Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

The Capital Financing Requirement effectively represents the Authority's underlying need to borrow. The capital financing requirement as at 31st March 2014 was £119,845,000 (£111,291,000 as at 31st March 2013), an increase of £8,554,000 (£9,392,000 in 2012/13).

	31 March 2014 £000	31 March 2014 £000	31 March 2013 £000	31 March 2013 £000
Opening Capital Financing Requirement		111,291		101,899
Capital investment:				
Property, Plant and Equipment	17,513		20,603	
Investment Properties	292		182	
Assets held for sale	656			
Heritage Assets	175		67	
Intangible Assets	184		112	
Revenue Expenditure Funded from Capital under Statute	1,612		1,851	
		20,433		22,815
Sources of finance:				
Capital receipts	(1,339)		(1,882)	
Government grants and other contributions	(5,308)		(6,016)	
Direct revenue contributions	(362)		(1,038)	
		(7,008)		(8,936)
Other:				
Minimum revenue provision	(4,871)		(4,487)	
		(4,871)		(4,487)
Closing Capital Financing Requirement		119,845		111,291
Explanation of movements in year				
Increase in underlying need to borrowing - supported by Government financial assistance		2,325		3,101
Increase in underlying need to borrowing - unsupported by Government financial assistance		11,100		10,778
Assets acquired under finance leases		0		0
Less: Minimum revenue provision		(4,871)		(4,487)
Increase / (decrease) in Capital Financing Requirement		8,554		9,392

12.5 Capital Commitments

At 31 March 2014, the Authority has entered into major contracts for the construction of Property, Plant and Equipment in 2014/15 and later years budgeted to cost £4,528,000 at 31st March 2014 (£5,911,000 at 31st March 2013).

Scheme	£000
Raglan School	2,494
Thornwell School	417
Future Schools feasibility	1,221
Caldicot 3G pitch	396
	4,528

12.6 Financing Capital Expenditure

Total capital expenditure in the year amounted to £20,433,000 (£22,815,000 in 2013/14). The expenditure was financed as follows:

Financing	£000	Capital Expenditure - Schemes	£000
Supported Borrowing	2,325	Infrastructure and Transport Schemes	4,612
Unsupported Borrowing	11,100	Asset Management Schemes	3,727
General Capital Grant	1,420	School Development Schemes	3,364
Capital grants and contributions	3,659	Regeneration Schemes	5,803
Council Fund Capital Receipts	1,171	Inclusion Schemes	932
ESR Capital receipts	167	Sustainability Schemes	275
Revenue Contribution:		ICT Schemes	487
Earmarked Reserves	286	Other Schemes	233
Council Fund	76	County Farms Schemes	219
S106 contributions	228	Vehicles	783
S278 contributions	0		
Sub Total	20,433		20,433
Finance lease liability	0	Assets acquired under finance lease	0
Total	20,433		20,433

12.7 Minimum Revenue Provision

The Council is not required to raise council tax to cover depreciation, impairment losses or amortisations. However, it is required to make an annual minimum revenue provision (MRP) from revenue to contribute towards the reduction in its overall borrowing requirement.

Provision is made in accordance with the Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008 and adjoining MRP guidance which places a simple duty for an authority each year to make an amount of MRP which it considers to be "prudent".

Council approved an MRP policy in March 2013 applying to the 2013/14 financial year. The policy allows capital expenditure financed via unsupported borrowing to be subject to MRP using either the equal annual instalment method or the annuity method, based on the useful life applicable to the nature of the expenditure. The Authority also makes additional voluntary revenue contributions in respect of finance leased assets.

The amount of revenue provision made by the Authority in 2013/14 was £4,871,000 (£4,487,000 in 2012/13).

12.8 Investment Properties

Investment Properties are those that are used solely to earn rentals and/or for capital appreciation. Investment Properties are not used in any way to deliver a service and are not held for sale. The Authority's current portfolio of investment properties primarily consists of County Farms and District Shops.

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in relation to investment properties:

	2013-14 £000	2012-13 £000
Rental income from investment property	(414)	(453)
Direct operating expenses arising from investment property	202	192
Net (gain)/loss	<u>(213)</u>	<u>(260)</u>

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement. The following table summarises the movement in the fair value of investment properties over the year:

	2013-14 £000	2012-13 £000
Balance at start of the year	24,847	25,133
Additions:		
Subsequent expenditure	292	182
Disposals	(1,651)	(790)
Net gains/(losses) from fair value adjustments recognised in Financing and Investment Income and Expenditure	1,577	186
Transfers:		
(To)/from Property, Plant and Equipment	73	136
Balance at end of the year	<u>25,138</u>	<u>24,847</u>

Capital receipts totalling £1,764,000 were credited to the Capital receipts reserve during 2013/14 in relation to investment properties (£925,000 in 2012/13)

12.9 Assets Held for Sale

Assets held for sale comprise those assets that are available for immediate sale and where the sale is highly probable and will be actively marketed at its market value. The in-year movement and balance of assets held for sale as at 31st March 2014 are shown below:

	2013-14 £000	2012-13 £000
Balance outstanding at start of year	864	389
Additions	656	0
Assets newly classified as held for sale:		
Property, Plant and Equipment	9,253	435
Revaluation losses	(939)	(61)
Revaluation gains	20,498	485
Impairment losses	(328)	0
Assets declassified as held for sale:		
Property, Plant and Equipment	(4)	0
Assets sold	(836)	(383)
Balance outstanding at year-end	<u>29,165</u>	<u>864</u>

12.10 Intangible Assets

The Authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment. The intangible assets include system programmes and additional system modules. No internally generated intangible assets are held by the Authority.

Software is given a finite useful life based on assessments of the period that the software is expected to be of use to the Authority. The carrying amount of intangible assets is amortised on a straight-line basis with no intangible assets assessed as having an indefinite useful life. The Authority does not revalue its intangible assets and are held at historic cost. The Authority has not acquired any intangible assets by way of government grant.

The movement on Intangible Asset balances during the year is as follows:

	2013-14 £000	2012-13 £000
<i>Balance at start of year:</i>		
Gross carrying amounts	316	248
Accumulated amortisation	(73)	(48)
Net carrying amount at start of year	243	200
<i>Additions:</i>		
Purchases	184	112
Impairment losses recognised in the Surplus/Deficit on the Provision of Services	(52)	(49)
Reversal of previous revaluation loss charged to SDPS	0	5
Amortisation for the period	(31)	(25)
Net carrying amount at end of year	345	243
<i>Comprising:</i>		
Gross carrying amounts	449	316
Accumulated amortisation	(104)	(73)
	345	243

There have been no changes in accounting estimates for Intangible Assets that are expected to have had an effect on the current period or are expected to have an effect in subsequent periods.

12.11 Private Finance Initiatives

Monmouth Health & Social Care Facility (Monnow Vale)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board. Under the arrangements funds are pooled under Section 33 of the NHS (Wales) Act 2006 to provide health and social care in the form of inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs. This agreement came into effect from the 1st June 2006.

The Facility is a unique project that replaced a number of out dated or separate facilities scattered throughout the County with a new building that has been financed by a private finance partner over a period of 30 years.

The Authority accounts for its 29% share of the PFI assets, comprising buildings and equipment, with a corresponding liability amounting to its long term obligation for financing these assets.

12.11 Private Finance Initiatives (continued)

Monmouth Health & Social Care Facility (Monnow Vale) (continued)

The life of the building had originally been established for valuation purposes as being 40 years and the equipment as being 15 years. The life of the building is 10 years beyond that of the PFI agreement on the basis that it is anticipated that the facility will be used by the parties beyond the 30 years. At the end of the agreement, the buildings revert to the Health Board at nil consideration.

There have been no changes in the arrangements during the year.

Property Plant and Equipment

The Authority's share in the assets used to provide services at the facility are recognised on the Authority's Balance Sheet. Movements in their value over the year are detailed in the analysis of the movement on the Property, Plant and Equipment balance in Note 12.1(e).

Payments

Although the payments made to the contractor via the Health Board are described as unitary payments, they have been calculated to compensate the contractor for the fair value of the services they provide, the principal repayment for the capital expenditure incurred and interest payable whilst the capital expenditure remains to be reimbursed.

	2013-14	2012-13
	£000	£000
Service charges	143	137
Interest payable	24	25
Principal repayments	27	26
	195	188

The liability outstanding at 31st March 2014 to pay the liability to the contractor via the Health Board is as follows:

	2013-14	2012-13
	£000	£000
Balance outstanding at start of year	870	896
Principal repayments	(27)	(26)
Balance outstanding at year-end	842	870

The Authority makes an agreed payment each year which is increased annually by inflation and can be reduced if the contractor fails to meet availability and performance standards in any year but which is otherwise fixed. Outstanding obligations to make payments under the PFI contract at 31 March 2014 (excluding any estimation of inflation and availability/performance deductions) are as follows:

	Service Charge	Principal	Interest	Total Unitary Charge
	£000	£000	£000	£000
Payable in 2013/14	143	28	24	195
Payable within two to five years	572	121	86	780
Payable within six to ten years	716	171	88	975
Payable within eleven to fifteen years	716	197	62	975
Payable within sixteen to twenty years	716	226	33	975
Payable within twenty one and twenty five years	286	99	4	390
Total	3,149	842	297	4,288

12.12 Leases - Authority as Lessee

a) Finance Leases

The Authority has entered into the following finance lease agreements:

- An agreement in April 2005 that resulted in capital works being undertaken to allow fitness suites to be incorporated into Chepstow Leisure Centre. Whilst the fitness equipment is held under operating lease arrangements, the initial capital works are accounted for as a finance lease as the risks and rewards of ownership reside with the Authority.
- A long term agreement for the lease of Beaufort Cottage Public Convenience.

The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

	2013-14			2012-13		
	GBV	Depn	NBV	GBV	Depn	NBV
Other Land and Buildings	806	(658)	148	806	(583)	223
	806	(658)	148	806	(583)	223

The Authority is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the property acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

	2013-14	2012-13
	£000	£000
Finance lease liabilities (net present value of minimum lease payments):		
Current	103	95
Non-Current	49	152
Finance costs payable in future years	9	27
Minimum lease payments	162	275

The minimum lease payments will be payable over the following periods:

	Minimum Lease Payments		Finance Lease Liabilities	
	2013-14	2012-13	2013-14	2012-13
	£000	£000	£000	£000
Not later than one year	113	113	103	95
Later than one year and not later than five years	3	115	3	106
Later than five years	46	47	46	47
	162	275	152	248

In 2013/14, minimum lease payments were paid by the Authority of £113,000 (2012/13 £113,000) in respect of those assets held as a finance lease.

12.12 Leases - Authority as Lessee (continued)

b) Operating Leases

The Authority has acquired property, vehicles, plant and equipment by entering into operating leases. The future minimum lease payments due under non-cancellable leases in future years are:

	2013-14	2012-13
	£000	£000
Not later than one year	641	675
Later than one year and not later than five years	1,175	985
Later than five years	159	207
	<u>1,975</u>	<u>1,867</u>

The expenditure charged to the services within the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

	2013-14	2012-13
	£000	£000
Minimum lease payments	760	857
Contingent rents	0	0
Sub-lease payments receivable	0	0
	<u>760</u>	<u>857</u>

12.13 Leases - Authority as Lessor

Operating Leases

The Authority has entered into operating lease arrangements to lease property assets to various individuals and organisations. These primarily consist of Industrial units, County Farms, Land parcels and Recreation halls.

The future minimum lease payments receivable under non-cancellable leases in future years are:

	2013-14	2012-13
	£000	£000
Not later than one year	492	555
Later than one year and not later than five years	1,737	1,891
Later than five years	5,849	7,410
	<u>8,077</u>	<u>9,856</u>

The minimum lease payments receivable does include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews. During the financial year £652,000 of minimum lease payments were receivable by the Authority (£659,000 in 2012/13).

12.14 Heritage Assets

The Code requires that heritage assets are measured at valuation in the 2013/14 financial statements, together with comparative year information. The Code however permits some relaxations in the valuation requirements of heritage assets, meaning that the authority could potentially recognise more of the museums collections in the Balance Sheet. However, whereas the Authority recognises some heritage collections in financial statements, it is of the view that obtaining valuations for the vast majority of these collections would involve a disproportionate cost of obtaining the information in comparison to the benefits to the users of the Authority's financial statements. Whilst this exemption is permitted by the Code, the position will be subject to on going review.

The Authority would not typically consider disposing of any heritage assets even though previously offers have been received.

The following table summarises the movement in the carrying value of Heritage assets over the year:

Movements in 2013/14:

	Property Heritage Assets £000	Museum Exhibits £000	Civic Regalia, Artwork & Collect'n £000	Total £000
Cost or Valuation:				
At 1 April 2013	0	4,416	180	4,596
Additions	141	34	0	175
Impairment losses/(reversals) recognised in the SDPS	(121)	0	0	(121)
At 31 March 2014	20	4,450	180	4,650

Movements in 2012/13:

	Property Heritage Assets £000	Museum Exhibits £000	Civic Regalia, Artwork & Collect'n £000	Total £000
Cost or Valuation:				
At 1 April 2012	0	4,398	180	4,578
Additions	67	0	0	67
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	0	18	0	18
Impairment losses/(reversals) recognised in the SDPS	(67)	0	0	(67)
At 31 March 2013	0	4,416	180	4,596

Additions relating to property heritage assets of £141,000 relates to non-enhancing capital expenditure (£121,000) and works at The Slaughterhouse Arches, Monmouth (£20,000). The remaining additions relate to the purchase of two paintings at Chepstow museum (£34,000).

The Authority is required to provide a five-year summary of transactions for heritage assets, illustrating the acquisitions, donations, disposals (including sales proceeds) and impairments. This summary is intended to separately report transactions that are reported in the Balance Sheet and those that are not. Information has not been provided for the period before 1 April 2010 as it is not practicable to do so.

Property Heritage Assets

The Authority owns six property assets which meet the criteria for inclusion as heritage assets. These comprise the following assets:

- Caldicot Castle
- Angidy Ironworks, Tintern
- The Slaughterhouse - Arches, Monmouth
- Clydach Ironworks, Clydach
- War Memorial, Frogmore St, Abergavenny
- Tintern Station, Tintern

These assets were last valued during 2011/12 on a fair value - existing use value (EUV) basis and were carried out internally by the Authority's Estates Section under the supervision of the Head of Asset Management, Mrs D. Hill-

Further to this Abergavenny Museum and Castle is leased by the Authority.

Museum Exhibits

Monmouthshire operates four museums, namely Monmouth, (The Nelson Museum), Abergavenny, Caldicot (Castle) and Chepstow. Each individual museum maintains an inventory of exhibits and the Authority last commissioned a valuation of material items in August 2012.

The most significant museum exhibit is the Nelson collection which is included on the balance sheet at a valuation of £4.3m and was last valued by external valuers in August 2012. The valuation was limited to selected items with market prices in excess of £1,000.

Civic Regalia, Artwork & Collections

Five other assets are classified as Heritage assets under this classification where cost information was readily available. These comprise the following assets:

- Henry Tapestry
- Chairman's Chain of Office
- Vice Chairman's Chain & Insignia
- Lady Chairman's Chain & Insignia
- Vice Lady Chairman's Chain & Insignia

These assets are currently valued at their most recent insurance valuation. The Authority currently has insurance cover in place for the majority of the exhibits. This was agreed through negotiation with the insurance underwriters.

12.15 Schools Non-Current Assets

In the absence of clear advice and guidance, there remains uncertainty amongst authorities regarding the appropriate accounting treatment of schools' non-current assets which specifically concerns voluntary aided and voluntary controlled schools with regards to the Authority.

The Authority currently owns and runs four comprehensive schools, twenty two primary schools and one special school. In addition to the twenty two primary schools, there are four voluntary controlled schools and five voluntary aided schools.

The Authority runs the voluntary controlled schools on behalf of 3rd party organisations such as charities and religious organisations who own the underlying assets. The Authority does not record these school assets on its balance sheet.

With regards to voluntary aided schools within Monmouthshire, and similar to voluntary controlled schools, the assets are owned by 3rd party organisations and are not recorded on the Authority's balance sheet.

The net book value of school non-current assets as at 31st March 2014, shown in the Authority's balance sheet, is £107,970,000 (£100,605,000 as at 31st March 2013).

13 FINANCIAL INSTRUMENTS, CURRENT ASSETS & LIABILITIES NOTES

13.1 Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet as at 31st March 2014:

	Note	Long-Term		Short-Term	
		31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Investments					
Loans & receivables	13.5	0	0	6,569	4,191
Unquoted equity investments	13.5	40	40	0	0
Cash & cash equivalents	15.3	-	-	3,736	3,940
Total Investments		40	40	10,305	8,131
Debtors					
Receivables	13.6/13.8	449	582	22,146	19,473
Total Debtors		449	582	22,146	19,473
Borrowings					
Financial liabilities at amortised cost	13.5	(68,415)	(71,995)	(30,219)	(11,351)
Cash & cash equivalents	15.3	-	-	(2,916)	(2)
Total Borrowings		(68,415)	(71,995)	(33,135)	(11,353)
Other Long Term Liabilities					
PFI and finance lease liabilities	12.11/12.12a	(996)	(1,118)	0	0
Other Long Term Liabilities		(383)	(372)	0	0
Total Other Long Term Liabilities		(1,378)	(1,490)	0	0
Creditors					
Payables		0	0	(20,295)	(22,674)
Total Creditors		0	0	(20,295)	(22,674)

The Authority holds no financial assets or financial liabilities at fair value through profit or loss, where assets or liabilities would be classified as held for trading.

The unquoted equity investment of £40,000 represents an equal share with Torfaen County Borough Council in SRS Business Solutions Limited. This investments comprised seed funding for the company and is expected to be recovered in full. Further information is provided in note 16.6(iv).

Short term debtors and creditors are carried at cost as this is a fair approximation of their value. Debtors are impaired where there is objective evidence that the carrying amount exceeds the recoverable amount and amounts shown are the amount net of any such impairment.

13.2 Income, Expense, Gains and Losses

The Income, expense, gains and losses recognised in Financing Income and Expenditure in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	2013-14 £000	2013-14 £000	2012-13 £000	2012-13 £000
Financial Liabilities measured at amortised cost:				
Interest payable on external debt	3,623		3,588	
Debt reimbursement from third parties	(18)		(21)	
	<u>3,605</u>		<u>3,567</u>	
Interest payable to trust funds	15		38	
Interest payable on finance leases	42		51	
Other interest payable	0		0	
	<u>57</u>		<u>89</u>	
Interest payable and similar charges	<u>3,662</u>		<u>3,656</u>	
Financial assets - loans and receivables:				
Interest income	(88)		(149)	
Interest income accrued on impaired financial assets	(5)		(10)	
Investment Losses / (Gains)	(73)		6	
Interest and investment income	<u>(166)</u>		<u>(153)</u>	
Other interest and investment income	(26)		(1)	
Other investment income	<u>(26)</u>		<u>(1)</u>	
Total interest and investment income	<u>(192)</u>		<u>(154)</u>	
Net (gain)/loss for the year	<u>3,470</u>		<u>3,502</u>	

13.3 Investment Losses - Impairment of Investments

Early in October 2008, the Icelandic banks Landsbanki, Kaupthing and Glitnir collapsed and the UK subsidiaries of the banks, Heritable and Kaupthing Singer and Friedlander went into administration. The authority had £1,200,000 deposited with Heritable Bank, with a maturity date and interest rate as follows:

Bank	Date Invested	Maturity Date	Amount Invested	Interest Rate
Heritable Bank	23-Jul-08	17-Oct-08	£1.2m	5.86%

All monies within Heritable Bank were subject to the respective administration process. The amounts and timing of payments to depositors such as the authority were determined by the administrators.

13.3 Investment Losses - Impairment of Investments (continued)

The Authority received the following repayments to 31st March 2014, totalling £1,142,000 (£939,000 to 31st March 2013), under the administration process:

July 2009	£196,000
December 2009	£154,000
March 2010	£75,000
July 2010	£76,000
October 2010	£50,000
January 2011	£57,000
April 2011	£76,000
Jul 2011	£49,000
October 2011	£51,000
January 2012	£41,000
April 2012	£46,000
July 2012	£35,000
January 2013	£33,000
August 2013	£203,000

The payment received in August 2013 represented the final payment under the administration process resulting in a total cash loss to the Authority of £58,000.

The Local Authority Accounting Panel (LAAP) Bulletin 82 Update 7 was issued in May 2013. It stated that the total amount to be received was estimated to be between 86% and 90% of the claim. Since that time Heritable administrators paid a dividend of 16.73% on 21 August 2013, bringing the total repayment to 94%. Bulletin 82 Update 8 was issued in September 2013 and states that there was no evidence to suggest that there would be any further dividends in amounts that might be considered material. Such evidence may become available in future, for example through the medium of statutory reports to creditors issued by the Heritable administrators, at which point a further update to this Bulletin will be considered.

Based on the above, the impairment recognised as at the 31st March 2014 was £213,000 (£286,000 as at 31st March 2013), with an impairment adjustment of £73,000 credited to the Comprehensive Income and Expenditure Statement in 2013/14.

The carrying amount of the investment as at 31st March 2014 is nil (£126,000 as at 31st March 2013). Interest credited to the Comprehensive Income and Expenditure Statement in 2013/14 in respect of the Heritable investment amounts to £5,000 (£10,000 in 2012/13).

13.4 Fair Values of Financial Instruments

Financial liabilities and financial assets represented by loans and receivables are carried in the balance sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- Interest is calculated using the most common market convention, ACT/365
- Where interest is paid every 6 months on a day basis, the value of interest is rounded to 2 equal instalments
- For fixed term deposits it is assumed that interest is received on maturity, or annually if duration is greater than 1 year
- The interest value and date have not been adjusted where a relevant date occurs on a non-working day
- The fair values of long term 'Lender's Option Borrower's Option' (LOBO) loans have been calculated by discounting the contractual cash flows over the whole life of the instrument at the appropriate interest rate swap rate and adding the value of the embedded options. Lender's options to propose an increase to the interest rate on the loan have been valued according to Bloomberg's proprietary model for Bermudan cancellable swaps. Borrower's contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumptions that lenders will only exercise their options when market rates have risen above the contractual loan rate.

The fair values calculated are as follows:

	Carrying Amount		Fair Value	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	£000	£000	£000	£000
Borrowings				
Financial liabilities at amortised cost	(98,634)	(83,346)	(114,021)	(105,046)

The fair value is more than the carrying amount because the authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the discount rate (underlying market rates) at the Balance Sheet date. This commitment to pay interest above current market rates increases the amount that the authority would have to pay if the lender requested or agreed to early repayment of the loans.

Loans and Receivables

The carrying amount of loans and receivables held at the balance sheet date is deemed to be a reasonable approximation of the fair value.

13.5 Nature and Extent of Risks arising from Financial Instruments

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the authority
- Liquidity risk – the possibility that the authority might not have funds available to meet its commitments to make payments
- Market risk – the possibility that financial loss might arise for the authority as a result of changes in such measures as interest rates

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team in conjunction with appointed treasury advisors, under policies approved by the Council in the Treasury Management Strategy and Annual Investment Strategy. The strategy provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash.

The revised Borrowing Strategy continues to take into account the fact that it is cheaper to borrow for shorter periods than for long periods as previously was the case. It also took into account that there was a net benefit to be gained from internal borrowing, where surplus cash is utilised to fund capital expenditure, compared to borrowing externally. This approach reduces surplus cash balances but produces a net benefit as the cost of borrowing is higher than the returns from investing the additional surplus cash.

The investment strategy seeks to minimise risk in the current climate by restricting investment to institutions which are given a high credit rating by external rating agencies and which continue to show other measures of credit worthiness and as advised by leading financial consultants and by ensuring liquidity is maintained with short term deposits.

The Authority has adopted CIPFA's *Treasury Management in the Public Services: Code of Practice* and has set treasury management indicators to control key financial instrument risks in accordance with CIPFA's Prudential Code.

a) Credit Risk

Credit risk arises from deposits with banks and other financial institutions, as well as credit exposures to the authority's customers. Deposits are not made with banks and financial institutions if either they or their resident country fall below the minimum "high" credit criteria set by the Authority. Different counterparty limits are in place for different investment instruments, based on type or country of origin.

All of the investments currently held by the Authority are considered to be of low credit risk. The Authority, assisted by its treasury advisors, has this position constantly under review due to turbulent events in the financial markets.

The Authority held investments in institutions in the following countries at 31st March 2014:

	31 March 2014				31 March 2013			
	Banks £000	Local Authorities £000	Equity Investments £000	Total £000	Banks £000	Local Authorities £000	Equity Investments £000	Total £000
United Kingdom	6,569	0	40	6,609	4,065	0	40	4,105
Iceland	0	0	0	0	126	0	0	126
	6,569	0	40	6,609	4,191	0	40	4,231

13.5 Nature and Extent of Risks arising from Financial Instruments (continued)

The authority does not expect any losses from non-performance by any of its counterparties in relation to investments held as at 31st March 2014.

Customers for goods and services are assessed taking into account their financial position, past experience and other factors such as the current economic climate. Risk of default and uncollectability is assessed based on the nature of the underlying debt and historic collection rates. Receivables as at the year-end are illustrated in note 13.8 to the accounts, together with any associated impairment.

b) Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the authority has ready access to borrowings from the money markets and the Public Works Loans Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the authority will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates.

The maturity and counterparty analysis of financial liabilities is as follows:

	31 March	31 March
	2,014	2,013
	£000	£000
Public Works Loan Board	58,503	60,107
Market Loans	13,815	13,817
Welsh Government	272	335
Other local authorities	26,044	9,087
	98,634	83,346

The Loans Mature as follows:-

Less than one year	30,219	11,351
Between one and two years	1,775	3,514
Between two and five years	7,296	8,135
Between five and ten years	22,051	19,706
More than ten years	37,293	40,640
	98,634	83,346

Financial liabilities with Welsh Government consist of interest free Salix loans that have been provided to fund capital schemes targeted towards energy efficiencies initiatives. Accounting requirements require financial liabilities in the form of loans to be carried at amortised cost. However, these interest free loans have not been carried at amortised cost on the grounds that the figures quoted are not materially different.

Market loans are considered long term loans based on the remaining time to maturity, but it should be noted that they are currently within their call period. If a lender should exercise a call option on one of these loans, Monmouthshire County Council has the right to repay the loan immediately.

13.5 Nature and Extent of Risks arising from Financial Instruments (continued)

c) Market Risk

i) Interest rate risk

The Authority is exposed to significant risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority. For instance, a rise in interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise
- Borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise
- Investments at fixed rates – the fair value of the assets will fall

Borrowings are not carried at fair value, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the Council Fund Balance. The Authority held no investments carried at fair value at the 31st March 2014 (£nil at 31 March 2013).

The Authority has a number of strategies for managing interest rate risk. The policy is to aim to keep the level of variable rate loans below the level of investment of surplus cash balances thus reducing interest rate exposure on investments. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of central government grant payable on financing costs (supported borrowing) will normally move with prevailing interest rates or the authority's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget. In-year analysis allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

At 31 March 2014, if interest rates had been 1% higher with all other variables held constant, the most significant financial effect would be:

- Financial Liabilities - a reduction in fair value of £7,053,000 (£8,569,000 reduction in 2012/13).
- Financial Assets - the difference between the carrying and fair value will be immaterial due to the short term nature of investments.

The impact of a 1% fall in interest rates on financial liabilities would be as above but with the movements being reversed.

ii) Price risk

The Authority does not hold any tradable equity shares or shareholdings. It is carrying a £40,000 investment in shares of SRS Limited, a company set up with and jointly owned by Torfaen Borough Council.

iii) Foreign exchange risk

The Authority has no financial assets or liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

13.6 Long Term Debtors

The nature and value of payments due to the Council for the year but not received as at 31st March 2014, repayable in excess of 12 months of the balance sheet date, is summarised below:-

	31 March	31 March
	2014	2013
	£000	£000
Former Gwent County Council loan debt	192	226
Mortgage advances	229	232
Car loans	12	45
Transferred services loan debt	15	74
Other long term debtors	1	5
	449	582

Accounting requirements require financial instruments in the form of loans and receivables to be carried at amortised cost. However, the long term debtors in respect of loan debt and mortgage advances are deemed to be outside the scope of the accounting provisions as they are statutory debts and do not arise from contracts.

Long term debtors in respect of car loans and an interest free loan residing within other long-term debtors have also not been carried at amortised cost on the grounds that the figures quoted are not materially different.

Due to the nature of the underlying debtors, no impairment has been made for non-collection.

13.7 Inventories

Inventories held as at 31st March 2014 are summarised below:

	Consumable Stores		Property Acquired or Constructed for Sale		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	£000	£000	£000	£000	£000	£000
Balance as at 1st April	439	398	81	103	520	501
Purchases	837	974	10	13	847	987
Recognised as an expense in the year	(836)	(926)	(9)	(13)	(845)	(939)
Impairment in carrying values	0	0	0	0	0	0
Written off balances	(7)	(7)	(39)	(22)	(46)	(29)
Reversals of write-offs in previous years	0	0	0	0	0	0
Balance as at 31st March	433	439	43	81	476	520

Consumable stores as at 31st March 2014 comprise Highways stores and Highways salt stores. Property acquired or constructed for sale comprises the Careline alarms equipment.

The write-off of stock balances principally concerns Careline alarms equipment where agreement was made to write off slow moving stock principally due to it having a limited lifespan and the sale of the remaining stock at Wentwood timber centre.

13.8 Debtors

The nature and value of payments due to the Council for the year but not received as at 31st March 2014, repayable within 12 months of the balance sheet date, is summarised below:-

	31 March 2014			31 March 2013		
	Gross £000	Impairment £000	Net £000	Gross £000	Impairment £000	Net £000
<i>Central Government Bodies:</i>						
HM Customs & Excise	1,389	0	1,389	1,354	0	1,354
NNDR Debtor	1,746	0	1,746	1,689	0	1,689
Council Tax and Housing Benefit Subsidy	0	0	0	598	0	598
Other	5,096	(1)	5,095	4,578	(1)	4,577
Other Local Authorities	2,805	(7)	2,798	1,736	(3)	1,733
NHS Bodies	194	(4)	190	393	(44)	349
<i>Other entities and individuals:</i>						
Revenue debtors	5,266	0	5,266	3,973	(96)	3,877
Capital debtors	1,093	0	1,093	613	0	613
Council tax arrears	3,254	(1,875)	1,379	3,567	(1,710)	1,857
Social Services debtors	690	(102)	588	716	(177)	539
Corporate sundry debtors	2,088	(250)	1,838	1,852	(337)	1,515
Rent arrears	131	(104)	27	116	(98)	17
Housing benefit overpayments	1,255	(518)	737	1,156	(401)	755
	25,008	(2,862)	22,146	22,340	(2,868)	19,473

The aged analysis of the debtors outstanding as at 31st March 2014 is as follows:

	Not Overdue	Up to 3	3 Months -	Over 12	Over 24	Total
	£000	Months	12 Months	Months	Months	£000
<i>Central Government Bodies:</i>						
HM Customs & Excise	1,389	0	0	0	0	1,389
NNDR Debtor	1,315	0	145	233	52	1,746
Other	3,722	1,353	21	0	0	5,096
Other Local Authorities	2,446	223	57	73	6	2,805
NHS Bodies	60	23	26	84	2	194
<i>Other entities and individuals:</i>						
Revenue debtors	5,266	0	0	0	0	5,266
Capital debtors	1,093	0	0	0	0	1,093
Council tax arrears	0	0	1,053	612	1,588	3,254
Social Services debtors	111	102	249	147	82	690
Corporate sundry debtors	1,321	299	322	(21)	169	2,090
Rent arrears	19	2	15	0	95	131
Housing benefit overpayments	100	152	450	234	320	1,255
	16,842	2,153	2,336	1,362	2,314	25,008

The associated impairment for potential default and uncollectability for debtors outstanding as at 31st March 2014 is as follows:

	Not Overdue	Up to 3	3 Months -	Over 12	Over 24	Total
	£000	Months	12 Months	Months	Months	£000
Other	0	0	(1)	0	0	(1)
Local Authorities	0	0	0	(3)	(4)	(7)
NHS Bodies	0	0	0	(2)	(2)	(4)
Revenue debtors	0	0	0	0	0	0
Council Tax Arrears	0	0	(279)	(265)	(1,330)	(1,875)
Social Services sundry debtors	(1)	(4)	(15)	(25)	(58)	(103)
Corporate sundry debtors	0	(8)	(84)	(63)	(96)	(251)
Rent arrears	0	0	(8)	0	(96)	(104)
Housing benefit overpayments	(18)	(30)	(95)	(74)	(300)	(518)
	(19)	(42)	(483)	(432)	(1,886)	(2,862)

13.9 Creditors

The nature and value of payments due to be made by the Council in the year but not actually made as at 31st March 2014 is summarised below: -

	Central Government Bodies	Other Local Authorities	NHS Bodies	Other entities & individuals	Total £000
Revenue Creditors	461	1,932	179	9,177	11,749
Capital Creditors	0	0	0	1,634	1,634
Sundry Creditors	0	0	0	(116)	(116)
Payroll Creditors	1,772	0	0	1,773	3,545
Monies invested on behalf of Trust Funds	0	0	0	384	384
Unapplied Commuted Maintenance Sums	0	0	0	2,173	2,173
Prepaid Council Tax	0	0	0	926	926
Balance as at 31st March 2014	2,233	1,932	179	15,951	20,295

	Central Government Bodies	Other Local Authorities	NHS Bodies	Other entities & individuals	Total £000
Revenue Creditors	1,330	2,003	417	6,712	10,462
Capital Creditors	0	0	0	2,515	2,515
Sundry Creditors	0	2	0	(129)	(127)
Payroll Creditors	2,092	0	0	1,526	3,617
Monies invested on behalf of Trust Funds	0	0	0	3,650	3,650
Unapplied Commuted Maintenance Sums	0	0	0	2,194	2,194
Prepaid Council Tax	0	0	0	363	363
Balance as at 31st March 2013	3,421	2,006	417	16,830	22,674

It is the Authority's policy to pay creditors promptly, without undue delay and within mutually agreed terms. 86.7% of payments were paid within a 30 day target settlement date (74.9% in 2012/13).

13.10 Provisions and Contingent Liabilities

The value of provisions as at 31st March 2014, together with their movement for the year, is summarised below:

Note	As at 1 April 2013 £000	Additional Provisions Made £000	Amounts Used £000	Unused Amounts Reversed £000	As at 31 March 2014 £000
Insurance Claims	442	236	(207)	(183)	288
Insurance Claims - MMI	263	33	(263)	0	33
Accumulating Compensated Absences	2,198	2,696	(2,198)	0	2,696
Redundancy Payments	97	86	0	(97)	86
	3,000	3,051	(2,668)	(280)	3,103

13.10 Provisions and Contingent Liabilities (Continued)

The analysis of provisions between those that are short-term and long-term where it is expected that the provision will be settled within 12 months or greater than 12 months of the balance sheet date respectively, are summarised below:

	Long			Current	Long		
	Current	Term	Total		Current	Term	Total
	£000	£000	£000	£000	£000	£000	
	31 March	31 March	31 March	31 March	31 March	31 March	
	2014	2014	2014	2013	2013	2013	
Insurance Claims	144	144	288	221	221	442	
Insurance Claims - MMI	16	17	33	0	263	263	
Accumulating Compensated Absences	2,696	0	2,696	2,198	0	2,198	
Redundancy Payments	86	0	86	97	0	97	
	<u>2,942</u>	<u>161</u>	<u>3,103</u>	<u>2,516</u>	<u>484</u>	<u>3,000</u>	

a) Insurance Claims

The Authority maintains insurance policies to cover itself against claims made. The effect of these policies is to limit the Council's costs in relation to successful claims made against it. Annual insurance premiums have been recharged to services during the financial year along with costs of claims incurred.

To satisfy IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a full actuarial assessment of open insurance claims was carried out at 31st March 2009 by the Authority's insurance brokers. Although this actuarial assessment has only provided the Authority with anticipated ultimate losses up to 31st March 2012, the Authority has used this data to project future potential liabilities on the basis of current claims received, policy excesses and stop losses (the capped loss we can incur in any policy year). This assessment has allowed the Authority to reflect the estimated cost of liabilities at 31 March 2014. Provision has only been made where the likelihood of success has been deemed as exceeding 50%. The result is that the total provision is at the most likely level to be paid out in the future. Any movement in provisions has been charged against the services to which the claims relate.

The Authority maintains the insurance and risk management reserve to assist in the control of the Authority's insurance risks. The balance in the reserve is reviewed annually as part of the assessment on the adequacy of reserves by the Head of Finance. The reserve is required to cover potential claims not yet received as well as recorded claims, which do not merit a provision, referred to above. It therefore represents additional cover, over and above the provision, to cover all foreseeable claims.

The provision in place at 31st March 2014 was £288,000 (£442,000 at 31st March 2013) and the balance on the insurance and risk management reserve as at 31st March 2014 was £1,968,000 (£1,523,000 as at 31st March 2013). These balances are deemed to provide sufficient cover for the Authority's claims exposure. The Authority's insurance brokers have stated that, based on recent data, the majority of these costs are likely to materialise over the next three financial years.

A breakdown of the provision made across policy types is provided below:

	2013-14	2012-13
	£000	£000
Policy Type		
Public Liability	213	349
Employer's Liability	75	67
Property	0	26
Total	<u>288</u>	<u>442</u>

The total number of open claims made against the Authority as at 31st March 2014 was 131 (121 open claims as at 31st March 2013).

13.10 Provisions and Contingent Liabilities (Continued)

b) Municipal Mutual Insurance (MMI)

For the policy years before 1992/93, the local authority is exposed to an insurance liability relating to the closure of the MMI Fund on 30th September 1992. MMI had insufficient funds to meet existing and future claims and its liquidators exercised the option of recovering an initial levy from each scheme member of 15%.

The amount recovered by the liquidators was based on a percentage of the member's aggregate total value of claims paid and outstanding unpaid claims (less £50,000 from each scheme member). The 15% levy was then applied on the total value of claim payments, less £50,000 from each scheme member. The total value of the levy paid during 2013/14 was £236,000, split between obligations relating to Monmouth Borough Council (£48,000) and the Authority's share of the former Gwent County Council (£188,000). This was fully covered by the provision made at the end of 2012/13.

It should be noted that MMI's actuaries have indicated that a levy range of between 9.5% and 28% may be necessary to achieve a solvent run off. The initial 15% levy applied was estimated by MMI's actuaries as being the most likely scenario utilising projected outstanding liabilities and investment return assumptions. In the eventuality of the maximum levy of 28% being applied the Authority would incur further costs of £205,000 over and above the amount paid to date. The Authority's Insurance reserve has been increased by this amount to allow for such an eventuality.

In addition to the levy paid for settled claims, a percentage payment is also applied to outstanding claims which are subsequently settled against the Authority. As at the 31st March 2014, a provision of £33,000 has been made for outstanding claims of this nature. A further £47,000 has been added to the Insurance reserve for outstanding claims which the Authority considers have a lower probability of being settled and do not merit provision.

c) Accumulating Compensated Absences

Short-term accumulating compensated absences comprise employee benefits in the form of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year and are due to be settled within 12 months of the year-end.

A provision is made as a result of the earned benefit not taken before year-end being established on a sample basis of employees, extrapolated to establish the estimated total accrued benefit. The provision is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit.

The provision is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement as required by regulations in place, so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

The value of the provision made in respect of such employee benefits at the 31st of March 2014 was £2,696,000 (£2,198,000 at 31st March 2013).

13.10 Provisions and Contingent Liabilities (continued)

d) Redundancy Payments

As at 31st March 2013 a provision had been made for redundancy payments of £97,000. As this is no longer required it has been reversed out to the service concerned. A new provision of £86,000 was made at 31st March 2014 to cover redundancy costs which are expected to be incurred in 2014/15 but where the decisions on redundancy were made prior to year end.

During 2013/14 many services within the Authority continue to restructure or are planning for restructure in order to reduce the cost of services to the Authority. The costs of redundancies that have occurred during the financial year are disclosed in note 16.10.

Following a review of the Cabinet and Individual Cabinet Member reports which were approved before the 31 March 2014 concerning the restructuring of various services within the Authority, there are some restructurings where the impact has yet to be finalised in terms of specific redundancies. In addition to this a number of schools are undergoing a restructure program relating to the 2013/14 academic year, the details of which have not been approved by the respective Boards of Governors and therefore no provision has been made in the accounts.

A great deal of uncertainty exists relating to the timing and the likely resultant costs to the Authority due to initial restructuring proposals not detailing the exact posts being lost. If posts are identified the cost may be dependent on the years of service of the individual redundancy or of their preference of terms of redundancy. Redundancy costs may be avoided if redeployment opportunities are identified.

A contingent liability exists relating to these redundancy payments and related pension enhancements that may result as restructurings are finalised. For those restructurings which are significantly far enough advanced to be quantified and where initial cost estimates have been prepared, the estimate of the outstanding maximum cost relating to these decisions is £382,000.

e) Asbestos Indemnity

As part of the process of transferring the Authority's council housing stock in 2007/08, Council approved changes to the Stock Transfer Agreement to include an asbestos indemnity.

It was a standard requirement of stock transfers that the local authority provides an indemnity to the funders and new landlord, in this case Monmouthshire Housing Association, with respect to the presence of asbestos in the property transferring. The indemnity does not apply in respect of the first £2.60million of costs incurred in relation to such works, as updated annually by RPI.

The resultant provision is one where the authority has negotiated a limited contingent liability of £5.90million, as updated annually by RPI, for a period of 15 years from the date of transfer of 20th January 2008. 9 years remain of this period.

There are no immediate financial implications and professional advice suggests a low risk of future liability arising. Low risk does not however equate to "no risk" and there is a potential future liability of up to £5.90million as updated by RPI (£5.78 million as at 31st March 2013) , in the event the asbestos indemnity is called upon.

The latest available information indicates spend to date by Monmouthshire Housing Association (for the period 21st January 2008 to 31st March 2014) is £32,000 (previously £16,000 for the period 21st January 2008 to 31st March 2013).

f) Abergavenny Regeneration Scheme

The Council was successful in defending the two judicial reviews by KALM relating to the Abergavenny town centre site in 2012/13.

The CPO relating to the removal of the shooting rights at Bryngwyn was confirmed and the challenge by the shooting rights beneficiary was withdrawn in 2012/13. The claimant then submitted a compensation claim which the Council is contesting. The claimant has referred the matter to the Upper Chamber for determination. A preliminary hearing is scheduled for June 2014 but the timescales for a final decision are still not known. The Council will continue to incur legal and valuation fees in dealing with this claim and will be liable for compensation, the level of which will be determined by the Court. Our exposure to the claimants costs will be determined by the Courts dependent on the level of the compensation awarded.

13.10 Provisions and Contingent Liabilities (continued)

g) Capita Gwent Consultancy

As documented in note 16.6, Capita Gwent Consultancy's principal activity is transport consultancy. The Company's immediate parent undertaking is Capita Symonds Group Limited (formerly Capita Property Consultancy Limited) with a holding of 51%. The Council holds a 12.25% share holding in the company. The remaining 36.75% holding of the Company is shared equally between Blaenau Gwent County Borough Council, Caerphilly County Borough Council and Torfaen County Borough Council.

The framework agreement between Capita Gwent and the 4 constituent Authorities ended in August 2012 and as a result the contract that enabled employees of Capita Gwent Consultancy to participate in the Greater Gwent (Torfaen) Pension Fund came to an end and therefore Capita Gwent Consultancy left the fund. Some services transferred elsewhere, with discussions currently taking place between the relevant parties on the distribution and settlement of the past service liabilities. These have been estimated by the Actuary as £7.9m in total. The split of liability and timing of payments is not yet known.

14 POST-EMPLOYMENT BENEFIT NOTES

14.1 Participation in Pension Schemes

Teachers

Teachers employed by the Authority are members of the Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education. The scheme provides teachers with specified benefits upon their retirement, and the authority contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The Scheme is technically a defined benefit scheme. However, the scheme is unfunded and Department for Education use a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. The Authority is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

The latest available scheme liability as at 31 March 2013 was £224,900 million (£200,600 million as at 31 March 2012). The latest actuarial review of the scheme as at 31st March 2004 reported a deficiency in the balance of assets less liabilities of the scheme of £3,260 million. Historically actuarial valuations have been required as a minimum every four years. During 2012/13 the 2008 valuation was suspended pending the final report by the IPSPC (Independent Public Service Pensions Commission) and full consideration of the Spending Review announcements. New regulations introduced in 2010 required an actuarial review of the position of the scheme as at 31 March 2012 and then each four years after that. In January 2013, the Government announced that it had decided that there was no need to carry out the currently suspended Teachers Pension Scheme [TPS] actuarial review or the cap and share processes. It would instead focus its resources on the actuarial valuation which will be needed in order to set up the new TPS. The Government has now announced that it will be proceeding with the implementation of reformed public service schemes by April 2015. A valuation is due to be published in June 2014.

In 2013/14 the Authority paid £3,477,000 (£3,436,000 in 2012/13) to the scheme in respect of teachers' retirement benefits, representing 14.1% of teachers' pensionable pay (14.1% for 2012/13).

The Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and are detailed below.

There were £297,000 of contributions remaining payable to the scheme at the year end (£291,000 at 31st March 2013).

Other Employees

As part of the terms and conditions of employment of its officers and other employees, the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire, the authority has a commitment to make the payments at the time the employees earn their future entitlement and that needs to be disclosed.

The Authority participates in a number of different schemes which meet the needs of the employees in particular services. These schemes provide members with defined benefits related to pay and service.

The Authority participates in two pension schemes administered by Torfaen County Borough Council:

- The Local Government Pension Scheme - This is a funded defined benefit final salary scheme (see 14.5 for changes at 1 April 2014), meaning that the Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.
- Unfunded Teachers Discretionary Benefits - the Authority is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme above. This is unfunded, meaning that there are no investment assets built up to meet pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

There were £1,019,000 of contributions remaining payable at the year end for the Local Government Pension Scheme (at 31 March 2013 £938,000 was payable, restated from £977,000) and £10,000 was owed to the Authority for the Teachers unfunded discretionary benefits scheme (£2,000 at 31 March 2013).

14.2 Transactions Relating to Post-Employment Benefits

The Authority recognises the cost of retirement benefits in the reported net cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post-employment/ retirement benefits is reversed out of the Council Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the Council Fund Balance via the Movement in Reserves Statement during the year:

Revisions were made to IAS19 standard on accounting for pensions during 2012/13 for all accounting years starting on or after the 1st January 2013. A restatement of the 2012/13 comparative figures is therefore required to reflect the changes to pensions costs in 2012/13 caused by the changes to the standard. The value of the net pension asset/liability at the 1 April 2013 remains unchanged.

	Local Government Pension Scheme			Teachers' Unfunded Discretionary Benefits		
	2013-14 £000's	2012-13 £000's	2012-13 £000's	2013-14 £000's	2012-13 £000's	2012-13 £000's
Comprehensive Income and Expenditure Account						
<i>Net Cost of Services:</i>						
• current service cost	9,354	7,338	7,163	0	0	0
• past service cost / (gain)	35	146	146	0	0	0
• curtailment cost	158	771	771	0	0	0
• settlement gain	0	0	0	0	0	0
• administration expenses of plan assets	167	162	0	0	0	0
	9,714	8,417	8,080	0	0	0
<i>Financing and Investment Income and Expenditure:</i>						
• interest cost on pension liabilities	14,893	14,764	14,939	182	213	213
• expected return on assets in the scheme	0	0	(11,300)	0	0	0
• interest on plan assets	(9,223)	(9,270)	0	0	0	0
Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services	15,384	13,911	11,719	182	213	213
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement:</i>						
• actuarial (gains) and losses	0	0	20,589	0	0	613
• (gains) and losses on remeasurement	(28,807)	18,397	0	240	613	0
	(28,807)	18,397	20,589	240	613	613
Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	(13,423)	32,308	32,308	422	826	826
Movement in Reserves Statement						
• reversal of net charges made to the Surplus or Deficit for the Provision of Services for post-	(15,384)	(13,911)	(11,719)	(182)	(213)	(213)
<i>Actual amount charged against the Council Fund for pensions in the year:</i>						
• employers' contributions payable to scheme	9,573	9,310	9,310	534	536	536

In addition to the recognised gains and losses included in the (Surplus) or Deficit on Provision of Services above, remeasurement gains of £28,567,000 (losses of £19,010 in 2012/13, revised from £21,202,000 of actuarial losses) are included within Other Comprehensive Income and Expenditure in the Comprehensive Income and Expenditure Statement.

14.3 Assets and Liabilities in Relation to Post-Employment Benefits

Reconciliation of present value of the scheme liabilities:

	Local Government Pension Scheme			Teachers Unfunded Discretionary Benefits		
	2013-14 £000	2012-13 £000 Restated	2012-13 £000	2013-14 £000	2012-13 £000 Restated	2012-13 £000
As at 1st April	(358,822)	(305,888)	(305,888)	(5,194)	(4,904)	(4,904)
Current service cost	(9,354)	(7,338)	(7,163)	0	0	0
Past service (cost) / gain	(35)	(146)	(146)	0	0	0
Curtailement costs	(158)	(771)	(771)	0	0	0
Settlement gains	0	0	0	0	0	0
Interest on pension liabilities	(14,893)	(14,764)	(14,939)	(182)	(213)	(213)
Contributions by scheme participants	(2,654)	(2,569)	(2,569)	0	0	0
Actuarial gains / (losses)	0	0	(39,066)	0	0	(613)
(Gains) / losses on remeasurement of liabs	25,285	(39,066)	0	(240)	(613)	0
Benefits paid	11,077	11,720	11,720	534	536	536
As at 31st March	<u>(349,554)</u>	<u>(358,822)</u>	<u>(358,822)</u>	<u>(5,082)</u>	<u>(5,194)</u>	<u>(5,194)</u>

Of the £350,000,000 of pension liabilities for the Local Government Pension Scheme at 31 March 2014, there are £4,599,000 of unfunded liabilities (£4,805,000 as at 31st March 2013). £335,000 of employer contributions were made in respect of these liabilities during the year.

Reconciliation of fair value of the scheme assets:

	Local Government Pension Scheme		
	2013-14 £000	2012-13 £000 Restated	2012-13 £000
As at 1st April	219,030	189,094	189,094
Settlement costs	0	0	0
Expected return on scheme assets	0	0	11,300
Interest on plan assets	9,223	9,270	0
Employers contributions	9,573	9,310	9,310
Contributions by scheme participants	2,654	2,569	2,569
Actuarial gains / (losses)	0	0	18,477
(Gains) / losses on remeasurement of assets	3,522	20,669	0
Administration expenses of plan assets	(167)	(162)	0
Benefits paid	(11,077)	(11,720)	(11,720)
As at 31st March	<u>232,758</u>	<u>219,030</u>	<u>219,030</u>

14.3 Assets and Liabilities in Relation to Post-Employment Benefits (continued)

In 2013/14, the pension deficit for the two schemes has reduced markedly during the year. This is the reverse of 2012/13 and 2011/12. The decrease was £23m in 2013/14 (increase of £23m in 2012/13). This is mainly due to remeasurement gains net of remeasurement losses of £28,567,000 which in turn is mainly due to:

- Remeasurment gains on liabilities of £25,045,000 (losses of £39,679,000 in 2012/13). This figure is further subdivided on the face of the Actuarial report in 2013/14 for the first time, so it can be seen that the gain of £25,045,000 includes a gain of £29,986,000 due to changes in financial assumptions. The Discount rate has increased from 4.2% to 4.5% reducing the liability at the 31st March 2014. This is offset by a loss due to changes in demographic assumptions (£9,420,000). Life expectancies of pensioners has increased by approximately 2 years across all categories.

Conversely, remeasurement gains on plan assets reduced to £3,522,000 in 2013/14 from gains of £20,669,000 in 2012/13 (restated from £18,477,000).

The actual return on plan assets is made up of the interest on plan assets and the remeasurement of plan assets excluding any experience gain / loss (see 14.8). The interest on plan assets is dependent on the interest rate used at the start of the year. The remeasurement on plan assets is therefore a reflection of the extent to which the investment returns have achieved higher returns compared to the interest rate used at the start of the year. A weighted average is used to reflect the contribution expected from different asset classes.

The assumed investment return on government bonds is the yield on 20-year fixed interest gilts at the relevant date. The expected investment return on corporate bonds is based on market yields at the relevant date, less a reduction to reflect a risk of default on the yield. The assumed investment return on equities is the yield on 20-year fixed interest gilts plus an allowance of about 3.6% p.a. for the "risk premium" associated with equity investment.

14.4 Scheme History

	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000
Local Government Pension Scheme					
Present value of scheme liabilities	(302,045)	(278,806)	(305,888)	(358,822)	(349,554)
Fair value of scheme assets	169,850	185,865	189,094	219,030	232,758
Surplus / (deficit) in the scheme	<u>(132,195)</u>	<u>(92,941)</u>	<u>(116,794)</u>	<u>(139,792)</u>	<u>(116,796)</u>
Teachers Unfunded Discretionary Benefits					
Present value of scheme liabilities	(6,224)	(5,012)	(4,904)	(5,194)	(5,082)
Fair value of scheme assets	-	-	-	-	-
Surplus / (deficit) in the scheme	<u>(6,224)</u>	<u>(5,012)</u>	<u>(4,904)</u>	<u>(5,194)</u>	<u>(5,082)</u>
Total					
Present value of scheme liabilities	(308,269)	(283,818)	(310,792)	(364,016)	(354,636)
Fair value of scheme assets	169,850	185,865	189,094	219,030	232,758
Surplus / (deficit) in the scheme	<u>(138,419)</u>	<u>(97,953)</u>	<u>(121,698)</u>	<u>(144,986)</u>	<u>(121,878)</u>

The liabilities show the underlying commitments that the authority has in the long-run to pay post-employment benefits. The total net liability of £121,878,000 (£144,986,000 in 2012/13) has a substantial impact on the net worth of the Authority as recorded in the balance sheet, resulting in an overall balance of £80,888,000 (£56,815,000 in 2012/13).

14.5 The Risks associated with the pension schemes

Statutory arrangements for funding the deficit on the schemes mean that the financial position of the Authority remains healthy:

- The deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.
- As the total membership of the local government scheme is made up as follows, the burden of making up the shortfall will fall to the active members:

	2013/14	2012/13
Active	2,495	2,276
Deferred	1,753	1,651
Pensioners	1,226	1,159
Widows	169	167
	5,643	5,253

- A new local government pension scheme was launched on the 1 April 2014. In the new scheme employee contributions and the benefits provided relating to service after that date are accrued differently. In particular, the scheme will move from being a final salary to a career average scheme. All existing members will automatically transfer to the new scheme. Benefits accrued under the old scheme will be protected.
- A detailed asset breakdown of the local government fund investments quoted and unquoted is given in 14.8 giving an indication of the level of diversification and therefore risk within the fund.
- Finance is only required to be raised to cover teachers unfunded discretionary benefits when the pensions are actually paid.

14.6 Future Pension Contributions

The total contributions expected to be made to the Local Government Pension Scheme by the Authority in the year to 31 March 2015 is £8,859,000. Expected contributions for Teachers Unfunded Discretionary Benefits scheme in the year to 31 March 2015 are £548,000.

14.7 Basis for Estimating Pension Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years which is dependent on the underlying assumptions which have been made about mortality rates, salary levels, etc. Any differences which arise between these assumptions and actual trends will cause an associated change in the net pension liability arising. This liability eventually falls to the Council to fund. Both the Teachers unfunded discretionary benefits and the County Council fund liabilities have been assessed by Mercer Human Resource Consulting, an independent firm of actuaries.

The latest full actuarial valuation of the Greater Gwent (Torfaen) Pension Scheme was carried out on the 31st March 2013. In between formal valuations the actuary uses the full valuation plus other information to decide the extent of the employers pension assets and liabilities.

The principal assumptions used by the actuary in their calculations have been:

Financial Assumptions	Local Government Pension Scheme			Teachers Unfunded Discretionary Benefits		
	31 March 2014	31 March 2013	1 April 2012	31 March 2014	31 March 2013	1 April 2012
Rate of inflation (CPI)	2.4%	2.4%	2.5%	2.4%	2.4%	2.3%
Rate of increase in salaries	3.9%	3.9%	4.0%	-	-	-
Rate of increase in pensions	2.4%	2.4%	2.5%	2.4%	2.4%	2.3%
Rate for discounting scheme liabilities	4.5%	4.2%	4.9%	4.3%	3.7%	4.6%

Life Expectancy:

Current male pensioner aged 65 (years)	23	21.7	21.3	21.7	21.3
Current female pensioner aged 65 (years)	25.4	23.9	23.4	23.9	23.4
Future male pensioner aged 65 in 20 years' time (years)	25.2	23.2	22.4	-	-
Future female pensioner aged 65 in 20 years' time (years)	27.8	26.5	25.7	-	-
Estimated Macaulay duration (weighted average) of liabilities (at later of 31 March 2013 or admission date):	18 year				

Duration profile of Monmouthshire County Council members used to determine assumptions: Mature

14.8 Sensitivity Analysis

As noted above, changes to the financial assumptions disclosed in 14.6 will result in movements in the key pension related financial outcomes. This is described by means of the table below.

Disclosure item	Central Case	Forecast based on + 0.1% p.a. movement in financial assumption			
		Discount Rate	Pay Inflation	Pay Growth	1 Year increase in Life Expectancy
	£000	£000	£000	£000	£000
Liabilities	349,554	343,204	356,021	351,195	356,168
Assets	(232,758)	(232,758)	(232,758)	(232,758)	(232,758)
Deficit / (Surplus)	116,796	110,446	123,263	118,437	123,410
Projected Service Cost 14/15	8,364	8,110	8,629	8,364	8,551
Projected Interest Cost 14/15	5,056	4,877	5,355	5,138	5,362

The figures provided above are approximate only and different results would be produced if a full actuarial revaluation were to be carried out. The discount rate assumption adopted is prescribed by the relevant accounting standard and might be considered not to be the best estimate of the rate at which pension scheme cash flows should be discounted.

14.9 Pension Scheme Assets

Teachers unfunded discretionary payments have no assets to cover its liabilities. The Local Government Pension Scheme's assets are valued at fair value, and consist of the following categories, by proportion of the total assets held:

Split of Assets between Investment Categories					
	Quoted	31 March 2014		31 March 2013	
		£000	%	£000	%
Equities : UK	Y	75,762	32.5%	69,652	31.8%
Investment funds: Equities	N	106,487	45.8%	100,754	46.0%
: Government bonds	N	16,991	7.3%	17,741	8.1%
: Corporate bonds	N	17,457	7.5%	17,303	7.9%
Property	N	6,052	2.6%	4,600	2.1%
Cash accounts	N	2,095	0.9%	1,314	0.6%
Alternatives	N	7,914	3.4%	7,666	3.5%
		232,758	100.0%	219,030	100.0%

14.10 History of Experience Gains and Losses

The approach in calculating pension assets and liabilities for accounting purposes, and in between full actuarial valuations, is approximate in nature. At each triennial valuation, the position is reassessed, with the assets and liabilities being fully recalculated. The adjustment to the assets and liabilities that arises from this recalculation is presented as part of the remeasurement values. For liabilities this is shown as the experience gain / loss on liabilities. For assets, the experience adjustment is included in remeasurement gain / loss on assets. The value of the adjustment on plan assets is interest on plan assets plus remeasurement of assets less the actual return on plan assets.

The experience adjustments and actual return on plan assets at 31st March 2014 and the previous four financial years arising on the scheme liabilities are expressed as a percentage of the total scheme liabilities, and the scheme assets are expressed as a percentage of the total scheme assets:

	2009/10	2010/11	2011/12	2012/13	2013/14
Local Government Pension Scheme					
Experience gains and losses on assets	23.7%	0.9%	(6.4)%	8.4%	NA
Actual return on plan assets	NA	NA	NA	13.6%	7.4%
Experience gains and losses on liabilities	0.0%	5.1%	0.0%	0.0%	1.3%
Teachers Unfunded Discretionary Benefits					
Experience gains and losses on liabilities	0.0%	12.2%	0.0%	0.0%	1.0%

15 NOTES TO THE CASH FLOW STATEMENT

15.1 Reconciliation of Comprehensive Income & Expenditure Account to Net Cash Flows from Operating Activities

	2013-14 £000	2013-14 £000	2012-13 £000	2012-13 £000
Net (surplus) or deficit on the provision of services		16,564		16,271
Non-cash transactions:				
Depreciation of non-current assets	(12,106)		(9,583)	
Impairment and downward valuations	(7,432)		(10,185)	
Amortisation of intangible non-current assets	(82)		(68)	
Increase/decrease in impairment for provision for bad debts	(58)		(148)	
Increase/(decrease) in inventories	(42)		16	
Increase/(decrease) in debtors	1,209		(302)	
(Increase)/decrease in creditors	4,975		(1,661)	
(Increase)/decrease in provisions	(103)		3,657	
Pension liability	(5,459)		(4,278)	
Carrying amount of non-current assets, assets held for sale and investment properties which are sold or derecognised	(2,487)		(1,174)	
Movement in the value of investment properties	1,577		186	
		(20,008)		(23,540)
Items classified in another classification in the cash flow statement				
Other payments for investing activities	(1,442)		(1,567)	
Other receipts from investing activities	2,569		7,879	
Other payments for financing activities	0		0	
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	2,744		1,135	
		3,872		7,446
Adjustments relating to JANEs		(361)		(490)
Net cash flows from Operating Activities		66		(313)

15.2 Returns on Investments and Servicing of Finance

Returns on Investments received and Servicing of Finance paid during the year are made up of the following elements:

	2013-14 £000	2012-13 £000
<i>Returns on Investments received:</i>		
Interest received	(106)	(306)
Other interest and investment income	(26)	(1)
	(131)	(307)
<i>Servicing of Finance paid:</i>		
Interest paid	3,899	3,625
Interest element of finance lease rental payments	42	51
	3,941	3,675
	3,810	3,369

15.3 (Increase)/decrease in Cash and Cash Equivalents

The balance of Cash and Cash Equivalents is made up of the following elements:

	At 31 March 2013	In Year Movement	At 31 March 2014
	£000	£000	£000
Current Assets			
Cash held by the Authority	64	24	89
Bank current accounts	801	(92)	709
Short-term call account deposits	3,075	(136)	2,939
	<u>3,940</u>	<u>(204)</u>	<u>3,736</u>
Current Liabilities			
Bank current account overdrafts	(2)	(2,914)	(2,916)
	<u>(2)</u>	<u>(2,914)</u>	<u>(2,916)</u>
	<u>3,938</u>	<u>(3,118)</u>	<u>820</u>

16 OTHER NOTES TO THE ACCOUNTS

16.1 Members Allowances

The Authority paid the following amounts to elected and co-opted members of the council during the year:

	2013-14 £000	2012-13 £000
Basic allowance	562	566
Special responsibility allowance	202	187
Travel allowance	50	56
Carers allowance	0	1
Subsistence allowance	5	2
Total	819	812

Further information on members' allowances is available on request from the Payroll Manager, Payroll Section, Monmouthshire County Council, @Innovation House, Wales 1, Magor, NP26 3DG.

16.2 Audit Costs

The Authority has incurred the following costs during 2013/14 in relation to the audit of the Statement of Accounts, certification of grant claims, statutory inspections and to non-audit services provided by the Authority's external auditors:

	2013-14 £000	2012-13 £000
Fees payable to the appointed auditor with regard to external audit services - financial audit	176	162
Fees payable to the appointed auditor with regard to external audit services - Local Government Measure (LGM)	101	120
Fees payable to the appointed auditor for certification of grant claims & returns	70	76
Fees payable in respect of other services provided by the appointed auditor	1	4
	348	362

Notification was received in May 2014 that a refund relating to previous year's audit fees would be received during 2014/15. It is expected that this refund will be approximately £59,000, representing 15% of the 2013/14 audit fee for financial audit and local government measure.

16.3 S31 and S33 Pooled Budget Arrangements

Section 31 of the Health Act 1999 and Section 33 of the NHS (Wales) Act 2006 enables the establishment of joint working arrangements between NHS bodies and local authorities. Pooled funds enable bodies to work collaboratively to address specific local health issues. A key feature of the pool is that the use of resources contributed to the pool should be dictated by the need of clients who meet the criteria established for the pool, rather than the respective contributions by the partners. Thus, it is to be expected that health service resources could be used to deliver local authority services and vice versa.

Pooled funds are not legal entities. The partners in the pool will nominate one partner to be the host to the pool. That host has responsibility for the administration of the pool.

a) Mardy Park Rehabilitation Scheme

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board for the provision of a Rehabilitation Scheme at Mardy Park. Under the arrangement funds are pooled under Section 33 of the NHS (Wales) Act 2006. This agreement came into effect from the 1st April 2004 and the Authority is the host for the partnership.

The Purpose of the scheme is to reduce the time spent in hospital for rehabilitation patients who have no need for in-patient care. This is undertaken through the assessment of individuals needs and on how community based schemes can adapt to manage the risk of non-residential care effectively.

16.3 S31 and S33 Pooled Budget Arrangements (continued)

a) Mardy Park Rehabilitation Scheme (continued)

If at the end of any financial year or upon termination of the Agreement there is an overspend the Partners shall identify the reasons for the overspend. The Partners may agree that resources in the next financial year shall be applied in meeting the overspend. If this is not agreed the over spend shall be apportioned between the Partners in a just and equitable manner taking into account of the circumstances of and reasons for the overspend and the Partners shall make such payments to the Pooled Fund as shall be required to reflect this allocation.

The income and expenditure for the pooled fund arrangements for the financial year ended 31st March 2014 was:

	2013-14 £000	2012-13 £000
Funding		
Monmouthshire County Council	(211)	(193)
Monmouthshire Local Health Board	(151)	(146)
TOTAL FUNDING	(362)	(339)
Expenditure		
Employee related	269	251
Premises related	35	32
Supplies & Services	11	10
Agency & Contracted	15	24
Central and Support services recharges	38	14
Capital Financing	18	3
TOTAL EXPENDITURE	386	334
Net (Under)/over spend	24	(5)

b) Gwent Integrated Community Equipment Store (GWICES)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board and four other local authorities in the Gwent area, namely Blaenau Gwent, Caerphilly, Newport and Torfaen. Under the arrangement funds are pooled under Section 33 of the NHS (Wales) Act 2006. This agreement came into effect on 1st October 2008.

The Purpose of the scheme is to provide an efficient and effective integrated equipment store to service users who are resident in the partnering localities.

Torfaen County Borough Council is the host for the Partnership, who recorded gross expenditure of £2,937,000 (£2,888,000 for 2012/13) and gross income of £2,937,000 (£2,888,000 for 2012/13) for the financial year ended 31st March 2014. Monmouthshire County Council's contribution for the year was £405,000 (£381,000 for 2012/13).

c) Monmouth Health & Social Care Facility (Monnow Vale)

The Authority has entered into a pooled budget arrangement with the Aneurin Bevan Local Health Board. Under the arrangements funds are pooled under Section 33 of the NHS (Wales) Act 2006 to provide health and social care in the form of inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs. This agreement came into effect from the 1st June 2006.

The Facility is a unique project that replaced a number of out dated or separate facilities scattered throughout the County with a new building that has been financed by a private finance partner over a period of 30 years. Further information is contained in note 12.11 to the accounts.

Aneurin Bevan Health Board is the host for the Partnership, who recorded gross expenditure of £3,032,000 (£3,022,000 for 2012/13) and gross income of £3,142,000 (£2,965,000 for 2012/13) for the financial year ended 31st March 2014. Monmouthshire County Council's total contribution for the year was £954,000 (£934,000 for 2012/13).

16.3 S31 and S33 Pooled Budget Arrangements (continued)

d) Gwent Frailty Programme

A Section 33 Partnership Agreement exists between five Local Authorities in the former Gwent area and Aneurin Bevan Local Health Board for the provision of Frailty services to service users who are resident within each of the Partner Localities. This service became operational from the 4th April 2011 and the agreement came into effect from this date.

The Gwent Frailty programme has created a Community based integrated model of care through the establishment of Community Resource Teams (CRT's) delivering a range of services to avoid hospital admissions, facilitate early discharge and help individuals remain 'happily independent'. The CRT's provide integrated Urgent Response, Reablement, Falls Services within each Locality in line with agreed Locality Commissioning Plans (LCPs).

The programme has attracted Welsh government Invest to Save funding totalling £7.3m which is being used to pump prime the establishment of CRTs and to fund the IT infrastructure. Partners have also committed recurring budgets to the programme totalling £8.9m per annum and have agreed savings targets to ensure on-going financial stability.

Caerphilly County Borough Council is the host for the Partnership, who recorded gross expenditure of £13,875,00 (£12,404,000 for 2012/13) and gross income of £12,870,000 (£11,829,000 for 2012/13) for the financial year ended 31st March 2014. Monmouthshire County Council's total contribution for the year was £979,000 (£1,000,000 for 2012/13).

16.4 Related Party Transactions

The Authority is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allow readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Central & Welsh Government

Central & Welsh Government has effective control over the general operations of the Authority - it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of core and specific grants and prescribes the terms of many of the transactions that the Authority has with other parties (e.g. housing benefits). Details of grant income received from Central & Welsh Government and other government departments are set out in notes 11.7 and 11.8 to the Accounts.

Members

Members of the Authority have direct control over the Authority's financial and operating policies. The total of members' allowances paid in 2013/14 is shown in note 16.1 to the accounts. Where work or services have been commissioned, or where grants were made during the financial year in which members had an interest, members have a duty to declare such an interest. The Authority must ensure that contracts entered into were in full compliance with the Authority's standing orders and that grants were made with proper consideration of declarations of such interests.

During the financial year, members who declared an interest did not take part in any discussion or decision relating to grants made or works or services commissioned. Details of all interests declared are recorded in minutes or relevant meetings and recorded in the Register of Members' Interest, open to public inspection at its offices at @Innovation House, Wales 1, Magor, NP26 3DG.

Companies and Joint Ventures

The Authority has interests in companies and joint ventures and relevant transactions are disclosed in note 16.6 to the Accounts about such interests.

16.4 Related Party Transactions (Continued)

Senior Officers

Section 117 of the Local Government Act 1972 requires officers to declare any pecuniary interests that they may have regarding any transactions being entered into by the Authority in which they have a direct or indirect involvement.

The Chief Executive, Deputy Chief Executive, Head of Finance (S151 officer), Monitoring Officer for the Authority, Chief Officer for Regeneration & Culture, Chief Officer for Children & Young People, Chief Officer for Social Care & Health, Head of Democracy & Regulatory Services, and Head of Policy & Engagement have no pecuniary interests.

The Chief Executive was the Returning Officer and Electoral Registration Officer for Monmouthshire during 2013/14.

The Deputy Chief Executive Officer left the Authority during January 2014.

The Director of Transition held the following positions during the year of account:

- Non-Executive Director to Dragon Waste Limited
- Director to SRS Business Solutions Ltd (resigned May 2013).

The Director of Transition, although officially Treasurer and S151 Officer to the South Wales Fire & Rescue Authority, received no remuneration and did not provide the service due to ill Health.

The Head of Commercial & People Development held the following position during the year

- Director to SRS Business Solutions Ltd.(appointed February 2014)

The Head of Operations held the following position during the year

- Board Member to Capita Gwent Consultancy
- Non-Executive Director to Dragon Waste Limited

The following balances were held with these related parties at the year-end:-

	2013-14	2013-14	2012-13	2012-13
	Debtors	Creditors	Debtors	Creditors
	£000	£000	£000	£000
Dragon Waste Limited	30	430	33	479
South Wales Fire Authority	0	0	44	48
SRS Business Solutions Limited	13	85	0	0
Capita Gwent Consultancy	0	5	0	95

During the year the following payments & receipts with these related parties arose as follows: -

	2013-14	2013-14	2012-13	2012-13
	Payments	Receipts	Payments	Receipts
	£000	£000	£000	£000
Dragon Waste Limited	3,464	34	3,293	34
South Wales Fire Authority	4,317	0	4,278	437
SRS Business Solutions Limited	0	0	0	0
Capita Gwent Consultancy	167	0	628	0

16.5 Trust Funds

The Council acts as sole or custodian trustee for a number of trust funds. The funds do not represent assets of the Council and they have not been included in the Consolidated Balance Sheet and are based upon unaudited figures for the year ended 31st March 2014. Funds for which Monmouthshire County Council acts as sole trustee:

	Income £000	Expend £000	Assets £000	Liabilities £000
Welsh Church Act Fund	(163)	169	4,829	(178)

The Trust owns tangible fixed assets comprising eight parcels of land. Five of these are agricultural, two are grazing and one is forestry.

Llanelly Hill Social Welfare Centre	(4)	4	90	(23)
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The Trust's fixed assets comprise the social welfare centre premises and land upon which it is situated.

Chairman's Charity	(4)	6	3	0
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Funds for which Monmouthshire County Council acts as custodian trustee:

	Income £000	Expend £000	Assets £000	Liabilities £000
Monmouthshire Farm School Endowment	(61)	45	708	(30)
Appointeeship - Personal Monies	(411)	489	87	0
Appointeeship - ILF* Monies	(110)	111	13	0

* ILF - Independent Living Fund

16.6 Related Businesses and Companies

Councils must consider whether they need to produce group accounts for interests held in other bodies/organisations where they meet the definition of subsidiaries, associates and joint ventures. The Council has reviewed of all their relationships in this regard, and although the Council has interests in the following six companies, they do not meet the requirements for the preparation of Group Accounts.

(i) Dragon Waste Limited

The Company was formed to carry out the Council's waste disposal function. The Council holds a 19% share holding in the company. The Company's latest available trading results are the unaudited accounts for the year ending 31st March 2014

	31 March 2014 £000 Draft	31 March 2013 £000 Final
Net Assets/(Liabilities)	217	134
Profit/(Loss) before Taxation	115	13
Profit/(Loss) after Taxation	88	13
Dividends	0	0

No assets or liabilities of the Company are reflected in the Consolidated Balance Sheet. The remaining 81% of the Company is owned by Viridor Waste Exeter Limited, which is a wholly owned subsidiary of Viridor Waste Limited. The ultimate parent company of Viridor Waste Ltd is Pennon Group Plc.

The Authority owed £400,076 to Dragon Waste Limited at the 31st March 2014 (£478,000 owed to company at 31st March 2013) in respect of Waste Management contract income.

Further information can be found in Dragon Waste Limited Financial Statements for the year ended 31 March 2014 which are available from the Company Secretary, Pennon Group Plc, Peninsula House, Rydon Lane, Exeter, Devon, England, EX2 7HR.

16.6 Related Businesses and Companies (continued)

(ii) Capita Gwent Consultancy Limited

The principal activity of the Company is that of transport consultancy. The Council holds a 12% share holding in the company. The Company's draft trading results shows:-

	31 Dec 2013 £000 Draft	31 Dec 2012 £000 Final
Net Assets (Liabilities)	4,397	4,189
Profit/(Loss) before Taxation	200	(104)
Profit/(Loss) after Taxation	208	(94)
Dividends	0	(1,024)

The Authority no longer receives any profit distribution, having previously extinguished these rights in return for a one-off payment in lieu of anticipated future lost profits. The Authority still retains its interest in the company. No assets or liabilities of the Company are reflected in the Consolidated Balance Sheet.

The Authority owed the Company £5,000 as at the 31st March 2014 (The Authority owed the Company £95,000 at 31st March 2013).

The Company's immediate parent undertaking is Capita Symonds Group Limited (formerly Capita Property Consultancy Limited) with a holding of 51%. The remaining 49% holding of the Company is shared equally between Monmouthshire County Council, Blaenau Gwent County Borough Council, Caerphilly County Borough Council and Torfaen County Borough Council. The original 10 year Contract Services Framework ended on 31st August 2012.

The ultimate parent company of Capita Symonds Group Limited is the Capita Group Plc. Further information can be found in Capita Gwent Consultancy Limited's Financial Statements for the year ended 31 December 2013 which are available from the Company Secretary, Capita Gwent Consultancy Limited, St David's House, Pascal Close, St Mellons, Cardiff, Great Britain, CF3 0LW.

(iii) SRS Public

The Authority entered into a public sector collaborative arrangement, known as the Shared Resource Service, with Torfaen County Borough Council (TCBC) and Gwent Police Authority in May 2011. The arrangement has resulted in a Shared Resources Centre (SRC) being set up for the purpose of providing IT services to each member authority. A memorandum of understanding is in place to provide robust governance arrangements. The arrangement is not a separate legal entity and ownership of the SRS premises resides with TCBC. In 2013/14 expenditure incurred was fully covered by the contributions from the partners.

16.6 Related Businesses and Companies (continued)

(iv) SRS Business Solutions Limited

Adjacent to the collaborative arrangement outlined in 16.6 (iii), SRS Business Solutions Limited, a company limited by shares, was incorporated on 11th June 2011. The company was set up with £40,000 share capital from the Authority and TCBC, in order to facilitate trading in ICT related services with the private and third sector.

SRS (BS) fits the accounting definition of a Joint Venture. The accounting position of the company is not material to the fair presentation of the financial position and transactions of the Council, or to the understanding of the Statement of Accounts. The accounting treatment therefore falls outside the requirement to prepare Group Accounts; this treatment being consistent with that adopted by TCBC.

The Company's latest available trading results are the draft estimates for the year ending 31st March 2014.

	31 March 2014 £000 Draft	31-Mar 2013 £000 Final
Net Assets/(Liabilities)	48	48
Profit/(Loss) before Taxation	0	(32)
Profit/(Loss) after Taxation	0	(32)
Dividends	0	0

There were no balances owing between the Authority and the Company as at the 31st March 2014.

Further information can be found in SRS Business Solutions Limited financial statements for the year ended 31 March 2014 which are available from the Head of Finance, Monmouthshire County Council, @Innovation House, Wales 1, Magor, NP26 3DG.

(v) Community MC² Community Interest Company (CMC²)

In July 2011 the Authority established CMC², a community interest company wholly owned by the Authority. The company aims to drive growth in emerging green and digital technologies and generate new income streams with which to reinvest in community projects and priorities.

CMC² is a company limited by guarantee and liability is therefore limited to £1 for its members.

In March 2012 the Authority approved the proposed medium-term business plan for the company for the period to 30th September 2013. The business plan will assist the Authority in delivering savings and involves authority staff being used on CMC² projects.

The Company's latest available trading results are the draft accounts for the financial year that ended on the 30th September 2013.

	30th Sept 2013 £000 Draft	30th Sept 2012 £000 Final
Net Assets (Liabilities)	(44)	(50)
Profit/(Loss) before Taxation	7	(50)
Profit/(Loss) after Taxation	6	(50)
Dividends	0	0

The Authority does not receive any profit distribution. No assets or liabilities of the Company are reflected in the Consolidated Balance Sheet. The Authority acts as a guarantor for the company's overdraft arrangements such as to allow the company to manage day-to-day cash flow requirements.

The Authority is owed £86,000 by the company as at the 31st March 2014 (£69,000 as at the 31st March 2013).

16.6 Related Businesses and Companies (continued)

(vi) Education Achievement Service (EAS)

The five local Councils of Monmouthshire, Caerphilly, Blaenau Gwent, Torfaen and Newport have formed an Education Achievement Service (EAS). The integrated service has been designed to raise education standards in South East Wales.

The EAS became operational in September 2012. It is a joint company, limited by guarantee and wholly owned and completely controlled by the five local Councils, but operating at arm's length. It is not a profit making company, and it is a separate legal entity. There is no lead Council with each being represented equally with a 20% interest and having equal voting rights. The company has a Board consisting of the Lead Director and elected member representatives from the partner Councils. The collaboration Agreement commits the Council to participating in the EAS company for a minimum period of four years.

The Company's latest available trading results are the draft estimates for the period ending 31st March 2014..

	31 March	31 March
	2014	2013
	£000	£000
	Draft	Final
Total Assets/(Liabilities)	4,527	5,997
Profit/(Loss) before Taxation	0	0
Profit/(Loss) after Taxation	0	0
Dividends	0	0

16.7 Interests in Joint Committees

The Code requires authorities to enhance their statement of accounts with information about any material interest in subsidiaries, associates and jointly controlled entities in a set of group accounts.

These accounting requirements result in the consolidation of the transactions and balances of subsidiaries and of interests in associates and joint ventures, thus ensuring group accounts provide a complete picture of the authority's control over other entities.

The Authority accounts for its respective contributions to joint committees within services in the Comprehensive Income and Expenditure Statement on an accruals basis. For 2013/14 the Authority has consolidated its respective shares of the income, expenditure, assets and liabilities into its financial statements.

The Authority had interests in the following Joint Committees as at 31st March 2014:

- Prosiect Gwyrdd ("Project Green") Joint Committee - Each authority holds a 1/5th equal share.
- Welsh Purchasing Consortium - each authority holds an equal 1/19th share.
- South East Wales Transport Alliance Joint Committee - each authority holds an equal 1/10th share.
- Gwent Joint Records Joint Committee - the authority holds an 19.40% interest.
- Greater Gwent Cremation Joint Committee - the authority holds an 18.45% interest.

Comprehensive Income & Expenditure Account 31 March 2014	MCC as per I&E 2013-14	Project Gwyrdd	WPC	SEWTA	Archives	Crematorium	Total I&E 2013-14
	£000	£000	£000	£000	£000	£000	£000
Highways and transport services	18,110	0	(2)	(6)	0	0	18,102
Corporate and democratic core	3,308	0	0	0	172	(15)	3,465
Total non-affected lines	136,362	0	0	0	0	0	136,362
Surplus/Deficit on Continuing Operations	157,780	0	(2)	(6)	172	(15)	157,929
Pension interest costs and expected return on pension assets	5,852	0	0	0	2	0	5,854
Total non-affected lines	(147,219)	0	0	0	0	0	(147,219)
Surplus/Deficit on Provision of Services	16,413	0	(2)	(6)	174	(15)	16,564
Actuarial gains/losses on pension assets/liabilities	(28,567)	0	0	0	(16)	(43)	(28,626)
Adjustment for JANEs amounts within MCC CIES	0	0	0	0	(159)	0	(159)
Total non-affected lines	(11,920)	0	0	0	0	0	(11,920)
Other comprehensive income & expenditure	(40,487)	0	0	0	(175)	(43)	(40,705)
Total Comprehensive income & expenditure	(24,073)	0	(2)	(6)	(1)	(58)	(24,140)

Movement in reserves statement for the years ended 31 March 2014	Project Gwyrdd	WPC	SEWTA	Archives	Crematorium	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance at 31 March 2013 carried forward	52	21	10	30	463	575
Surplus (Deficit) on provision of services	0	2	6	(174)	15	(151)
Other comprehensive income and expenditure	0	0	0	16	43	59
Total comprehensive income and expenditure	0	2	6	(158)	58	(92)
Adjustment for amount within Monmouthshire CIES	0	0	0	159	(0)	159
Net Increase/Decrease before transfers to Reserves	0	2	6	1	58	67
Transfer to/from Earmarked Reserves	0	0	0	0	0	0
Increase/Decrease in year	0	2	6	1	58	67
Adjustment for JANEs amounts	0	0	0	0	0	0
Balance at 31 March 2014 carried forward	52	23	16	31	520	642

Balance Sheet as at 31 March 2014	Project Gwyrdd	WPC	SEWTA	Archives	Crematorium	Total
	£000	£000	£000	£000	£000	£000
Property Plant & Equipment	0	0	0	0	516	516
Short Term Debtors	0	0	1,293	0	24	1,317
Cash and cash equivalents	78	24	122	97	271	592
Short Term Creditors	0	(0)	(1,399)	(34)	(3)	(1,436)
Long term creditors	(26)	0	0	0	(272)	(298)
Other long term liabilities	0	0	0	(33)	(16)	(49)
Net Assets	52	23	16	31	520	642
Earmarked Reserves	52	24	16	63	273	429
Revaluation Reserve	0	(0)	0	0	194	194
Pension Reserve	0	0	0	(33)	(16)	(49)
Provision for Accumulated Absences	0	0	0	0	0	0
Capital adjustment account	0	0	0	0	69	69
Total reserves	52	23	16	31	520	642

Property, plant & equipment included within Monmouthshire's accounts primarily relates to the Council's share of the Gwent Crematorium. The Crematorium comprises a Chapel, Crematorium rooms, Administration offices and grounds. The total gross asset value as at the 31st March 2014 is £2.8m (£2.9m as at 31st March 2013) with Monmouthshire's share equating to 18.45%.

Comprehensive Income & Expenditure Account 31 March 2013	MCC as per I&E 2012-13	Project Gwyrdd	WPC	SEWTA	Archives	Crematorium	Total I&E 2012-13
	£000	£000	£000	£000	£000	£000	£000
Environment & Regulatory Svs	8,865	62	0	0	0	0	8,927
Highways and transport services	18,755	0	(1)	(2)	0	0	18,752
Corporate and democratic core	3,921	0	0	0	167	98	4,186
Total non-affected lines	116,721	0	0	0	0	0	116,721
Surplus/Deficit on Continuing Operations	148,262	62	(1)	(2)	167	98	148,586
Pension interest costs and expected return on pension assets	5,707	0	0	0	(2)	81	5,786
Total non-affected lines	(138,101)	0	0	0	0	0	(138,101)
Surplus/Deficit on Provision of	15,868	62	(1)	(2)	165	179	16,271
Actuarial gains/losses on pension assets/liabilities	19,010	0	0	0	13	10	19,033
Adjustment for JANEs amounts	0	0	(1)	(2)	(153)	(192)	(348)
Total non-affected lines	(15,665)	0	0	0	0	0	(15,665)
Other comprehensive income & expenditure	3,345	0	(1)	(2)	(140)	(182)	3,020
Total Comprehensive income & expenditure	19,213	62	(2)	(4)	25	(3)	19,290

Movement in reserves statement for the years ended 31 March 2013	Project Gwyrdd	WPC	SEWTA	Archives	Crematorium	Total Reserves
	£000	£000	£000	£000	£000	£000
Balance at 31 March 2012 carried forward	114	19	6	55	460	653
Surplus (Deficit) on provision of services	(62)	1	2	(165)	(179)	(403)
Other comprehensive income and expenditure	0	0	0	(13)	(10)	(23)
Total comprehensive income and expenditure	(62)	1	2	(178)	(189)	(426)
Adjustment for amounts within Monmouthshire CIES	0	1	2	153	192	347
Net Increase/Decrease before transfers to Reserves	(62)	2	4	(25)	3	(78)
Transfer to/from Earmarked Reserves	0	0	0	0	0	0
Increase/Decrease in year	(62)	2	4	(25)	3	(78)
Adjustment for JANEs amounts	0	0	0	0	0	0
Balance at 31 March 2013 carried forward	52	21	10	30	463	575

Balance Sheet as at 31 March 2013	Project Gwyrdd £000	WPC £000	SEWTA £000	Archives £000	Cremator- ium £000	Total £000
Property Plant & Equipment	0	0	0	0	535	535
Short Term Debtors	43	1	218	0	24	286
Cash and cash equivalents	49	21	(16)	96	232	382
Short Term Creditors	0	(1)	(191)	(28)	(5)	(225)
Long term creditors	(40)	0	0	0	(272)	(312)
Other long term liabilities	0	0	0	(38)	(53)	(91)
Net Assets	52	21	10	30	462	575
Earmarked Reserves	52	21	10	68	251	403
Revaluation Reserve	0	0	0	0	205	205
Pension Reserve	0	0	0	(38)	(52)	(90)
Provision for Accumulated Absences	0	0	0	0	0	0
Capital adjustment account	0	0	0	0	57	57
Total reserves	52	21	10	30	462	575

16.8 Senior Officer Remuneration

The remuneration paid to the Authority's senior employees, where annualised salary is equal to or more than £60,000 per year, is as follows:

Year ended 31st March 2014

Post Holder	Salary including fees and allowances £	Compensation for loss of employment £	Expense Allowances £	Total Remuneration excluding Pension contributions £	Pension Contributions (Based on Common Rate from Actuary) £	Total Remuneration including Pension contributions £
Chief Executive	110,000	0	0	110,000	23,210	133,210
Director of Transition (April - 20th May)	13,317	0	0	13,317	2,436	15,752
Deputy Chief Executive (April-Jan)	41,226	0	0	41,226	7,833	49,059
Chief Officer - Children & Young People	68,555	0	0	68,555	14,465	83,020
Monitoring Officer	41,887	0	0	41,887	8,768	50,655
Chief Officer - Social Care & Health	78,605	0	0	78,605	16,711	95,316
Head of Finance (Section 151 Officer)	69,337	0	0	69,337	14,622	83,959
Chief Officer - Regeneration & Culture	70,666	0	0	70,666	14,256	84,923
Chief Officer - Regeneration & Culture (April-August)	31,663	0	0	31,663	6,681	38,344
Head of Democracy & Regulatory Service (March)	5,271	0	0	5,271	1,112	6,383
Head of Policy & Engagement (March)	4,904	0	0	4,904	1,035	5,939
Head of Operations (March)	5,772	0	0	5,772	1,218	6,990
	541,203	0	0	541,203	112,349	653,551

16.8 Senior Officer Remuneration (continued)

Year ended 31st March 2013

Post Holder	Salary including fees and allowances £	Compensation for loss of employment £	Expense Allowances £	Total Remuneration excluding Pension contributions £	Pension Contributions (Based on Common Rate from Actuary) £	Total Remuneration including Pension contributions £
Chief Executive	113,722	0	0	113,722	23,210	136,932
Director of Transition	84,068	0	0	84,068	14,615	98,683
Deputy Chief Executive	49,005	0	0	49,005	10,340	59,345
Chief Officer - Children & Young People (April-July)	28,860	47,322	0	76,182	6,089	82,271
Chief Officer - Children & Young People (August-November)	28,599	75,628	0	104,227	5,751	109,978
Monitoring Officer	41,687	0	0	41,687	8,770	50,457
Chief Officer - Social Care & Health	78,100	0	0	78,100	16,479	94,579
Head of Finance (Section 151 Officer)	68,550	0	0	68,550	14,390	82,940
Chief Officer - Regeneration & Culture	69,267	0	0	69,267	16,286	85,553
				0		0
				0		0
	561,859	122,950	0	684,809	115,930	800,738

Senior Officers are defined for the purposes of this disclosure as the Chief Executive, together with those senior officers that the Chief Executive is either directly responsible for or senior officers who are directly accountable to the Chief Executive.

The salary of the Chief Executive includes £0 during the financial year for assuming the statutory role of Returning Officer for the Authority (£3,722 in 2012/13).

The Director of Transition left on 20th May 2013 and this post was not replaced.

The salary of the Director of Transition includes £0 received from South Wales Fire Authority (£18,000 in 2012/13) regarding his role as Treasurer. The Director was employed by the Council for four days per week, this change having taken effect in September 2010 and for which one day was worked on behalf of the Fire Authority.

The salary of the Director of Transition also included £0 concerning his role as Returning Officer within the Council (£5,997 in 2012/13).

The Deputy Chief Executive left during January 2014 and this post was not replaced.

The remuneration of the Deputy Chief Executive and the Monitoring Officer are both included, as their annualised amounts come to more than £60,000 and they both report directly to the Chief Officer.

The Chief Officer for Children and Young People came into post on 20th May 2013. Prior to this the Chief Executive was acting Chief Officer from 1st April 2013 to 20th May 2013, at no extra cost. Consultants were also employed from 1st April to 20th May but these costs are excluded from the note, on the basis that they did not hold the role of Chief Officer.

The Chief Officer for Regeneration and Culture was on maternity leave for the period 1st April to 31st August and another employee covered this post for the period with these costs being included in the above table.

Due to a restructure at the Senior Leadership Team level, the posts of Head of Democracy & Regulatory Service and Head of Policy & Engagement, started reporting directly to the Chief Executive Officer in March 2014. These costs have been included in the above table for March only.

Employers' pension contributions were paid at a rate of 21.1% of pensionable pay for staff within the Local Government Pension Scheme (21.1% for 2012/13). The expense allowances above only include those that are chargeable to income tax. They do not include subsistence allowances or reimbursement of travel costs. There is no remuneration in respect of bonuses or compensation for loss of employment.

16.9 Officers' Emoluments

The number of employees whose remuneration was £60,000 or more in bands of £5,000, during the year ended 31 March 2014, was:

Remuneration Band	2013-14	2012-13
	Number of employees	Number of employees
£115,000 - £119,999	1	0
£110,000 - £114,999	0	0
£105,000 - £109,999	0	0
£100,000 - £104,999	1	0
£95,000 - £99,999	0	3
£90,000 - £94,999	1	0
£85,000 - £89,999	0	1
£80,000 - £84,999	2	2
£75,000 - £79,999	2	2
£70,000 - £74,999	2	3
£65,000 - £69,999	5	3
£60,000 - £64,999	11	12
	25	26

Remuneration is defined as gross salary and expenses and the effect of any severance costs e.g. redundancy, termination and compromise agreements. The highest banding reported in 2013/14 was significantly skewed by such severance costs. Remuneration also excludes pension contributions.

The senior officers disclosed separately in note 16.8 above have been excluded from this banding analysis.

Employers' pension contributions were paid at a rate of 21.1% of pensionable pay for staff within the Local Government Pension Scheme (21.1% for 2012/13) and 14.1% of pensionable pay for staff within the Teachers' Pension Scheme (14.1% in 2012/13). The expense allowances above do not include subsistence allowances or reimbursement of travel costs.

16.10 Termination Benefits

The Authority terminated the contracts of a number of employees in 2013/14, incurring liabilities of £668,000 (£742,000 in 2012/13) for redundancy payments. None of these costs related to Directors or Chief Officers. This total relates to employees who were made redundant as a result of the Authority's ongoing rationalisation of services and is split as follows:

Directorate	Number of Employees		Redundancy Costs	
	2013-14	2012-13 (Restated)	£000	£000
Chief Executive's Unit	3	11	73	(73)
Children and Young People	54	43	541	643
Regeneration & Culture	15	7	131	171
Social Care and Health	3	1	20	1
Adjustment for Redundancy Provision not made	1	0	(97)	0
	76	62	668	742

In addition, the Authority has paid for enhancements to pensions, relating to redundancies which occurred in 2013/14. The total agreed sum was £264,000 (£638,000 in 2012/13), although this will be paid in instalments over a five year period. The 2012/13 figure has been restated up by £18,000 (number of employees restated up by 1) due to reclassification of one employee's strain costs into 2012/13.

The redundancy costs arising within the Children & Young People's directorate principally related to the costs of school based redundancies which are required to be met by the LEA.

16.11 Exit Packages

The numbers of exit packages together with the total cost per band and the total cost of the compulsory and other redundancies are set out in the table below:

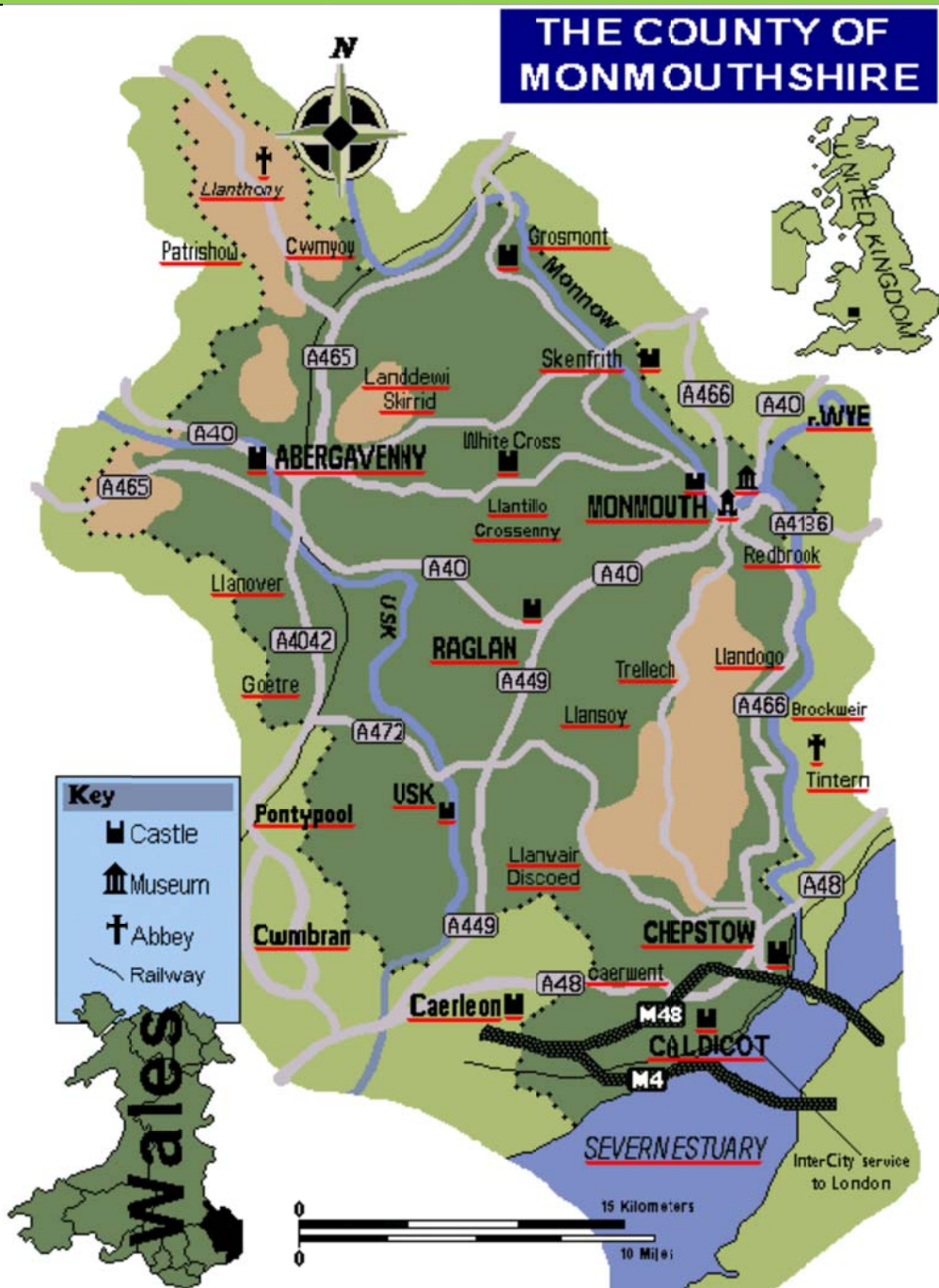
Exit Package cost band (including special payments)	Number of Compulsory Redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
	2013-14	2012-13 (Restated)	2013-14	2012-13	2013-14	2012-13 (Restated)	2013-14	2012-13 (Restated)
							£000	£000
£0 - £20,000	55	35	2	0	57	35	289	258
£20,001 - £40,000	13	16	1	0	14	16	365	431
£40,001 - £60,000	4	7	0	0	4	7	211	377
£60,001 - £80,000	1	4	0	0	1	4	67	295
£80,001 - £100,000	0	1	0	0	0	1	0	96
£100,001 - £150,000	0	0	0	0	0	0	0	0
Total	73	63	3	0	76	63	932	1,457

16.12 Events after the Balance Sheet Date

The Statement of Accounts was authorised for issue by the Head of Finance on 30th June 2014. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2014, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

There are no post balance sheet events of any significance warranting disclosure as at the time the Statement of Accounts was authorised for issue.

SUMMARY OF ACCOUNTS 2013/14

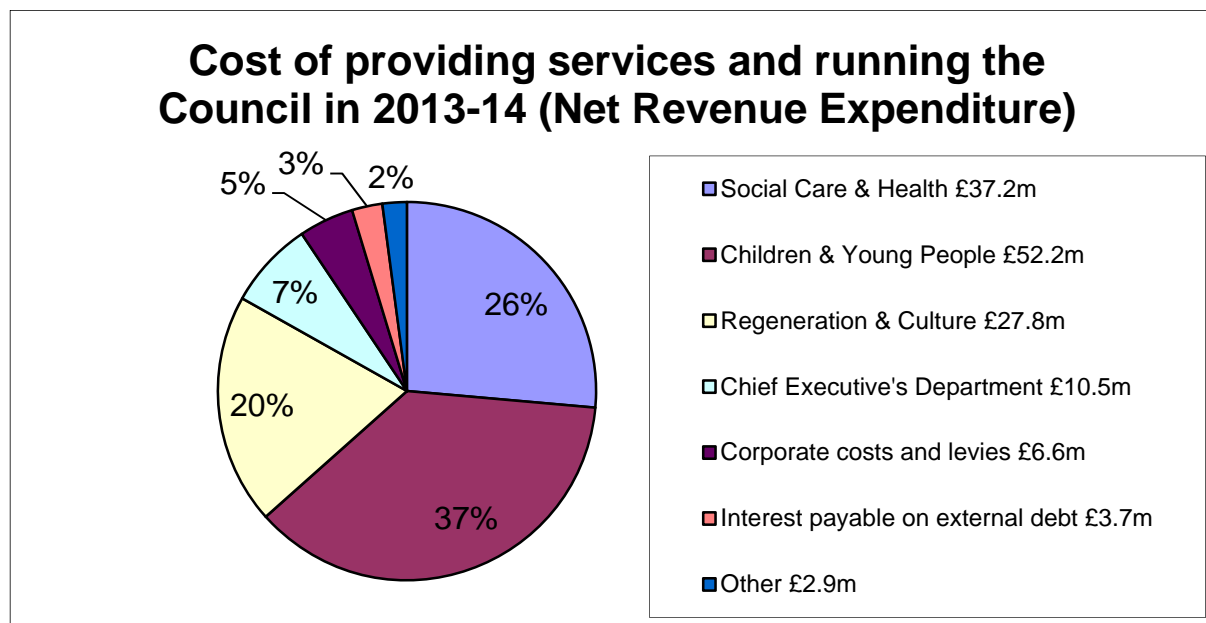


Introduction

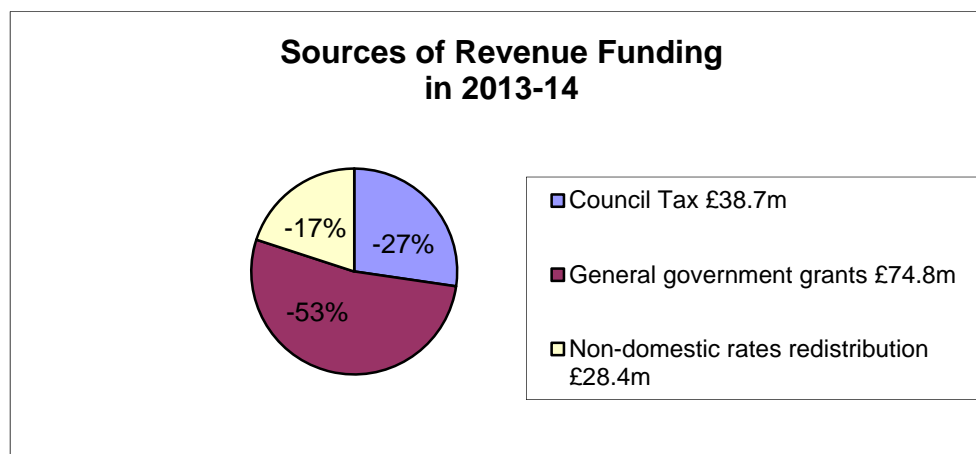
This document provides an overview of the Council's income and expenditure for financial year 2013-14 and its financial position as at 31 March 2014. The full audited statement of accounts can be viewed on line via the attached [link](#) – *link to be updated once signed audited accounts placed on website*

The Cost of Running Services

In 2013-14 the Council spent £141 million (£139.7m in 2012-13) providing services for Monmouthshire residents. The chart below gives a breakdown of service costs:



These services are paid for by a combination of general government grants, council tax, business rates and a contribution from the Council Fund. Total core funding in 2013-14 was £141.9m million (£139.7m in 2012-13), as illustrated below.

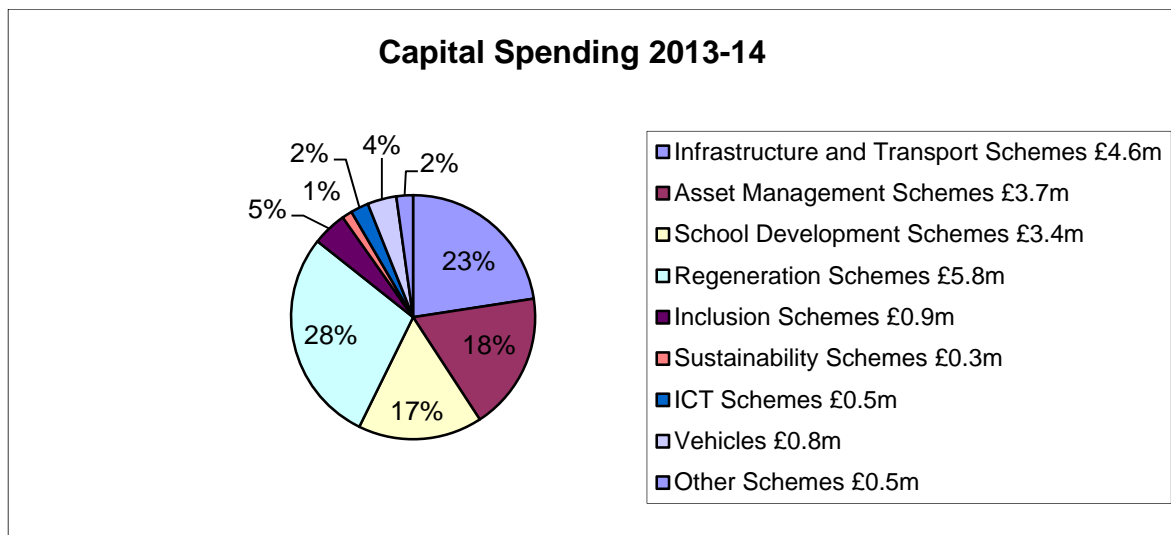


Net Movement on Council Fund	£m
In year revenue expenditure	141.0
In year revenue income	(141.9)
	(0.9)
Add: Net decrease on Delegated School Balances	0.3
Annual increase in Council Fund balance	(0.6)

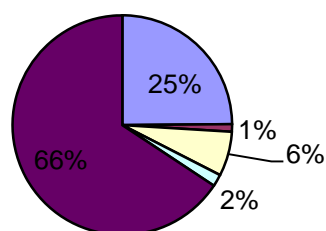
Revenue balances represent the difference between core funding and cumulative net expenditure receivable to / payable from the *Council Fund* – which is like a ‘current account’ that exists to provide for the Council’s day to day activities. As at 31 March 2014 our Council Fund and Revenue balances stood at £21.3 million (£23m at 31 March 2013), this being the excess of cumulative revenue income over cumulative revenue expenditure. Of these balances £989,000 relates to delegated school balances (£1.24m at 31 March 2013) Balances are held as a buffer to meet unforeseen / unplanned costs which would otherwise have to be met from reductions in service expenditure.

Capital spending

Capital expenditure is where money is spent on acquiring new assets or enhancing existing assets, such as roads and buildings, which provide benefit to the Council beyond the immediate financial year. In 2013-14 capital expenditure totalled £20.4m (£22.8 million in 2012-13). The charts below show where this was spent and how it was financed (paid for).



Financing of Capital Spending 2013-14



- Grants £5.1m
- Developer Contributions £0.2m
- Capital Receipts £1.3m
- Revenue Contributions £0.4m
- Borrowings £13.4m

Financial Position as at 31 March 2014

There is a difference of £80.9 million (£56.8 million as at 31 March 2013) between the Council's assets (things we own e.g. property, investments, stocks and debtors) and its liabilities (what we owe to others). This difference represents a surplus of assets over liabilities and is a measure of *Total Worth* – i.e. what the council would be worth if bought / acquired by someone else.

A summary of the Council's Assets and Liabilities as at 31 March 2014 is shown below:

	31 March 2014	31 March 2013
What we own and are owed (Assets)		
Property, plant and equipment	£237.8m	£256.3m
Heritage assets	£4.6m	£4.6m
Investment property	£25.1m	£24.8m
Investments	£6.6m	£4.2m
Cash and cash equivalents	£3.1m	£3.6m
Money owed to Council (debtors)	£21.3m	£19.8m
Inventories and other assets	£30.0m	£1.6m
Total	£328.6m	£314.9m
What we owe (Liabilities)		
Borrowing - to finance capital expenditure	£100.0m	£84.7m
Short term borrowing - to support day to day cash flow needs	£2.9m	£0.0m
Goods & services received but not paid for (creditors)	£22.0m	£25.4m
Liability for meeting future pension costs	£121.9m	£145.0m
Other liabilities	£1.0m	£2.9m
Total	£247.7m	£258.1m
Total Worth (Assets minus Liabilities)	£80.9m	£56.8m

Feedback

We welcome your feedback on the information contained in this leaflet. Please send any queries or comments to: Mark Howcroft, Assistant Head of Finance, Monmouthshire County Council, @Innovation House Magor, PO Box 106, Caldicot, NP26 9AN
[email: markhowcroft@monmouthshire.gov.uk]

SUBJECT: Stage 2 Improvement Plan 2014

MEETING: County Council

DATE: 25th September 2014

DIVISIONS/WARDS AFFECTED: All

1. PURPOSE

1.1 To seek council approval of the Stage 2 Improvement Plan for 2013/14.

2. RECOMMENDATIONS:

2.1 That the Stage 2 Improvement Plan 2013/14 be approved

3. KEY ISSUES

3.1 The Local Government (Wales) Measure 2009 provides the legal basis for the Wales Programme for Improvement (WPI). This places a duty on local authorities to make arrangements to secure continuous improvement in the exercise of their functions.

3.2 As part of the Wales Programme for Improvement councils must:

- Set Improvement Objectives at the beginning of each business year. These are reported as part of the stage 1 plan agreed by council in May.
- Collect evidence of progress made and outcomes achieved during the year and publish a report on that information. This is reported in the Stage 2 Improvement Plan published each October.

3.3 This Stage 2 Improvement Plan covers the period April 2013 to March 2014 and relates to objectives that members agreed in June 2013. The forward looking Stage 1 Plan for 2014/15 was agreed by council in May. Progress on that plan will be formally reported in October 2015 although select committees will have the opportunity to scrutinise progress throughout the year.

3.4 The Improvement Plan is a public document and should be accessible to a wide audience. The plan will be published on the council's website.

3.5 A public summary of the plan will be prepared. This will be made available through the one-stop-shops, reception areas and libraries and on the Council's website and must also be published no later than the end of October 2014.

4. REASONS

4.1 To ensure that the council can be held to account for performance and can demonstrate progress towards delivering better outcomes for citizens.

4.2 To comply with the Local Government (Wales) Measure 2009.

5 RESOURCE IMPLICATIONS

None

6 EQUALITIES AND SUSTAINABLE DEVELOPMENT IMPLICATIONS

Equalities and Sustainability Assessments have been completed and are appended to this report. There are no significant negative implications attached to the stage 2 Improvement Plan.

7 CONSULTEES

Senior Leadership Team
Cabinet
Select Committees – Scrutiny of progress against the 5 Improvement Objectives during June and July 2014

8 BACKGROUND PAPERS

Stage 1 Improvement Plan 2013-14

9 AUTHORS

Matthew Gatehouse, Policy and Performance Manager
01633 644397 / 0778 555 6727
MatthewGatehouse@monmouthshire.gov.uk

Richard Jones, Policy and Improvement Officer
RichardJones@Monmouthshire.gov.uk

Teresa Norris, Policy and Improvement Officer
TeresaNorris@Monmouthshire.gov.uk

EQUALITY IMPACT ASSESSMENT FORM

What are you impact assessing	Service area
Stage 2 Improvement Plan	All
Policy author / service lead	Name of assessor and date
Matthew Gatehouse	Matthew Gatehouse, 15 Sept 2014

1. What are you proposing to do?

To review and evaluate Monmouthshire County Council’s performance in 2013/14 against the improvement objectives set in the 2013/2016 Stage 1 Improvement Plan. This ensures the council can be held to account by citizens and the people who use services.

The purpose of the Stage 2 Improvement Plan is to review and evaluate performance achieved by the Council in the previous financial year. Any activities delivered by service areas reviewed in the plan, where appropriate, will have been subject to an Equality Impact Assessment prior to implementation. The Stage 1 Improvement Plan 2013/16 which sets the improvement objectives this plan reports back on was subject to an Equality Impact Assessment.

This assessment of performance may assist key decision makers to make more informed decisions in the future based on the performance achieved and will ensure the council can be held to account by citizens and the people who use services.

The current forward looking Improvement Plan 2014/17 has also been Equality Impact Assessed. It sets out the delivery of the Improvement Objectives of Monmouthshire County Council in 2014/15 that align to the vision of the Single Integrated Plan.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

Not Applicable

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

Any actions would relate to proposals in the Stage 1 Improvement Plan agreed by Members in June 2013.

5. Please list the data that has been used to develop this proposal? e.g. Household Survey data, Welsh Government data, ONS data, MCC service user data, Staff personnel data etc..

Data is drawn predominantly from the National Performance Framework and local PI data. We also make use of national statistics data and the National Survey for Wales in measuring outcomes.

Signed: Matthew Gatehouse.....**Designation:**....Policy and Performance Manager.....**Dated**.....15 Sept 2014

“Sustainability Challenge”

Name of the Officer : Matthew Gatehouse		Please give a brief description of the aims proposed policy or service reconfiguration: The Stage 2 Improvement Plan evaluates Monmouthshire County Council’s performance in 2013/14 against the improvement objectives set in the 2013/2016 Stage 1 Improvement Plan.	
Section: Policy and Performance		Date: 15 September 2014	
Aspect of sustainability affected	Negative impact Please give details	Neutral impact Please give details	Positive Impact Please give details
PEOPLE			
Ensure that more people have access to healthy food			
Improve housing quality and provision			
Reduce ill health and improve healthcare provision			
Promote independence			Improvement Objective 2 – Community Coordination
Encourage community participation/action and voluntary work			Improvement Objective 2 – Community Coordination and small local enterprises Improvement Objective 3 – Whole Place Plans
Targets socially excluded			Improvement Objective 1 – Closing the attainment gap in schools
Help reduce crime and fear of crime			
Improve access to			Improvement Objective 3 – Create

Agenda Item 11

education and training			employment opportunities
Have a positive impact on people and places in other countries			
PLANET			
Reduce, reuse and recycle waste and water			Improvement Objective 4 – Community Composting, schemes to reduce residual waste
Reduce carbon dioxide emissions			Improvement Objective 5 – Agile working, positive impact on business miles
Prevent or reduce pollution of the air, land and water			
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)			Improvement Objective 4 – Community Composting and Pollinator Policy
Protect or enhance visual appearance of environment			Improvement Objective 3 – Whole Place Plans inc Regeneration
PROFIT			
Protect local shops and services			
Link local production with local consumption			Improvement Objective 2 – Small Local Enterprises and Community Coordination
Improve environmental awareness of local businesses			
Increase employment for local people			Improvement Objective 3 – Create employment opportunities Improvement Objective 2 – Small local enterprises
Preserve and enhance local identity and culture			

Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc			
Increase and improve access to leisure, recreation or cultural facilities			Improvement Objective 1 – 21 st Century schools programme Improvement Objective 3 – Whole Place Plans; Digital Infrastructure Projects

What are the potential negative Impacts	Ideas as to how we can look to MITIGATE the negative impacts (include any reasonable adjustments)
➤	➤
➤	➤
➤	➤
➤	➤

The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

All of the work areas identified above projects that have already been agreed for implementation. The stage 2 Improvement Plan reports back on progress. Full assessments are attached to the original decisions.

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

n/a

Signed: Matthew Gatehouse

Dated: 15 September 2014



How we performed 2013/14



monmouthshire
sir fynwy

Improvement Plan – Stage 2

Version Number 0.6 (Pre-Publication Draft)

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Version Control

Title	Stage 2 Improvement Plan 2013/14
Purpose	To assess our progress and performance in 2013/14 and evaluate how well we have done to help citizens hold us to account on our performance.
Owner	Policy and Performance Team
Approved by	Not yet approved for publication
Date	15 September 2014
Version Number	0.6
Status	Draft
Review Frequency	Annual
Next review date	September 2015
Consultation	Our assessment of progress against the five improvement objectives reported in this plan was scrutinised by Select Committee's in June and July 2014

Welsh language and alternative formats

In line with the Council's Welsh Language Scheme, a Welsh language version of the Improvement Plan will be available on the Council's bilingual website.

Y Gymraeg a fformatau eraill

Yn unol â Chynllun Iaith Gymraeg y Cyngor, bydd fersiwn Gymraeg o'r Cynllun Gwella ar gael ar wefan ddwyieithog y Cyngor

We can also provide this document in Braille, large print, on tape or in electronic form. If you would like a copy in a different format please contact our Equality and Welsh Language Officer by:

Phone: 01633 644010 or 07793798920


Fax: 01633 644666


e mail: equality@monmouthshire.gov.uk

If you want to comment on the council's performance or give your thoughts on issues that you feel should be set within the council's Improvement Objectives next year, please get in touch:

 improvement@monmouthshire.gov.uk

 www.monmouthshire.gov.uk/improvement

 Matthew Gatehouse, Policy and Performance Manager, Monmouthshire County Council, County Hall, Rhadyr, Usk, Monmouthshire, NP15 1GA

 01633 644602

 @MonmouthshireCC

Foreword by the Leader and Chief Executive

If you enjoy a quiet life then public service in Wales is not the place to be at the moment. There is so much going on as we strive to provide better service and to deliver 'what matters' to the citizens of Monmouthshire. This document provides a moment for us to reflect on the past year, to ask ourselves what has gone well and as importantly to consider what hasn't gone as well as we would have liked. Reflection and evaluation are vitally important parts of our attempt to continually improve.

In hard numbers we have done pretty well. We have seen improvement in around 64% of nationally comparable performance indicators whilst we continue to adhere to tight budgets delivered in a context of reducing resources. All of our service areas can take comfort from improvement but there remains more to do.

Our absolute focus over the year has been on our Education Service. We aren't happy being in special measures and we have committed to sort this out. You will see steady improvement in most of our indicators in the body of this plan but the better news is that this summer we started to see the step change that we have been looking for. Our young people did fantastically well with 87% getting 5 GCSE's at grade A-C and 65% achieving 5 GCSE's at grade A-C including English and Mathematics – on the second measure we now lead the nation whilst we continue to be out in front at foundation phase and in the top 3 at the end of primary education. I mention this because the work that was done to achieve this was in the year 2013/14 albeit because of reporting cycles you will see these numbers in next years plans – but we are getting there and you need to know that. We have extended our focus now to include children's social care where we have some uneven performance and we want to, and will sort this out as well.

We have tried to make this document as easy a read as possible to enable you to form your own judgement on how well you think we are doing. Maintaining an upward trajectory isn't going to be an easy task. Money is getting tighter all the time and we need to ensure that we are doing the things that matter to you most. Our #MonmouthshireEngages programme is key in ensuring that you have your say on our direction so look out for this from October onwards.

And so onwards, there is much to do. We remain committed to doing our very best for you, for your family and for your County.



Councillor Peter Fox
Leader



Paul Matthews
Chief Executive



The Vision for Monmouthshire

Sustainable and Resilient Communities

The vision for our county is described in the Single Integrated plan for Monmouthshire. This was developed by the Local Service Board – the group which brings together the leaders of key organisations in Monmouthshire.

The sustainability of a community depends on creating and maintaining its economic and environmental health, promoting social equity and increasing citizen participation.

Health and well-being is central to quality of life, our economic success is dependent on our ability to improve education, training and employment outcomes. An individual's ability to achieve their educational, social and economic potential is greatly influenced by their own sense of well-being.

Communities that engage and involve people and institutions to achieve environmental, economic, and social goals are generally likely to be more successful. This engagement and involvement must take place across generations, recognising the contribution that all parts of the community can make, from children and young people through to our older people.

Job creation, energy use, housing, transportation, education and health are considered complementary parts of the whole. Since all issues are interconnected they must be addressed as a system. Sustainability is a process of continuous improvement so communities constantly evolve and make changes to accomplish their goals. In essence if we work together we will make our community even healthier, safer, greener, more liveable, and more prosperous.

Working towards this vision we identified three themes which form part of a cohesive story about how we will achieve our vision.

Nobody is Left Behind: we want to be a place of cohesive communities where everybody is treated with dignity and respect and has the same opportunity to achieve what they wish.

People are Confident, Capable and Involved: we want Monmouthshire to feel safe and people to be confident. We want to create a place where people want to be involved; they are confident in themselves and their abilities and what they contribute to their own community.

Our County Thrives: we want our county to thrive which includes the economy that supports our communities and families to live a good life. It also means that our environment, its range of habitats and biodiversity thrives.

Our Improvement Plan describes the contribution that Monmouthshire County Council is making to turn this vision into tomorrow's reality.

The Values that Guide us

We want to ensure communities can access and shape the county on their own terms. Our organisation will enable change on things that matter today whilst looking ahead to the things that that will be important tomorrow. We are trying to create an organisational culture that is innovative, responsive and flexible.

We have a very clear set of values that underpin all work of the Council and guide the behaviours that are expected of everyone working for us or working with us. These do not change as time passes. They are consistent and they define us.

Openness: we aspire to be open and honest to develop trusting relationships

Fairness: we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect

Flexibility: we aspire to be flexible in our thinking and action to become an effective and efficient organisation

Teamwork: we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals

These values are our compass. They are consistent points that we look to as we take forward our work.

We have developed a programme *your county, your way* which is helping us model a set of behaviours that makes this possible. The programme has been acknowledged at UK level as having the potential to transform public service delivery. It is about:

- An agile workforce that operates as a network rather than a command and control model. This means we have the right people working on the right things at the right time. To help do this we have fundamentally changed the working environment.
- A commitment to reviewing our services to make sure they are efficient, effective and sustainable. We start by asking the people who use services what matters to them and then try and redesign the service from that perspective. Staff are empowered to do what matters and encouraged to challenge processes that they believe get in the way of purpose.
- An in-house training and personal development experience that provides our staff with the training to think differently and develop the creative solutions needed to transform key areas of our business, learning from some of the best ideas around the globe and engaging with some of the inspirational people on our doorstep.
- More meaningful community-led engagement and where possible co-producing services with the people who use them

There are some other really important things that we always have in the front of our minds when we deliver services take into account such as sustainability, equality and the Welsh language.

Equality and Welsh Language

The Council has shown a long standing commitment to equality and diversity. To strengthen this commitment the Council has adopted a Strategic Equality Plan 2012 - 2016. This will help to assure us that our functions, decisions and behaviours fully take into account the impact they have on Protected Characteristic groups¹, while also improving the lives of individuals and communities. The Council's Welsh Language scheme 2013-16 sets out the Council's commitment to the Welsh Language.

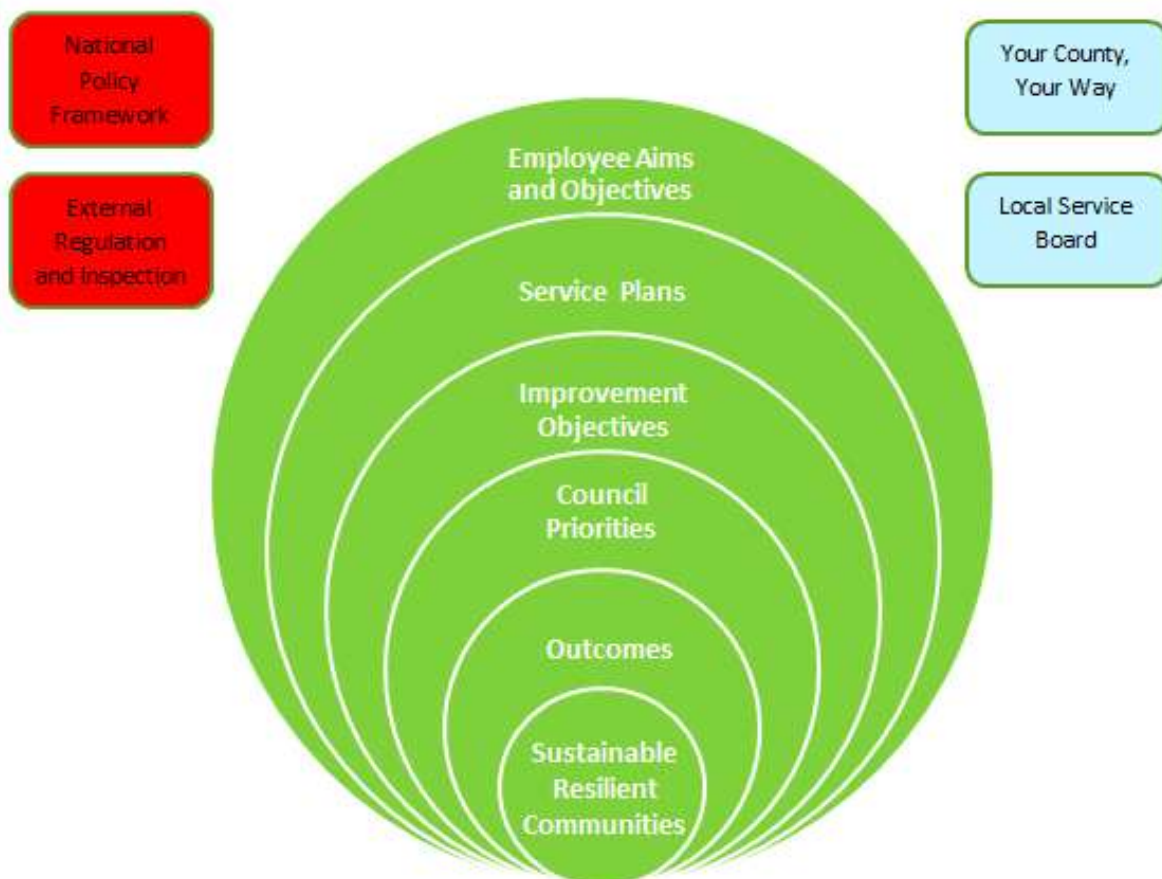
Sustainable Development

Sustainable Development is central to how we operate as a Council. This means giving equal consideration to social, economic, environmental and ecological issues and thinking about our impact on the earth in the long term. Our decision making process requires a Sustainable Development checklist to be considered to make sure that the decisions we take consider sustainable development issues. We are committed to the economic and environmental health of communities, promoting social cohesion and increasing citizen involvement in local community action. We have signed up to become an early adopter of the Future Generations Bill which will place sustainable development as our central organising principle. We welcome this.




Our Improvement Framework

Monmouthshire is an ambitious county. The strength of Monmouthshire lies in its people. Not just those on our payroll but all of the people who work with us in delivering services and achieving value for money. Our Improvement Framework helps to ensure that we can harness everyone's efforts and makes sure that everyone is pulling in the same direction to deliver real and tangible outcomes.

At the heart of our Improvement Framework is the vision of sustainable resilient communities. This is unifying purpose for the diverse range of services that we are responsible for. Each of our teams has a Service Plan that aligns to our three priorities and the outcomes we are striving to achieve and we have a range of key performance indicators so that we can keep track of our progress. Our Employee Services team help us recruit and retain people who share our values and have the skills and passion to make a real difference.



Key:

-  Performance Framework
-  Improvement Activity
-  External Influences

Overview of Performance

Our Priorities

Monmouthshire Council is run by a partnership administration of two political parties. They have an agreement, supported by the council to deliver against three specific priorities.

Education

Learning is an absolute priority. Performance in the summer of 2014 reflected improved pupil achievements across the majority of the key stage results and a range of other measures which are also important, such as attendance.

The Estyn inspection of the Council in November 2012 found that education services were unsatisfactory, with capacity to improve also deemed unsatisfactory. We accepted these findings and we have been working hard to address the concerns. The action plan produced in response to the inspection sets clearly our expectations for change and how it will be achieved. It continues to be monitored regularly. We are making progress and are confident that educational attainment in Monmouthshire will improve further and it will improve quickly.

Safeguarding vulnerable people

Working to keep children, young people and vulnerable adults safe will always be central to our work. The way in which we work with others to safeguard people is crucial and we want to get better at how we listen to people and give them as much control as possible of the processes and decisions that affect them.

Over the past year we have made significant improvements in some of the processes to safeguard vulnerable children although we know that more work is needed. We are continuing to change the way we work, building the relationships and resources to support people in our communities to live meaningful and dignified lives. Our staff will be supported to build effective relationships, listening and concentrating on what really matters to people and developing new ways to measure whether we are helping people to work towards the outcomes they set themselves.

Supporting businesses and job creation

Improving the prosperity of our county remains essential if we are to remain economically resilient, prosperous and sustainable. A key measure of productivity in the UK economy is GVA - or gross value added per head of population. Monmouthshire's GVA was the third highest in Wales at £18,800 yet the average gross weekly earnings are the ninth lowest in Wales. This indicates that although Monmouthshire is home to the most qualified population in Wales, with those *living* in the county among the highest wage earners, those who *work* in the county have some of the lowest earnings suggesting a strong element of out-commuting. To create better employment prospects in our county we need to develop and promote an

enterprising culture, which builds business resilience and creates excellent outcomes for our communities.

Outcome Agreement 2013/16

Monmouthshire County Council has signed a three year outcome agreement with Welsh Government. This sets stretching targets and milestones working towards the issues of national importance, as described in Wales' Programme for Government and matches them against the objectives set locally.

The themes we are working towards are:

- Improving school attainment
- Ensuring people receive the help they need to live fulfilled lives
- Poverty and material deprivation
- Living within environmental limits and acting on climate change
- Improving early years' experiences

Successful achievement of targeted performance provides grant funding over the period of the agreement at £840,000 per year from the Welsh Government.

2013/14 Improvement Objectives

Why are we writing about 2013/14 in October?

All council's in Wales are required to produce an annual Improvement Plan. This is published in two separate but complimentary sections.

Our stage 1 plan is published each May. It describes some the things that the council will do in the year ahead to improve services and work towards our vision of sustainable and resilient communities. These are called our Improvement Objectives. The plan we published in May 2014 sets out our Improvement Objectives for 2014/15.

Our stage 2 plan is published every October. It describes what we have done to deliver the Improvement objectives we set in the previous year. In this plan we are reporting back on the activities we first described in May 2013. Of course we look at this much earlier in the year, however we are dependent on our regulators at the Wales Audit Office verifying all of the data that we, and other local authorities, produce to ensure that it is accurate before it is published.

Monmouthshire County Council has four select committees that scrutinise the effectiveness of council services and help the cabinet formulate policy. Throughout the year they examine the performance of services. You can access the reports presented throughout the year on the council's website at www.monmouthshire.gov.uk/meetings

2013/14 Improvement Objectives – How did we do?

It is important that the things we are spending our time and resources doing reflect the views of our communities as well as the national policies set by the governments in Westminster and Cardiff Bay. Each year we set a series of Improvement Objectives that distil some of our key areas of work into a handful of objectives.

The objectives described over the following pages were set by Council in May 2013, this is our opportunity to report back on how we did. Each one has been assessed using a six-point self-evaluation framework based on the evidence of the progress and impact made:

Level	Definition	Description
Level 6	Excellent	Excellent or outstanding
Level 5	Very Good	Major strengths
Level 4	Good	Important strengths with some areas for improvement
Level 3	Adequate	Strengths just outweigh weakness
Level 2	Weak	Important weaknesses
Level 1	Unsatisfactory	Major weakness

A summary of our assessment against each of the improvement objectives is shown below followed by a more detailed assessment of progress over the pages that follow. Where we have shown comparisons with other council's in Wales we have selected those that are most similar to Monmouthshire in terms of their socio-economic profile. This sometimes varies according to the service being considered.

Objective 1: We will provide an improved education provision for Monmouthshire.	
Assessment 2013/14	Adequate – Strengths just outweigh weaknesses
Reason	We have been making progress with our partners in the Education Achievement Service (EAS) to address the issues raised in the Estyn Inspection. We have also been making good progress with our 21 st century schools programme. Improved pupil tracking is now in place and the majority of performance indicators are improving. However the attainment gap between those who receive free school meals and those who do not remains too wide. We expect to see exam results in Monmouthshire rival the best in Wales, we are not there yet but expect to give a more positive assessment next year when the 2014 exam results are taken into account.
Objective 2: We will work to help people live their own lives by building flexible and responsive services building on people's strengths and helping people find local connections and lasting solutions to their needs.	

Assessment 2013/14	Good - Important strengths with some areas for improvement
Reason	Work is progressing well with our flagship Community Coordination programme. While it is too early to assess the impact, key milestones have been reached. We are continuing to reduce the numbers of people who require long term packages of care and our delayed transfers of care remain well-below the Wales average. Satisfaction with services remained above 90% during a time of great transition. Significant progress has been made in safeguarding and key performance measures are moving in the right direction. More work needs to be done to further drive up performance in some key processes.
Objective 3: We will help to regenerate our towns and assist in creating employment opportunities within the county	
Assessment 2013/14	Adequate - Strengths just outweigh weakness
Reason	We have delivered our flagship project for the year – the new cattle market and trading figures are very positive compared to the old site. Monmouthshire Enterprise has continued to help deliver new jobs but not as many as we had targeted in the past year. Overall there are many strengths but we are focusing our work on long term programmes that will contribute to our vision of sustainable and resilient communities in the medium to long term.
Objective 4: We want to work with our residents to reduce the impact we have on the environment and use our resources more sustainably.	
Assessment 2013/14	Good - Important strengths with some areas for improvement
Reason	We successfully introduced a move to fortnightly collections of general waste which will help make the service more sustainable and well as bringing environmental benefits. The introduction of charging for garden waste was also a success reducing the volume of material we need to collect at kerbside which in turn brought down the cost of the service and generated income. We continue to have one of the highest recycling rates in Wales.
Objective 5: We want to remain an efficient and effective organisation, delivering our priorities in conjunction with key partners, stakeholders and citizens, amidst significant on-going financial constraints.	
Assessment 2013/14	Good - Important strengths with some areas for improvement
Reason	We undertook an extensive exercise to involve the people of Monmouthshire in our 2013-14 budget setting exercise. This produced a number of useable ideas that help us produce a balanced medium term financial plan without the need to cut front-line services. More people now feel they can influence decisions affecting the local area. Our programme of whole system reviews has contributed to measurable improvements in performance in planning and building control. We have seen a 10 point increase in the percentage of people who believe that Monmouthshire provides high quality services.

Objective 1: We will provide an improved education provision for Monmouthshire.		MCC Evaluation 2013/14: Adequate – Strengths just outweigh weaknesses
Council Priority: Improving education provision	Outcome: People have access to practical and flexible learning	
What the single Integrated Plan identified we need to contribute to		
<p>To provide practical and flexible learning we need to:</p> <ul style="list-style-type: none"> • Redesign our schools and make them fit for purpose • Offer a more flexible education system that meets the needs of pupils, their families and employers • Improve access to education for vulnerable groups • Address key factors to underachievement 		
Why we chose this Objective		
<p>We feel that learning is an absolute priority, but in caring for children and young people we feel this responsibility is wider than learning. Our challenge is to orchestrate our action and the contributions of everyone who works with us so that we can provide the best support to respond to all children and young people's needs. Our desire is to provide an education that will stand the test of any measure and which takes place in buildings that offer a stimulating and well-designed schools that are fit for the 21st Century.</p> <p>Following the Estyn Inspection of 2012 we decided that responding only to the recommendations contained in our Estyn report was not enough. We developed an action plan that set out clearly how we will respond to the recommendations made. This gave us an opportunity to make further changes. Our intent is to re-cast the whole education service to ensure that all actions sit comfortably within a service framework designed to take us forward over the next decade.</p>		
Our focus for 2013/14		
<p>To respond to the recommendations made by Estyn during their inspection of our services at the end of 2012. We also decided to review our Youth, Pupil Referral and Additional Learning provisions to ensure that we work more effectively with other agencies to meet all children and young people's needs.</p>		

What we said we would do	What have we done	What difference has this made?
<p>We will continue our support to schools to improve ICT provision including data to allow teachers to track individual pupil progress and give more effective support.</p>	<p>We have introduced remote access to allow secondary schools to connect to their SIMS database and existing pupil tracking.</p> <p>Pupil Tracking templates have been imported into Primary school SIMS systems for Foundation Phase and Key Stage 2</p>	<p>Our challenge is informed by pupil level expectations. Improved data which allows better student profiling will lead to a better evaluation of the support needed on a pupil-by-pupil basis.</p>
<p>We will review our 21st Century Schools development plan on confirmation of the funding arrangements from the Welsh Government.</p>	<p>We are at the final stage of obtaining Welsh Government approval for the 21st Century Schools Development Programme. We already have approval for major investment in Caldicot and Monmouth secondary schools and adaptations to their feeder primary schools.</p> <p>We engaged with each group of stakeholders to integrate their views into proposed designs.</p> <p>We are building a new primary school in Raglan to replace the existing buildings. The new school will open in September 2015.</p> <p>We have finalised the rebuild of Thornwell Primary School.</p>	<p>We have secured the funding and ensured that all those affected by the new school buildings have fed their views into the school design.</p> <p>Learning opportunities can now be redesigned to begin to take advantages of the opportunities afforded by the new buildings.</p>
<p>We will implement our new Safeguarding Policy to ensure compliance in all maintained and non-maintained education settings.</p>	<p>We have undertaken a wide range of activities to improve safeguarding across the county including putting in place a Safeguarding and Quality Assurance Unit, carrying out audits on the level of safeguarding practiced and putting training in place for staff involved in safeguarding.</p> <p>However, we need to further develop our analysis to better understand the impact we are making.</p>	<p>Estyn visited the authority in February and the outcome of their work was reported to council in May 2014. We had made good progress although Estyn, the Education Inspectorate, concluded that the authority is not able to routinely identify how well the actions have made an impact on the safeguarding of all children and young people in Monmouthshire.</p>

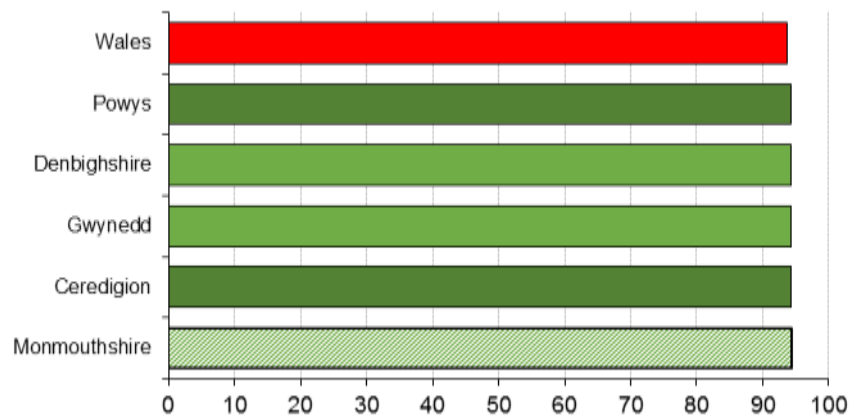
<p>We will rebalance the relationship we have with our schools to ensure we provide an appropriate level of challenge and support. We will determine, based on school performance and in consultation with the Education Achievement Service (EAS), the level of informal / formal intervention to be used in each school. This could be formal warning notices, removal or replacement of governors or governing bodies, withdrawal of delegated financial and or staffing powers.</p>	<p>We are working closely with the regional EAS and have implemented robust procedures to identify and challenge underperformance in schools.</p> <p>Where schools do not demonstrate that they have made sufficient progress against their plan we follow a procedure to detail how we will evoke our powers of intervention in accordance with the School Standards Act 2013.</p>	<p>We know the strengths and weaknesses of our schools and this has enabled us to effectively target support and intervention to address shortcomings.</p> <p>All of the schools re-inspected by Estyn have been removed from monitoring within a year. The Pupil Referral Unit has also been removed from monitoring.</p> <p>However, at present it is too early to fully evaluate the impact of the increased challenge to schools.</p>			
<p>We will review our Children and Young Peoples' services under a refreshed service planning and performance management framework. We will implement this under more robust management to ensure the outcomes.</p>	<p>The future direction for the education services has been set in the Chief Officer report 2014</p> <p>We have strengthened service plans including performance measurement and risk assessment. This has increased the range of data that we report and analyse. We have started to implement a new staff appraisal process.</p>	<p>Support services can clearly demonstrate how their work contributes to improved outcomes for children and young people and are know how they will measure their impact.</p>			
<p>Performance Indicators <i>(results are for the business year <u>not</u> most recent academic year)</i> How much did we do</p>	<p>2011/12 Actual</p>	<p>2012/13 Actual</p>	<p>2013/14 Target</p>	<p>2013/14 Actual</p>	<p>2013/14 Wales Av</p>
<p>The percentage of all pupil attendance in primary schools</p> <ul style="list-style-type: none"> - Percentage authorised absence - Percentage unauthorised absence 	<p>94.4 5.35 0.25</p>	<p>94.7 5.1 0.2</p>	<p>94.9 4.9 0.2</p>	<p>94.4 5.4 0.2</p>	<p>93.7</p>
<p>The percentage attendance of pupils who receive free school in primary schools</p> <ul style="list-style-type: none"> - Percentage authorised absence - Percentage unauthorised absence 	<p>91.4 7.7 0.9</p>	<p>92.0 7.3 0.7</p>	<p>92.5 6.9 0.6</p>	<p>91.8 7.6 0.6</p>	<p>not available</p>
<p>The percentage of all pupil attendance in secondary schools</p>	<p>92.3</p>	<p>93.2</p>	<p>93.26</p>	<p>93.4</p>	<p>92.6</p>

- Percentage authorised absence	7.1	6.3	6.24	6.1	
- Percentage unauthorised absence	0.6	0.5	0.5	0.5	
The percentage attendance of pupils who receive free school in secondary schools	86.9	87.8	88.2	88.4	not available
- Percentage authorised absence	11.5	10.5	10.2	10.3	
- Percentage unauthorised absence	1.6	1.7	1.6	1.3	
The number of permanent exclusions during the academic year per 1,000 pupils from i) primary schools	0	0.2 (1 pupil)	0	0	not available
ii) secondary schools	0.2	0	0	0.2 (1 pupil)	
The percentage of school days lost due to fixed term exclusions from i) primary schools	0.03	0.01	0.01	0.005	0.013
(ii) secondary schools	0.08	0.08	0.08	0.064	0.095
The percentage of looked after children with a Personal Education Plan (PEP) within 20 school days	100	81.8	100	67.5	62.7
The percentage of looked after children who have missed more than 25 days at school in a year	new	18.0	10.0	11.5	not available
How well did we do it					
The percentage of schools in the 3rd quartile of the national standards framework at:					
Foundation Phase	25.8	29.0	9.7	19.3	
Key Stage 2	32.3	35.5	25.8	32.3	not available
Key Stage 3	25	50	25	0	
Key Stage 4	25	50	25	0	
The percentage of schools in the 4th quartile of the national standards framework at:					
Foundation Phase	16.1	16.1	16 (*revised from 12.9)	16.1	
Key Stage 2	38.7	22.6	12.9	19.3	not available
Key Stage 3	50	25	0	50	
Key Stage 4	50	25	0	50	

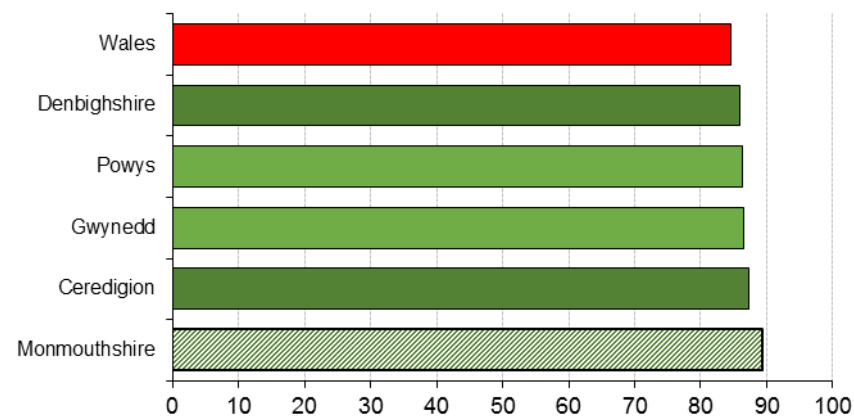
The percentage of all pupils achieving:					
(i) Foundation Phase indicator	88.5	86.8	91.0	89.5	not available
(ii) Key Stage 2 core subject indicator	82.5	86.3	89.0	89.3	84.6
The percentage of pupils who receive free school meals achieving:					
(i) Foundation Phase indicator	not available	72.9	74.6 (revised from 79.0)	74.6	not available
(ii) Key Stage 2 core subject indicator	58.2	62.3	71.6 (revised from 76.0)	75.8	not available
The percentage of all pupils achieving key stage 4 Level 2 threshold including English or Welsh and Maths	51.3	56.3	65.0	57.3	52.5
The percentage of pupils who receive free school meals achieving KS4 Level 2 threshold including English or Welsh and Maths	15.1	25.7	57.0	26.67	not available
Is anyone better off					
The percentage of pupils leaving education, training and worked based learning without a recognised qualification (i) All pupils	0.12	0.1	0.0	0.4	0.3
(ii) Looked After Children	0	0	0	0	2.0
The percentage of 16 year olds who are not in education, employment or training (NEET)	3.8	3.8	3.3	2.8	not available
The resources we used					
During 2013-14 we spent £52.3 million on services through our children and young peoples' directorate. The average cost to educate a pupil in one of Our primary schools is £2590 per year. In a secondary school it is £5335. We also spent £3.4 million of capital funding on school buildings.					

How we compare with others

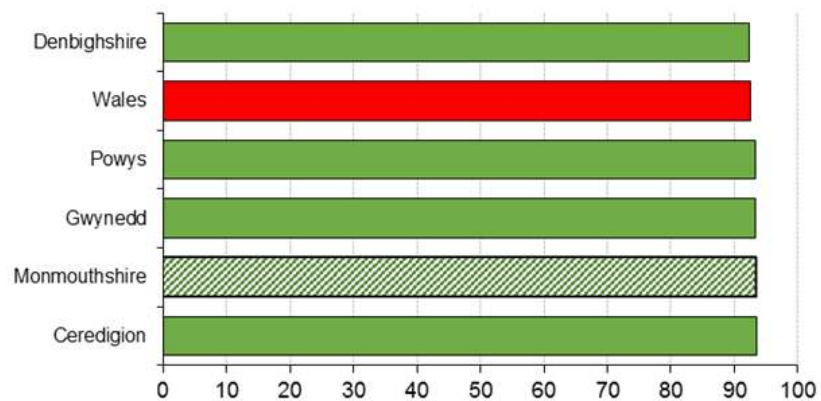
Percentage of pupil attendance in primary schools



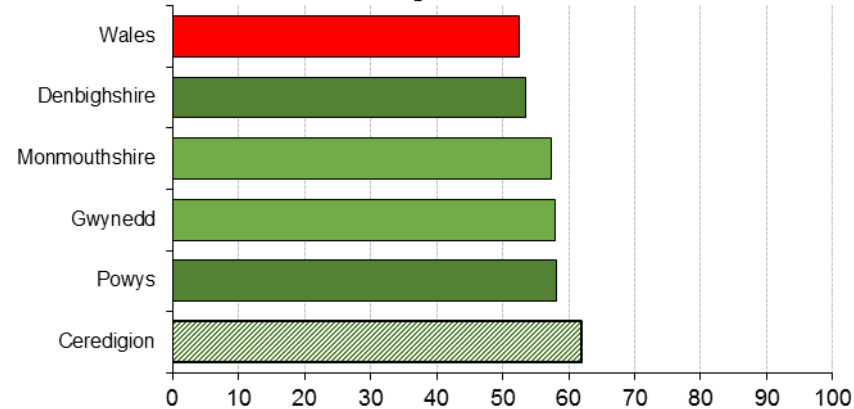
Percentage of pupils achieve the core subject indicator at key stage 2



Percentage of pupil attendance in secondary schools



Percentage of pupils achieve key stage 4 core subject indicator inc. GCSE English or Welsh and Maths



Objective 2: We will work to help people live their own lives by building flexible and responsive services building on people's strengths and helping people find local connections and lasting solutions to their needs.		MCC Evaluation 2013/14: Good – Important strengths with some areas for improvement
Council Priority: Safeguarding Vulnerable People	Outcome: Families are supported & Older people are able to live their good life	
What the single Integrated Plan identified we need to contribute to		
We need to: <ul style="list-style-type: none"> • Support our families earlier to prevent them becoming more vulnerable. • Better co-ordinate support which can react more quickly. For older people to live their good life we need to: <ul style="list-style-type: none"> • Enable older people to be fully independent, maintaining good mobility, health and well-being, confidence and dignity and plan for their futures. • Nurture good support networks in the community. • Enable older people to do what matters to them when they choose to. • Focus on preventative health and well-being programmes for older people. 		
Why we chose this Objective		
<p>The way we work with others to safeguard people is crucial. We want to get better at how we listen to people and give them as much control as possible of the processes and decisions that affect them.</p> <p>In the current financial climate we are faced with significant demographic pressures and must identify ways to support people to find better solutions or we will end up having to ration services and only getting involved at times of crisis. The human cost of this would include young people placed in institutions away from home and older people experiencing isolation and loneliness in their communities.</p> <p>By working in different ways with service users, families, carers and a range of local, regional and national organisations we believe we can help people of all ages find lasting solutions that are both effective and offer value for money.</p>		
Our focus for 2013/14		
Keeping children, young people and adults in need safe will always be a priority for us. In 2013/14 our focus will be on safeguarding people and working in different ways to find lasting solutions to help people live a good life.		
We will ensure an effective transition to a Gwent-wide Local Children's Safeguarding Board and ensure that people are protected and that this is		

<p>achieved in ways that empower them to sustain or regain control of their life.</p> <p>We will work to co-produce solutions for vulnerable adults to help them maintain their independence and wellbeing.</p>		
What we said we would do	What have we done	What difference has this made?
<p>Implement the regional safeguarding approach locally and evaluate it to ensure improved outcomes for children and young people.</p>	<p>The Regional Board Safeguarding Board and sub groups are in place and we have strong local arrangements to deliver improved outcomes from children and young people.</p> <p>We have delivered a Monmouthshire-wide policy launch, an audit framework is now in place across the county and there has been a big rise in safeguarding training across all sectors.</p>	<p>We have seen improvements in our key performance indicators, for example, the percentage of child protection conferences completed on time has risen from 84.8% to 93.4%; the timeliness of Core Groups has improved from 34% to 96%.</p> <p>The average length of time that children are spending on the child protection register has reduced from 11.8 months to 6.4 months which is a positive impact.</p> <p>We now need to embed a deeper level of evaluation across the whole authority.</p>
<p>Deliver the safeguarding elements of the Estyn action plan.</p>	<p>We have prioritised safeguarding in recovery planning and set solid foundations for improvement. We have undertaken a wide range of activities to improve safeguarding across the county which includes establishing the Safeguarding and Quality Assurance Unit.</p>	<p>Estyn visited the authority in February and the outcome of their work was reported to council in May. Despite good progress they concluded that the authority is not able to routinely identify how well the actions taken impact on the safeguarding of all children and young people in Monmouthshire.</p>

<p>Implement the Joint Assessment and Families Framework (JAFF).</p>	<p>The Joint Assessment of Families Framework/Team Around the Family (JAFF/TAF) model is in place, with five hubs across Monmouthshire.</p> <p>A training plan to assist those who are Lead Workers to build skills and knowledge is in place and a new coordinator has been appointed.</p>	<p>Positive feedback has been received from GP networks and the first referral directly from a parent has been received.</p> <p>A new measurement tool to monitor the impact of the service is being developed. The service is in early stages and is bedding-in, we are unable to report on impact at this stage.</p>				
<p>Introduce local area coordination (now called community coordination) in two sites across Monmouthshire.</p>	<p>The business case for community co-ordination was agreed. Abergavenny and Caldicot have been identified as the pilot sites for the programme and if successful it will be rolled out to other areas. Coordinators were appointed in each pilot area along with a small local enterprise co-ordinator. The new team began operating from April 2014</p>	<p>We are on target having secured funding and appointed to the key roles that will deliver the project. Community events in Autumn 2013 were well attended. As the project is in the early stages we did not expect to evidence impact on the ground in 2013-14. However the Abergavenny coordinator, the first to be appointed has begun to build relationships.</p>				
<p>Performance Indicators How much did we do?</p>	<p>2011/12 Actual</p>	<p>2012/13 Actual</p>	<p>2013/14 Target</p>	<p>2013/14 Actual</p>	<p>2013/14 Wales Av</p>	
<p>The number of older people receiving traditional long-term community based packages of social care²</p>	<p>1263</p>	<p>1168</p>	<p><1168</p>	<p>1157</p>	<p>not available</p>	
<p>The number of children on the child protection register</p>	<p>79</p>	<p>55</p>	<p>not applicable</p>	<p>41</p>	<p>not available</p>	
<p>The number of people assisted by a local area co-ordinator</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>0</p>	<p>not available</p>	
<p>The number of families who have been supported by the Team Around The Family (TAF)</p>	<p>0</p>	<p>0</p>	<p>Establish baseline</p>	<p>55 referrals</p>	<p>not available</p>	

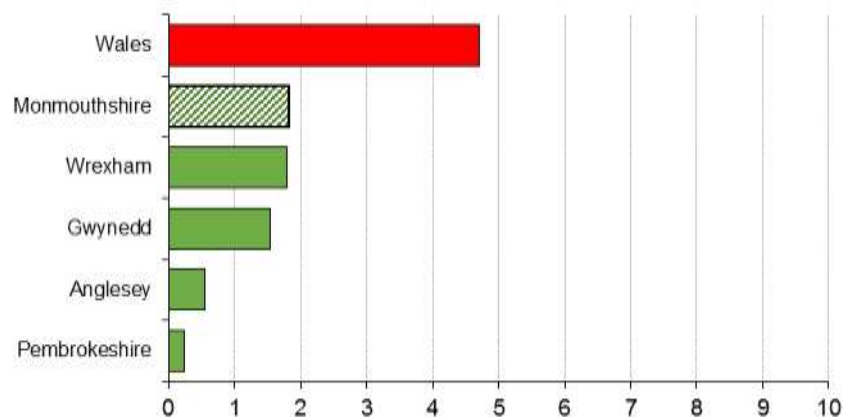
How well did we do it?					
The percentage of adults who are satisfied with the services they receive	93	96	>93	90	not available
The number (and rate per 1000) of delayed transfers of care from hospital for social care reasons	21 (2.42)	16 (1.77)	<21 (<2.31)	17 (1.83)	(4.68)
The percentage of children on the child protection register who have a named and allocated social worker	100	100	100	100	99.9
The percentage of child protection reviews completed on time	99.1	90.5	100	93.9	98.1
Is anyone better off?					
Percentage of adult service users who believed the service they get meets their needs	85	88	85	82	not available

The resources we used

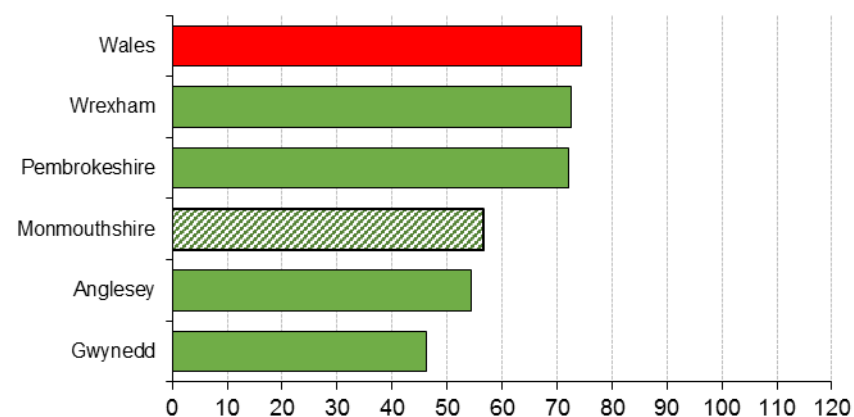
Last year we spent £37.2 million on social services. It typically costs £35,000 to care for a child in the looked after system whilst the average cost of an older person being supported to live in their own home is £9,175 per year.

How we compare with others

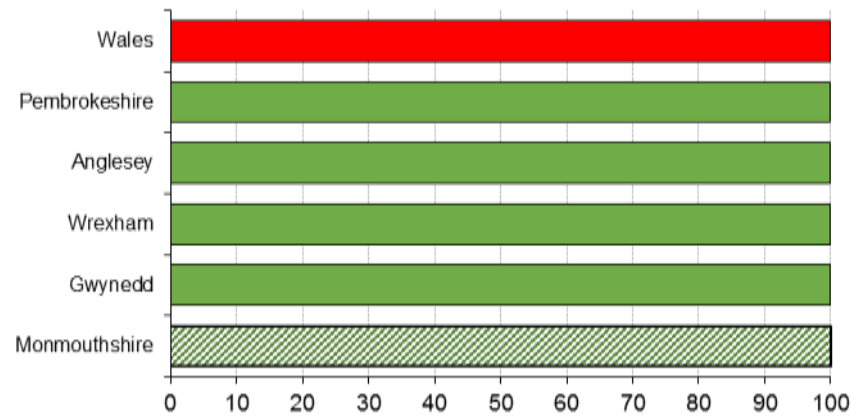
Rate of Delayed Transfers of Care per 1000 people aged 75+



Rate of older people supported to live in the community



Percentage of children on the CRP with an allocated social worker



Objective 3: We will help to regenerate our towns and assist in creating employment opportunities within the county		MCC Evaluation 2013/14: Adequate – Strengths just outweigh weaknesses
Council Priority: Supporting Enterprise and Job Creation	Outcome: Business and Enterprise	
What the single Integrated Plan identified we need to contribute to		
<p>To enable business and enterprise to prosper in Monmouthshire, we need:</p> <ul style="list-style-type: none"> • Better access and performance of broadband services and communications. • Better paid local employment opportunities. • Graduates to want to return to live and work in Monmouthshire. • To ensure that an appropriate range of finance is available for Monmouthshire businesses. • To build on the services already being provided by Monmouthshire Enterprise and its partners to support the growth of new and existing enterprises. • Retain more of the spend of visitors, citizens and businesses within Monmouthshire. 		
Why we chose this Objective		
<p>We believe that supporting business, enterprise and generating employment opportunities within the county is crucial to invigorate the prosperity of residents and to develop and regenerate the vibrancy of communities generally.</p> <p>Monmouthshire's economy was is influenced by the struggling national economy and markets. This is the back drop against which we operate and reinforces our need to focus on our priority of supporting enterprise, job creation and entrepreneurship. The priority will contribute to an economy which is prosperous and supports business, enterprise and sustainable growth which is a key theme in the County's Single Integrated Plan.</p> <p>We incorporated whole area regeneration with business support and employment into one objective to join up two key factors which we are focusing on. We recognise that there are huge challenges ahead of us. To respond to this we must also look to the long term and capture clear evidence to identify current and future business development opportunities. This exercise will become a tool which will be used to inform the future delivery of business support activities.</p>		

Our focus for 2013/14		
To continue to support new and existing businesses, inward investment and progress our work to support the regeneration of our towns.		
What we said we would do	What have we done	What difference has this made?
Take forward the Severnside Whole Place plan framework, in particular the strand on town centre regeneration.	<p>A project plan and programme board are in place and meet bi-monthly. A town team, made up of local people and businesses, has been established.</p> <p>Asda have been granted planning permission to build a new supermarket at Woodstock Way. As part of this development funding will be made available to support the Town Team (£225,000) and to undertake improvements to the links with the town centre (£200,000). The LDP was confirmed early in 2014, which has enabled work on the strategic sites to commence.</p>	<p>The full impact has yet to be felt in the community. The new supermarket will create 200 full and part time jobs. The retail impact assessment identified the new store will help reduce leakage of expenditure to stores outside the Caldicot area and help improve the vitality of the town centre through complimentary improvement works.</p> <p>There have been some individual successes at a community level such as the involvement of the town team in organising a local firework display attended by thousands of people.</p>
Develop the Bryn-y-Cwm whole place plan and interventions with the community of Abergavenny.	<p>We produced the “Better Bryn-y-Cwm” Whole Place plan.</p> <p>A Town Team has been established and governance arrangements for a programme board are in place.</p> <p>Funding of £17,000 has been secured from Welsh Government through a joint bid with the local Business Club to undertake feasibility work for establishing a Business Improvement District.</p>	<p>The plan has brought together the priority actions that local businesses, voluntary groups and public services will be delivering to bring about positive change.</p> <p>It is not yet possible to evaluate the difference that has been made as the plan is in its infancy. However the clear vision for the town is that the Business Improvement District could yield up to £1m over next 5 years.</p> <p>It is likely that up to £1.25m of Vibrant and Viable Places loan funding will be made available.</p>

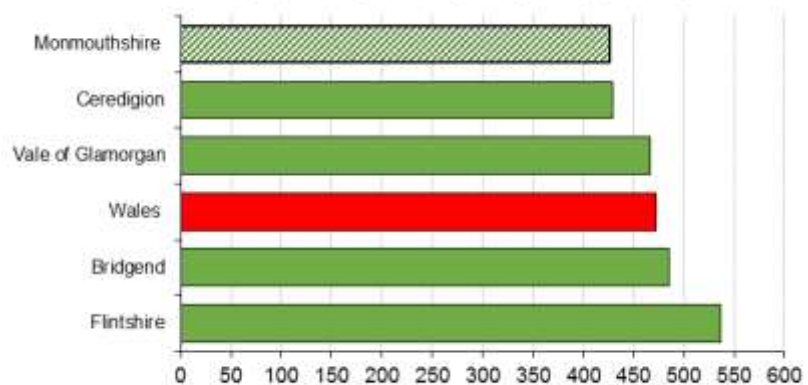
<p>Develop a new Cattle Market at Bryngwyn and transfer business from the Cattle Market in Abergavenny.</p>	<p>A new Cattle market has been developed at Bryngwyn with business was transferring from the Abergavenny site in December 2013.</p>	<p>The market has been well received by the farming community and its representatives. Over 2000 people attended the opening ceremony and trading figures since the relocation of the market for main business have seen a 10% increase in store cattle and 3% increase in sheep compared to 2013.</p>
<p>Continue to assist new and existing business in Monmouthshire to access support, attracting inward investment and identifying potential private/public funding.</p>	<p>Monmouthshire Enterprise has continued to work with pre-start and existing projects. Highlights this year include:</p> <ul style="list-style-type: none"> • The establishment of a new Glamping (glamorous camping) development. • Facilitating the refurbishment of major commercial premises to allow the creation of a new food distribution facility. • Expansion of the television production company Atlantis in Chepstow. • Two rural broadband infrastructure projects in Trellech and Devauden. • The second Monmouthshire Business Awards took place in October 2013. 	<p>103 businesses have been supported to start up, leading to the creation of 124 new jobs. This is below the target we set as support for smaller businesses involved lower levels of employment creation while larger scale projects will not be completed within a one year timescale.</p> <p>The potential value of pipeline projects is expected to be worth a combined total of several million pounds and this will help significantly enhance outcomes in 14-15.</p> <p>The Business awards were attended by more than 200 people promoting new and existing business success.</p>
<p>Facilitate Jobs Growth Wales Placements with Businesses through Monmouthshire Enterprise.</p>	<p>A new allocation of Jobs Growth Wales placements for Monmouthshire were made available in Autumn 2013.</p>	<p>Since the scheme commenced in 2012, 273 job opportunities have been created in Monmouthshire with 206 of these being filled by unemployed 16-24 year olds.</p>

<p>Promote and enable the use of digital infrastructure, technologies and systems to deliver benefits for Communities through our community interest company CMC².</p>	<p>CMC² has:</p> <ul style="list-style-type: none"> • Undertaken a study on future broadband infrastructure to inform the roll-out of Superfast Cymru. • Supported two digital community projects including RaglanpediA and collaborated with Swansea University and the local community to generate the MonTag App. • Developed two new MonmouthpediA Heritage Trail Apps, delivered three digital inclusion projects including Wikipedia workshops in Monmouth and project - managed the final stages of the free and safe Wi-Fi town in Monmouth and the Kymin. • Developed the Digital Communities Toolkit. 	<p>The work is still in its early stages but benefits include: contributing to digital tourism and the 'sense of place' of our towns, applications developed for mobile users and contributing to developing and improving the digital skills that exist within our communities.</p> <p>A review of MonmouthpediA has also shown the power of tapping into the Wikipedia community as a means of promoting our tourism offer, on a global stage.</p>
<p>Through the Rural Development Programme Community Plans/Audits will be developed with the community to map their plans and aspirations for future years.³</p>	<p>Three plans have been completed this year for Magor with Undy, Llandogo and Castle Meadows in Abergavenny.</p> <p>Community Plans/Audits are on-going in the villages of: Raglan, Coed-y-Paen, Llangybi, Llanover, Gilwern, Portskewett, Llantilio Crosseny, Llanfoist and Govilon.</p> <p>Fewer plans have been completed by March 2014 than originally targeted. The nine remaining community plans will be completed by September 2014 in line with Welsh Governments extended timescale for the completion of all current Rural Development Plan work.</p>	<p>The plans provide a focused approach to community projects based on consultation and make it easier to apply for funding.</p> <p>Some funding is already being raised through the Community plans and greater financial benefits will begin to materialise at least six months after the plans are in place.</p>

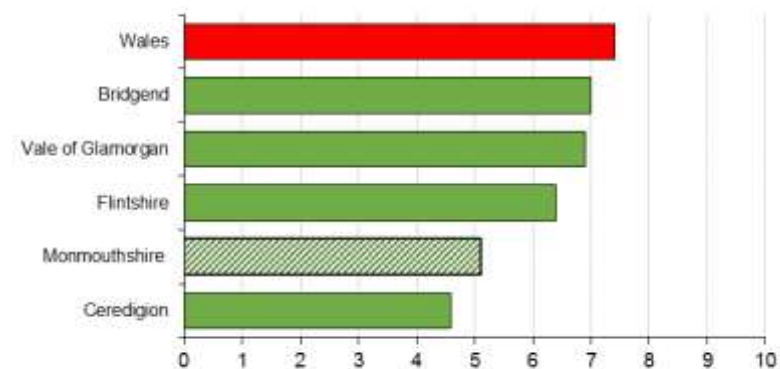
<p>Run, in partnership, employability courses for young people to gain skills and experience to assist them in gaining employment⁴.</p>	<p>Four employability programmes have been run for people aged 16 -25 years who are not in Employment, Education or Training (NEET) or claiming Job Seekers Allowance.</p> <p>An Engagement and Traineeship Programme has been run for young people aged 16 -18.</p>		<p>In total 40 people completed the employability programme courses, with 57% of participants who have completed the course finding a job.</p>		
<p>Performance Indicators How much did we do?</p>	<p>2011/12 Actual</p>	<p>2012/13 Actual</p>	<p>2013/14 Target</p>	<p>2013/14 Actual</p>	<p>2013/14 Wales Av</p>
<p>Number of Community Plans completed</p>	<p>Pre – start date</p>	<p>0</p>	<p>12</p>	<p>3</p>	<p>Not available</p>
<p>Number of Digital Community Projects initiated through CMC^{2 5}</p>	<p>Pre – start date</p>	<p>1</p>	<p>2</p>	<p>2</p>	<p>Not available</p>
<p>How well did we do it</p>					
<p>Number of new business start-ups where assistance was provided by Monmouthshire Enterprise and Partners</p>	<p>57</p>	<p>60</p>	<p>75</p>	<p>103</p>	<p>Not available</p>
<p>Total Number of new jobs created where assistance was provided by Monmouthshire Enterprise and Partners</p>	<p>185</p>	<p>331</p>	<p>260</p>	<p>124</p>	<p>Not available</p>
<p>Number of jobs safeguarded where assistance was provided by Monmouthshire Enterprise and partners</p>	<p>21</p>	<p>80</p>	<p>85</p>	<p>16</p>	<p>Not available</p>
<p>Number of inward investment projects secured where assistance was provided by Monmouthshire Enterprise and partners</p>	<p>Not recorded</p>	<p>5</p>	<p>7</p>	<p>2</p>	<p>Not available</p>
<p>Is anyone better off?</p>					
<p>Percentage of employability courses participants gaining employment</p>	<p>Pre – start date</p>	<p>Pre – start date</p>	<p>40%</p>	<p>57%</p>	<p>Not available</p>
<p>The resources we used</p>					
<p>We spend relatively small amount on economic development as we work with a wide range of partners to open up networks and help business to access existing resources. Overall we spent £3.1 million on Planning, Place and Enterprise, which includes Countryside, Development Control, Development Plans, Housing and Economic Development. One of the key assets we maintain to keep business moving is the highway network. It cost us on average £3,380 to maintain a mile of road.</p>					

How we compare with others

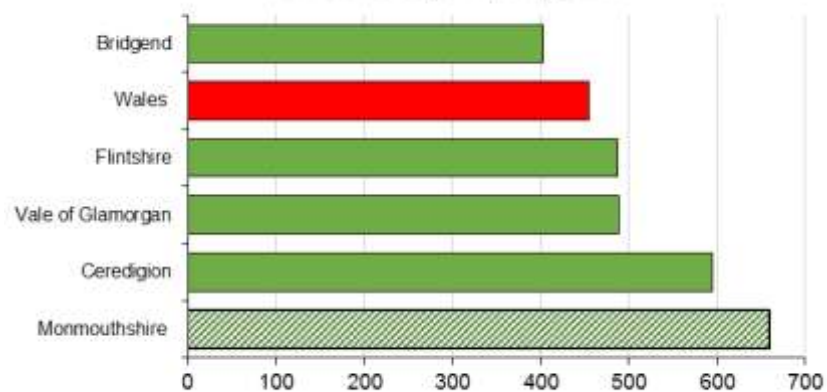
Average gross wage levels by workplace (£ per week)



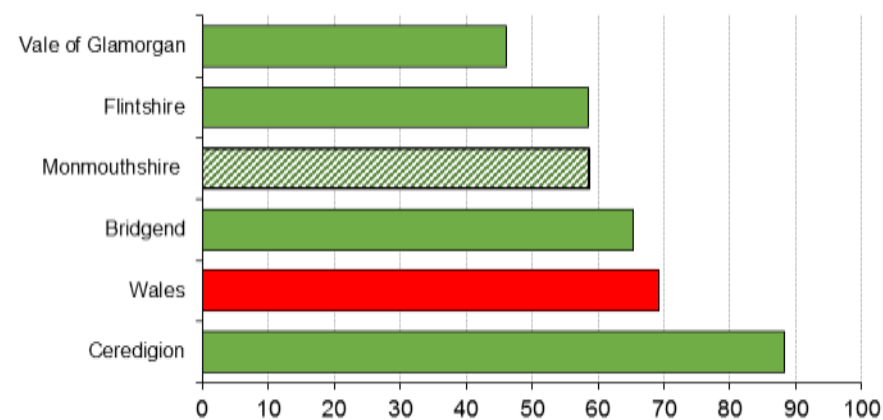
Unemployment (%)



Active Businesses per 10,000 population



Percentage of working residents who work in the county



Objective 4: We want to work with our residents to reduce the impact we have on the environment and use our resources more sustainably.		MCC Evaluation 2013/14: Good – Important strengths with some areas for improvement
Council Priority: Supporting enterprise and job creation	Outcome: People protect and enhance the environment	
What the single Integrated Plan identified we need to contribute to		
To enhance and protect our environment we need to: <ul style="list-style-type: none"> • Produce less waste and recycle more. • Reduce CO2 emissions and promote a green economy. 		
Why we chose this Objective		
We have a responsibility to reduce our impact on the environment by minimising waste, increasing recycling and reducing carbon. There are statutory targets and financial penalties for a failure to achieve these but we also to strive to achieve more than the statutory targets to further reduce the impact on the environment. To achieve this we need to deliver solutions that meet social, economic and environmental factors so that they are sustainable in the long term. This means not just processing waste responsibly but reducing the amount of waste produced, recycling more, encouraging alternative uses of waste, accompanied by ultimately becoming more resource and energy efficient. This will not only involve action by the Council but, importantly, also encourage community involvement.		
Our focus for 2013/14		
Our aim was to produce less waste, recycle more and use resources efficiently. Integral to this was encouraging and supporting households and communities to undertake local action to contribute to this aim.		
What we said we would do	What have we done	What difference has this made?
Implement a pay to use garden waste service for households	A pay to use garden waste service was implemented on 1 st July 2013. 12,700 households registered for the scheme which is 31% of the county. There was also an 81% increase in home composters bought rising from 137 in 2012-13 to 723 in 13-14.	The amount of garden waste collected at kerbside reduced by 20% but garden waste deposited at Civic Amenity sites increased by 50%. Treatment costs are cheaper at Civic Amenity sites than from kerbside collections which resulted in a saving of around £50,000. In addition to this saving a total of £173,968 income was generated from the service.

		Household Satisfaction with the garden waste service decreased to 71% which still remains a sound level.
Implement a fortnightly two grey bag general rubbish collection for households	The roll out of fortnightly two grey bag general rubbish collection for households successfully took place on 1 st July 2013.	<p>Residual waste that cannot be recycled is the most expensive to treat. This reduced by 16% last year. Overall waste decreased slightly but not as much as targeted. This is in line with other areas in Wales and is believed to be partly a reflection of the economic recovery with people buying more.</p> <p>There was a significant increase in households using food and dry recycling with the total recycling rate increasing by 7%. Satisfaction with the overall waste service declined to from 92% to 83.5% but still remains a high level of satisfaction. Satisfaction with other recycling services improved.</p>
Determine the feasibility of community composting in Monmouthshire.	<p>A Community Composting event “Compost it Monmouthshire” was held in September 2013 for residents to learn more about the potential for composting in their community.</p> <p>Stemming from this a community growing scheme has been established, and a policy produced to make underutilised Council land available for the community to grow food.</p>	<p>The Council has engaged with 11 community groups to develop community composting. This has grown awareness of the issue and developed contacts and networks who are willing try a different way of managing this material and started to identify suitable land for composting.</p> <p>The establishment of community growing schemes will allow the community and the council to use each other’s expertise to further develop Community Compositing.</p>

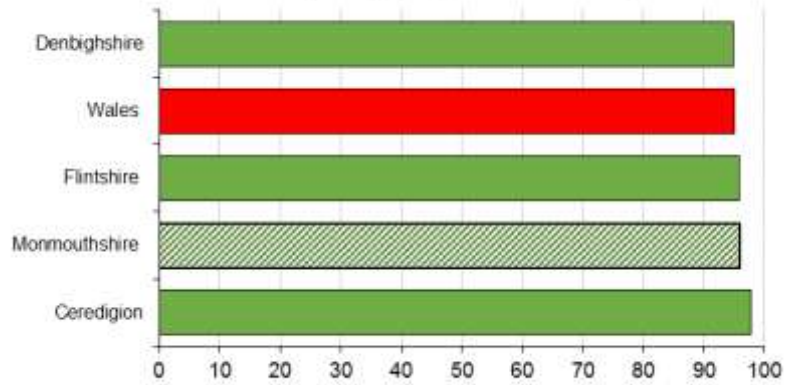
<p>Complete and roll out the secondary school education pack to engage older children in thinking about waste and recycling.</p>	<p>The secondary school pack was completed in 2013-14 and it was trialed and finalised with Monmouth Comprehensive. All secondary Schools have now been engaged in the programme.</p>	<p>The pack meets the needs of secondary schools linked to the curriculum. This will allow space and time for secondary schools pupils to learn and be engaged to help inform their attitudes and behaviours towards waste which will have a long term impact on our environment and recycling rates.</p>
<p>Work with partners (internal and external) to produce recommendations for change to reduce fly tipping in Monmouthshire, while also improving the council response.</p>	<p>A new process for clearing up fly-tipping has been agreed. This allows time for inspections and gathering of appropriate information for prosecution purposes whilst still allowing material to be collected within the 5 working days target set by Welsh Government.</p>	<p>The response time for collection fly-tipping has improved significantly from 82% to 96% being cleared within five days.</p> <p>There has been an increase in the number of incidents of fly-tipping although the weight of the material tipped has reduced and the number of incidents remains amongst the lowest in Wales. The increase in incidents was most prominent when the waste changes were introduced, since then incidents have returned to a similar level as last year. This article is an example of the action taken by the council against fly-tippers.</p>
<p>Implement measures to increase the energy efficiency of council buildings, including the installation of solar panels.</p>	<p>We continued to deliver the Council's property maintenance programme. We replaced equipment that has come to the end of its life with more energy efficient equipment, for example lighting and boilers.</p> <p>The Council's building replacement and rationalisation programme has continued including the opening of the new Council Headquarters which is classified as 'A' rated for the Green Guide for major building.</p>	<p>There has been a 5% reduction in carbon emissions. However when seasonally adjusted for the impact of a milder winter the adjusted figure of emissions shows a 2% increase.</p> <p>The overall generating capacity of renewable energy has been increased, renewable energy accounted for 2.4% of electricity used in Council buildings in 2013/14.</p>

<p>Encourage the use of renewable energy by households and businesses, including implementing a renewable loan scheme.</p>	<p>The renewable loan scheme has not been implemented due to State Aid and Consumer Credit Agreement issues.</p> <p>The rent a roof scheme continues to be progressed, however recent changes mainly to EU's tax, have made the deal less favourable to the consumer.</p> <p>£441,162 Arbed ECO top-up (energy efficiency) funding has been secured and targeted at Thornwell.</p>	<p>With the renewable loan scheme not being implemented and changes to the rent-a-roof scheme there has been limited impact on the use of renewable energy by households and businesses. There has been a positive impact on households energy efficiency.</p> <p>Private and social landlord properties have received energy efficiency measures; 15 private properties have received external wall installation with a further 63 targeted for completion in June. In addition Monmouthshire Housing Association have completed installations on 48 properties. Wall insulation can reduce per year heating costs on average around £130 and carbon dioxide emissions on average around 550kg depending on the type of house.</p>				
<p>Performance Indicators How much did we do?</p>	<p>2011/12 Actual</p>	<p>2012/13 Actual</p>	<p>2013/14 Target</p>	<p>2013/14 Actual</p>	<p>2013/14 Wales Av</p>	
<p>Tonnes of overall municipal waste collected⁶</p>	<p>45,632</p>	<p>46,007</p>	<p>43,000⁷</p>	<p>45,962⁸</p>	<p>not available</p>	
<p>Tonnes of overall residual waste collected that cannot be reused or recycled⁹</p>	<p>20,096</p>	<p>20,045</p>	<p>17,500¹⁰</p>	<p>16,774</p>		
<p>Tonnes of municipal waste collected which can be recycled or composted¹¹</p>	<p>25,535</p>	<p>25,863</p>	<p>>26,500</p>	<p>28,927</p>		
<p>Of the waste that can be recycled or composted i) Tonnes of organic waste¹² of which:</p> <p>a) Garden waste (tonnes)</p> <p>b) Food waste (tonnes)</p> <p>ii) Tonnes of dry waste</p>	<p>12,680</p>	<p>12,444</p>	<p>11,375</p>	<p>11,839¹³</p>	<p>not available</p>	
<p>a) Garden waste (tonnes)</p>	<p>9,247</p>	<p>9,093</p>	<p>Target not appropriate¹⁴</p>	<p>8,004</p>		
<p>b) Food waste (tonnes)</p>	<p>2,438</p>	<p>2,479</p>		<p>4,138</p>		
<p>ii) Tonnes of dry waste</p>	<p>12,855</p>	<p>13,419</p>	<p>15,925</p>	<p>17,358</p>		
<p>Total number of fly-tipping incidents (and total amount tipped).¹⁵</p>	<p>497 (24,027kg)</p>	<p>358 (59,745kg)</p>	<p><358 incidents</p>	<p>423 (34,809kg)</p>	<p>not available</p>	
<p>Percentage reduction in Carbon dioxide emissions¹⁶</p>					<p>not</p>	

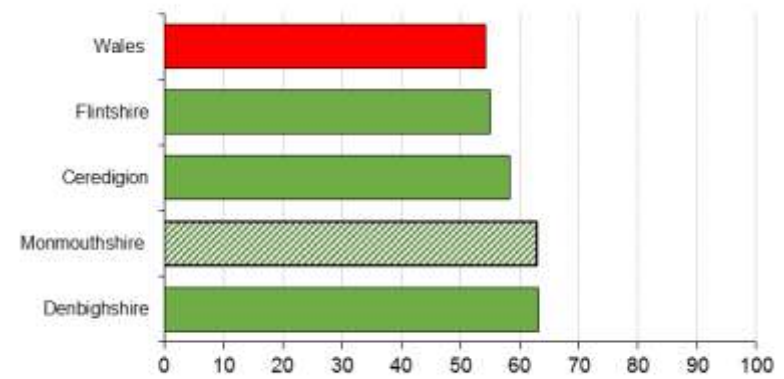
i) Absolute ii) Weather adjusted	i) 7% ii) 2%	i) 1% ii) 11%	3% ¹⁷	i) 5% ii) +2%	available
How well did we do it					
Percentage of municipal waste recycled / composted	55%	56%	60%	63% ¹⁸	54%
Percentage of households satisfied with:					
i) The overall waste service	92.4%	Completed bi -annually	>92.4%	83.5%	not available
ii) Red and purple bag service	92%			96%	
iii) Food waste service	90.6%			93%	
iv) Garden Waste Service	90.6%			71%	
The percentage of reported fly tipping incidents cleared within 5 working days	81.1%	82.1%	>82.1%	96%	95%
Amount of energy generated from renewable sources (kWh)	169,924	292,174	500,000	509,649	not available
Is anyone better off?					
Percentage of households using the dry recycling service.	76%	Completed bi -annually	80%	83.5%	not available
Percentage of households using the food recycling service	48%	Completed bi -annually	55%	75%	not available
The resources we used					
The average cost per household for waste collection and disposal in Monmouthshire is £140 a year.					

How we compare with others

Percentage of fly-tipping cleared within 5 days



Percentage of municipal waste prepared for reuse and/or recycled



Objective 5: We want to remain an efficient and effective organisation, delivering our priorities in conjunction with key partners, stakeholders and citizens, amidst significant on-going financial constraints.		MCC Evaluation 2013/14: Good – Important strengths with some areas for improvement
Council Priority: n/a	Outcome: n/a	
What the single Integrated Plan identified we need to contribute to		
This objective is about the efficient and effective operation of the local authority rather than any specific programme of work.		
Why we chose this Objective		
<p>The scale and magnitude of the challenges now upon Local Government are unprecedented and these future challenges are mounting. Alongside severe financial constraint as reflected in our Medium Term Financial Plan, we face changes in customer needs and expectations, together with challenges as a result of new technologies and regulatory and policy changes.</p> <p>We must continue to develop and implement ways of working that will help us meet all these challenges to maximise our chances of success and remain relevant to the citizens we serve. To achieve this through increasing efficiency alone will not be enough, we must become fundamentally more effective and progressive in what we do and through working with communities develop the sustainable solutions to meet future needs. Our responses need to be sustainable and deliverable within the resources available from organisations like the Council but also from within communities.</p>		
Our focus for 2013/14		
To continue with our programme of innovation and creativity, working with key stakeholders in redesigning and transforming services, and equipping our workforce and others to deliver more effective and efficient services.		
What we said we would do	What have we done	What difference has this made?
Develop strategic service redesign as part of the Medium Term Financial Plan.	<p>Fourteen significant areas have been identified for service redesign through the Medium Term Financial Plan (MTFP).</p> <p>Eleven of these areas have been developed and will have an immediate impact on the 2014/15 budget.</p>	<p>The budget saving expected from the areas identified for the MTFP is £7.2m, of which £1.9m relates to savings included in the 2014/15 budget.</p> <p>The remaining proposals have a more medium-term focus. Detailed business cases are being developed and will be considered by Cabinet once completed.</p>

<p>A number of innovation initiatives will be used to support key service redesign principles as outlined in Your County Your way, including developing engagement approaches.</p>	<p>Two rounds of community consultation events on the future of council services were held around the County in November and January, involving formal meetings, street drop-in sessions and online feedback.</p>	<p>The events saw over 1300 members of the public join staff to start a conversation that will continue about how the Council operates. We received a high number of ideas that were incorporated into the emerging budget strategy.</p> <p>26 ideas from the public engagement events have been incorporated into the 2014/15 budget.</p>
<p>We will look to develop the Authority's website and other communication channels, including social media, as appropriate to ensure that citizens remain informed.</p>	<p>The authority's new website was launched in August 2013. Key features include: making it easier to access council services on mobile phones; logging on to customise the website for user needs and leave comments; better links with Council's social media pages; making it more accessible for all users and being fully available in Welsh.</p> <p>Social media, the website and a newsletter were used to involve and inform resident through the budget engagement process.</p>	<p>Our website is rated as one of eight recommended sites in the UK as assessed by the 2014 Society of Information Technology Management (SOCITIM). There were some early technical issues and user feedback was used to assist in tackling these. Since the launch we have had over 190,000 unique visitors to the website with 1.5million pages of information viewed.</p> <p>Our use of twitter was rated as one of the five best in the UK by a national newspaper</p>

<p>Continue and progress our programme to develop staff to meet present and future challenges, including the People Strategy and Intrapreneurship.</p>	<p>Our Intrapreneurship School continued, with training being delivered to mixed cohorts of staff from across the organisation.</p> <p>A comprehensive induction programme has continued, including following up sessions to learn from new starters experiences.</p> <p>A series of inspirational insight talks for all staff from leaders to front-line teams in different fields have been held to learn lessons from other areas that can be applied to public service delivery.</p> <p>The Authority has developed its own coaching programme (RESULT) that will be provided to all staff with managerial or supervisor responsibility.</p>	<p>Some of the impact of Intrapreneurship School has been captured in a short film.</p> <p>Feedback from staff induction has been generally positive in preparing staff for a career with the authority. Follow-up sessions have identified areas of the organisation where improvement is required allowing the programme to continually evolve.</p> <p>Positive feedback have been received from the initial RESULT coaching training delivered with benefits from using it in their work.</p>
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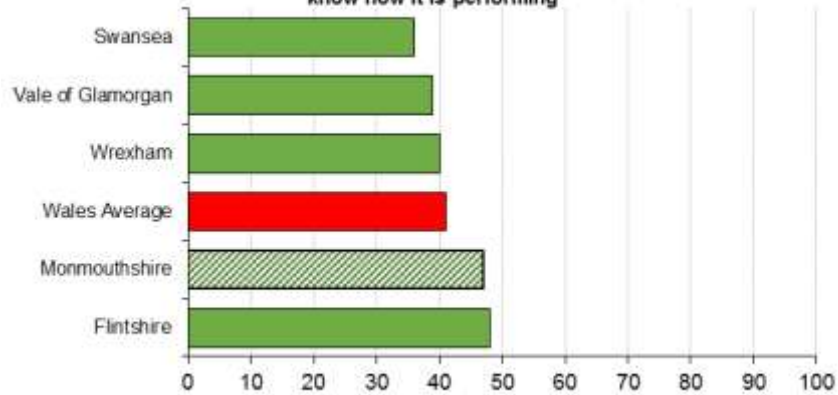
<p>We will continue to implement a whole system approach, maintaining focus on areas which yield the most significant customer outcomes and savings.</p>	<p>Work is continuing to implement recommendations from whole system reviews completed so far, including development control, building control, employee services, highways and waste.</p> <p>Systems reviews in social care led to processes and practice have been re-examined from the basis of “what matters to the people we work with.”</p>	<p>The impact of system reviews can take some time to be fully evidenced. In Building Control the processing time for notices has reduced from 9.3 days to 1.8 days. The service is now returning a profit which can be reinvested in services.</p> <p>93% of planning applications are approved which is above the national average and in the top quarter in Wales. This highlights how the authority negotiates applications rather than refuse planning applications.</p> <p>The percentage of householder planning applications approved in 8 weeks has improved from 61% to 84% which is now in line with the Wales average.</p> <p>The systems redesign in Adult Social Services is progressing well and has attracted interest across Wales.</p>
<p>Continue to implement our agile/flexible working policy.</p>	<p>In April 2013 staff started working from the new Council Headquarters in Usk.</p> <p>Further developments of Agile Working centred on flexible jobs and skills ensuring that the council isn't restricted by rigid job descriptions and remote working technology enabling staff to send information from locations outside the office.</p>	<p>Agile and flexible working is now fully embedded in Monmouthshire to ensure employees can work wherever they need to be in order to do their jobs. We are beginning to see this in lower staff sickness levels.</p>

<p>Improve performance management arrangements to strengthen planning and evaluation.</p>	<p>A self-evaluation framework for the Council has been adopted and will be applied fully in September 2014 which will provide a full evaluation of performance management arrangements. Smaller scale evaluations of service areas following a similar model will be carried out later in 2014.</p> <p>Chief Officers for each of the four directorates are now producing an annual plan to evaluate their service and set the direction for their service in the future.</p>	<p>This refreshed approach to how services plan and evaluate their performance has ensured close attention to customers, budget, staff and processes.</p> <p>The real impact will be reflected in whether there is an improvement of the Council's performance across services. In 2013/14 64% of national performance indicators have improved or are at the maximum.</p>				
<p>Introduce Microsoft Office 365 as a replacement and upgrade of the authority's existing arrangements to cloud based technology.</p>	<p>Cabinet has approved the procurement <u>Microsoft Office 365</u> licenses, as a replacement and upgrade of the existing Microsoft Enterprise Agreement to deliver the Microsoft applications including email, Word, Excel to the authority.</p>	<p>The testing of the software was successful but it has yet to be rolled out across the organisation.</p>				
<p>Strengthen the sickness recording, monitoring and reporting systems to enable better sickness management. As part of this we will determine a more accurate baseline on sickness data.</p>	<p>A new sickness absence system has now been introduced and when fully utilised will provide up to date, valid and reliable data.</p> <p>In addition, managers are being requested to input their data in a new way. Support for managers, to help them record their absence is ongoing.</p>	<p>The Councils current sickness rate in 13/14 has decreased to 11 days per whole time equivalent which comparatively with other Welsh authorities remains a high rate. We know that absence rates are over-reported due to problems with the system and expect to see a significant decrease in our days lost to sickness when this is reported for 2014/15.</p>				
<p>Performance Indicators How much did we do?</p>	<p>2011/12 Actual</p>	<p>2012/13 Actual</p>	<p>2013/14 Target</p>	<p>2013/14 Actual</p>	<p>2013/14 Wales Av</p>	
<p>Number of staff supported by the Centre for Innovation working on strategic service redesign.</p>	<p>-</p>	<p>new</p>	<p>Set baseline</p>	<p>453</p>	<p>Not available</p>	
<p>Number of citizens, businesses and stakeholders engaged as a result of identified service redesign projects</p>	<p>-</p>	<p>new</p>	<p>Set Baseline</p>	<p>1697</p>	<p>Not available</p>	

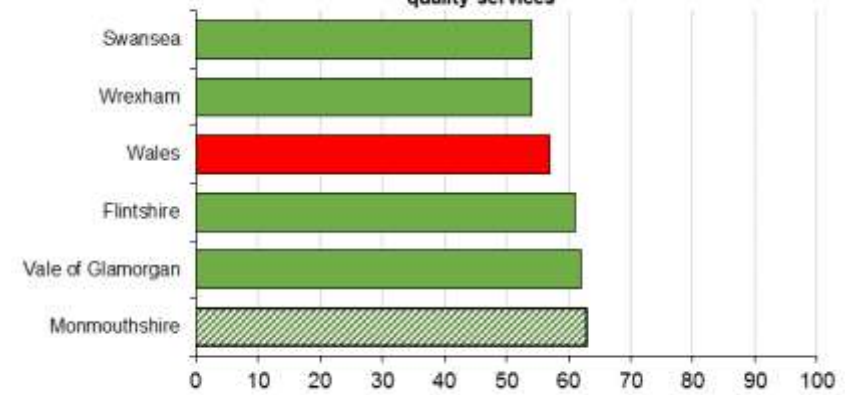
Number of staff receiving innovation related training and support	12	44	not set	959	Not available
Number of times information accessed on the Authority's website	729,058	1,392,930	1,400,000	1,541,088	Not available
How well did we do it					
Level of savings resulting from service redesign projects supported by the Centre for Innovation	new	new	£2M	£1.94M	Not available
Revenue outturn expenditure against budget ¹⁹	£4million (2.7% underspend)	£419k (0.3% underspend)	within budget (£147 million)	£1.2M (0.8% underspend)	Not available
The number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence	13.3	11.9	<11.9	11.0	Not available
Is anyone better off?					
Level of influence of Monmouthshire County Council social media use ²⁰	Not recorded	Not recorded	>65/100	57/100	Not available
Percentage of people who agree the local authority provides high quality services. ²¹	Not surveyed	53%	Not set	63%	57%
Percentage of people who agree they can influence decisions affecting local area ²²	Not surveyed	22%	Not set	26%	25%
Percentage of people who agree the local authority is good at letting them know how we are performing	Not surveyed	41%	Not set	47%	41%
The resources we used					
<p>In 2013/14 it cost us £10.5 million to run the Chief Executive's department. This includes the cost of local democracy as well as things like ICT, Personnel and democratic services.</p>					

How we compare with others

Percentage of Residents who say council is good at letting them know how it is performing



Percentage of people who agree that their council provides high quality services



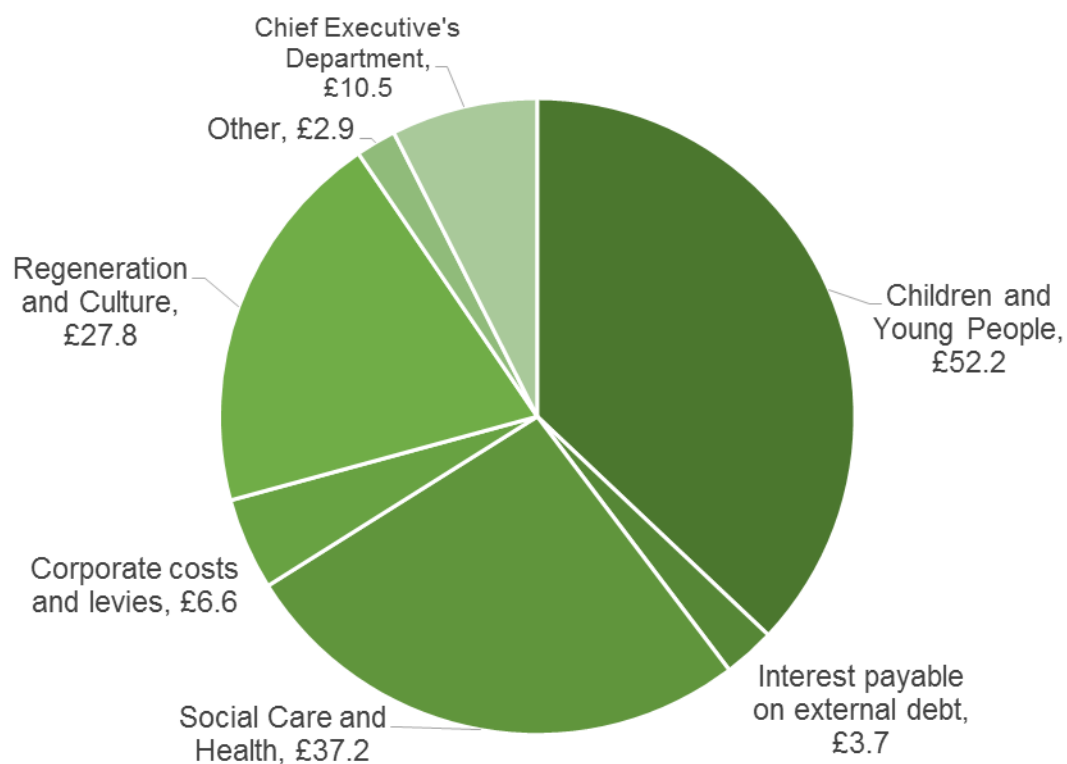
What we spent in 2013/14

In 2013-14 the Council spent £141 million (£139.7m in 2012-13) providing services for Monmouthshire residents.

Our Medium Term Financial Plan highlights the financial position in both the short and medium term and models different financial scenarios and pressures. This allows us to respond to changing circumstances such as the downturn in the economy and its impact on public sector funding.

The proportion of our spending which goes on the different services we provide can be shown on the chart below. The largest areas of expenditure are education and social services which reflects the council's priorities.

Cost of providing services and running the council in 2013/14 (£ millions)

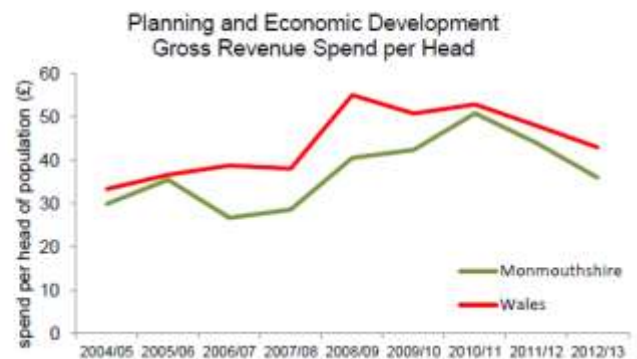
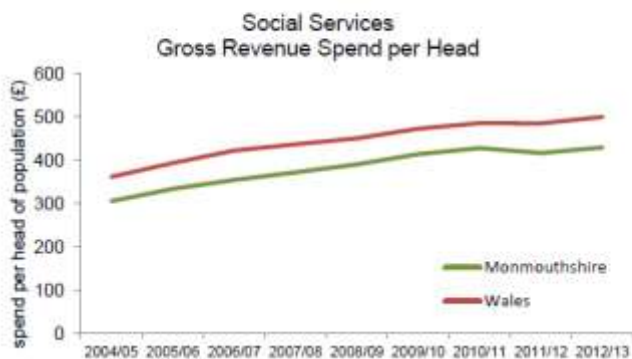
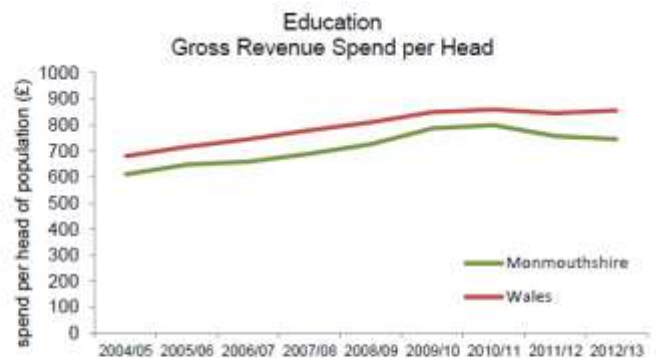
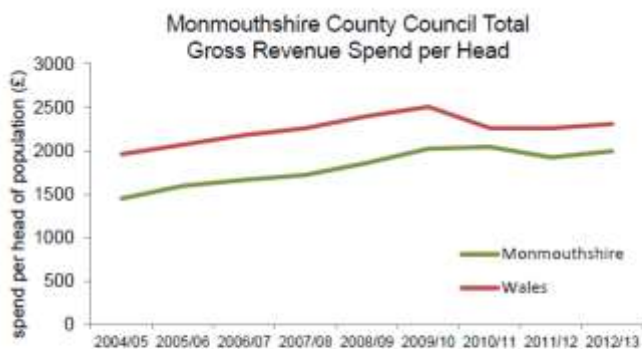


(net revenue expenditure)

These services are paid for by a combination of general government grants (£74.8m), council tax (£38.7m), business rates (28,4m) and a contribution from the Council Fund.

How our Revenue spend compares with other areas

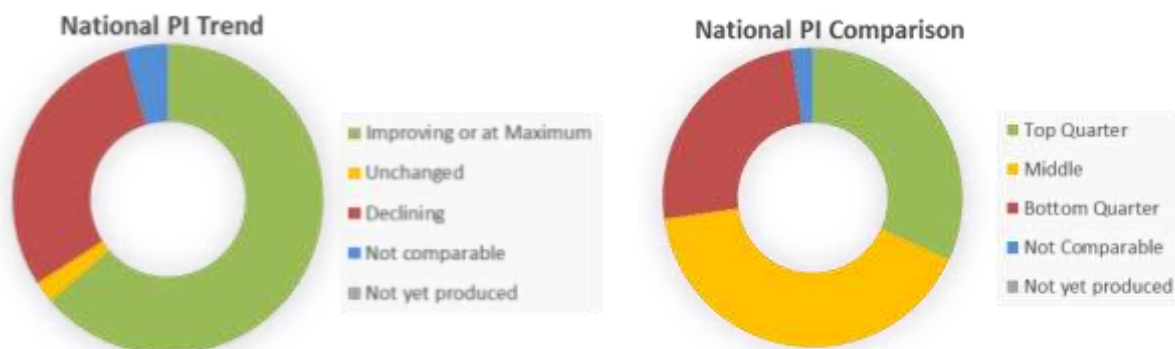
The diagrams below show how much we spend per head of population in on our priority areas. We are spending less on services per head of population than the average for local authorities in Wales. However we also work hard to make sure this money goes where it matters. Comparable data is only available up to 2012/13 at time of publication.²³



National Performance Indicators

2013/14

Welsh Government publishes performance indicators on a range of services delivered by local authorities in Wales. When comparing against other local authorities Monmouthshire was ranked in the top quartile for a third of the published indicators. The Council has seen service performance improve, or remain at the maximum level, in 64% of comparable indicators.



National measures do not always reflect our local priorities. They tend to focus on process which are easy to measure rather than the outcomes that services are trying to achieve. Nonetheless they remain an important tool in allowing people to hold the council to account.

We are prioritising our resources in our three priority areas of education, the protection of vulnerable people and promoting enterprise. We have evaluated our performance against our priority areas. Other key local services the national indicators cover include waste, highways, housing, leisure, libraries and public protection. This allows us to assess what we have achieved and where we can improve. The charts below show the proportion of measures that are improving or which are amongst the best in Wales.



Other Local Services



You can look at the individual measures over the next few pages of this plan, look on-line at www.mylocalcouncil.info or our [Performance Bulletin](#) which gives a more detailed assessment of our performance.

However you choose to look at the information we are always interested in your views. You can e-mail us using improvement@monmouthshire.gov.uk or send us a tweet @MonmouthshireCC

Trend	Position in Wales	Quartile
Trend information highlights if performance in 2013/14 compared to the previous year is: <ul style="list-style-type: none"> Improving or Maximum (applies to 27 indicators) Staying the same (1 indicator) Declining (applies to 13 indicators) 	Shows where the authority ranks in comparison to the other 21 local authorities in Wales, 1 being the best and 22 being the worst.	Ranking information highlights if performance compared to Welsh local authorities in 2013/14 is: Upper – Among the top performing local authorities (14 indicators) Middle – Among the mid-ranking local authority performance (18 indicators) Lower - Among the lowest performing local authorities (11 indicators)

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
SCA/001	The rate of delayed transfers of care for social care reasons per 1,000 population aged 75 or over	2.42	1.77	2.31	1.83	Declined	4.68	8	Upper Middle
SCA/002a	The rate of older people supported in the community per 1,000 population aged 65 or over at 31 March;	67.3	60.28	58.8	56.56	Improved	74.48	7	Upper Middle
SCA/002b	The rate of older people whom the authority supports in care homes per 1,000 population aged 65 or over at 31 March	12.9	13.21	13.52	11.33	Improved	19.84	1	Upper
SCA/007	The percentage of clients with a care plan at 31 March whose care plans should have been reviewed that were reviewed during the year	65.33	54.4	80	82.1	Improved	81.1	12	Lower Middle

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
SCA/018a	The percentage of carers of adults who were offered an assessment or review of their needs in their own right during the year	23	74.2	95	97.3	Improved	85.8	10	Upper Middle
SCA/0019	The percentage of adult protection referrals completed where the risk has been managed	77.86	80.37	90	81.2	Improved	94.45	21	Bottom
SCA/020	The percentage of adult clients who are supported in the community during the year.	87.55	86.85	not set	86.34	Declined	86.33	11	Upper Middle
SCC/001a	The percentage of first placements of looked after children during the year that began with a care plan in place	100	not published	100	83	Not Applicable	90.9	20	Lower
SCC/002	The percentage of children looked after who have experienced one or more changes of school while being looked after	10.5	10.2	10	11.0	Declined	13.2	6	Upper
SCC/004	The percentage of children looked after on 31 March who have had three or more placements during the year	9.43	2.7	10	10.7	Declined	8.3	16	Lower Middle

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
SCC/011a	The percentage of initial assessments that were completed during the year where there is evidence that the child has been seen by the Social Worker	97.2	85.6	90	95.7	Improved	78.9	2	Upper
SCC/011b	The percentage of initial assessments that were completed during the year where there is evidence that the child has been seen alone by the Social worker	25.2	22.38	37.5	33.21	Improved	42.9	19	Lower
SCC/025	The percentage of statutory visits to looked after children due in the year that took place	84.69	66.9	80	66.3	Declined	85.3	22	Lower
SCC/030a	The percentage of young carers known to Social Services who were assessed	85.71	100	100	54.5	Declined	85.9	21	Lower
SCC/033d	The percentage of young people formerly looked after with whom the authority is in contact at the age of 19	88.9	88.9	100	92.3	Improved	93.4	16	Lower Middle
SCC/033e	The percentage of young people formerly looked after who are known to be in suitable accommodation at the age of 19	93.8	100	80	91.7	Declined	92.7	14	Lower Middle

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
SCC/033f	The percentage of young people formerly looked after who are known to be engaged in education, training or employment at the age of 19	62.5	25	60	58.3	Improved	54.8	10	Upper Middle
SCC/037	The average external qualifications point score for 16 year old looked after children in any local authority maintained learning setting	139	269	not set	222	Declined	262	17	Lower
SCC/041a	The percentage of eligible, relevant and former relevant children that have pathway plans as required	not available	68.4	70	73.3	Improved	89.2	20	Lower
SCC/045	The percentage of reviews of looked after children, children on the Child Protection Register and children in need carried out in line with the statutory timetable	61.49	59.5	80	86.1	Improved	89.6	18	Lower

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
HHA/013	The percentage of all potentially homeless households for whom homelessness was prevented for at least 6 months	30.4	21.4	25	24.2	Improved	66.4	Not comparable ¹	Not comparable
PSR/002	The average number of calendar days taken to deliver a Disabled Facilities Grant.	311	236	230	186	Improved	239	2	Upper
PLA/006b	The percentage of all additional housing units provided during the year that were affordable.	31	101	not set	31	Declined	37	13	Lower Middle
PSR/004	The percentage of private sector homes that had been vacant for more than 6 months that were returned to occupation during the year	0.23	Not published	>4.66	4.66	Not Applicable	9.23	15	Lower Middle
EDU/002i	The percentage of all pupils in local authority schools, aged 15, that leave compulsory education, training or work based learning without an approved external qualification	0.1	0.1	0	0.4	Declined	0.3	14	Lower Middle

¹ Welsh Government have confirmed: A Wales Audit Office report in 2013 identified a wide variation in how local authorities interpret guidance for indicator HHA/013 relating to homelessness prevention. In addition to different practices in local authorities, this has resulted in a wide variation in performance. Therefore, this indicator should not be compared by local authority. However, comparisons can be made over time for individual local authorities.

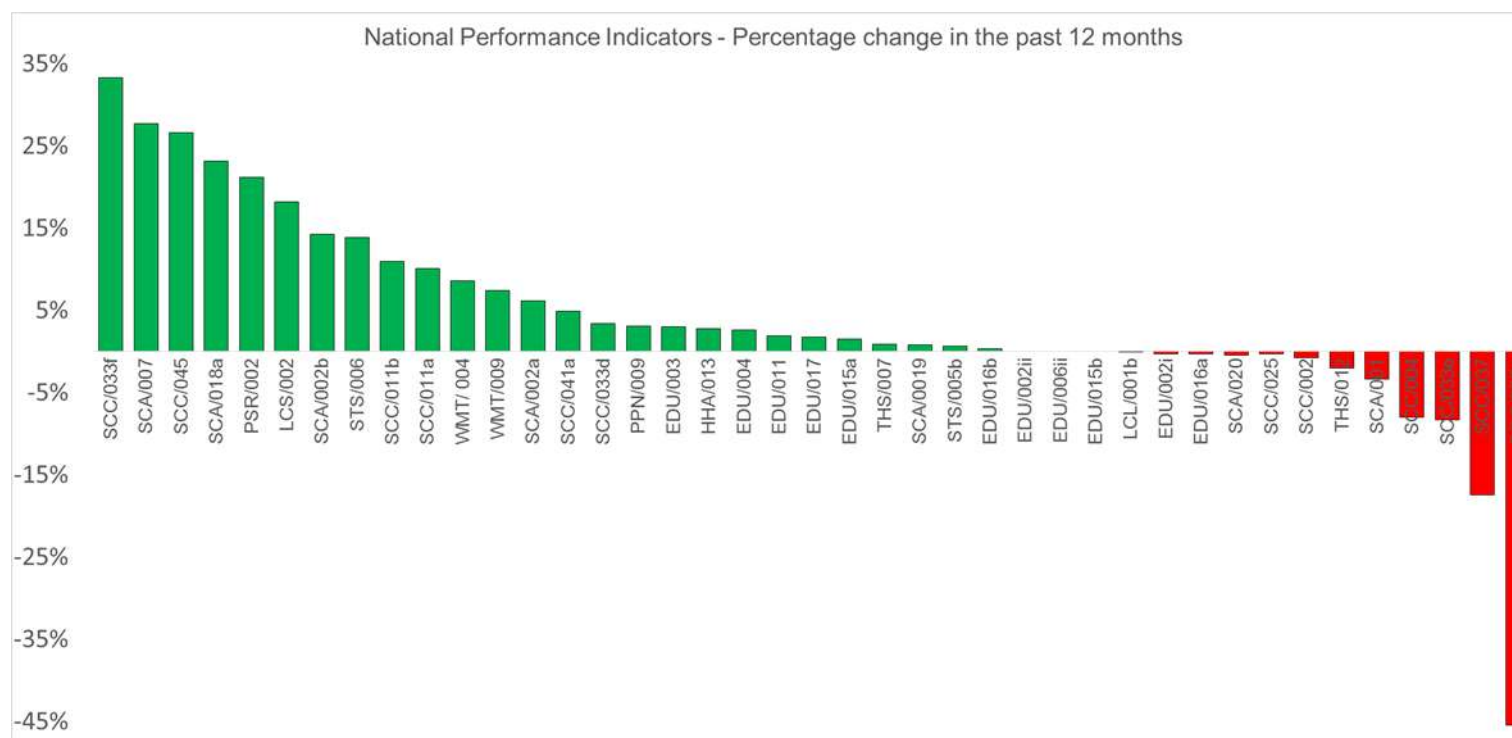
Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
EDU/002ii	The percentage of pupils in local authority care, and in local schools, aged 15, that leave compulsory education, training or work based learning without an approved external qualification.	0	0	0	0	At Maximum	2	1	Upper
EDU/003	The percentage of pupils assessed at the end of Key Stage 2, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	82.48	86.3	89.0	89.3	Improved	84.6	1	Upper
EDU/004	The percentage of pupils assessed at the end of Key Stage 3, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	71.54	77.7	81.8	80.3	Improved		6	Upper
EDU/006ii	The percentage of pupils assessed, in schools maintained by the local authority, receiving a Teacher Assessment in Welsh (first language) at the end of Key Stage 3	0	0	0	0	Un-changed	17	19	Lower

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
EDU/011	The average point score for pupils aged 15 at the preceding 31 August, in schools maintained by the local authority	438	463.7	351	472.6	Improved	505.3	17	Lower
EDU/015a	The percentage of final statements of special education need issued within 26 weeks including exceptions	42.86	55.6	68.0	57.1	Improved	69.6	16	Lower Middle
EDU/015b	The percentage of final statements of special education need issued within 26 weeks excluding exceptions	93.8	100	100	100	At Maximum	96.6	1	Upper
EDU/016a	Percentage of pupil attendance in primary schools	94.4	94.7	94.9	94.4	Declined	93.7	2	Upper
EDU/016b	Percentage of pupil attendance in secondary schools	92.3	93.2	93.3	93.5	Improved	92.6	2	Upper
EDU/017	The percentage of pupils who achieved the Level 2 threshold including a GCSE grade A*-C in English or Welsh first language and mathematics	51.3	56.3	65.0	57.3	Improved	52.5	5	Upper

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
WMT/009	The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled that are composted or treated biologically in another way	54.97	55.5	60	62.94	Improved	54.33	2	Upper
WMT/ 004	The percentage of municipal waste collected by local authorities sent to landfill	43.29	42.81	36.7 ²⁴	34.23	Improved	37.72	8	Upper Middle
STS/005b	The percentage of highways and relevant land inspected of a high or acceptable standard of cleanliness	95.71	98.4	98.5	99	Improved	96.8	4	Upper
STS/006	The percentage of reported fly tipping incidents cleared within 5 working days	81.09	82.12	>82.1	95.98	Improved	95.03	12	Lower Middle
THS/007	The percentage of adults aged 60 or over who hold a concessionary bus pass	77.9	76.6	not set	77.5	Improved	77.5	17	Lower
THS/012	The percentage of principal (A) roads, non-principal (B) roads and non-principal (C) roads that are in overall poor condition	9.44	7.8	A – 3 B and C 8	9.8 (A-3, B-5.3, C-14.2)	Declined	13.2	13	Lower Middle
LCS/002	The number of visits to local authority leisure centres during the year per 1,000 population where the visitor will be participating in physical activity	5962	6852	7060	8099	Improved	8954	14	Lower Middle

Ref	Description	2011/12	2012/13	2013/14 Target	2013/14	Trend	Wales Av	Position in Wales	Quartile
LCL/001b	The number of visits to public libraries during the year, per 1,000 population	7293	7279	6900	7270	Declined	5851	3	Upper
PPN/009	The percentage of food establishments which are 'broadly compliant' with food hygiene standards	84.3	88.1	>88.1	91.2	Improved	90.33	11	Upper Middle

This chart summarises how performance has changed against comparable indicators over the past year:



What our Citizens said

Engagement and consultation is essential to improving the way we work. We need to listen more effectively and understand our communities better. We regularly consult on a range of subjects. Some of the most significant work has been set out below.

The Future of Council Services

During 2013-14 we held a series of engagement events to talk to our communities about the financial challenges facing the authority. Over 1300 people attended, sparing their time and sharing their views. This allowed us to understand what it is that people value about local services and also helped us set a level of council tax that was consistent with peoples' expectations. The sessions also gave people the opportunity to come up with new ideas for how things could be done differently in future. These meetings were widely reported in the media and are now being replicated by other councils.

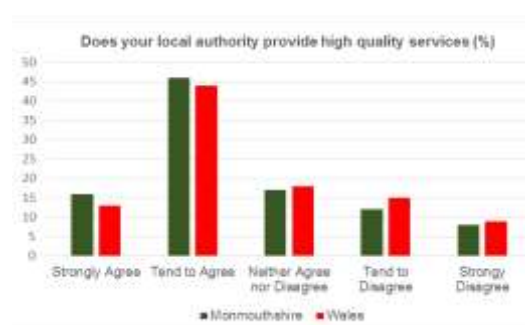
Single Integrated Plan

The Single Integrated Plan was built off a platform of extensive consultation and engagement and is subsequently based around the issues people have told us are important in Monmouthshire, there are three priority areas:

- Nobody is left behind
- People are confident, capable and involved
- Our County thrives

National Survey for Wales

The National Survey for Wales gathers opinions from people across Wales on a wide range



of issues affecting them and their local area. This provides a valuable insight into some of the outcomes of the local authority's work and people's views of public services and wellbeing in their local area. In Monmouthshire some of the headline results on Local authority services indicated 62% agreed Monmouthshire County Council provides high quality services compared to a Wales average of 57%. It was also pleasing

to see that a [recent study](#) confirmed Monmouthshire as one of the most desirable places in the UK to retire, confirming what our residents say about quality of life in the county.

Strategic Equality Plan

Following engagement and involvement with partners, stakeholders and citizens the Council adopted the Strategic Equality Plan which helps us to assure that our functions, decisions and behaviours fully take into account the impact they have on Protected Characteristic groups²⁵ while also improving the lives of individuals and communities based on the issues citizens told us were important.

The Plan includes a specific objective to “Encourage people to become more active and involved in helping to shape Council decisions and service provision.” It will be reviewed on an annual basis and as actions are completed other actions will be added to the Plan to address any issues that are identified through the continuing engagement and consultation process that exists in Monmouthshire.

Whole Place

The Whole Place approach provides the opportunity for services to collectively put citizens at the centre of service design and to work together to improve outcomes. This work had led to the creation of town teams in Bryn-y-Cwm and Caldicot who are forming a coalition of people locally to take forward ideas to improve their communities

What our Chief Officers said

The Chief Officer for each of our directorates, Social Care & Health, Children & Young People and Regeneration & Culture, produces an Annual Report to evaluate progress against stated objectives within the previous year and set the future direction for these service.

The first of these reports covering Social Care and Health and Children and Young People are available on our website. Extracts from these reports are included below, you can access the full reports on our website www.monmouthshire.gov.uk.

Annual Report of the Director for Children and Young Peoples Services 2014

Real school improvement outcomes can only happen through high professional standards of teaching and effective school leadership. As an authority, we in Monmouthshire persistently pursue this through our commissioned school improvement service, the Educational Achievement Service (EAS), as well as encouraging and supporting our governing bodies and Head Teachers to address poor professional performance in the classroom.

We have increased our pace this year and clearly understood what we have to do to achieve our purpose. Our activity during 2013-14 has been significantly influenced by the outcomes of the Estyn Report in February 2013. Notwithstanding the disappointment felt at the outcome of being placed in Special Measures, it has enabled us to reflect on our position and compelled us to change the way we work and implement more appropriate policies. This has been of immense value.

Annual Report of the Director of Social Services 2014

The last year has been one of balancing an urge to innovate and transform with the need to maintain good quality services on a day to day basis. There are numerous examples of staff going the extra mile to deliver better outcomes for people including taking on additional roles where this is required.

Social Services is a statutory, demand-driven service and there have also been periods when external pressures, combined with staffing difficulties have been a challenge to us and we have needed to refocus on supporting and motivating groups of staff.

Overall we have demonstrated the strengths of a small, values-driven authority and I am proud of the achievements and commitment shown by our staff.

The reports for Enterprise and Operations directorates are due to be published in the coming weeks.

Self-Evaluation

The Corporate Self Evaluation is a high level scan of the whole organisation. It is important in allowing us to bring together and learn from the views of residents, staff, partners and others who have a view of the effectiveness of our work.

At the point in time when the draft Improvement plan is circulated the self-evaluation is underway. The findings from the exercise will be added to this section of the report prior to publication with findings reported to the relevant select committees and cabinet to enable them to feed into policy development. The work will address issues including:

- Impact on users and other stakeholders
- Impact on employees
- Quality of key processes and consistency of application across the organisation.
- Quality of management, including policy and service development, planning and performance management, management of resources, including staff. Finance partnerships and the community.
- Quality of leadership and strategic vision including leadership of people and leadership of change and improvement.
- Capacity for continual improvement.

What our Regulators said

Regulatory bodies are a key partner for the local authority. Their aim is to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.

The main inspectorates are the Wales Audit Office (WAO) who examine our financial and performance management, Estyn in relation to education provision and the Care and Social Services Inspectorate for Wales in relation to the social services. We work with other important agencies too such as the Planning Inspectorate, the Benefits Fraud Agency, the Environment Agency and Health and Safety Executive.

One of the key reports we receive each year is the Annual Improvement Report. In their most recent report Wales Audit Office concluded:

“The Council made mixed progress in 2012-13 in delivering improvements. The Council’s improvement planning arrangements for 2012-13 improved and there were some examples of good scrutiny, but some weaknesses remain in arrangements for local indicators, assessments and scrutiny of performance. The Council failed to discharge some of its improvement planning duties for 2013-14 and it was uncertain whether the Council was likely to make arrangements to secure continuous improvement in 2013-14. It is uncertain whether the Council is likely to make arrangements to secure continuous improvement for 2014-15.” You can read the full report online at www.wao.gov.uk

CSSIW produce an annual evaluation report on social services. They reported that: “Monmouthshire County Council has set out a strategic vision and priorities for social care services and continues to progress its ambitious change programme across adult and children’s social care in order to achieve this vision. The aim is to shape services in order to focus on prevention, early intervention and supporting people to remain independent. Its strategy seeks to draw on social enterprise, partners and communities to deliver services.” You can read the full report online at www.cssiw.org.uk

In 2012 Estyn inspected the quality of local authority education services for children and young people in Monmouthshire. As has been widely reported this resulted in the authority being placed in special measures. We have worked hard to address the concerns raised and were delighted with the exam results achieved by pupils in our schools in summer 2014 which showed that real progress is being made. You can access Estyn reports at www.estyn.gov.uk

The council uses the findings of all regulatory reports to target improvement at key areas of work.

Partnership & Collaboration

Monmouthshire is committed to working in partnership and has a good track record of delivering jointly with Health, The Police and voluntary sector amongst others. Fully understanding that no single organisation or community can achieve the level of outcomes required to break the cycle of dependency from one generation to the next.

Under the clear leadership of the Local Service Board (LSB), partners have been able to deliver a range of programmes, activities and interventions that are well evidenced, reflect local need and are co-produced with communities.

By utilising the Unified Needs Assessment and combining the data with effective community engagement, the Monmouthshire LSB partners have fully understood the story behind the baseline and identified four key priorities from within the Single Integrated Plan. The priorities for 2013/14 were focussed on 'Improving Attainment', 'Older people and Access to Services', 'Alcohol' and 'Reduction in Low Birth Weight Babies'. These four priorities have enabled partners to develop specific collaborative approaches to tackle these difficult issues in Monmouthshire. This report highlights many of the key partnership programmes that have been developed to deliver the outcomes identified in the Single Integrated Plan, these include: Community Area Coordination, In One Place, Integrated Youth Offer (Youth support services planning) and also targeted approaches around reducing alcohol amongst specific populations.

The Monmouthshire LSB has developed an Engagement Framework and has undertaken joint approaches to allow the local authority and its partners to be more flexible in responding to identified needs across all of Monmouthshire's communities. The LSB is the key partnership board in Monmouthshire – all other statutory partnerships were dissolved.

Key service partnerships include the Education Achievement Service (EAS), Project Gwyrdd, and the Shared Resource Service (SRS).

The EAS is an education support service shared across the five local authorities in Gwent. It is having a positive impact on outcomes across all Monmouthshire schools.

Project Gwyrdd is a collaboration of five local authorities in South East Wales to generate energy from residual waste that cannot be recycled. The project is on-course and will start generating energy in 2015.

The SRS is a partnership between Monmouthshire, Torfaen County Borough Council and Gwent Police. We are currently evaluating the partnership to ensure that we maximise the unique contribution that it is able to make as both a deliverer of ICT services and a strategic partner.

References

- ¹ The Equality and Human Rights Commission provides more information on each of the [nine protected characteristics](#)
- ² Reflects that number of people receiving services in the last month of the year, the national PI SCA/002a takes a one-day snapshot.
- ³ The Community audits completed in 2013/14 will allow a plan of action to be developed that will facilitate communities to produce project plans and bid for funding in future to develop appropriate schemes to enhance the community.
- ⁴ This includes employability programmes run through phase 2 of the Monmouthshire flexible Support Fund and Pathway Programmes for 16 -18 year olds.
- ⁵ The aims of a digital community project are to increase the digital knowledge and skills of communities groups whilst broadening the tourism and visitor offer within the county.
- ⁶ Municipal waste is all that the Council as a waste collection and disposal authority manage. From that which we pick up at kerbside from households, to the waste managed at CA sites and also the other elements of waste that we manage e.g. trade waste, street sweepings, asbestos, fly tipping etc.
- ⁷ This target has been revised from the <45,500 target set in the Improvement Plan 2013 -16 as more up to date data is now available to inform the target than when the Improvement plan was set.
- ⁸ Performance in 13-14 has improved from initial data of 46,277 to 45,962 through the data audit process with Natural Resources Wales
- ⁹ (This includes all black bag waste, kerbside & CA sites, street sweepings, fly tipping & trade waste)
- ¹⁰ This target has been revised from the <18,500 target set in the Improvement Plan 2013 -16 as more up to date data is now available to inform the target than when the Improvement plan was set.
- ¹¹ There is not a straight forward correlation between overall tonnes collected, tonnes sent for recycling/composting and residual waste. This is because through the recycling and composting process there is an element of “rejected” waste – either because it is contaminated or through the actual treatment process some waste is “rejected”. This is classed as the rejection rate and is taken off the tonnes sent for recycling and therefore the recycling performance percentage, as per WG definitions. This material is then disposed of, either landfill or recovery but is not recorded in the residual waste collected and landfilled figure. Therefore the figures will never truly balance at a high level, but what is classed as recycled and composted is actually managed and treated via this method
- ¹² Garden and food waste will not equal the total tonnes of organic waste as a percentage of the total is paper, card or contamination
- ¹³ Data for this indicator is provisional and will be updated before the final plan is published.
- ¹⁴ As part of the compositional analysis in September 2013 it was decided it is not appropriate to set targets for this indicator as it is a metric as part of the overall tonnes of organic waste which is the most important indicator of performance.
- ¹⁵ The target has been set on the number of incidents.
- ¹⁶ Calculated from all stationary sources, for example buildings and street lighting. Absolute and weather adjusted figures have been included to provide a more standardised and comprehensive comparison as emissions are dependent on energy consumption used for heating which will be influenced by periods of cold weather. The closure of County Hall will also have an influence on 2012/13 CO2 emissions.
- ¹⁷ Target is indicative of the reduction aimed for, this will need to take into consideration absolute and weather adjusted results as this will provide a more comprehensive and accurate indicator of performance.
- ¹⁸ Performance in 13-14 has improved from initial data of 61% to 63% through the data audit process with Natural Resources Wales.
- ¹⁹ This is the position before reserve decisions are taken by the Council. This needs to be considered in the full context of the Revenue outturn report to be understood. For 2011/12 the report is available at <http://monmouthshire.gov.uk/fileadmin/minutes/meetings/43535/1.%20Revenue%20Outturn%20Report%20-%20Complete.pdf> and for 2012/13 the report is available at <http://monmouthshire.gov.uk/fileadmin/minutes/meetings/44891/5.%20Revenue%20Budget%20Outturn.pdf>

²⁰ The higher percentage influence the more useful our communication has been. This measure uses a social influence score generated from Klout measurement - <http://klout.com/home> . This variously measures things such as the amount of likes, retweets, mentions, blog comments and the online influence of those people who interact with us. It provides us with a measure of the value and influence of our social media use for our citizens and the County. We try to attract residents, businesses and partners who have a real interest in the county. We want people to be able to access Council information in the most effective way possible. We also want to engage the people within and outside our boundaries, allowing them to access information and also provide us with valuable information and feedback.

²¹ Welsh Government [National Survey for Wales](#)

²² Welsh Government [National Survey for Wales](#)

²³ Data accessed from <https://statswales.wales.gov.uk/Catalogue/Local-Government/Finance/Revenue/Outturn/RevenueOutturnExpenditure-by-Authority>

²⁴ The method for calculating this PI was changed nationally for 2013/14 and so a lower target was set to reflect the new calculation method.

²⁵ The Equality and Human Rights Commission provides more information on each of the [nine protected characteristics](#)

SUBJECT:	Financial Procedure Rules
MEETING:	Council
DATE:	25 th September 2014
DIVISION / WARDS AFFECTED:	All

1. PURPOSE:

The Council must have appropriate processes in place to ensure sound financial management in its undertakings.

Financial Procedure Rules provide the framework for managing the Authority's financial affairs, and are part of Monmouthshire Council's constitution. They apply to every member and officer of the Authority, and anyone acting on its behalf.

The purpose of the Financial Procedure Rules is to ensure that public accountability and high standards of financial integrity are exercised in the control of public funds that pass through the Authority. The Financial Procedure Rules govern the day to day operation of the Authority's financial administration. They are introduced both to protect the interests of the Authority, and all those who are involved with financial administration.

2. RECOMMENDATIONS:

That Council approve the revised financial regulations known as the Financial Procedure Rules, which will form part of the Council's Constitution.

3. KEY ISSUES:

The Council is responsible for many millions of pounds of public money and has a number of statutory responsibilities in relation to its financial affairs.

The Local Government Act 1972 directs that Authorities shall make arrangements for the proper administration of their financial affairs and that one of their officers be responsible for the administration of those affairs. The Constitution of the Council designates the Head of Finance as the Chief Finance Officer and hence the section 151 officer.

The Financial Procedure Rules are determined by the Head of Finance and must be complied with by all involved with financial management and administration within the Council.

4. REASONS:

Given that the latest version of the Council's Financial Regulations were approved in 2001, and the financial environment within the public sector has moved on significantly since then, it was deemed appropriate to review, revise and update the Council's procedures to ensure a proper financial administrative process is in place to support service delivery. Appropriate financial procedure rules will also ensure the proper stewardship of public money, that it is used in an effective, efficient and economic manner and that fraud, misappropriation and wastage is minimised.

5. RESOURCE IMPLICATIONS:

None identified

6. SUSTAINABLE DEVELOPMENT AND EQUALITY:

The revised Financial Procedure Rules will form part of the Council's updated Constitution. No adverse implications are likely.

7. CONSULTEES:

Head of Finance
Assistant Head of Finance

8. BACKGROUND PAPERS:

Financial Procedure Rules 2014 [attached]
Financial Regulations 2001
CIPFA Financial Procedure Rules

9. AUTHOR:

Andrew Wathan, Chief Internal Auditor

10. CONTACT DETAILS:

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FINANCIAL PROCEDURE RULES

Draft
8th September 2014

DRAFT

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SECTION 1 – STATUS

- 1.1 Financial Procedure Rules provide the framework for managing the Authority's financial affairs, and are part of Monmouthshire Council's constitution. They apply to every member and officer of the Authority, and anyone acting on its behalf.
- 1.2 The purpose of the Financial Procedure Rules is to ensure that public accountability and high standards of financial integrity are exercised in the control of public funds that pass through the Authority. The Financial Procedure Rules govern the day to day operation of the Authority's financial administration. They are introduced both to protect the interests of the Authority, and all those who are involved with financial administration.
- 1.3 All members and officers have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
- 1.4 The Section 151 Officer (Head of Finance) is responsible for maintaining a continuous review of the Financial Procedure Rules, and for submitting any additions or changes necessary to Council for approval. The Section 151 Officer (Head of Finance) is also responsible for reporting, where appropriate, any breaches of Financial Procedure Rules. In the event of dispute as to the meaning of any of the provisions of the Financial Procedure Rules the matter shall be determined by the Section 151 Officer (Head of Finance) whose decision shall be final.
- 1.5 Where in the Financial Procedure Rules, an officer is designated by reference to his /her job title, the responsibilities shall relate to the post holder. Such an officer may arrange for officers under his/her supervision or management to carry out any of the obligations, duties or activities required to be performed by him/her under the Financial Procedure Rules, or to act in his/her absence, provided that the named post holder shall retain responsibility to the Authority.
- 1.6 The Section 151 Officer (Head of Finance) is responsible for issuing advice and guidance to underpin the Financial Procedure Rules that members, officers and others acting on behalf of the Council are required to follow.
- 1.7 Chief Officers and Heads of Service are responsible for ensuring that all staff in their service areas are aware of the existence and content of the Authority's Financial Procedure Rules, and guidance documents issued by the Section 151 Officer (Head of Finance), and that they comply with them. Failure to comply with the Financial Procedure Rules, or the instructions issued under them, or any arrangements made for the purposes of them, will constitute misconduct, possibly gross misconduct.
- 1.8 Other related documents approved by the Authority include the Constitution, Delegations, Contract Procedure Rules and Codes of Conduct.
- 1.9 The Head of Finance is responsible for promoting the same high standards of conduct in the management of partnerships as with the Council. Chief Officers and Heads of Service are responsible for ensuring that the Council's interests are protected in such arrangements and that appropriate advice is taken at all stages.

- 1.10 The default position is that any external arrangements will be subject to the Council's Financial Procedure Rules, unless specific approval has been granted by Cabinet to do otherwise.

SECTION 2 – FINANCIAL MANAGEMENT

- General
- [Managing Expenditure](#)
- Treatment of Year End Balances
- [Accounting Policies](#)
- [Accounting Records and Returns](#)
- [Annual Statement of Accounts](#)

GENERAL

Why is this Important?

- 2.1 Financial management covers all financial accountabilities in relation to the running of the Authority, including the budget and policy framework. All staff and members have a duty to abide by the highest standards of probity in dealing with financial issues. This is facilitated by ensuring everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

Key Controls

- 2.2 The key controls for financial management are:-
- to ensure their promotion of proper financial management throughout the Authority;
 - to have a system in place to review compliance with financial standards.

Responsibilities of the Section 151 Officer (Head of Finance)

- 2.3 To be responsible, for the purposes of Section 151 of the Local Government Act, 1972 and Section 114 of the Local Government Finance Act, 1988, for the proper administration of the Authority's financial affairs. To adhere to the [Statement on the role of the Chief Finance Officer in Local Government](#) (CIPFA).
- 2.4 As the Authority's financial adviser, to:-
- report to the Cabinet and the Council on resource availability and resources allocation.
 - advise the Cabinet and the Council of the financial implications and risks of proposals submitted to them.
 - keep the Cabinet and the Council informed with respect to the Authority's finances and financial performance and other committees informed with respect to financial implications of their activities.

- advise on financial systems and procedures for all service areas of the Authority including advice to the Cabinet and the Council if inadequate systems exist.
- advise and participate in all aspects of Value For Money projects.
- advise the Cabinet and the Council on the financial aspects of all policy matters.

2.5 To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards of finance staff throughout the Authority. To ensure that finance staff are competent to perform the responsibilities that they are assigned.

2.6 The Section 151 Officer (Head of Finance) shall, after consultation with the Monitoring Officer, personally make a report to the external auditor and each elected member if it appears to him / her that a Member, officer or partnership in which the Authority is represented:

- has made or is about to make a decision which involves or would involve the Authority in unlawful expenditure;
- has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Authority;
- is about to enter an item of account the entry of which is unlawful;

2.7 He/ she shall also make such a report if it appears to him /her that the expenditure of the Authority incurred (and proposed to incur) in a financial year is likely to exceed the resources available to meet that expenditure.

Responsibilities of Chief Officers and Heads of Service

2.8 To ensure that the Financial Procedure Rules are followed and brought to the attention of all employees in their service areas.

2.9 To be responsible, in consultation with the Section 151 Officer (Head of Finance) for:

- the financial administration of their service areas, including trading accounts, in compliance with the Financial Procedure Rules;
- the monitoring and control of expenditure against their service area capital and revenue budgets.
- the design and operation of systems of internal control capable of:
 - carrying out the activities of the Authority in an effective and efficient manner;
 - ensuring adherence to the Authority Policy Framework and Budget;
 - safeguarding assets;
 - securing, as far as possible the completeness and accuracy of records;
 - ensuring value for money and preventing waste;
 - identifying and reporting of financial risks.

2.10 To agree with the Section 151 Officer (Head of Finance) any amendment to financial systems or introduction of new financial systems.

- 2.11 To provide all information required by the Section 151 Officer (Head of Finance) for finance purposes on a timely basis, and to allow him/her or an authorised representative access to all information, records, documents and explanations that he/she requires.
- 2.12 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 2.13 To establish and maintain 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.
- 2.14 To allow the Section 151 Officer (Head of Finance) adequate opportunity (at least 5 working days) to provide written comments for inclusion in all reports for decision by the Council or the Cabinet or for the purpose of exercising delegated powers.
- 2.15 To consult with the Section 151 Officer (Head of Finance) with respect to any matter within his/her purview which is liable to materially affect the finances of the Authority, before any provisional or other commitment is incurred or before reporting thereon to the Cabinet or the Council.
- 2.16 To inform the Section 151 Officer (Head of Finance) when officers intend to meet with representatives of Government Service areas or outside bodies on matters which may involve current or future financial or economic proposals and be given the opportunity of being represented or advised of the proposals as the Section 151 Officer (Head of Finance) considers necessary.
- 2.17 To take action upon any internal audit reports to ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 2.18 To ensure that all employees who are responsible for financial administration are issued with appropriate instructions and periodic training as deemed necessary.
- 2.19 To ensure that there is a clear separation of duties within the administration of all processes to ensure adequate controls are in place.
- 2.20 To maintain proper records of authorising officers for all financial processes and to ensure that only these officers authorise key documents such as orders, invoices, claims and payroll records. Such records to be maintained by the system administrators in conjunction with Chief Officers.
- 2.21 To immediately notify the Section 151 Officer and the Chief Internal Auditor whenever any matter arises which involves, or is thought to involve, a breach of security, theft, or irregularities concerning cash, stores or other property of the Authority, or any suspected irregularity in the exercise of the functions of the Authority.
- 2.22 To liaise with the Chief Internal Auditor in relation to the investigation of any suspected irregularities within their service area, in line with the Authority's Anti Fraud and Corruption Strategy.
- 2.23 To ensure that all employees comply with the Financial Procedure Rules and any instructions issued under them or any arrangements made for the purposes of them.

- 2.24 To ensure that any arrangements made under or for the purposes of the Financial Procedure Rules should be documented and where necessary conveyed in writing to relevant employees.
- 2.25 To promote sound financial practices in relation to the standards, performance and development of staff in their departments.

MANAGING EXPENDITURE

Virement and in-year changes to the budget

Why is this Important?

- 2.26 The scheme of virement is intended to enable the Cabinet, Chief Officers and their staff to manage budgets with a degree of flexibility within the overall budget and policy framework determined by the full Council, and therefore to optimise the use of resources.
- 2.27 Virement Guidelines are approved by Cabinet. There are different levels and types of budget virement that can occur, each requiring different levels of Member/Officer approval, this is outlined in the document.

Key Controls

2.28 Key controls for the scheme of virement are:

- the overall revenue budget is drawn up by the Cabinet and approved by the full Council. Chief Officers and budget holders are, therefore, authorised to incur expenditure in accordance with the estimates that make up the budget as set out in the budget book. The rules below cover virement; that is, switching resources between approved cost centres:
- virement does not create additional overall budget liability. Chief Officers and budget holders are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should not support recurring revenue expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Chief Officers must plan to fund such commitments from within their own budgets;
- the capital programme is drawn up by the Cabinet and approved by the full Council and contains details of approved expenditure on capital schemes.

Responsibility of the Cabinet

- 2.29 To approve revenue and capital budget virements outside of the delegations identified below.

Revenue Virement Authorisation Levels

Category	Virement	Authorisation
Cost Centre	Same Directorate/Corporate Area – Same Division	Up to £50k - Relevant Service Manager in consultation with Relevant Chief Officer/Head of Service Between £50k - £250k – Relevant Chief Officer/Head of Service Over £250k – Cabinet
	Same Directorate/Corporate Area – Different Division	Under £250k - Relevant Chief Officer/Head of Service, with consultation with relevant Service managers Over £250k – Cabinet
	Different Directorate/Corporate Area – No Reserve Funding Impact	Under £250k - Relevant Chief Officers/Heads of Service, with consultation with relevant Service managers Over £250k - Cabinet
	Different Directorate/Corporate Area – Reserve Funding Impact	Cabinet upon recommendation of Head of Finance
Account Code	Between Indirect Codes	Up to £50k - Directorate Finance Manager (CEO's, Enterprise and Operations) Over £50k - Assistant Head of Finance (Accountancy)
	Between Direct Codes	Up to £50k - Respective Directorate Finance Managers for Directorate Budgets and Central Finance Manager for Corporate Areas Over £50k - Assistant Head of Finance (Accountancy)
	Between Indirect and Direct Codes	Head of Finance
Project Codes and other lower level codes	All	Respective Directorate Finance Manager for Directorate Budgets and Finance Manager Central Accountancy for Corporate Areas

Responsibilities of Chief Officers and Heads of Service

- 2.30 In consultation with the Section 151 Officer (Head of Finance) to vire, within service areas, sums not exceeding £250,000 provided under specific published revenue budget heads to other purposes (revenue only).
- 2.31 To refer to the Cabinet for approval, virements in excess of £250,000 provided under the specific published budget heads. A recommendation will be prepared by the appropriate Chief Officer or Head of Service, in consultation with the Section 151 Officer (Head of Finance).
- 2.32 No virement may be approved if it is anticipated to introduce overspend to either the service area or total cash limited budget of the Heads of Service.

Section 151 Officer (Head of Finance)

- 2.33 To consult with the appropriate Chief Officer or other Head of Service, to vire sums, within their service area and within the limits as outlined in these Financial Procedure Rules.
- 2.34 To refer to the Cabinet for approval, virements in excess of £250,000 provided under the specific published budget heads. A recommendation will be prepared by the appropriate Chief Officer or Head of Service, in consultation with the Section 151 Officer (Head of Finance).
- 2.35 To recommend to Cabinet the use of reserves and to commit expenditure in future years up to a total of up to £1m and to ensure that appropriate records are kept and maintained.
- 2.36 No virement may be approved if it is anticipated to introduce overspend to either the service area or total cash limited budget of the Head of Service.

Capital Virement Authorisation Levels

Form	Scheme Categories	Virement Type	Authorisation
Cap 2a	<ul style="list-style-type: none"> Property Maintenance Infrastructure Maintenance GF Renovation Grants 	Virement <u>within</u> each category Virement <u>between</u> financial years <u>within</u> each category	Virements up to £50k – Service Manager responsibility Virements over £50k - Relevant Chief Officer/Head of Service
Cap 2b	IT schemes	Virement <u>within</u> this category including virement between financial years	Relevant responsible Chief Officer/Head of Service in consultation with Head of Finance, Cabinet Member and ICT Board

Cap 2c	<ul style="list-style-type: none"> • Development schemes over £250k • Development schemes under £250k – All categories • Reserve Funded • Education Strategic Review 	Virement <u>within</u> and <u>between</u> these categories and between financial years	Virements affecting more than one member's portfolio require Cabinet approval Virements within a single member's portfolio require Single Member approval
Cap 2d	<ul style="list-style-type: none"> • Specific Grant Funded • Section 106 • Section 278 	Virements between categories and between financial years	Virements require Cabinet approval along with written notification of approval from the grant funding body, or relevant Section 106 or Section 278 Agreement where it doesn't accord with spirit of existing agreement
Cap 2e	All categories of scheme if the virement is not covered by forms 2a – 2d	Virements between categories and between financial years	Virements require Cabinet approval

Responsibilities of Chief Officers and Heads of Service

2.37 In consultation with the Section 151 Officer (Head of Finance), to vary within service areas the approved programme of capital expenditure by an addition or deletion or material modification of an existing project by a virement not exceeding £50,000 to or from another project but subject to the *medium term financial plan*.

2.38 To refer to the Cabinet for approval, virements provided under the specific published budget heads as per above table. A recommendation will be prepared, in consultation with the Section 151 Officer (Head of Finance).

Responsibilities Section 151 Officer (Head of Finance)

2.39 To consult with the appropriate Head of Service, to vary within their service areas, the approved programme of capital expenditure, within the limits as outlined in these Financial Procedure Rules.

- 2.40 To refer to the Cabinet for approval, virements provided under the specific published budget heads as per table above. A recommendation will be prepared, in consultation with the Section 151 Officer (Head of Finance).
- 2.41 The Council sets a multi year capital programme, with the latter years indicative only. In order to ensure an effective capital programme, expenditure can be brought forward only with the approval of the Section 151 Officer (Head of Finance). The possibility of delaying spend into future years may be required in some cases and should be observed following any request from the Section 151 Officer (Head of Finance).

Responsibilities of Accountancy Staff in Respect of Virement Administration

- 2.42 In all instances, a budget virement can only be actioned on the financial information system upon satisfaction by Accountancy Section that the above authorisations have been obtained.
- 2.43 Accountancy will check the forms. In particular they will need to make sure any financing implications are taken into account. If everything is in order they will make the necessary adjustments to the ledger and inform the relevant budget holders.
- 2.44 Accountancy will identify budget virements on the General Ledger. Expenditure and financing profiles will be adjusted in order to track expenditure and financing through the financial year and to assist in budget monitoring and forecasting.

TREATMENT OF YEAR END BALANCES

Why is this Important?

- 2.45 It is important to have a set of rules for the proper treatment of year end balances.

Key Controls

- 2.46 Appropriate accounting procedures are in operation to ensure that carried forward totals are correct.

Responsibilities of the Section 151 Officer (Head of Finance)

- 2.47 To transfer to reserves any appropriate under-spending arising from the out-turn at financial year ends.
- 2.48 To report to the Cabinet and Council as part of the budget process on the Authority's financial standing.
- 2.49 In consultation with Chief Officers to approve carry forward of surpluses from internal trading units.

Responsibilities of Chief Officers and Heads of Service

2.50 Internal trading unit surpluses may be carried forward to the following year subject to approval by the Section 151 Officer (Head of Finance).

ACCOUNTING POLICIES

Why is this Important?

2.51 The Section 151 Officer (Head of Finance) is responsible for the preparation of the Authority's statement of accounts, in accordance with proper practices as set out in the format required by the relevant codes of practice on local authority accounting in the United Kingdom, for each financial year ending 31st March.

Key Controls

2.52 The key controls for accounting policies are:

- systems of internal control are in place that ensure that financial transactions are lawful;
- suitable accounting policies are selected and applied consistently;
- proper accounting records are maintained;
- financial statements are prepared which present fairly the financial position of the Authority and its expenditure and income.

Responsibilities of the Section 151 Officer (Head of Finance)

2.53 To select suitable accounting policies and to ensure that they are applied consistently. The accounting policies are set out in the statement of accounts, which is prepared at 31st March each year, and covers such items as:

- separate accounts for capital and revenue transactions;
- the basis on which debtors and creditors at year end are included in the accounts;
- details on substantial provisions and reserves;
- fixed assets;
- depreciation;
- financial instruments;
- work in progress;
- stocks and stores;
- deferred charges;
- accounting for value added tax;
- government grants; and
- leasing.

Responsibilities of Chief Officers and Heads of Service

2.54 To ensure they and their staff adhere to the accounting policies and guidelines approved by the Section 151 Officer (Head of Finance).

ACCOUNTING RECORDS AND RETURNS

Why is this Important?

2.55 Maintaining proper accounting records is one of the ways in which the Authority discharges its responsibility for stewardship of public resources. The Authority has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year. These are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of the Authority's resources.

Key Controls

2.56 The key controls for accounting records and returns are:

- finance staff and budget holders operate within the required accounting standards and timetables;
- all the Authority's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis;
- procedures are in place to enable accounting records to be reconstituted in the event of systems failure;
- reconciliation procedures are carried out to ensure transactions are correctly recorded;
- prime documents are retained in accordance with legislative and other requirements.

Responsibilities of the Section 151 Officer (Head of Finance)

2.57 To determine the accounting procedures and records for the Authority.

2.58 To arrange for the compilation of all accounts and accounting records under his or her direction.

2.59 To comply with the following principles when allocating accounting duties:

- separating the duties of providing information about sums due to or from the Authority and calculating, checking and recording these sums from the duty of collecting or disbursing them;
- officers with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

2.60 To make proper arrangements for the audit of the Authority's accounts in accordance with the current Accounts and Audit Regulations.

- 2.61 To ensure that all claims and returns required by Government Service areas and other bodies are processed through the grant review process as defined within the grants protocol for the Authority.
- 2.62 To prepare and publish the audited accounts of the Authority for each financial year, in accordance with the statutory timetable and with the requirement.
- 2.63 To determine the retention period of financial records where there are no requirements prescribed by statutory or other external regulations.

Responsibilities of Chief Officers and Heads of Service

- 2.64 To consult and obtain the approval of the Section 151 Officer (Head of Finance) before making any changes to accounting records and procedures.
- 2.65 To comply with the following principles when allocating accounting duties:
- separating the duties of providing information about sums due to or from the Authority and calculating, checking 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.
- 2.66 To maintain adequate records to provide a management trail leading from the source of income/expenditure through to the accounting statements.
- 2.67 To ensure that the retention periods of financial records, as determined by the Section 151 Officer (Head of Finance), are complied with. Where retention periods are prescribed by statutory or other external regulations, the Head of Service should ensure that these are complied with.
- 2.68 To ensure that financial records are not disposed of other than in accordance with prescribed statutory requirements (as advised by the Council's Information Manager) and as approved by the Section 151 Officer (Head of Finance).
- 2.69 To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Section 151 Officer (Head of Finance). Notable examples are lease agreement (or lease type arrangements) that the Authority has entered into, provisions and contingent liabilities that exist, significant post-balance sheet events, joint arrangements and partnerships that the Authority has entered into.

ANNUAL STATEMENT OF ACCOUNTS

Why is this Important?

- 2.70 The Authority has a statutory responsibility to prepare its own accounts to present fairly its operations during the year.

Key Controls

2.71 The key controls for the annual statement of accounts are:

- the Authority is required to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of these affairs. In this Authority, that officer is the Section 151 Officer (Head of Finance);
- the Authority's statement of accounts must be prepared in accordance with proper practices as set out in the relevant codes of practice on local authority accounting in the United Kingdom.

Responsibilities of Section 151 Officer (Head of Finance)

2.72 To select suitable accounting policies and to apply them consistently.

2.73 To make judgements and estimates that are reasonable and prudent.

2.74 To comply with the relevant accounting code of practice.

2.75 To sign and date the statement of accounts, stating that it presents the financial position of the Authority as true and fair as at the accounting date for the year ended 31st March.

2.76 To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

2.77 To ensure that good quality audit working papers are provided to external audit in readiness for the agreed commencement of the audit.

2.78 To monitor progress with the completion of account closure to ensure that closure remains on track and in accordance with agreed timetables, as updated and revised during the course of closure.

2.79 To ensure that Members and Strategic Leadership Team are appropriately briefed to allow them to understand the accounts that are presented to them.

Responsibilities of Chief Officers and Heads of Service

2.80 To comply with accounting guidance provided by the Section 151 Officer (Head of Finance), and to supply the Section 151 Officer (Head of Finance) with information in the format, and by the date, requested.

SECTION 3 – FINANCIAL PLANNING

- Performance Plans
- [Revenue Budgeting and Monitoring](#)
- [Capital Budgeting and Monitoring](#)
- [Maintenance of Reserves](#)

PERFORMANCE PLANS

Why is this Important?

- 3.1 The Authority has a statutory responsibility to publish various performance plans, in accordance with Local Government (Wales) *Measure 2009*. The purpose of performance plans is to explain overall priorities and objectives, current performance, and proposals for further improvement. External audit is required to report on whether the Authority has complied with statutory requirements in respect of the preparation and Corporate Improvement Plan.

Key Controls

- 3.2 The Key Controls for performance plans are:
- to ensure that all relevant plans are produced and that they are consistent
 - to produce plans in accordance with statutory requirements
 - to meet the timetables set
 - to ensure that all performance information is accurate, complete and up to date
 - to provide improvement targets which are meaningful, realistic and challenging.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.3 To advise and supply, as appropriate and in conjunction with Chief Officers, the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.
- 3.4 To contribute to the development of corporate and service targets and objectives and performance information.
- 3.5 To ensure that systems are in place to measure activity and collect the accurate financial information required and to provide said financial information to Service Areas to calculate their respective performance indicators.

Responsibilities of Chief Officers and Heads of Service

- 3.6 To contribute to the development of performance plans in line with statutory requirements.

- 3.7 To contribute to the development of corporate and service targets and objectives and performance information.
- 3.8 To indicate to the Section 151 Officer (Head of Finance) the Financial Information required and to agree the methodology for calculation.
- 3.9 To ensure that adequate systems are in place to measure activity and collect accurate and timely non financial information for use as performance indicators.
- 3.10 To advise and supply, as appropriate and in conjunction with the Section 151 Officer (Head of Finance), the financial information that needs to be included in performance plans in accordance with statutory requirements and agreed timetables.

REVENUE BUDGETING AND MONITORING

Budget Format

Why is this Important?

- 3.11 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, the operation of cash limits, and sets the level at which funds may be reallocated within budgets.

Key Controls

- 3.12 The Key Controls are that the format:
 - complies with all legal requirements;
 - complies with proper accounting and professional standards;
 - reflects the accountabilities of service delivery.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.13 To advise the Cabinet on the format of the budget that is approved by the full Council.
- 3.14 To ensure that there is a budget setting timetable in place that is approved by the Cabinet

Responsibilities of Chief Officers and Heads off Service

- 3.15 To comply with accounting guidance provided by the Section 151 Officer (Head of Finance).

Revenue Budget Preparation and Medium-Term Financial Planning

Why is this Important?

- 3.16 The Council is a large and complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Authority's plans and policies.
- 3.17 The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the full Council. Budgets (spending plans) are needed so that the Authority can plan, authorise, monitor and control the way money is allocated and spent. It is unlawful for a local authority to budget for a deficit.
- 3.18 In considering the affordability of its capital plans the Council is required to consider all the resource currently available, and for the future together with an estimate of its requirements for the following year and each of the following three years. The Council is also required to consider known significant changes beyond this timeframe. This requires the development of rolling 4-year forecasts.

Key Controls

- 3.19 The Key Controls for budgets and medium-term financial planning are:
- budget holders are responsible for the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the Cabinet for their budgets and the level of service to be delivered;
 - a monitoring process is in place to review the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.20 To prepare a report annually on a budget strategy for the following financial year for consideration by the Cabinet. This will take account of the commitments, resource constraints and shall include medium term prospects. It will cover all the services of the Authority. The Cabinet having considered the report of the Section 151 Officer (Head of Finance) will then agree a medium term financial plan
- 3.21 To prepare, after the budget strategy has been agreed by the Cabinet, in conjunction with the Chief Officers and Heads of Service, estimates of the income and expenditure of the various service areas and submit them to the Cabinet. The Cabinet shall consider the aggregate effect of these estimates upon the Authority's financial resources and, subject to any other considerations of policy and to any amendments which it proposes to make, shall draw up proposals for the Budget and the amount of Council Tax to be levied for the ensuing financial year to be referred to the Council. The inclusion of items in approved revenue estimates shall constitute authority to incur such expenditure save to the extent of which the Council shall have placed a

reservation on any such items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservations have been removed.

- 3.22 To prescribe the Budget format required and to ensure that there is a budget setting timetable in place.
- 3.23 To advise on the medium term implications of spending decisions and prepare medium term plans.
- 3.24 To encourage the best use of resources and value for money by working with Chief Officers and Heads of Service to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- 3.25 To advise the full Council on Cabinet proposals in accordance with his or her responsibilities under section 151 of the Local Government Act 1972.
- 3.26 To ensure all matters required to be taken into account are reported to the Cabinet and Council when setting and reviewing prudential indicators.

Responsibilities of Chief Officers and Heads of Service

- 3.27 To provide the Section 151 Officer (Head of Finance) with information to complete the medium term financial plan.
- 3.28 To prepare, in conjunction with the Section 151 Officer (Head of Finance), estimates of income and expenditure.
- 3.29 To prepare budgets consistent with any relevant cash limits, with the Authority's annual budget cycle and with guidelines issued by the Cabinet. The budget format will be prescribed by the Section 151 Officer (Head of Finance).
- 3.30 To integrate financial and budget plans into service planning and for them to link in with the Corporate Plan.
- 3.31 To ensure that all savings proposals and budget pressures put forward during the budget setting process are evidence based and are constructed using best estimates.
- 3.32 When drawing up draft budget requirements, to have regard to:
 - spending / income patterns and pressures revealed through the budget monitoring process;
 - legal requirements;
 - policy requirements as defined by the full Council in the approved policy framework;
 - initiatives already under way;
 - Areas where savings/efficiencies can be made.

Resource Allocation

Why is this Important?

3.33 A mismatch often exists between available resources and required resources. A common scenario is that available resources are not adequate to fulfil need/desire. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods, property and materials.

Key Controls

3.34 The key controls for resource allocation are:

- resources are acquired in accordance with the law and using an approved authorisation process;
- resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly accounted for;
- resources are used with the minimum level of waste, inefficiency or loss for other reasons.

Responsibilities of the Section 151 Officer (Head of Finance)

3.35 To advise on Resources such as grants or the affordability of borrowing.

3.36 To advise on the suitability of proposals to introduce/modify financial procedures to control resources (e.g. stock control systems).

3.37 To assist in the allocation of resources to budget holders.

Responsibilities of Chief Officers and Heads of Service

3.38 To work within cash limits and to utilise resources allocated, and furthermore to allocate resources, in the most efficient, effective and economic way.

3.39 To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

Revenue Budget Monitoring and Control

Why is this Important?

3.40 Proper budget management ensures that, once the budget has been approved by the full Council, resources are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Authority to review and adjust its budget targets during the financial year. It also provides the

mechanism that calls to account managers responsible for defined elements of the budget.

- 3.41 By continuously identifying and explaining variances against budgetary targets, the Authority can identify changes in trends and resource requirements at the earliest opportunity. The Authority itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Authority, in total, does not overspend, each service area is required to manage its own expenditure within the cash limited budget allocated to it.
- 3.42 Chief Officers and Heads of Service are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should not support recurring revenue expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. They must plan to fund such commitments from within their own budgets.
- 3.43 For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required.

Key Controls

- 3.44 The minimum key controls for managing and controlling the revenue budget are:
- there is a nominated budget manager for each cost centre;
 - budget holders accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities;
 - budget holders follow an approved certification process for all expenditure;
 - income and expenditure are properly recorded and accounted for;
 - performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget; and
 - specific budget approval is given for all expenditure.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.45 To establish an appropriate framework of budgetary management and control that ensures that:
- budget management is exercised within annual cash limits unless the full Council agrees otherwise;
 - all Chief Officers and Heads of Service are furnished with periodical statements of receipts and payments and such other relevant information as he/she has which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities;
 - in consultation with Chief Officers and Heads of Service, reports are submitted, as determined by the Section 151 Officer (Head of Finance), to the Cabinet, Select Committees, monitoring expenditure and comparing anticipated outturn with estimates;
 - each cost centre has a single named manager, determined by the relevant Head of Service. As a general principle, budget responsibility should be aligned as closely as possible to the decision making processes that commits expenditure; and

- significant variances from approved budgets are investigated and reported by budget holders regularly.

3.46 To ensure that Members and Strategic Leadership Team are appropriately briefed to allow them to understand the reports that are presented to them where a Head of Service is unable to balance expenditure and resources within existing approved budgets under his or her control.

Responsibilities of Chief Officers and Heads of Service

3.47 To be responsible for keeping strict supervision of the expenditure of their respective service areas and for drawing the attention of the Section 151 Officer (Head of Finance) and the Cabinet and the Council to any contemplated expenditure not provided for in the estimates or which, if incurred, would exceed the amount allocated for the purpose in the estimates.

3.48 To maintain budgetary control within their service areas, in adherence to the principles above, and to ensure that all income and expenditure is properly recorded and accounted for.

3.49 To ensure that budgetary provision is identified for all expenditure incurred.

3.50 To ensure that officers responsible for committing expenditure comply with relevant guidance and financial regulations.

3.51 To ensure, after consultation with the Section 151 Officer (Head of Finance) that there is subsequent approval by the full Council or Cabinet (as appropriate) for new proposals, of whatever amount, that:

- create financial commitments in future years;
- change existing policies, initiate new policies or cease existing policies;
- materially extend or reduce the Authority's services.

3.52 To ensure compliance with procedures regarding virement.

CAPITAL BUDGETING AND MONITORING

Why is this Important?

3.53 Capital expenditure (including use of capital grants and PFI/PPP projects or similar type arrangements) involves acquiring or enhancing fixed assets with a long term value to the Authority, such as land, buildings, infrastructure and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.

3.54 The financing capacity of the Authority is restricted by the affordability prudence and sustainability of the Capital Programme and the underlying borrowing that supports it. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

Key Controls

3.55 The key controls for capital programmes are:

- specific approval by the full Council for the programme of capital expenditure;
- a scheme and estimate, including a robust business plan, options, progress targets and associated revenue expenditure is prepared for each capital project, for appraising by the Section 151 Officer (Head of Finance);
- proposals for improvements and alterations to buildings must be approved by the appropriate Head of Service in accordance with the Asset Management Plan;
- schedules for individual projects within the overall budget approved by the Council must be approved by the appropriate Head of Service;
- accountability for each proposal is accepted by a named project manager;
- progress and expenditure should be monitored and compared to the approved budget; and
- VAT is recorded and reported accurately and that payments are made in accordance with the requirements of VAT legislation and the HMRC's Construction Industry Scheme.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.56 To issue guidance relating to the strategy and controls for capital schemes. The definition of 'capital' will be determined by the Section 151 Officer (Head of Finance), having regard to Government regulations and accounting requirements.
- 3.57 To advise the Cabinet and Council on the affordability, prudence and sustainability of the Capital Programme by the preparation of prudential indicators as required by the Prudential Code for Capital Finance in Local Authorities.
- 3.58 To ensure all matters required to be taken into account are reported to the Cabinet and Council when setting and revising prudential indicators.
- 3.59 To establish procedures for the monitoring of prudential indicators.
- 3.60 To prepare a report on the Capital Programme for the service area proposals, taking into account the Prudential Code Borrowing, Policy Framework, commitments, resource constraints and Capital Receipts. This report shall compare the estimates with the finance available and propose the level of annual expenditure of each service area. The report will identify those schemes where expenditure may only be incurred after further work has been undertaken.
- 3.61 To furnish all Chief Officers and Heads of Service with periodical statements of expenditure and progress on individual schemes. It shall be the responsibility of the Section 151 Officer (Head of Finance) in consultations with each Chief Officer and Head of Service to submit reports, as determined by the Section 151 Officer (Head of Finance), to the Cabinet, Select Committees and the Council, monitoring expenditure and comparing with approved programme. The inclusion of items in the approved Capital Programme shall constitute authority to incur such expenditure save to the extent of which the Council shall have placed a reservation on any such items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservations have been removed.

Responsibilities of Heads of Services and Capital Budget Holders

- 3.62 To comply with guidance concerning capital projects and controls issued by the Section 151 Officer (Head of Finance).
- 3.63 To carry out an option appraisal before bidding / incurring capital expenditure to determine alternative methods of meeting need.
- 3.64 To consider the revenue implications of Capital Projects over the whole life of projects and notify the Section 151 Officer (Head of Finance) when planning to undertake such schemes which do commit the Authority to additional Revenue expenditure.
- 3.65 To submit a prioritised list of bids as part of the Medium Term capital budgeting process representing the schemes required to deliver service and corporate strategy.
- 3.66 To ensure that all capital expenditure proposals are processed through the capital working group in advance of the Section 151 Officer (Head of Finance) making recommendations to Cabinet or Council as necessary.
- 3.67 To ensure that adequate records are maintained for all capital contracts and the preparation of grant claims.
- 3.68 To ensure compliance with the Authority's scheme of virement.
- 3.69 To report to the Section 151 Officer (Head of Finance) as soon as it becomes apparent that the total cost of a scheme including variations will or is likely to exceed £50,000 or 5% [whichever is the higher] above the capital budget available. This report should cover the reasons for increased cost, an analysis of options considered to reduce cost to budget and the funding options considered to meet any budget shortfall.
- 3.70 To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Section 151 Officer (Head of Finance) and, if applicable, approval of the scheme through the capital programme.
- 3.71 To consult with the Section 151 Officer (Head of Finance) where the Head of Service proposes to bid for Capital Funding to be issued by Government departments or others to support expenditure that has not been included in the current year's capital programme.
- 3.72 To ensure all expenditure charged against capital budgets meets the definition of capital expenditure in accordance with the Local Government Act 2003 and recommended accounting practice.

MAINTENANCE OF RESERVES

Why is this Important?

- 3.73 Reserves can be provided as a working balance, a contingency for unexpected events or emergencies or to meet known or predicted liabilities.

Key Controls

- 3.74 To maintain reserves in accordance with the relevant codes of practice on local authority accounting in the United Kingdom and agreed accounting policies.
- 3.75 For each reserve established, the purpose, usage and basis of transactions should be clearly identified.
- 3.76 The establishment of reserves and incurring of expenditure from reserves should be authorised by Cabinet.

Responsibilities of the Section 151 Officer (Head of Finance)

- 3.77 To advise the Cabinet and/or the full Council on prudent levels of Reserves for the Authority.
- 3.78 To report to Council on the adequacy of reserves when setting the budget for the year and at outturn.

Responsibilities of Chief Officers and Heads of Service

- 3.79 To ensure that resources are used only for the purposes for which they were intended.

SECTION 4 - RISK MANAGEMENT AND CONTROL OF RESOURCES

- [Risk Management](#)
- [Internal Controls](#)
- [Internal and External Audit](#)
- [Preventing Fraud and Corruption](#)
- [Security of Assets:-](#)
 - [Land and Buildings](#)
 - [Vehicles, Furniture and Equipment](#)
 - [Stocks and Stores](#)
 - [Cash](#)
 - [Information and Communication Technology](#)
 - [Intellectual Property](#)
 - [Clients' Private Property](#)
- [Treasury Management and Trust Funds](#)

RISK MANAGEMENT

Why is this Important?

- 4.1 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks, and then recommending the action the organisation needs to take to control these risks effectively.

Key Controls

- 4.2 The key controls for risk management are:
- procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Authority;
 - a monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis;
 - managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives;
 - managers apply a standard approach to risk identification and recording, using the risk management strategy;
 - provision is made for losses that might result from the risks that remain;
 - procedures are in place to investigate claims within required timescales;
 - acceptable levels of risk are determined and insured against where appropriate;
 - the Authority has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

Responsibilities of Senior Leadership Team

- 4.3 To develop risk management controls in conjunction with Chief Officers and Heads of Service.
- 4.4 To ensure that arrangements are in place for measuring the effectiveness of the risk management process, and that all findings from monitoring arrangements are fed back into the risk management cycle.

Responsibilities of Section 151 (Head of Finance)

- 4.5 To affect insurance cover, and to arrange for the negotiation of claims in consultation with other Chief Officers, where necessary.
- 4.6 To hold in safe custody all insurance policies of the Authority, arrange for payment of premiums by the due date, and manage the Authority's own Insurance Fund.
- 4.7 To make arrangements to ensure that insurance records relating to liability policies and related correspondence must be retained indefinitely. Documents relating to other policies and internal funding arrangements must be retained for six years. All employees will adhere to the requirements of the Section 151 Officer (Head of Finance) as to the retention of any documents of the nature referred to in this rule.

Responsibilities of Chief Officers and Heads of Service

- 4.8 To take responsibility for risk management, having regard to advice from the Section 151 Officer (Head of Finance), and other specialist officers (e.g. emergency planning, health and safety).
- 4.9 To ensure that there are regular reviews of risk within their service areas.
- 4.10 To ensure that risk management is brought to the attention of relevant staff in their service areas.
- 4.11 To notify the Section 151 Officer (Head of Finance) immediately in writing of any loss, liability or damage, or any event likely to lead to a claim by or against the Authority, and inform the Police, where necessary.
- 4.12 To submit claims in such a form as prescribed from time to time by the Section 151 Officer (Head of Finance).
- 4.13 To arrange for the identification of all appropriate employees of the Authority who should be included in a suitable fidelity guarantee insurance, and shall make arrangements through the Section 151 Officer (Head of Finance) for such inclusion.
- 4.14 To notify the Section 151 Officer (Head of Finance) promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.

- 4.15 To notify the Section 151 Officer (Head of Finance) promptly of any significant acquisitions or disposals of assets or any alteration to the scope or level of services provided, particularly where the risk of accident, injury, loss or damage is likely to increase.
- 4.16 On a regular basis, the Section 151 Officer (Head of Finance) will forward to Chief Officers, schedules of assets covered by insurance. Chief Officers must examine the schedules and ensure that the details of those assets are correctly recorded and that the scope and level of insurance cover are adequate, and consistent with the Authority's corporate insurance arrangements.
- 4.17 To provide the Section 151 Officer (Head of Finance) with any information that he/she needs and in the timescale that he or she sets, to enable him or her to manage the Authority's insurances effectively.
- 4.18 To consult with the Section 151 Officer (Head of Finance) and the Head of Legal on the terms of any indemnity that the Authority is requested to give.
- 4.19 To ensure that officers, or anyone covered by the Authority's insurances, do not admit liability or make any offer to pay compensation that may prejudice cover under the council's insurance policy and the assessment of liability in respect of any insurance claim.

INTERNAL CONTROLS

Why is this Important?

- 4.20 The Authority is a large, complex organisation which requires internal controls to manage and monitor progress towards strategic objectives.
- 4.21 The Authority has statutory obligations and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.
- 4.22 The Authority faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.
- 4.23 The system of internal controls is established in order to provide measurable achievement of:
- efficient and effective operations;
 - reliable financial information and reporting;
 - compliance with laws and regulations;
 - risk management.

Key Controls

- 4.24 The key controls are:
- key controls should be reviewed on a regular basis and the Authority should make a formal statement annually to the Audit Committee to the effect that it is satisfied that the systems of internal control are operating effectively [Chief Internal Auditor's Annual Report];

- managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities;
- financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems;
- an effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Auditing Practices Board's auditing guideline Guidance for Internal Auditors, the Public Sector Internal Auditing Standards and with any other statutory obligations and regulations; and
- an effective Audit Committee which meets on a regular basis to consider internal control and auditing matters.

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.25 To assist the Authority to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

Responsibilities of Chief Officers and Heads of Service

- 4.26 To establish sound arrangements, consistent with guidance given by the Section 151 Officer (Head of Finance), or the Chief Internal Auditor, for planning, appraising, authorising, and controlling their operations, in order to achieve:
- continuous improvement;
 - economy;
 - efficiency;
 - effectiveness;
 - the proper use of resources;
 - the achievement of objectives; and
 - the management of risks.
- 4.27 To review existing controls in the light of changes affecting the Authority and to establish and implement new ones in line with guidance from the Chief Internal Auditor. Chief Officers should also be responsible for removing controls that are unnecessary or not cost or risk effective, for example, because of duplication.
- 4.28 To ensure staff have a clear understanding of the consequences of lack of control.

INTERNAL AND EXTERNAL AUDIT

Internal Audit

Why is this Important?

- 4.29 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 (Wales) 2005, more specifically, require that a 'local government body shall maintain an adequate and effective system of internal audit of its accounting records and of its systems of internal control in accordance with the proper internal audit practices'.
- 4.30 Internal audit is an independent and objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

Key Controls

- 4.31 The key controls for internal audit are:
- that it is independent in its planning and operation;
 - the Chief Internal Auditor has direct access to the Chief Executive and the Leader of the Council, all levels of management and directly to elected members;
 - internal auditors comply with the Public Sector Internal Auditing Standards;
 - that it reports to the Audit Committee.

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.32 To maintain a continuous and independent internal audit of the Authority's accounting, financial and other operations of the Authority.
- 4.33 To ensure that all employees carrying out auditing duties comply with the current Public Sector Internal Auditing Standards and that they are competent to perform the responsibilities that they are assigned.
- 4.34 To make arrangements for there to be undertaken a cyclical review of all financial systems throughout the Authority and to determine the appropriate level of audit coverage.
- 4.35 To ensure that internal auditors have the authority to:
- access authority premises at reasonable times, subject to the Chief Internal Auditor being satisfied as to any risk to health and safety;
 - access all assets, records, documents, correspondence and control systems;
 - receive any information and explanation considered necessary concerning any matter under consideration;

- require any employee of the Authority to account for cash, stores or any other authority asset under his or her control;
- access records belonging to third parties, such as contractors, when required;
- review, appraise and report on the adequacy and application of financial and other controls, and on the protection of the Authority's property and assets against loss due to fraud or wasteful practices.

- 4.36 To consider the strategic and annual audit plans prepared by the Chief Internal Auditor, which take account of the characteristics and relative risks of the activities involved, before the plan is endorsed by the Audit Committee.
- 4.37 To ensure that the Chief Internal Auditor has the right to report independently to the Council, the Audit Committee or an appropriate committee, in his/her own name.
- 4.38 To ensure that the Chief Internal Auditor provides an annual opinion on the Council's internal control environment as part of his / her annual report.
- 4.39 To ensure the Chief Internal Auditor reports regularly to the Audit Committee on the adequacy of the internal control environment operated by the Authority.

Responsibilities of Chief Officers and Heads of Service

- 4.40 To ensure that internal auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.
- 4.41 To ensure that auditors are provided with any information and explanations that they seek in the course of their work.
- 4.42 To consider and respond promptly to recommendations contained in audit reports.
- 4.43 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- 4.44 To ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Chief Internal Auditor prior to implementation.

External Audit

Why is this Important?

- 4.45 Under section 13 of the Public Audit (Wales) Act 2004, the Auditor General for Wales is the external auditor of each local authority in Wales. (Under transitional provisions of the Public Audit (Wales) Act 2013, an auditor appointed by the Auditor General continues to be the auditor of a local authority until the termination of his/her appointment.) The external auditor has rights of access to all documents and information, which he or she considers necessary to carry out his/her statutory functions.
- 4.46 The duties of the external auditor are set out in the Public Audit (Wales) Act 2004. The auditor must be satisfied that the authority's accounts give a true and fair view,

are prepared in accordance with statute and proper practice. The auditor must also be satisfied that the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

- 4.47 In addition to the audit of the accounts, the Auditor General has duties under the 2004 Act to undertake improvement studies of local authorities and powers to undertake other studies regarding the provision of services. The Auditor General also has duties to undertake improvement assessments, improvement planning audits and special inspections under the Local Government (Wales) Measure 2009.
- 4.48 The External Auditors attend all the meetings of the Authority's Audit Committee.

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.49 To ensure there is effective liaison between external and internal audit.
- 4.50 To ensure good quality audit working papers are provided in readiness for external audit to undertake any planned work.
- 4.51 To work with the external auditor and advise the full Council, Cabinet and Chief Officers on their responsibilities in relation to external audit.

Responsibilities of Chief Officers and Heads of Service

- 4.52 To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets, which the external auditors consider necessary for the purposes of their work.
- 4.53 To ensure that all records and systems are up to date and available for inspection.
- 4.54 To ensure that all employees have proper regard to the guidance issued by the Section 151 Officer (Head of Finance) in connection with any external audits, and any reports of the external auditor.
- 4.55 To consider and respond promptly to recommendations contained in audit reports.
- 4.56 To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.

PREVENTING FRAUD AND CORRUPTION

Why is it this Important?

- 4.57 The Authority will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.

- 4.58 The Authority's expectation of propriety and accountability is that members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 4.59 The Authority also expects that individuals and organisations (e.g. suppliers, contractors, service providers) with whom it comes into contact will act towards the Authority with integrity and without thought or actions involving fraud and corruption.

Key Controls

- 4.60 The key controls regarding the prevention of financial irregularities are that:
- the Authority has an effective Anti-Fraud and Anti-Corruption Strategy and maintains a culture that will not tolerate fraud or corruption;
 - all members and staff act with integrity and lead by example;
 - senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Authority or who are corrupt;
 - high standards of conduct are promoted;
 - the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded;
 - whistle blowing procedures are in place and operate effectively;
 - legislation, including the Public Interest Disclosure Act 1998, is adhered to; and
 - matters relating to fraud and corruption are reported promptly to the Section 151 Officer (Head of Finance).

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.61 To develop and maintain an Anti-Fraud and Anti-Corruption Strategy.
- 4.62 To assist the Authority to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.
- 4.63 To ensure that all suspected financial irregularities are reported to the Chief Internal Auditor. The Chief Internal Auditor shall take steps as he/she considers necessary by way of investigation, in liaison with service area management where appropriate, and in line with the Authority's Anti Fraud and Corruption Strategy. Where sufficient evidence exists to believe that a criminal offence may have been committed, the matter will be referred in conjunction with the Head of Finance to the police.

Responsibilities of Chief Officers and Heads of Service

- 4.64 To review existing controls in the light of changes affecting the Authority and to establish and maintain new controls where appropriate.
- 4.65 To immediately notify the Chief Internal Auditor whenever any matter arises which involves, or is thought to involve, a breach of security, theft, or irregularities concerning cash, stores or other property of the Authority, or any suspected irregularity in the exercise of the functions of the Authority.

- 4.66 To liaise with the Chief Internal Auditor in relation to the investigation of any suspected irregularities within their service area, in line with the Authority's Anti-Fraud and Corruption Strategy.
- 4.67 Where sufficient evidence exists to believe that a criminal offence may have been committed by a member of staff, to discuss with the Head of Finance and the Chief Internal Auditor; a joint decision will be taken to refer the matter to the Police.
- 4.68 To instigate the Authority's disciplinary and suspension procedures where the outcome of an investigation indicates improper behaviour by a member of staff.
- 4.69 To ensure that employees comply with Council guidance regarding the acceptance of hospitality, gifts and other benefits.
- 4.70 To ensure their staff are aware of and comply with the Employee Code of Conduct and responsibilities under the Whistleblowing Policy are brought to their attention.

SECURITY OF ASSETS

Why is this Important?

- 4.71 The Authority holds assets in the form of property, vehicles, equipment, furniture and other items worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up to date asset register is a prerequisite for proper fixed asset accounting and sound asset management.
- 4.72 Obsolete, non-repairable or unnecessary assets should be disposed of in accordance with these regulations and the Contract Procedure Rules of the Authority.
- 4.73 Misuse of computer resources can seriously affect the business interests of the Authority.
- 4.74 Intellectual property is a generic term meaning non-physical product that is the product of original thought. It includes inventions, literary and artistic works, symbols, names, images, and designs. If these are created by an employee or consultant during the course of employment, then, as a general rule, they belong to the employer. Various Acts of Parliament cover different types of intellectual property. Certain activities undertaken within the Authority may give rise to items that may be patentable, for example, software development.

Key Controls

- 4.75 The key controls for the security of resources such as land, buildings, vehicles, plant, machinery, furniture equipment, software and information are:
- resources are used only for the purposes of the Authority and are properly accounted for;
 - resources are available for use when required;

- resources no longer required are disposed of in accordance with the law and the regulations of the Authority so as to maximise benefits;
- an asset register is maintained for the Authority - assets are recorded when they are acquired by the Authority and this record is updated as changes occur with respect to the location and condition of the asset;
- assets for disposal are identified and disposed of at the most appropriate time, and only when it is in the best interests of the Authority, and best price is obtained, bearing in mind other factors, such as environmental issues. For items estimated to be of the value of £10,000, disposal should be by competitive tender or public auction;
- approval for the disposal of assets, stocks and equipment up to the value of £5,000 must be sought from the Head of Services; if the value of disposal is likely to exceed £5,000 then approval must be given by the Head of Service in conjunction with the Head of Finance.
- procedures should protect staff involved in the disposal of assets from accusations of personal gain;
- all staff are aware of their responsibilities with regard to safeguarding the Authority's assets and information, including the requirements of the Data Protection Act, Freedom of Information Act and software copyright legislation;
- all staff are aware of their responsibilities with regard to safeguarding the security of the Authority's computer systems, including maintaining restricted access to the information held on them and compliance with the Authority's Information Governance policies;
- In the event that the Authority decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with any approved intellectual property procedures.

Security of Assets – Land and Buildings

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.76 To maintain a terrier of all properties owned by the Authority and an asset register for all 'material' fixed assets, in accordance with good practice.
- 4.77 To ensure that assets are valued in accordance with the relevant codes of practice on local authority accounting in the United Kingdom.
- 4.78 To determine arrangements for the acquisition and disposal of land and buildings.
- 4.79 To advise on the financial implications of any purchase, sale or holding of property on the Authority's behalf.

Responsibilities of the Head of Legal

- 4.80 To ensure the safe custody of all title deeds under arrangements agreed with the Section 151 Officer (Head of Finance).

Responsibilities of Chief Officers and Heads of Service

- 4.81 To make arrangements to ensure the proper security of all the Authority's buildings.
- 4.82 To consult with the Chief Internal Auditor in any case where security is thought to need improvement or where it is considered that special security arrangements may be needed.
- 4.83 To ensure there are procedures in place to review the condition of physical assets used in delivery of services e.g. undertake regular impairment review.

Security of Assets - Vehicles, Furniture and Equipment

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.84 To issue guidance to service areas on the maintenance of inventories and the disposal of assets.
- 4.85 To ensure appropriate accounting entries are made to include all material assets and to remove the value of disposed assets from the Authority's records and to include the sale proceeds if appropriate.
- 4.86 To agree procedures for the disposal of lost property.

Responsibilities of Chief Officers and Heads of Service

- 4.87 To ensure the proper security and safe custody of all vehicles, equipment and furniture, belonging to or under the control of the Authority, and shall make contingency plans for the continuity of service in the event of disaster or system failure.
- 4.88 To maintain inventories of furniture, equipment, vehicles and plant, including items leased by the Authority. This shall be kept up to date and shall be in a form approved by the Section 151 Officer (Head of Finance) and in accordance with the Authority's guidance. Chief Officers shall make arrangements to ensure that inventories shall include for each item, information relating to date of purchase, cost, location and any technical features, which might affect its value or usefulness.
- 4.89 To make arrangements to ensure that an annual, independent, check of all items on the inventory is carried out, in order to verify location, review, and condition and to take action in relation to surpluses or deficiencies, annotating the inventory

accordingly. Attractive and portable items such as computers and cameras shall be identified with security markings as belonging to the Authority.

- 4.90 To ensure that the Authority's property shall not be removed from its ordinary location otherwise than in accordance with the ordinary course of the Authority's business except in accordance with specific directions issued by the Head of Service concerned or used otherwise than for the Authority's purposes. A record should be kept of all authorised removals.
- 4.91 To ensure that no Authority asset is subject to personal use by an employee without proper authorisation from the Head of Service.
- 4.92 To make arrangements to ensure that any disposal of any vehicle, furniture, fittings, equipment, plant and machinery is in accordance with the Authority's procedure for disposals.
- 4.93 Before disposal to check if the asset is subject to leasing arrangements. If the asset is leased, disposal must be in accordance with the terms of the lease.
- 4.94 To ensure that income received for the disposal of an asset is properly banked and coded.
- 4.95 If an item is lost, stolen or disposed of, this must be recorded against the entry in the inventory and reported to the Head of Service.
- 4.96 To notify the Section 151 Officer (Head of Finance) of the purchase or disposal of any material asset, to enable the asset register to be updated.
- 4.97 Any property left on Council premises and regarded as lost must be disposed of in accordance with procedures agreed with the Section 151 Officer (Head of Finance).

Security of Assets - Stocks and Stores (including products)

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.98 To issue guidance to service areas on the maintenance of stock and stores.
- 4.99 To approve the write off of stock and stores in accordance with the Scheme of Delegations within the Constitution.
- 4.100 To ensure that appropriate accounting entries are made in relation to stock balances and write offs.

Responsibilities of Chief Officers and Heads of Service

- 4.101 To make arrangements for the recording of and the care and safe custody of the stocks and stores held by their service area.
- 4.102 To make arrangements to ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check, at least annually. Each Head of

Service must make arrangements for discrepancies to be investigated and pursued to a satisfactory conclusion.

- 4.103 To advise the Chief Internal Auditor immediately of any significant discrepancy in stocks.
- 4.104 To approve the write off of stock and stores up to the value of £5,000 in accordance with the Scheme of Delegations.
- 4.105 To provide the Section 151 Officer (Head of Finance) with such information as he/she requires in relation to stores for accounting and costing purposes.

Security of Assets - Cash

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.106 To issue guidance to service areas on cash handling.
- 4.107 To agree, in consultation with the appropriate Head of Service, the maximum limits for cash holdings.
- 4.108 To approve the write off of stolen cash, not covered by insurance.
- 4.109 To authorise the depositing of unofficial funds or valuables in a safe.

Responsibilities of Chief Officers and Heads of Service

- 4.110 To agree with the Section 151 Officer (Head of Finance), the maximum limits for cash holdings and to ensure that these limits shall not be exceeded without his /her permission.
- 4.111 To ensure that cash holdings are kept to a minimum, and do not exceed the insurance limit for that safe/cashbox.
- 4.112 To ensure that cash handling is carried out in line with the Authority's guidance.
- 4.113 To notify the Chief Internal Auditor and the Principal Insurance Officer of cash lost or stolen immediately. Stolen cash, which is not covered by insurance, can only be written-off with the agreement of the Section 151 Officer (Head of Finance).
- 4.114 To ensure that under no circumstances are personal cheques cashed out of monies held on behalf of the Authority.
- 4.115 To ensure that a schedule is kept of the officers who hold keys to safes and similar receptacles.
- 4.116 To ensure that the keys to safes and similar receptacles are held securely at all times. Arrangements shall be made for the nomination (from amongst employees) of key holders and substitute key holders who must be available in the absence of the principal key holder(s). The loss of any such keys must be reported by the key

holder, or nominated substitute, to the relevant Head of Service forthwith, who shall take appropriate steps to protect the interests of the Authority.

- 4.117 To ensure that safe key holders do not accept unofficial funds or valuables for depositing in the safe unless authorised by the Section 151 Officer (Head of Finance). In such circumstances, it must be made clear by the key holder to the depositor, that the Authority is not to be held liable for any loss, and the key holder must obtain an acknowledgment to that effect before accepting the deposit.

Security of Assets - Information and Communication Technology

Responsibilities of ICT Board /SRS

- 4.118 To maintain a central inventory of technology equipment.
- 4.119 The development and integrity of the Authority's voice and data network infrastructure.
- 4.120 To approve all additions and alterations to the Authority's voice and data network.
- 4.121 To issue detailed guidance, in conjunction with Chief Officers, to all employees who are responsible for and/or use computer equipment on their responsibilities within the Authority's IT Security Policy.

Responsibilities of Chief Officers and Heads of Service

- 4.122 To ensure that all equipment connected to the Authority's voice and data network infrastructure meets the standards identified by the ICT Board / SRS. Any requirement to add or make alterations to this network must be approved by the ICT Board / SRS.
- 4.123 To ensure that the provisions of the Authority's IT Security Policy and other ICT policies are applied to all employees of the Authority, as appropriate to their use of information technology.
- 4.124 To make arrangements to implement and monitor the procedures contained in the Authority's IT Security Policy. All employees must be familiar with, and comply with, the principals of the Data Protection Legislation, the Copyright, Designs and Patents Act 1988, the Computer Misuse Act 1990, and any other legislation or Authority policy which may apply to all employees at any time.
- 4.125 To agree, in advance, with the ICT Board / SRS, a requirement to use specialist IT goods and services that might not meet the standards identified by the ICT Board / SRS, but are necessary to perform particular business activities. The Head of Service will be responsible for ensuring that such acquisitions do not compromise their corporate, financial and legal obligations, as defined by the Authority.
- 4.126 To ensure that all employees are aware that misuse of technology and associated systems can seriously affect the business interest of the authority. Such misuse or any breach of security policy will result in disciplinary action being taken.

- 4.127 To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information in accordance with the Authority's Information Security Policy, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Authority in some way.

Security of Assets - Intellectual Property

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.128 To develop and disseminate good practice.

Responsibilities of Chief Officers and Heads of Service

- 4.129 To ensure that controls are in place to ensure that employees do not carry out private work during periods when they are working for the Authority and that employees are aware of an employer's rights with regard to intellectual property.
- 4.130 To make officers aware that, if, at any time during their employment, an officer makes or discovers or participates in the making or discovery of any intellectual property relating to or capable of being used by the Authority, the officer must provide full details of the intellectual property to the relevant Head of Service or relevant Chief Officer.

Security of Assets – Clients' Private Property

Responsibilities of Chief Officers and Heads of Service

- 4.131 The Chief Officer for Social Care & Health and any other Head of Service affected, shall take all necessary steps to prevent or mitigate loss or damage of a client's (being a person other than the Council) moveable property, where responsibility lies within the National Assistance Act 1948 and shall arrange for an itemised inventory in each case to be prepared in the presence of two officers, in a form prescribed by the Section 151 Officer (Head of Finance).
- 4.132 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title shall be deposited with the Chief Officer for Social Care & Health and any other Head of Service affected, for safe custody. Any loss of property shall be reported to the Section 151 Officer (Head of Finance), without delay.
- 4.133 Where the Council acts as an Appointeeship for any of the Council's service users the procedures will be determined by the Chief Officer for Social Care & Health.

TREASURY MANAGEMENT AND TRUST FUNDS

Why is this Important?

- 4.134 Many millions of pounds pass through the Authority's bank accounts each year. It is vital that the Authority's money is managed in a secure and controlled way. Surplus funds are invested by the Authority with external organisations, and it is essential

that risk is spread evenly, and that investments are placed with reputable organisations.

Key Controls

- 4.135 Compliance with the CIPFA Treasury Management Code of Practice and the Authority's Treasury Management Policy Statement and Strategy. This provides assurances that the Authority's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Authority's capital sum.
- 4.136 All payments out of the Authority > £50,000 should be made via BACS or CHAPS.

Responsibilities of the Section 151 Officer (Head of Finance)

- 4.137 To prepare a Treasury Management Policy and Annual Report in accordance with the CIPFA Code of Practice.
- 4.138 To maintain prudential indicators in accordance with the Prudential Code of Capital Finance for Local Authorities.
- 4.139 To arrange the borrowing and investments of the authority in such a manner as to comply with the CIPFA Code of Practice on Treasury Management in Local Government, which has been adopted by the Authority.
- 4.140 To set an investment strategy in accordance with WAG investment guidance.
- 4.141 To ensure that all investments of money under its control shall be made in the name of the Authority or in the name of nominees approved by the Cabinet or the Council within their respective responsibilities: bearer securities shall be excepted from this rule.
- 4.142 To hold all securities the property of, or in the name of the Authority, or its nominees, or otherwise as the Section 151 Officer (Head of Finance) may specifically direct.
- 4.143 To ensure that all borrowings shall be effected in the name of the Authority.
- 4.144 To be the Authority's Registrar of loan instruments and to maintain records of all borrowings of money by the Authority.
- 4.145 To report on the Treasury Management practices of the Authority in accordance with the CIPFA Code of Practice.
- 4.146 To hold all Trust Fund securities etc, where Members or employees act as Trustees by virtue of their official position, unless the deed otherwise provides; or as otherwise directed by the Chief Cabinet.
- 4.147 To arrange, where funds are held on behalf of third parties, for their secure administration, and to maintain records of all transactions.
- 4.148 To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

Responsibilities of Chief Officers and Heads of Service

- 4.149 To notify the Assistant Section 151 Officer (Assistant Head of Finance - Accountancy) of planned monetary receipts or payments in excess of £0.5 million at an early stage.

SECTION 5 - FINANCIAL SYSTEMS AND PROCEDURES

- [General](#)
- [Income](#)
- [Banking](#)
- [Ordering and Paying for Work, Goods and Services](#)
- [Imprest Accounts](#)
- [Payment to Employees and Members](#)
- [Internal Charges](#)
- [Taxation](#)

GENERAL

Why are Financial Systems and Procedures Important?

- 5.1 Service Areas have many systems and procedures relating to the control of the Authority's assets, including purchasing, costing and management systems. It is important that systems and procedures are sound and well administered to ensure financial stewardship and control to enable effective decision making. All financial systems and procedures should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 5.2 The Section 151 Officer (Head of Finance) has a statutory responsibility to ensure that the Authority's financial systems are sound and must be notified, in advance, of any new developments or changes.

Key Controls

- 5.3 The key controls for systems and procedures are:
- basic data exists to enable the Authority's objectives, targets, budgets and plans to be formulated;
 - performance is communicated to the appropriate managers on an accurate, complete and timely basis;
 - early warning is provided of deviations from target, plans and budgets that require management attention;
 - operating systems and procedures are secure;
 - data is backed up on a regular basis.

Responsibilities of the Section 151 Officer (Head of Finance)

- 5.4 To make arrangements for the proper administration of the Authority's financial affairs, including to:
- issue advice, guidance and procedures for officers and others acting on the Authority's behalf;
 - determine the accounting systems, form of accounts and supporting financial records;
 - establish arrangements for audit of the Authority's financial affairs;

- to determine the accounting procedures, records and controls for any new financial systems to be introduced; and
- to approve in advance any changes to be made to existing financial systems.

Responsibilities of Chief Officers and Heads of Service

- 5.5 To consult with and gain the approval of the Section 151 Officer (Head of Finance) before changing any existing system or introducing new systems.
- 5.6 To ensure that accounting records are properly maintained and held securely.
- 5.7 To ensure that supporting vouchers and documents with financial implications are retained and not destroyed, except in accordance with arrangements approved by the Section 151 Officer (Head of Finance).
- 5.8 To ensure that a complete audit trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.
- 5.9 To incorporate appropriate controls to ensure that, where relevant:
- all input is genuine, complete, accurate, timely and not previously processed;
 - all processing is carried out in an accurate, complete and timely manner;
 - output from the system is complete, accurate and timely;
 - data is backed up on a regular basis.
- 5.10 To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of error, fraud or other malpractice.
- 5.11 To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- 5.12 To ensure that systems are documented and staff adequately trained.
- 5.13 To establish a scheme of service area authorisations identifying officers to act upon his or her behalf in respect of placing orders, use of procurement cards, payments and income collection, including variations, and showing the limits of their authority.
- 5.14 To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.
- 5.15 To ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation.
- 5.16 To ensure that the Council's information security standards and internet security policy are complied with.
- 5.17 To ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc.

5.18 To comply with the copyright, designs and patents legislation and, in particular, to ensure that:

- only software legally acquired and installed by the Authority's IT management body is used on its computers;
- staff are aware of legislative provisions;
- in developing systems, due regard is given to the issue of intellectual property rights.

INCOME

Why is this Important?

5.19 Income can be a vulnerable asset, and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Authority's cash flow and also avoids the time and cost of administering debts.

Key Controls

5.20 The key controls for income are:

- all income due to the Authority is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed;
- all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery;
- all money received by an officer on behalf of the Authority is properly recorded and promptly banked;
- the responsibility for cash collection should be separated from that for identifying the amount due, and that for reconciling the amount due to the amount received;
- effective action is taken to pursue non-payment within defined timescales;
- formal approval for debt write-off is obtained;
- appropriate write-off action is taken within defined timescales;
- appropriate and timely accounting adjustments are made following write-off action;
- all appropriate income documents are retained and stored for the defined period in accordance with guidance issued by the Section 151 Officer (Head of Finance);
- money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

Responsibilities of the Section 151 Officer (Head of Finance)

5.21 To agree arrangements for the collection of all income due to the Authority, and to approve the procedures, systems and documentation for its collection. To raise awareness and ensure compliance with the Council's Sundry Debtors Policy and the Debtors Policy for Social Care & Health.

5.22 To ensure that all electronic monies are properly received, assigned and reconciled.

5.23 To approve the writing off of all irrecoverable debts as follows:

Up to £5,000 and any bankruptcies	Revenues Manager Finance Manager for SCH for specific SCH Debts
Between £5,000 and £10,000	Section 151 Officer
Over £10,000	Section 151 Officer and Cabinet Member for Finance

- 5.24 To use debt recovery procedures to collect any income due to the Authority which has not been paid within specified time limits.
- 5.25 To ensure that appropriate accounting adjustments are made following any write-off action.
- 5.26 To advise the Head of Legal of debts that have remained unpaid with a view to the institution of legal proceedings in appropriate cases.
- 5.27 To ensure that any sum due to the Authority shall only be discharged by payment, credit note or write off.

Responsibilities of Chief Officers and Heads of Service

- 5.28 To consult with the Section 151 Officer (Head of Finance) before any proposal to introduce or revise scales of charges for services is submitted to the Cabinet or the Council as the case may be.
- 5.29 To ensure that all such charges are reviewed at least once a year in consultation with the Section 151 Officer (Head of Finance).
- 5.30 To ensure that no agreements are put in place (legal or otherwise) that preclude the Council from reviewing its charges on an annual basis.
- 5.31 To ensure that new charges are promptly implemented following appropriate approval.
- 5.32 To ensure that where possible, income is received in advance of the service being provided.
- 5.33 To ensure that all income due, is promptly collected, correctly receipted, reconciled, accounted for and promptly banked.
- 5.34 To ensure that income collected and deposited is reconciled to the ledger on a regular basis.
- 5.35 To ensure that there is clear separation of duties within income procedures to ensure that adequate controls are in place.
- 5.36 To ensure that all income is correctly coded to the appropriate financial code.

- 5.37 To maintain such particulars in connection with work done, goods supplied or services rendered and of all other amounts due, to record correctly all sums due to the Authority and to ensure the prompt rendering of accounts for the recovery of income due.
- 5.38 To notify the Section 151 Officer (Head of Finance) promptly in writing of all money due to the Authority, and of contracts, leases and other agreements and arrangements entered into, which involve the receipt of money by the Authority.
- 5.39 To designate employees to receive monies due and to make arrangements to ensure that appropriate records are maintained.
- 5.40 To make arrangements to ensure that employees responsible for receiving income are issued with written instructions on cash handling and till operation procedures and that such employees have signed to acknowledge that instructions have been received and understood prior to commencing such duties.
- 5.41 To ensure that all employees use official receipts or tickets for all income received on behalf of the Authority and ensure that all chargeable VAT is accounted for. To seek approval from the Chief Internal Auditor for alternative receipting arrangements, where it is considered inappropriate to issue an official receipt or ticket, in advance of implementing such arrangements.
- 5.42 To ensure that all official receipt forms, books, tickets and other such items are ordered and supplied to service areas by the Chief Internal Auditor or under arrangements approved by him/her.
- 5.43 To ensure that all financial controlled stationery is securely held and accounted for at all times.
- 5.44 To ensure that the opening of incoming mail where money is being handled, is undertaken by at least two responsible officers designated for that purpose. In exceptional circumstances where this is considered impractical alternative arrangements must have the approval of the relevant Head of Service, and the relevant Head of Service will arrange for the Chief Internal Auditor to be advised accordingly.
- 5.45 To ensure that upon opening of incoming mail, all income is immediately recorded by the employee concerned either by way of receipt, remittance record or by another means, approved by the Chief Internal Auditor.
- 5.46 To ensure that all cheques received in the incoming mail are immediately stamped upon opening by the relevant employee, in preparation for banking.
- 5.47 To ensure that keys entrusted to employees are held securely at all times and are kept under their personal control. To ensure that employees understand their responsibilities as key holders, and of insurance requirements.
- 5.48 To ensure that income held by the Authority is not used to cash personal cheques or make personal loans or other payments.
- 5.49 To establish proper accountability wherever money is being handled. To ensure that every transfer of the Authority's money from one employee to another is evidenced in the records of the service area concerned. This may be by way of an official

receipt being issued by the receiving employee, or if not, a record shall be maintained detailing the amount transferred, the date and the signature of both employees.

- 5.50 To ensure that when income is due to the Authority and the payment is not to be made at the time, all amounts due are claimed on official invoices or by arrangements approved by the Chief Internal Auditor. Instructions for the cancellation or reduction of invoices for income must be authorised by the appropriate Head of Service or such member of staff specifically designated by him/her for that purpose.
- 5.51 To make every reasonable effort to recover a debt before write off is considered. Once a debt is judged irrecoverable, write off procedures must commence promptly and adhere to the requirements of the relevant part of the scheme of delegations. Chief Officers must make arrangements in their respective service areas to ensure that correct procedures, for writing off debts, as prescribed by the Section 151 Officer (Head of Finance), have been adhered to and that adequate documentation exists for each case.
- 5.52 To ensure that credit notes to replace a debt are only raised to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt.
- 5.53 To ensure that proper procedures are followed for checking and authorisation for write off, prior to submission to the Section 151 Officer (Head of Finance) for approval.
- 5.54 To seek to achieve payment by direct debit or standing orders in situations where regular payments are due to the Authority.
- 5.55 To authorise an adjustment to the accounts, in consultation with the Section 151 Officer (Head of Finance), if a mistake has been made in raising an invoice.
- 5.56 To consult the Section 151 Officer (Head of Finance) about any proposal to arrange to accept payments by credit cards, debit cards, switch cards, internet, or similar means.
- 5.57 To notify the Section 151 Officer (Head of Finance) of outstanding income (accruals) relating to the previous financial year as soon as possible after 31st March in line with the timetable determined by the Section 151 Officer (Head of Finance).
- 5.58 To notify the Assistant Section 151 Officer (Assistant Head of Finance - Accountancy) of planned monetary receipts in excess of £0.5 million.

BANKING

Why is this Important?

- 5.59 Many millions of pounds pass through the Authority's bank accounts each year. It is vital that proper procedures are in place to ensure that the Authority's banking arrangements are secure and controlled.

Key Controls

- 5.60 All banking arrangements are operated in accordance with approved procedures.

Responsibilities of the Section 151 Officer (Head of Finance)

- 5.61 To make or approve all arrangements with the Authority's bankers.
- 5.62 To open and operate such bank accounts as are considered necessary.
- 5.63 To ensure that all bank accounts operated by or on behalf of the Authority shall bear an official title and in no circumstances shall an account be opened in the name of an individual.
- 5.64 To approve the use of any direct debit/standing order on the Authority's accounts.
- 5.65 To arrange the reconciliation of the main bank account with the Authority's cash accounts.
- 5.66 To ensure that all cheques, excluding those drawn on authorised imprest accounts, are ordered only on his/her authority.
- 5.67 To make proper arrangements for the safe custody of cheques.
- 5.68 To ensure that cheques on the Authority's main bank accounts shall bear the facsimile signature of the Section 151 Officer (Head of Finance) or be signed by him/her or another officer authorised to do so.
- 5.69 Request for payments by alternative methods must first be approved by the Section 151 Officer (Head of Finance) or any officers delegated by him / her.
- 5.70 Personal cheques of Councillors or employees are not to be cashed.
- 5.71 To ensure that proper procedures are followed for receiving income through touch tone telephone banking systems and via the internet.
- 5.72 To ensure that bank accounts do not become overdrawn.

Responsibilities of Chief Officers and Heads of Service

- 5.73 To ensure that all income collected is promptly banked. This is particularly important where large sums are involved that impact on the Authority's cashflow.
- 5.74 To ensure that all income received by an officer, on behalf of the Authority, is paid in direct to the Authority's bank, or transmitted directly to any other body or person

entitled thereto. No deduction may be made from any money held, save to the extent that the Section 151 Officer (Head of Finance) may specifically authorise

- 5.75 To ensure that, in accordance with the relevant Accounts and Audit Regulations, each employee who banks money, enters on the paying in slip, a reference to the related debt (such as the receipt number or the number or the name of the debtor) and indicate its place of origin on the reverse of each cheque.
- 5.76 To ensure that all income received on behalf of the Authority is properly safeguarded from the time it is received until the time that it is banked (e.g. kept in a safe or locked receptacle – subject to guidance available from Internal Audit).
- 5.77 To ensure that in the transport of money by any employee for banking, or other purpose, that employee and his or her supervisor have due regard for the safety of employees (including the employee transporting such money), and for the proper security of cash. The Head of Service shall ensure arrangements are made which incorporate the necessary safeguards.
- 5.78 To ensure that payments made through the Council's bank account are properly authorised, correctly calculated, valid and in accordance with Council's procurement and payment procedures.

ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

Why is this Important?

- 5.79 Public money should be spent with demonstrable probity and in accordance with the Authority's policies. Local authorities have a statutory duty to achieve best value in part through economy and efficiency. The Authority's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Authority's Contract Procedure Rules.

Key Controls

- 5.80 The key controls for ordering and paying for work, goods and services are:
- all orders shall be in a form approved by the Section 151 Officer (Head of Finance);
 - official orders will be raised for all work, goods or services to be supplied to the Authority, except for supplies of utilities, periodic payments, procurement card or petty cash purchases or other exceptions specified by the Section 151 Officer (Head of Finance);
 - all goods, works and services are ordered only by appropriate persons and are correctly recorded;
 - all goods and services shall be ordered in accordance with the Authority's Contract Procedure Rules, unless they are purchased from sources within the Authority;

- goods, works and services received are checked to ensure they are in accordance with the order;
- payments are not made unless goods, works or services have been received by the Authority to the authorised price, quantity and quality standards, subject to tolerance levels set by the Section 151 Officer (Head of Finance);
- all payments are made to the correct person/supplier based on the supply of sufficiently detailed documentation, for the authorised amount and are properly recorded, regardless of the payment method;
- all officers and members are required to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Authority;
- all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with guidance issued by the Section 151 Officer (Head of Finance);
- all expenditure is accurately recorded against the right budget, any exceptions are corrected and VAT is accurately against the correct VAT code; and
- in addition, the use of e-commerce and electronic purchasing / invoicing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

Responsibilities of the Section 151 Officer (Head of Finance) - Procurement

5.81 To produce Contract Procedure Rules and provide service areas with guidance relating to contracting and tendering arrangements.

5.82 To publish data on a monthly basis showing details of the Authority's procurement activity, including the use of procurement cards, in accordance with the Council's requirements for openness and transparency.

Procurement Cards

5.83 To produce and maintain a Policy for the use of procurement cards (also known as purchasing cards).

5.84 To consider, on an exceptional basis, business cases for the non-standard use of procurement cards where service areas can demonstrate that such use is in the best interests of the Authority.

5.85 To arrange payment of all confirmed and authorised procurement card transactions on a monthly basis.

5.86 To report any instances of non-compliance with Procurement Card Policy identified to the relevant Heads of Service and Chief Officers for their investigation.

Responsibilities of Chief Officers and Heads of Service - Procurement

- 5.87 To ensure that all employees comply with the Authority's Contract Procedure Rules.
- 5.88 To ensure that the service area obtains best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, with regard to the best practice guidelines issued by the Section 151 Officer (Head of Finance), which are in line with best value principles and contained in the Authority's Contract Procedure Rules.
- 5.89 To make arrangements to ensure that every employee declares any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Authority, in accordance with the Employee Code of Conduct. Any employee declaring such an interest or having such an interest will not participate in (or act so as to influence or appear to influence) any decisions relating to the matter in which they have such an interest. All Councillors involved in contractual or purchasing decisions on behalf of the Authority will declare any interests and act in accordance with the Members' Code of Conduct.
- 5.90 To ensure that officers within their service areas will not make any personal or private use of the benefits of any Authority contracts. For the avoidance of doubt, nothing in this paragraph will preclude an employee from taking advantage of Council wide schemes, which have been approved by the Section 151 Officer (Head of Finance).
- 5.91 To ensure that all IT purchases conform to a standard identified by the Head of ICT. Exceptional purchases, outside of these standards, shall be agreed in advance with the Head of ICT, through the ICT Programme Board.
- 5.92 To ensure that no financial systems are purchased without the prior agreement of the Section 151 Officer (Head of Finance).

Comment [WDM1]: Do we have a Head of ICT currently? – should we instead refer to the Chief Operating Officer, SRS?

Procurement Cards

- 5.93 To ensure all employees comply with the terms of the Authority's Procurement Card Policy.
- 5.94 To ensure the necessary separation of duties required by the Procurement Card Policy is in place in respect of all cards in use within their service areas.
- 5.95 To authorise all applications for new Procurement Cards from prospective cardholders within their service areas.
- 5.96 To approve any variations to the standard credit limits in place for procurement cards within their service areas. Current standard limits are £250 per transaction and cumulatively £5,000 per card per calendar month.

- 5.97 To ensure that all procurement cardholders within their service areas complete the mandatory personal data form.
- 5.98 To update the Head of Finance promptly with details of all changes in procurement cardholders, lost and/or damaged procurement cards and any declined transactions.
- 5.99 To ensure cardholders and card administrators confirm the accuracy and completeness of monthly procurement card transactions promptly in accordance with the relevant Policy.
- 5.100 To investigate promptly all instances of non-compliance with the Procurement Card Policy referred by the Head of Finance.

Responsibilities of the Section 151 Officer (Head of Finance) - Ordering

- 5.101 To approve the format of official orders and arrangements for placing orders under Purchase Order Processing (POP) System.
- 5.102 To approve the format and use of emergency order books and to order, control and issue these to exempted service areas.
- 5.103 To approve all exceptions to the use of official orders.
- 5.104 To approve any amendments to the arrangements for the use of debit, credit and procurement cards.

Responsibilities of Chief Officers and Heads of Service

General

- 5.105 To ensure that official orders are raised through the POP system for all works, goods and services supplied to the Authority except for internal services, periodical payments (e.g. utility payments), procurement card or petty cash purchases, and for such other exceptions as the Section 151 Officer (Head of Finance) may approve.
- 5.106 To determine purchase order approval levels within each service area.
- 5.107 In cases of urgency, a verbal order may be issued, using an order number from a valid emergency order book and with a clearly labelled confirmation order sent out as soon as possible thereafter.
- 5.108 To ensure that employees do not use official orders to obtain goods or services for their private use.
- 5.109 To ensure that each order conforms to the directions of the Authority with respect to any policy on central purchasing, computer purchasing, standardisation, quality and sustainability as may from time to time be adopted by the Authority. Chief Officers

shall make arrangements to ensure that all purchases comply with any legal or health and safety requirements.

- 5.110 To ensure that debit, credit and procurement cards are only used under arrangements approved by the Section 151 Officer (Head of Finance) and in particular the Authority's Procurement Card Policy.
- 5.111 To make arrangements to ensure that loans, leasing or rental arrangements are not entered into or exited early without prior agreement from the Section 151 Officer (Head of Finance). This is because of the potential impact on the authority's borrowing powers, to protect the authority against entering into unapproved credit arrangements and to ensure that value for money is being obtained.
- 5.112 After due consideration, to arrange for nominations for officers for the roles of requisitioner and approver. Note that the POP system will allow a requisitioner to fulfil the approver role, but will prevent an officer from approving their own requisition.
- 5.113 To maintain an up to date list of requisitioners, approvers/substitutes within their service area. No officer shall process or approve an order, or purport to do so, unless he/she is duly authorised for that purpose.
- 5.114 To ensure that all requisitions used are authorised by a nominated 'approver' with a financial approval limit greater than or equal to the value of the requisition and to ensure that the requisition's data is retained within the POP system.
- 5.115 Where a POP requisition is forwarded for approval to any other officer (e.g. in the case of absence of the usual approver), this officer must also be a nominated approver with a financial approval limit greater than or equal to the value of the requisition.
- 5.116 To ensure that the requisitioner enters the following details on the official order within the POP system:
- a full description of the item required;
 - an accurate price, where appropriate, as quoted by catalogue or supplier;
 - the required quantity;
 - an appropriate product category (account code will be generated);
 - cost centre and sub code;
 - the correct VAT suffix code; and
 - the delivery address;
- 5.117 To ensure that, prior to approving a requisition on POP, the approving officer checks that:-
- all relevant details have been entered and are correct;
 - there is adequate provision in the budget;
 - the items are appropriate for the purpose intended;

Emergency Orders

- 5.118 To make arrangements to ensure the control and safe custody of all emergency order books.

- 5.119 To ensure that emergency order books are only used for cases of genuine emergency and for those POP exempt service areas as formally approved by the Section 151 Officer (Head of Finance).

Responsibilities of Chief Officers and Heads of Service - Goods Received

- 5.120 To make arrangements to ensure that goods, services and works are checked on receipt to verify that they are in accordance with the order. This check shall, where possible, be carried out by a different officer from the officer who approved the order. The officer carrying out the check shall make appropriate entries in inventories or stores records.
- 5.121 To ensure that goods (or services) received details are entered promptly onto the POP system by the requisitioner or approver. This should be prior to receipt of the invoice.
- 5.122 To ensure that budget holders regularly review any open orders for their cost centres and ensure that they are processed or closed (as appropriate) promptly.

Responsibilities of the Section 151 Officer (Head of Finance) - Payment

- 5.123 To arrange for officers to be nominated as Payment Officers and a list of these maintained on POP and kept up to date.
- 5.124 To make payments on behalf of the Authority with the exception of disbursements from petty cash imprests and from subsidiary bank accounts which have been authorised by the Section 151 Officer (Head of Finance). The normal method of payment of money due from the Authority shall be by cheque, BACS, CHAPS or other instrument drawn on the Authority's bank account. The use of direct debit/standing order requires the prior agreement of the Section 151 Officer (Head of Finance).
- 5.125 To make safe and efficient arrangements for all payments. All cheques shall be despatched by the Section 151 Officer (Head of Finance) direct to the recipient and not returned to the originating service. In the exceptional circumstances when cheques do need to be returned to a service area for despatch with associated documents, this must be approved in advance by the relevant Operational Manager, and the cheque must not be passed to the initiating officer.
- 5.126 To ensure that payments made to a sub-contractors in the construction industry, are made in accordance with the Construction Industry Scheme, and the Authority's procedures.
- 5.127 To make payments to contractors on an approved certificate, which must include details of the value of work, retention money, amounts previously certified and amounts now certified. These payments are to be made to contractors using authenticated receipts raised by service areas.
- 5.128 To provide advice on making payments by the most economical means.
- 5.129 To set tolerance levels for cost and quantity variations.

- 5.130 To agree any exceptions to payment through the POP system.
- 5.131 To approve all arrangements for supplier invoices. These relate to payments which do not have an associated order, such as utility payments.
- 5.132 To approve the format of General Claim for Payment forms.
- 5.133 To periodically check that General Claim for Payment forms and supplier invoices have been certified for payment by an authorised signatory.
- 5.134 To consider General Claim for Payment forms and supplier invoices to the extent that he/she considers necessary, to make such enquiries and to receive such information and explanation as he/she may reasonably require.
- 5.135 To monitor the levels of non-order purchases and report any concerns to Chief Officers and Heads of Service for investigation

Responsibilities of Chief Officers and Heads of Service - Payment

General

- 5.136 To make arrangements for the submission of accounts for payment in accordance with arrangements made by the Section 151 Officer (Head of Finance).
- 5.137 To ensure that payment is made only against a valid invoice or General Claim for Payment, not on statements of account. In exceptional circumstances, payment may be made against a photocopy or faxed invoice but only where the relevant service manager has confirmed that the original invoice has been lost and that he/she has satisfied him/herself that the invoice has not previously been paid.
- 5.138 To notify the Section 151 Officer (Head of Finance) at 1st April, or as required, of all outstanding expenditure relating to the previous financial year, and to comply with any instruction issued in connection with the year-end accounting arrangements (accruals).
- 5.139 To ensure that the POP is used for all payments; and that any exceptions have been agreed previously by the Section 151 Officer (Head of Finance).
- 5.140 To ensure that there is a segregation of duties between the officers requisitioning, approving and inputting invoices for payment. Any exceptions to this require the prior approval of the Chief Officer and an officer nominated by the Section 151 Officer (Head of Finance).
- 5.141 To ensure that invoices are input to the system without delay, in the manner specified by the Section 151 Officer (Head of Finance). Sufficient time should be allowed to enable payments to be made within 30 days of receipt of the invoice.
- 5.142 To ensure that invoices that do not meet the set tolerance levels are promptly dealt with. Where there is no match to an order and/or a delivery note, to ensure that further approval as required is given by a nominated approver/substitute.

- 5.143 To ensure that invoices are not processed until the inputting officer is satisfied that delivery details have been entered.
- 5.144 To ensure that all invoices input for payment are filed and stored securely in the manner prescribed by the Section 151 Officer (Head of Finance).

General Claims for Payment

- 5.145 To ensure that all General Claims for Payment are completed on a form approved by the Section 151 Officer (Head of Finance). These must not be used in place of any invoice, demand, fee note or other written request for payment received from a creditor, and all relevant supporting documentation must be attached to support the payment.
- 5.146 To ensure that a General Claim for Payment is completed by a designated officer and then passed to an authorised signatory for certification.
- 5.147 To ensure that before a General Claim for Payment is authorised, the authorising officer undertakes the following checks:-
- the payment is properly the liability of the Authority;
 - the work, goods or services to which the account relates have been received, carried out, examined and approved as to the quality and quantity (where appropriate);
 - the prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;
 - the expenditure has been properly coded to the relevant service area;
 - expenditure is within budget;
 - where a payment includes VAT, in accordance with HM Revenue and Customs Regulations:-
 - the invoice is a tax invoice with the relevant Company VAT number;
 - for construction industry payments, an authenticated receipt will be obtained; and
 - for payments made in advance of services/goods being received, a tax receipt will be obtained.
- 5.148 To ensure that payment in advance of the receipt of goods or services is only made where it is essential in order to secure the particular supply required or where a beneficial discount would otherwise be lost. This should be done in conjunction with the Legal Section to ensure an indemnity order is maintained.
- 5.149 To ensure that duly certified General Claims for Payment and direct payment invoices are passed without delay to the Section 151 Officer (Head of Finance).

Supplier Invoices (Non-Order Invoices)

- 5.150 Any invoices received in departments with no responsibility for invoice entry to the Agresso system should be forwarded immediately to the central Creditor Payments Team.
- 5.151 On receipt of e-mail notification of non-order invoices for approval, the relevant officer (who will in all cases be an authorised POP approver) should access the Agresso Webpage to review promptly the invoice awaiting approval. Approving officers should also check the system regularly.
- 5.152 To ensure that before a Supplier invoice is authorised, the authorising officer undertakes the following checks:-
- the payment is properly the liability of the Authority; all invoices should be made out to Monmouthshire County Council;
 - the work, goods or services to which the account relates have been received, carried out, examined and approved as to the quality and quantity (where appropriate);
 - the prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct;
 - the expenditure has been properly coded to the relevant service area;
 - expenditure is within budget;
 - where a payment includes VAT, in accordance with HM Revenue and Customs Regulations:-
 - the invoice is a tax invoice with the relevant Company VAT number;
 - for construction industry payments, an authenticated receipt will be obtained; and
 - for payments made in advance of services/goods being received, a tax receipt will be obtained.
- 5.153 To ensure that authorising officers promptly reject any invoices containing an error or discrepancy, or which do not relate to the cost centre shown. In all cases the officer should a suitable explanation for rejection in the comments box on screen to enable further action to be taken by central Creditor Payments team.
- 5.154 To note that the use of supplier invoices will be routinely monitored for evidence of breach of the Financial Procedure Rules relating to the requirement for the use of POP orders and to investigate any concerns over non-compliance referred by the Head of Finance

IMPREST ACCOUNTS

Why is this Important?

5.155 Imprest Accounts are used for minor items of expenditure. It is important that such accounts are properly managed, and that all expenditure is valid and correctly incurred.

Key Controls

5.156 The key controls for the operation of Imprest Accounts are:-

- all Imprest Accounts should be operated in accordance with guidance issued by the Section 151 Officer (Head of Finance);
- regular reconciliations between the imprest sum advanced and imprest records are undertaken.

Responsibilities of the Section 151 Officer (Head of Finance)

5.157 Where he/she considers it appropriate to open an account with the Authority's bankers for use by the imprest holder (bank imprest) or alternatively to advance a cash sum (petty cash imprest).

5.158 To determine the imprest level.

5.159 To periodically review the arrangements for the safe custody and control of Imprest accounts.

5.160 To reimburse imprest holders as often as necessary to restore the imprests and to keep a record of such advances.

5.161 To provide guidance on how imprest accounts are to be operated and how records are to be kept of payments and reimbursements.

Responsibilities of Chief Officers and Heads of Service

5.162 To ensure that all imprest accounts are maintained in accordance with the Authority's procedures.

5.163 To maintain a list of officers in their service areas who are authorised to hold imprest accounts.

5.164 To notify the Section 151 Officer (Head of Finance) when an imprest holder leaves the service area and to ensure that the imprest advanced is accounted for to the Section 151 Officer (Head of Finance), unless responsibility for the imprest is transferred to a different officer, in which case the Section 151 Officer (Head of Finance) should be notified of the new account holder.

5.165 To agree with the Section 151 Officer (Head of Finance) the procedure for reimbursing expenditure imprest accounts.

5.166 To ensure that officers:

- do not, under any circumstances, allow personal cheques to be cashed, or personal loans to be made, from monies held in an imprest account;
- obtain and retain a receipt to substantiate each payment from the imprest, which should be attached to a voucher and authorised. Particular care shall be taken by the employee to obtain a VAT invoice when this tax is charged;
- restrict the amount of each separate payment to such limit as may be prescribed from time to time by the Section 151 Officer (Head of Finance);
- maintain records and operate the account in accordance with the Section 151 Officer (Head of Finance) instructions;
- maintain the safe custody of imprest cash by keeping it securely locked away preferably in a safe; guidance on this matter can be obtained from the Chief Internal Auditor;
- produce, upon demand, to the Section 151 Officer (Head of Finance) or his/her representative cash and/or vouchers to the total of the imprest;
- record transactions promptly;
- when requested, give to the Section 151 Officer (Head of Finance) a certificate as to the state of his/her imprest advance;
- where an imprest is operated through a bank account, ensure that the account remains in credit, and that the procedures set out under banking arrangements in the Financial Procedure Rules are followed. It shall be a standing instruction to the Authority's bankers that the amount of any overdrawn balance on an imprest holder's account shall be reported forthwith to the Section 151 Officer (Head of Finance);
- do not make salaries or wages payments to employees from an imprest account; No payment must be made to sub-contractors for building work unless authorised by the Section 151 Officer (Head of Finance);
- reconcile and balance the account to the total of the sum advanced, at least monthly, with a copy of the reconciliation sheet signed and retained by the imprest holder. Periodic checks shall be made by a senior officer to ensure that this is being properly carried out;
- on leaving the employment of the Authority, or otherwise ceasing to be entitled to hold an imprest advance, account to the relevant Head of Service for the amount advanced.

PAYMENTS TO EMPLOYEES AND MEMBERS

Why is this Important?

- 5.167 Staff costs are the largest item of expenditure for most local authority services. It is, therefore, important that payments are accurate, timely, made only where they are due for services to the Authority and that payments accord with individuals'

conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for, and that Members' allowances are authorised in accordance with the scheme approved by full Council.

Key Controls

5.168 The key controls for payments to officers and Members are:

- proper authorisation procedures are in place, and that there is adherence to corporate timetables in relation to starters, leavers, variations and enhancements, and that payments are made based on timesheets or claims where appropriate;
- names on the payroll are checked at regular intervals to verify accuracy and completeness;
- frequent reconciliation of payroll expenditure against approved budgets;
- all appropriate payroll documents are retained and stored for the defined period, in accordance with guidance issued by the Section 151 Officer (Head of Finance);
- all expenditure, including VAT, is accurately recorded against the right service area;
- HM Revenue and Customs Regulations are complied with.

Responsibilities of the Head of Commercial and People Development

5.169 To arrange, control and make accurate and timely payment of:

- salaries and wages;
- tax and national insurance;
- car mileage, travel, subsistence and other incidental allowances/expenses.

5.170 To approve, in consultation with the appropriate Head of Service, the form of all timesheets, overtime forms, car mileage and travel and subsistence claims, and any other payroll related records.

5.171 To maintain an up to date list of all officers authorised to approve timesheets, overtime forms, car mileage and travel and subsistence claims, and all other payroll related records.

5.172 To check periodically that all officer claims for salaries, wages, overtime, travel, subsistence and other allowances/expenses are correctly certified by an authorised signatory before payment is made. This also includes electronic certification via MyView.

5.173 To maintain all necessary personal records concerning pay, pension, national insurance contributions and income tax and make all relevant payments on behalf of both employees and the Authority to the appropriate Government agencies.

5.174 To provide advice and encouragement to secure payment of salaries and wages by the most economical means.

5.175 To issue guidance to service areas on the retention of payroll records. All payroll records relating to Income Tax and National Insurance are to be retained for six years plus the current year, to satisfy the requirements of the Taxes Management

Act. Records relating to pensions should be retained for six years following the cessation of any liability.

- 5.176 Where staff have access to the Authority's computerised payroll system, names of all officers authorised to do so shall be retained and kept up to date. Each officer shall have a password that must be confidential and not divulged to any person in any circumstances (in accordance with the Authority's IT Security Policy).
- 5.177 To ensure that staff outside of the Employee Services Section do not have update access to the personnel screens on the Authority's personnel and payroll system without approval.

Responsibilities of the Monitoring Officer to the Council

- 5.178 To make arrangements for paying Members' allowances, travel, and subsistence upon receiving the prescribed form, duly completed and authorised. All claims will be examined and checked for reasonableness with respect to the amounts claimed. A record of authorised signatories shall be retained and kept up to date.

Responsibilities of the People Services Manager

- 5.179 To ensure that the appointment of officers is made in accordance with the Procedure Rules of the Council and the approved establishments, grades and rates of pay.
- 5.180 To approve the format of all records relating to the notification of appointments, terminations, sickness, special leave and any other personnel matter.
- 5.181 To maintain all necessary records relating to the appointment, termination and all other personnel matters.
- 5.182 To require on a quarterly basis from each staffing budget holder, confirmation of the accuracy of all employees recorded within the budget holder's area of responsibility.
- 5.183 Where Employee Services staff have access to the Authority's computerised personnel system, names of all officers authorised to do so shall be retained and kept up to date. Each employee shall have a password that must be confidential and not divulged to any person in any circumstances (in accordance with the Authority's IT Security Policy).

Responsibilities of Chief Officers and Heads of Service

- 5.184 To furnish the Head of Commercial and People Development with all documents that are required to arrange payment by the due date and any documentation required for pension, income tax and national insurance purposes.

- 5.185 To ensure appointments are made in accordance with the regulations of the Authority and approved establishments, grades and scale of pay and that adequate budget provision is available.
- 5.186 To ensure that time sheets, overtime forms or other payroll related records are in a form prescribed or approved by the Head of Commercial and People Development. All such records shall be appropriately certified in manuscript, by an authorised signatory.
- 5.187 To make arrangements to ensure that the People Services Manager and the Head of Commercial and People Development as appropriate, are notified promptly, and in the approved format, of all matters affecting the remuneration of officers within their service area, and in particular:
- appointments, resignations, dismissals, suspensions, secondments and transfers;
 - absences from duty for sickness or other reasons apart from approved leave;
 - changes in remuneration, other than normal increments and pay awards and agreements of general application; and
 - information necessary to maintain records of service for pension, income tax, national insurance and the like.
- 5.188 To ensure that adequate and effective systems and procedures are operated, so that:
- payments are only authorised to bona fide employees;
 - payments are only made where there is a valid entitlement;
 - conditions and contracts of employment are correctly applied;
 - employees' details listed on the payroll are checked at regular intervals to verify accuracy and completeness;
 - the same person does not both complete and authorise a timesheet, overtime form or other claim for payment;
 - persons involved in the different processes of completing and authorising a timesheet, overtime form or other claim for payment are clearly identifiable on the relevant document;
 - adequate supporting records are maintained to back up summary timesheet entries, completed by an individual on behalf of a group of employees. The supporting records must show the start and finish times of each employee each day, and should be signed by the employee concerned; and
 - no employee may certify or authorise a payment or other benefit to himself/herself or any document which would lead to a payment or other benefit to himself/herself.
- 5.189 To ensure that the service area maintains and reviews periodically a list of officers approved to authorise timesheets, overtime forms and other payroll related records together with specimen signatures, and to ensure that only authorised officers authorise payments. A copy of the list should be sent to the Head of Commercial and People Development.
- 5.190 To ensure that the service area reviews the establishment as required by the People Services Manager on a quarterly basis and confirms the accuracy of the report.
- 5.191 To ensure that payroll transactions are processed only through the payroll system. "Cash in hand" and other non PAYE payments are **not** permitted. Chief Officers shall give careful consideration to the employment status of individuals employed on a self-employed, consultant or subcontract basis. The HM Revenue and Customs

applies a tight definition for employee status, and in cases of doubt, advice shall be sought from the Head of Commercial and People Development.

- 5.192 To ensure that all claims for the payment of car mileage, travel and subsistence, and incidental expenses are submitted promptly by officers in the approved format each month.
- 5.193 To arrange for the correct certification of claims for car mileage, travel and subsistence, and incidental expenses. Certification by the Head of Service or an officer authorised by him/her shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred in connection with the Authority's business, the most cost effective route and means of transport was used and that the allowances claimed are properly payable by the Authority. The names of officers authorised by Chief Officers to approve such records shall be retained in each service area, together with specimen signatures and this shall be amended on the occasion of any change. The accuracy of the information contained in a claim shall be the responsibility of the employee concerned. Due consideration should be given to tax implications and that the Head of Commercial and People Development is informed where appropriate.
- 5.194 To ensure that claims for travel, subsistence and other allowances are paid through the payroll system wherever possible to ensure the correct treatment for Tax and National Insurance purposes. Imprest accounts should only be used to process minor payments, where there are no tax implications.
- 5.195 To ensure that the Head of Commercial and People Development is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.
- 5.196 To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with guidance issued by the Head of Commercial and People Development.

Responsibilities of Elected Members and Co-opted Members of Council Committees

- 5.197 To submit claims for travel or subsistence allowances on the prescribed form duly completed. All claims shall be submitted promptly, The accuracy of the information contained in a claim shall be the responsibility of the Member or co-opted Member concerned.

INTERNAL CHARGES

Why is this Important?

- 5.198 Service Areas often undertake work for other service areas. The charge for such work should be recovered by way of a journal; only in exceptional circumstances should an internal debtor invoice be raised.
- 5.199 It is important that the basis of charge is agreed between the client and provider, and the financial transaction is accurately recorded in the Council's accounts.

5.200 The use of journals will cover Service Level Agreements, reallocation of costs and charges that are considered inappropriate for the Internal Trading Solution. The Internal Trading Solution will be used for those services where it is considered to be cost effective.

Key Controls

5.201 The key controls for internal charges are:

- all income and expenditure arising from an internal recharging relationship is correctly recorded and accounted for in a robust manner;
- each charging activity will have a clear basis on which it will be recharged;
- each charging activity will include the cost of the provision of the service plus an appropriate level of overhead;
- no significant surplus should be made by the provider at the expense of the internal customer unless there are contrary policies in place as approved by the Section 151 Officer (Head of Finance).
- all providers ensure that all internal customers are provided with the information reasonably required to accompany the journal charge;
- all charges must be challenged within an appropriate timescale (two months from being informed of charge). The provider must ensure all challenges are considered and where appropriate resolution is made by clarifying query or amending the charge made by journal.
- there will be an arbitration process to clear disputes promptly.

Responsibilities of the Section 151 Officer (Head of Finance)

5.202 To issue guidelines and procedures on the administration of the Authority's internal charging systems.

5.203 To ensure internal charging processes are efficient and effective and represent the best interests of the Authority as a whole.

5.204 To arbitrate on outstanding disputed charges where the client and supplier service area fail to reach agreement.

Responsibilities of Chief Officers and Heads of Service

5.205 To comply with guidelines and procedures issued by the Section 151 Officer (Head of Finance) on the administration of the internal charging systems.

TAXATION

Why is this Important?

5.206 Like all organisations, the Authority is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting

for tax can be severe. It is, therefore, very important for all officers to be aware of their role.

Key Controls

5.207 The key controls for taxation are:

- budget holders are provided with relevant information and kept up to date on tax issues;
- budget holders are instructed on required record keeping;
- all taxable transactions are identified, properly carried out and accounted for within stipulated timescales;
- records are maintained in accordance with instructions;
- returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of the Section 151 Officer (Head of Finance)

5.208 To complete all HM Revenue and Customs returns regarding Pay As You Earn (PAYE).

5.209 To complete VAT returns and to supply other information as specified by HM Revenue and Customs.

5.210 To provide details to the HM Revenue and Customs of deductions made under the Construction Industry Tax Deduction Scheme.

5.211 To advise Chief Officers, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Authority.

Responsibilities of Chief Officers and Heads of Service

5.212 To ensure that where VAT is accounted for in respect of a payment, in accordance with HM Revenue and Customs regulations, the following conditions are satisfied:-

- the payment relates to a supply of goods or services to Monmouthshire Council or to some other body covered by the Council's VAT registration;
- unless otherwise authorised, a VAT invoice (or receipt) is held in respect of the payment;
- where a payment is made to a contractor in the construction industry on the authority of an architect's certificate, an authenticated receipt is obtained as soon as possible;
- the VAT identified on the VAT invoice is identified and coded correctly;
- that VAT invoices are processed expeditiously and are not unduly delayed.

5.213 To ensure that VAT is accounted for, in the correct tax period, on all supplies of goods and services made by the Council that are subject to VAT.

5.214 To ensure that a VAT invoice (or receipt) is issued upon request by any person to whom taxable supplies of goods or services have been made by the Council, showing the VAT charged.

- 5.215 To ensure that all VAT invoices are raised and processed expeditiously.
- 5.216 To ensure that documents identifying VAT transactions, including proof of payment and banking records, are retained for the period specified by HM Revenue and Customs.
- 5.217 To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.
- 5.218 To ensure that all persons employed by the Authority are added to the Authority's payroll and that tax is deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.
- 5.219 To follow any guidance on taxation issued by the Section 151 Officer (Head of Finance).
- 5.220 To ensure that arrangements are in place for all relevant staff to be informed about the correct VAT treatment of all transactions and of changes to this as notified by the Section 151 Officer (Head of Finance).

DRAFT

SECTION 6 - EXTERNAL ARRANGEMENTS

Covers Partnerships, External Funding, Work for third parties, Local Authority Companies, Trust Funds

- [Partnerships](#)
- [External Funding](#)
- [Work for Third Parties](#)

PARTNERSHIPS

Why is this Important?

- 6.1 Partnerships play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – Aneurin Bevan LHB, Heddlu Gwent Police, public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.
- 6.2 Local authorities will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.
- 6.3 Individual Cabinet Members are responsible for approving the contractual arrangements for any work for third parties or external bodies where the contract value exceeds £250,000.
- 6.4 The default position is that any external arrangements will be subject to the Council's financial regulations, unless specific approval has been granted by Cabinet to do otherwise.

General

- 6.5 The main reasons for entering into a partnership are to share risk, to access new resources, to provide new and better ways of delivering services and to forge new relationships.
- 6.6 A partner is defined as either:
 - an organisation (private or public) undertaking, part funding or participating as a beneficiary in a project, or
 - a body whose nature or status give it a right or obligation to support the project.
- 6.7 Partners have common responsibilities:
 - to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation;
 - to acknowledge that the best interest of the partnership is more important than the best interest of each participating group;

- to acknowledge that the partnerships require a level of flexibility which may require non compliance with the Authority's Financial and Contract Procedure Rules. Where this arises it should be formally approved by Cabinet;
- to act in good faith at all times and in the best interests of the partnership's aims and objectives;
- to be open about any conflict of interests that might arise;
- to encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors;
- to hold confidentially any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature;
- to act wherever possible as ambassadors for the project.

Key Controls

6.8 The key controls for the Authority's partners are:

- to be aware of their responsibilities under the Authority's Financial and Contract Procedure Rules and to consider the appropriateness of each control to the partnership and any external funding guidance received;
- to ensure that processes are put in place which ensure that the partnership is effective in carrying out its duties in the required timely manner.
- to ensure that risk management processes are in place to identify and assess and mitigate all known risks without affecting the ability of the partnership to effectively function;
- to ensure that project appraisal processes and a strategic business case is in place to assess the viability of the project in terms of resources, staffing and expertise;
- to ensure that there is a sound legal vehicle in place prior to any project commencing;
- to ensure that there are robust arrangements for decision making and that budgets agreed by partners are lawful;
- to ensure clear accountability where the partnership uses grant income as a source of funding;
- to agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences; and
- to communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

Responsibilities of the Section 151 Officer (Head of Finance)

6.9 To advise on the use of effective and waiving of ineffective controls within the partnership in order to ensure that resources are not wasted.

6.10 To advise, as appropriate, on the key elements of funding a project, including:

- a scheme appraisal for financial viability in both the current and future years;
- risk appraisal and management;
- resourcing, including taxation issues;
- audit, security and control requirements; and
- carry-forward arrangements.

6.11 To ensure that the accounting arrangements are satisfactory.

Responsibilities of Chief Officers and Heads of Service

6.12 To consult with the Section 151 Officer (Head of Finance), as necessary, on a scheme's appraisal for financial viability in both the current and future years.

6.13 To ensure that risk management processes are in place to identify, assess and mitigate all known risks without affecting the ability of the partnership to effectively function.

6.14 To ensure that such agreements and arrangements do not impact adversely upon the services provided either by the Authority or the partnership.

6.15 To ensure that all agreements and arrangements are properly documented.

6.16 To provide appropriate information to the Section 151 Officer (Head of Finance) to enable a note to be entered into the Authority's statement of accounts concerning material items.

EXTERNAL FUNDING

Why is this Important?

6.17 External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of authorities. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external agencies provide additional resources to enable the Authority to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Authority's overall plan.

Key Controls

6.18 The key controls for external funding are:

- to ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood;
- to ensure that funds are acquired only to meet the priorities approved in the policy framework by the full Council;
- to ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future capital and revenue budgets reflect these requirements.

Responsibilities of the Section 151 Officer (Head of Finance)

- 6.19 To ensure that all funding notified by external bodies is received and properly recorded in the Authority's accounts and budgets
- 6.20 To ensure that the match-funding requirements are considered prior to entering into the agreements and that future capital and revenue budgets reflect these requirements.
- 6.21 To ensure that audit requirements are met.
- 6.22 Where he or she is specifically responsible for submitting grant claims, to ensure that all claims for funds are made by the due date.

Responsibilities of Chief Officers and Heads of Service

- 6.23 To ensure that all checks are carried out to make certain that funding instructions associated in a bid for external funding are taken into account.
- 6.24 To maintain adequate supporting documentation to enable claims for funding to be maximised.
- 6.25 To ensure that all claims for funds are made by the due date.
- 6.26 To ensure that the project progresses in accordance with the agreed project plan and that all expenditure is properly incurred and recorded.

WORK FOR THIRD PARTIES

Why is this Important?

- 6.27 Current legislation enables the Authority to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is within the Authority's legal powers.

Key Controls

- 6.28 The key controls for working with third parties are:
 - to ensure that proposals are costed properly in accordance with guidance provided by the Section 151 Officer (Head of Finance); and
 - to ensure that contracts are drawn up using guidance provided by the Section 151 Officer (Head of Finance) and that the formal approvals process is adhered to.

Responsibilities of Section 151 Officer (Head of Finance)

- 6.29 To issue guidance with regard to the financial aspects of third party contracts.

Responsibilities of Chief Officers and Heads of Service

- 6.30 To ensure that appropriate insurance arrangements are made.
- 6.31 To ensure that the Authority is not put at risk from any bad debts.
- 6.32 To ensure that, wherever practicable, payment is received in advance of the delivery of the service.
- 6.33 To ensure that the department/unit has the appropriate expertise to undertake the contract.
- 6.34 To ensure that such contracts do not impact adversely upon the services provided for the Authority.
- 6.35 To ensure that all contracts are properly documented.
- 6.36 To provide appropriate information to the Section 151 Officer (Head of Finance) to enable a note to be entered into the statement of accounts.



SUBJECT:	Revision of Planning Scheme of Delegation and Code of Practice
MEETING:	Council
DATE:	25 September 2014
DIVISION/WARDS AFFECTED:	All

1. PURPOSE:

To adopt a revised Planning Scheme of Delegation and Code of Practice.

2. RECOMMENDATION:

That the Council adopts the revised Planning Scheme of Delegation and Code of Practice attached to this report.

3. KEY ISSUES:

- 3.1 As part of the Welsh Government's programme of measures to improve the planning application process, it has introduced a statutory procedure for approving non-material amendments to an existing planning permission. From 1st September 2014 local planning authorities and applicants have to use the statutory procedure to approve such amendments. Changes have also been made to the Town and Country Planning (Development Management Procedure) (Wales) Order 2012 and introduced the Town and Country Planning (Fees for Non-Material Changes) (Wales) Regulations 2014. These changes prescribe the application procedure and introduce a fee for their determination. Non-material amendments are small changes to a scheme which would not have a detrimental impact either visually or to local amenity, or changes which not disadvantage any third party or conflict with policies. Examples of such changes would include minor changes to doors or windows, change of materials etc.
- 3.2 The new statutory procedure requires authority to be delegated to officers to approve non-material amendments within 28 days and therefore the Planning Scheme of Delegation to Officers is proposed to be amended in the definitions to include (l) Applications for non-material amendments to a planning application. In paragraph A.2 non-material amendments should be included in the list of applications delegated to officers.
- 3.3 Also recent changes to the structure of the authority has resulted in the necessity to amend the titles of the officers and section to which the scheme of delegation relates.
- 3.4 The delegation to officers should be amended to read:-
- Head of Improvement and Democracy
 - Head of Planning

- Development Control Manager
- Planning Control Manager
- Conservation Manager

Paragraph A.1 (d) should also be amended to read "... employee of the Democracy and Regulatory Services Directorate or one...."

- 3.5 Following recent correspondence with the Ombudsman it is considered that the guide should make it clear that Town and Community Councils are not included in the "5 or more separate households or organisations" as they have their own rights to address Planning Committee. The guide is therefore proposed to be amended to clarify this at A1(b).

4. REASONS

The recommended changes will allow officers to approve applications for non-material amendments under delegated powers, reflect the present structure of the authority and clarify the guidance.

5. FINANCIAL IMPLICATIONS

The proposed changes will have an impact upon workload of the current development control staff due to more formalised procedures and administration. There will be a small fee income generated by these applications although it is not considered to cover the costs incurred by the processing of these applications.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS

Sustainable Development: The proposals will improve the service to the Council's customers.

The Equality Impact Assessment is attached at Appendix 1. It is considered that the proposals which aim to ensure consistency and equality of treatment on planning matters do not have any significant implications for, or effect on, persons who share a protected characteristic, over and above any other person. The Scheme of Delegation and Code of Practice will be regularly monitored to address equality implications.

7. CONSULTEES:

Senior Leadership Team
All Cabinet Members
Head of Legal Services
Head of Planning Place and Regeneration

County Councillors
Community and Town Councils

8.

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Appendix 1

EQUALITY IMPACT ASSESSMENT SCREENING FORM / SUSTAINABLE DEVELOPMENT CHECKLIST

Name of Policy/Service: Planning Scheme of Delegation and Code of Practice

Assessor(s):	Directorate Department::	Date assessed:
Philip Thomas	Improvement & Democracy	
Report Author:	Date:	Meeting Date:

1 Purpose of Policy/Service: The Scheme of Delegation provides the framework of delegation of decisions on planning matters to officers. The Code of Conduct sets out guidance on how members and officers should conduct themselves and how Planning Committee and the Delegation Scheme operate.

2 Which groups of people is the policy/service likely to affect (either positive, negative or neutral)?

	Positive	Negative	Neutral		Positive	Negative	Neutral
Age			X	Race			X
Disability			X	Religion or Belief			X
Gender reassignment			X	Sex			X
Marriage or civil partnership			X	Sexual Orientation			X
Pregnancy and maternity			x	Welsh Language			x

Please explain the nature of the effect:

It is considered that the proposals which aim to ensure consistency and equality of treatment on planning matters do not have any significant implications for, or effect on, persons who share a protected characteristic, over and above any other person.

3 Is there any evidence (actual or hypothetical) for a negative impact or discriminatory effect on any group(s)? Please describe adverse effects and tick relevant groups. If no negative impact please state evidence for this conclusion.

Age	No	Race	No
Disability	No	Religion or Belief	No
Gender reassignment	No	Sex	No
Marriage or civil partnership	No	Sexual Orientation	No
Pregnancy and maternity	No	Welsh Language	No

4 Is there any evidence (actual or hypothetical) for a negative impact or discriminatory effect on staff? Please describe adverse effects and tick relevant groups. If no negative impact please state evidence for this conclusion.

Age	No	Race	No
Disability	No	Religion or Belief	No
Gender reassignment	No	Sex	No
Marriage or civil partnership	No	Sexual Orientation	No
Pregnancy and maternity	No	Welsh Language	No

5 What data has been used for this assessment?

None

6 Please indicate below whether you consider this policy/service to have a high, medium or low risk as follows:

	Risk of Inequality
Are a large number of people affected?	1
Is the potential impact significant?	1
Is the scale/cost to the Authority significant?	1
Score	3

Minor No significant impact. No further action required

7 Is a full equality impact assessment required? No

Appendix 2

Scheme of Delegation to Officers – Planning Service

A Guide to the Officer Delegation Scheme

The scheme aims to achieve an effective balance between

- efficiency of determination on the majority of non-contentious applications that have limited community impact,
- being reasonably simple and easy to understand, and
- the member/community aspect by ensuring member involvement on contentious applications through committee or the Delegation Panel and local ward member request for applications to be presented to committee;

Where any of the following circumstances apply an application will be determined by Planning Committee:

- Recommendation contrary to the Development Plan
- Applications where the community or town council has indicated it wishes to address Planning Committee
- Applications recommended for approval where objections have been received from 5 or more separate households or organisations (excluding Town or Community Councils)
- The recommendation is contrary to the advice of a statutory consultee
- Applications by officers of the Council
- Applications by any member or co-opted member of the Council
- Council applications unless minor/non-contentious (Minor/non-contentious means applications submitted by the County Council or relating to land owned by the County Council where the Council intends to carry out the development itself and there is no objection on material planning grounds)

The Delegation Panel consists of the Chair, Vice Chair and Opposition Spokesperson of Planning Committee. The Panel does not determine applications or enforcement matters. Its role is to assess whether officers should determine those applications presented to it or to refer them to Planning Committee for determination.

Definitions

“The Act” means the Town and Country Planning Act 1990 as amended

“Local Ward Member” means the member for the electoral division in which the application site is located.

Planning Application means

Definition of applications

- (a) Applications for planning permission and approval of reserved matters.
- (b) Applications for Listed Building Consent.
- (c) Applications for Conservation Area Consent.
- (d) Applications for Express Consent to Display Advertisements.
- (e) Applications for Certificates of Lawfulness of Existing Use or Development under Section 191 of the Act (jointly with the Head of Legal Services).
- (f) Applications for Certificates of Lawfulness of Proposed Use or Development under Section 192 of the Act (jointly with the Head of Legal Services).
- (f) Applications to retain works or uses already carried out.
- (g) Applications to remove or modify conditions of planning permissions.
- (h) Applications for an approval required by a development order.
- (i) Proposals by statutory undertakers
- (j) Notices of Proposed Development by Government Departments.
- (k) Hedgerow removal notices under the Hedgerow Regulations 1997
- (l) Applications for non-material amendments to a planning permission

Delegation to Officers

The delegation scheme authorises the following officers as set out in the scheme:

- Head of Democracy & Regulatory Services
- Head of Planning
- Development Control Manager
- Planning Control Manager
- Conservation Manager

A. Planning Applications

A.1 To determine or make observations subject to A.2 on all applications unless:

(a) The officer recommendation is contrary to a development plan policy or proposal or other planning policy of the Council

(b) The application is to be recommended for approval and any of the following circumstances apply:

- unresolved written objections on material planning grounds have been received from 5 or more separate households or organisations, (excluding Town or Community Councils) or
- it is contrary to the advice of a statutory consultee, or
- the community or town council has objected on material planning grounds and wishes to address Planning Committee

(c) The application is:

- by or on behalf of the Council and unresolved objections on material planning grounds have been received, or
- for development on Council-owned land or in which the Council has a direct interest

(d) The application is submitted by an employee of the Democracy & Regulatory Services Directorate or one who has close involvement in the planning application process or a member or co-opted member of the Council or by a close relative of such an employee or member or where the application relates to land in which any of them have an interest

(e) The local ward member has requested in writing that the application is presented to Planning Committee

A.2 In consultation with the Delegation Panel to determine or make observations on applications except for those relating to householder development, advertisement applications and applications for Listed building and Conservation Area Consent where the application is to be recommended for approval and:

- unresolved written objections on material planning grounds have been received from 1 – 4 separate households or organisations, or
- the community or town council has objected and does not wish to address Planning Committee, or
- the application is one to which A.1 (c) relates and no unresolved objections on material planning grounds have been received, or
- the Local Ward Member has requested in writing the application is referred to the Delegation Panel.

For the avoidance of doubt applications for householder development, non-material amendments, advertisement consent and Listed building and Conservation Area Consent shall be determined by officers unless the Local Ward Member has requested in writing the application is referred to Planning Committee or the Delegation Panel.

A.3 To determine:

- the Council's case where there is an appeal against non-determination of an application
- the discharge of planning conditions requiring the specific approval of the Local Planning Authority
- the completion of a planning agreement/obligation) where it has been decided that planning permission should be granted subject thereto
- that an application is a departure from the development plan
- whether an Environmental Assessment is required
- whether an Appropriate Assessment is required under the Conservation (Natural Habitats etc.) Regulations 2010 (as amended).

A.4 To make observations on planning consultations received from Brecon Beacons National Park and adjoining authorities.

A.5 To decline to determine an application for planning permission under the powers of Section 70A of the Act (applications submitted within 2 years of a dismissed appeal).

A.6 To enter into obligations under section 106 of the Act jointly with the Head of Legal Services.

A.7 To make all necessary decisions on procedural matters in connection with the processing of applications and appeals.

B. Enforcement of Planning Control

B.1 In consultation with the Delegation Panel to determine that it is expedient to take action and to issue the following notices other than those specified in Part B.4 and thereafter to take all necessary steps to remedy the breach:

(a) Enforcement Notices under Section 174 of the Act

(b) Listed Building Enforcement Notices under Section 38 of the Listed Building and Conservation Areas Act 1990

(c) Notices under Section 215 of the Act

B.2 In consultation with the Delegation Panel to determine that it is not expedient to take enforcement action.

B.3 To determine that it is expedient to take action and to issue the following notices and to take all necessary steps to remedy the breach:

- (a) Planning Contravention Notices under Section 171C of the Act (to require information).
- (b) Breach of Condition Notices under Section 187A of the Act.
- (c) Enforcement Notices where planning permission has been refused for the development.
- (d) Listed Building Enforcement Notices under Section 38 of the Listed Building and Conservation Areas Act 1990
- (e) Breach of Condition Enforcement Notices.
- (f) Hedgerow Replacement Notices under the Hedgerow Regulations 1997.

B.4 To consider offers and representations made under Section 171C(4) of the Act (responses to Planning Contravention Notices).

B.5 To remove unauthorised advertisements, placards and posters under Sections 224 and 225 of the Act.

C. Conservation

C.1 In consultation with the Delegation Panel

- To serve building preservation notices under Section 3 of the Planning (Listed Buildings and Conservation Areas) Act 1990 in cases of emergency.
- To authorise urgent works under section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

C.2 To approve grants for historic buildings under Historic Town Schemes.

D. Entry onto Land

D.1 To authorise persons to enter land under

- (a) Sections 196A, 214B and 324 of the Act
- (b) Section 95 of the Building Act 1984
- (c) Section 293 of, and paragraph 7 of Schedule 12A to, the Highways Act 1980
- (d) Section 71 of the Road Traffic Regulation Act 1984.

E. Miscellaneous

E.1 To respond on behalf of the Council to HGV operator's licence applications.



SUBJECT: Constitution
MEETING: Council
DATE: 25 September 2014
DIVISION/WARDS AFFECTED: All

1. PURPOSE:

To set out the Constitution as recently agreed by Council with typographical, formatting and other minor amendments. To consider further substantive changes and to offer the opportunity for consideration of any further improvements.

2. RECOMMENDATION:

To approve and adopt the attached Constitution as required by s37 Local Government Act 2000 and in so doing:

2.1 To incorporate amendments to the Planning Scheme of Delegation reported elsewhere on this agenda (and included at pp.52-58 of the constitution).

2.2 To incorporate amendments to the Financial Procedure Rules, reported elsewhere on this agenda.

2.3 To agree amendments to the Scheme of Delegation (Part 3 Table 4 pp.51 – 92) to reflect changes to the management structure introduced earlier this year. In the absence of any further comment from officers, members may assume that the scheme reflects the current management structure and responsibilities.

2.4 To defer consideration of the issue of remote attendance until such time as officers are able to report on the logistical issues raised. (Rule 9 of the Rules of Procedure at p.102 and Rule 1.9 of the Executive Procedure Rules at p.131)

2.5 That urgent decisions of the Executive not to be subject to call-in (p.141) will require the approval of the relevant Select Committee chair, to bring this provision into line with paragraphs 13 and 14 of the Access to Information Rules (pp.122-124)

2.6 To ask officers to bring forward an assessment of the application of section 56 of the Local Government (Wales) Measure 2011 (Exercise of functions by councillors)

2.7 To agree the revised Member/Officer Protocol as recommended by Standards Committee earlier this year (p. 238) subject to approval of the Joint Advisory Group.

3. KEY ISSUES:

3.1 Section 37 of the Local Government Act 2000 provides that a local authority operating executive arrangements must prepare and keep up to date a document (the Constitution) which contains:

- (a) such information as the Secretary of State may direct,
- (b) a copy of the authority's standing orders for the time being,
- (c) a copy of the authority's code of conduct for members and

(d) such other information (if any) as the authority consider appropriate.

3.2 At its meeting on 8 July this year, Council agreed a revision of the Constitution. Changes to the Constitution can only be made by full council after consideration of a proposal by the Monitoring Officer or on the recommendation of cabinet. Minor variations; those required to be made to remove any inconsistency, ambiguity or typographical correction; those required to be made so as to put into effect any decision of the Council or its committees or the Cabinet; and any amendments consequent upon legislative changes may be made by the Monitoring Officer with immediate effect, subject to report to the next available Council for information.

3.3 Many of the changes to the attached document have been made on the foregoing basis (including, for example, the amendment to standing orders requiring the external advertisement of posts attracting an annual salary in excess of £100k) and are therefore now reported to Council for information. Any amendments requiring member approval are specifically referred to in the recommendations above.

4. REASONS:

The council has previously agreed amendments to the constitution. Subsequent consequential revisions and some substantive issues are being brought to members' attention.

5. RESOURCE IMPLICATIONS:

None specifically identified to date

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

By and large the proposed changes improve the accessibility and transparency of the conduct of the council's business.

7. CONSULTEES:

The Political Leadership Group, cabinet members, the Chairman of the Council, Senior Leadership Team and any officers specifically identified by post within the Constitution as a whole have been consulted on the development of the proposals contained within this report and the appendix.

Some officers commented on earlier drafts of the Scheme of Delegation, in particular and their views have been incorporated. This latest draft report and Constitution have attracted no comments at all

8. BACKGROUND PAPERS:

Welsh Government Consultation papers on Local Government Measure 2011 and Local Government (Democracy) (Wales) Act 2013

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Monmouthshire County Council

Constitution

September 2014

As agreed by the County Council at its meeting on 25 September 2014

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PART 1 - INTRODUCTION

PURPOSE AND CONTENT OF THE CONSTITUTION

The Constitution is at the heart of the Council's business and describes the various bodies that make up the Council, their functions, Membership and procedural rules. It is divided between articles and rules of procedure and associated material. Articles are intended to set the overall framework and in general will not be subject to frequent change. They are about what is to be done and by whom. Procedure rules, codes of conduct and the other material located after the articles are broadly about how the articles will be put into effect. They may be subject to more frequent change,

Article 3 (Citizens and the Council) provides information for members of the public on how you can get information about the Council, and how you can get involved. We hope that this will help people who have an interest in the Council's work, or a particular matter it is dealing with, understand where they can get more information, and how they can contribute to Council activities.

You can get a better understanding of what each of the Council's bodies do in Articles 4 to 12 of this Constitution, including Full Council, Cabinet, Select Committees, Standards Committee and Regulatory Committees. Article 12 provides information on the management and Officer structures of the Council. Some Officers have a specific duty to ensure that the Council operates within the law and uses resources wisely. Responsibility for functions at Part 3 says which Council bodies, and which Officers, have authority to make which decisions.

The procedural rules that apply to the different Council bodies are contained in Part 4 in the sections relating to those bodies, e.g. Full Council (Standing Orders), the Cabinet (Executive Procedure Rules) and Overview and Scrutiny (Select Committee Procedure Rules). You may find these useful if you want to attend a meeting, particularly if you want to be able to ask questions, have a matter discussed, or put your point of view.

Part 5 has the Codes of Conduct and Protocols which Officers and Members have agreed to comply with. They set the standards of behaviour.

The Contents page at the beginning of this Constitution provides a guide on what is in the Constitution and where you can find it.

HOW THE COUNCIL OPERATES

The Council is comprised of 43 Councillors elected every four years except as otherwise directed by the Welsh Government. Each Councillor is democratically accountable to the residents of their electoral division as well as all of those who live in Monmouthshire. The overriding duty of Councillors is to the whole community, but they have a special duty to their constituents, including those that did not vote for them.

All Councillors have agreed to follow a Code of Conduct, to ensure high standards in the way they undertake their duties. The Standards Committee is responsible for training and advising on the Code of Conduct.

All Councillors meet together regularly as the Council. Meetings of the Council are normally open to the public. Here Councillors decide the Council's overall Policy Framework and set the budget each year. The Council appoints the Leader of the Council annually. The Leader then decides the size and Membership of the Cabinet i.e. the role of individual Members of the Cabinet and arrangements for the exercise and delegation of Executive Functions. The Cabinet is appointed to carry out all of the Council's functions which are not the responsibility of any other part of the Council, whether by Law or under this Constitution, together with making decisions within the Budget and Policy Framework set by the Council.

If you need any further help please do not hesitate to contact us.

Monitoring Officer, Innovation House PO Box 106 Caldicot NP26 9AN Tel 01633 644644

Whilst the Constitution is very long we hope that you will find it easy to use. We have spent a lot of time trying to make it as easy to follow as is possible with such a long and complex legal document.

PART 2 – ARTICLES

Article 1 – The Constitution

PURPOSE, DEFINITION INTERPRETATION AND AMENDMENT OF THE CONSTITUTION

1.01 Purpose of the Constitution

The purpose of the Constitution is to:

- enable the Council to provide clear leadership to the Community in partnership with citizens, businesses and other organisations;
- support the active involvement of citizens in the process of local authority decision making;
- help Councillors represent their constituents more effectively;
- enable decisions to be taken efficiently and effectively;
- create a powerful and effective means of holding decision makers to public account;
- ensure that no one will scrutinise a decision in which they are directly involved;
- ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions; and
- provide a means of improving the delivery of services to the community.

1.02 Definitions in the Constitution

This Constitution and all its appendices is the Constitution of Monmouthshire County Council.

Within the Constitution the following words and phrases have the meaning set out below unless the context specifically or otherwise requires:

Budget	the overall revenue and capital budget approved by Full Council (Article 4);
Chief Officer	any Officer (other than a person whose duties are solely secretarial or administrative or whose duties are otherwise in the nature of support services): who reports directly to the Head of Paid Service in respect of all or most of his/her duties; or for whom the Head of Paid Service is directly responsible;
Councillor	a person elected to the Council to represent an area (called an electoral

	division) within Monmouthshire County Council;
Deputy Chief Officer	any Officer (other than a person whose duties are solely secretarial or administrative or whose duties are otherwise in the nature of support services) who reports directly to a Chief Officer in respect of all or most of his/her duties;
Executive	the Cabinet or a Member or Members of the Cabinet when exercising Executive Functions;
Executive Decision	any decision taken by the Cabinet to exercise or refrain from exercising an Executive Function. It also includes decisions made by persons or Member bodies to whom the Cabinet has delegated Executive Functions to exercise or refrain exercising those functions;
Executive Function	<p>(a) Executive Functions are defined by the Local Government Act 2000, subsidiary legislation and associated guidance. Any function that is not exercisable only by Full Council or delegated to another Member body is an Executive Function.</p> <p>(b) Contractual matters, the acquisition and disposal of land and financial support to organisations and individuals are also Executive Functions.</p> <p>It should be noted that Regulatory functions such as planning licensing and building control, are not Executive Functions;</p>
Forward Work Programme	the Forward Work Programme is a document which lists all of the decisions that the Council and the Cabinet intend to take and when those matters will be discussed. This does not prevent urgent or unforeseen matters being considered;
Full Council	<p>the body where all Councillors act to exercise functions of the Council;</p> <p>an Officer who must be appointed by law</p>

Head of Democracy	to carry out certain functions. See Article 12 for a description of those functions. The Officer will usually have other duties and a different job title. See Article 12 for which Officer is the Head of Democracy;
Head of Paid Service	an Officer who must be appointed by law to carry out certain functions. See Article 12 for more details. The Officer will usually have other duties and a different job title. See Article 12 for which Officer is the Head of Paid Service;
Leadership Team	The senior management body for Officers (Article 12). It includes those Officers designated by the Head of Paid Service from time to time as Members of the Leadership Team;
Local Government (Wales) Measure 2011	referred to as “The Measure” Legislation introduced, inter alia, to strengthen local democracy, deal with changes to executive arrangements, overview and scrutiny, county councils and Member payments;
Member	either a Councillor or a person chosen by the Council to serve on one of its Member Bodies (called “a Co-Opted Member”);
Member Body	any of the following: Full Council; Cabinet; a Select Committee; Licensing Committee; Standards Committee (or one of its sub-committees); Planning Committee; Appeals Panel; Audit Committee; Democratic Services Committee; Note - references to Committee also includes Sub-Committee;

Monitoring Officer	an Officer who must be appointed by law to carry out certain functions. See Article 12 for a description of those functions. The Officer will usually have other duties and a different job title. See Article 12 for which Officer is the Monitoring Officer;
Non-Executive Functions	any function which may only be exercised by Full Council (whether by local choice or as a matter of law) or which is delegated to a Member body other than the Cabinet;
Planning Application	any of the following: application for planning permission (including renewal); application for approval of reserved matters; application for listed building consent; application relating to trees; proposal to serve an urgent works notice or acquire a listed building in need of repair; application for conservation area consent; application for advertisement consent; application to vary or remove conditions on a planning condition;
Policy Framework	See Article 4
Section 151 Officer	an Officer who must be appointed by law to carry out certain functions in relation to financial administration. See Article 12 for a description of those functions. The Officer will usually have other duties and a different job title. See Article 12 for which Officer is the Section 151 Officer;
Service	one of the services provided by the Council;
Single Integrated Plan (SIP)	this is the single plan for the area that reflects the needs of the local population. The SIP builds on and

brings together in one document the joint work previously developed through the Community Plan, as well as the Community Safety, Children and Young Peoples and the Health Social Core and Wellbeing Partnership Plan.

1.03 Interpretation of the Constitution

We have tried to make the Constitution as clear and as easy to understand as possible. Inevitably, people will have different views about what certain passages mean.

During meetings, the person chairing or presiding at the meeting may interpret the relevant procedure rules.

In all other situations, the Monitoring Officer will determine the interpretation and application of the Constitution.

Article 2 – Members of the Council

2.01 Composition and eligibility

(a) **Composition.** The Council comprises 43 members, otherwise called councillors. Councillors will be elected by the voters of each electoral division in accordance with a scheme drawn up by the Boundary Commission in Wales and approved by the National Assembly.

(b) **Eligibility.** Only registered voters of the county council or those living or working in the area will be eligible to hold the office of councillor.

2.02 Election and terms of councillors

The regular election of councillors will be held on the first Thursday in May every four years except as otherwise directed by the Welsh Government. The next regular elections will take place in 2017. The terms of office of councillors will start on the fourth day after being elected and will finish on the fourth day after the date of the next regular election.

2.03 Key roles of all councillors. All councillors will:

(i) collectively be the ultimate policy-makers and carry out a number of strategic and corporate management functions;

(ii) represent their communities and bring their views into the Council's decision-making process, i.e. become the advocates of and for their communities;

(iii) deal with individual casework and act as an advocate for constituents in resolving particular concerns or grievances;

(iv) balance different interests identified within the electoral division and represent the electoral division as a whole;

(v) contribute to the continual improvement of council services through the Best Value process

(vi) be involved in decision-making;

(vii) be available to represent the Council on other bodies; and

(viii) maintain the highest standards of conduct and ethics.

2.04 Information Available to Members of the Council

Members can see any information, which is available to a member of the public. In addition, all reports (including those that are "exempt" or "confidential" by virtue of Schedule 12A Local Government Act 1972 as amended) to all decision making bodies are available to all members.

A Member may also see any information which he or she needs to know in order to fulfil his or her role as a Member of the Council (otherwise known as "need to know"). The Chief Executive or Monitoring officer will adjudicate any such requests.

A Member will not make public information which is confidential or exempt (as defined in the Access to Information Procedure Rules in Part

4)) without the consent of the Council or divulge information given in confidence to anyone other than a Councillor or person(s) or organisation(s) entitled to know it.

Members of a Select Committee

A Member of a Select Committee may also see any document containing material relating to:

- (a) any business transacted at or meeting of the Cabinet;
- (b) any decision taken by an individual Member of the Cabinet.

A Select Committee Member is not be entitled to:

- (a) any document in draft form;
- (b) any part of a document which contains confidential or exempt information unless that information is relevant to an action or decision they are reviewing or scrutinising or intending to scrutinise and is included in the Committee’s Forward Work Programme.

NB. No Member is entitled to see any information relating to a matter in which he or she has a prejudicial interest.

2.05 Getting Involved

Members can get involved by:

- (a) Suggesting Items of Business for the Agenda

As a Member of the Council, you have the same rights as members of the public. In addition to these rights you also have the following rights:

- (i) Member bodies in Column A can request that Member bodies in Column B consider or reconsider an issue.

Column A	Column B
Democratic Services Committee	Council
Select Committees	Cabinet (Part 4 Select Committee Procedure Rules, paragraph 10) Cabinet (ibid, paragraph 14)

- (ii) Any Member can submit a Notice of Motion to Council (Part 4) and also ask questions (Part 4).

- (b) Participating in Meetings

Members of the Council are entitled to attend any formal meeting of the Council, its committees or sub-committees or the Cabinet.

- (i) Members of the Council may attend and speak at any meetings where they are a Member of that body. Where they are not a Member of that body, their attendance and right to speak is at the discretion of the Chair of the body.

- (ii) Members of the Cabinet have a special role to play within the

Council. They are entitled to exercise any Executive Function provided the Executive Function has been delegated to them by the Leader of the Council.

(c) *Comments and Complaints*

Members may comment, subject to restrictions in the Code of Conduct for Members (Part 5) on any aspect of Council business by:

- (i) talking to Officers;
- (ii) talking to the Leader or Member of the Cabinet;
- (iii) talking to the Chair of a Select Committee.

If a Member wishes to complain about an Officer, the procedure set out in the Protocol on Member/Officer Relations may be used (Part 5).

If a Member wishes to complain about another Member, the procedure set out in the protocol for Self-regulation of Member Conduct (Part 5) may be followed.

2.06 Conduct

Councillors will at all times observe the Members' Code of Conduct and the Protocol on Member/Officer Relations set out in Part 5 of this Constitution.

2.07 Allowances

Councillors will be entitled to receive allowances in accordance with the Member Remuneration Schedule set out in Part 6 of this Constitution.

Article 3 – Citizens and the Council

3.01 Getting Information

When Meetings of the Member Bodies Will Take Place

A programme of meetings is available by contacting the Council direct or via the website.

Forward Work Programme

From the Forward Work Programme, see what decisions will be taken by the Cabinet or Council and what issues the Select Committees will be considering and when these matters will be discussed.

Information Available Prior to a Meeting

Five clear working days before a meeting, the agenda, any report likely to be discussed and background papers to that report shall be available for inspection at the offices of the Council and on the website. If an item is added to the agenda later, the revised agenda will be open to inspection from the time when the item is added to the agenda and any report will be made available to the public as soon as it is available and sent to Councillors.

Information Available at a Meeting

The Council will make available to the public present at a meeting a reasonable number of copies of the Agenda and of the Reports for the meeting (save during any part of the meeting to which the public are excluded).

Information Available After a Meeting

For a period of six years the agenda, reports and the minutes of the meeting shall be available for inspection. The background papers shall remain open for inspection for a period of four years.

Council's Accounts

Inspect the Council's accounts and make views known to the external auditor (sections 29 and 30 Public Audit (Wales) Act 2004). Under the Accounts and Audit (Wales) Regulations 2005, the accounts will be available for public inspection for twenty (20) working days after the date appointed by the auditor.

Information which is confidential or exempt (as defined in paragraphs 10.4 and 10.5 of the Access to Information Rules (Part 4)) will not be disclosed to members of the public at any time.

3.02 Getting Involved

Members of the public can get involved in the following ways:

(a) Voting for Councillors

if they are over 18 years and registered as a local elector with the Council.

(b) Suggesting Items of Business for Meetings

A member of the public can seek to get a matter included in an agenda by:

(i) asking the Chair of any Member Body to add an item to the agenda;

and/or

(ii) attending a meeting of the body and suggesting that it looks at an issue when it is considering “items of future business relating to the functions of the Member Body”.

(c) Taking Part in Meetings

(i) Members of the public can attend and speak at any meeting which the Council has resolved should include participation by members of the public. The rules on when you may speak and for how long are contained in Part 4.

(ii) You can also ask Formal Questions at meetings of Full Council (Part 4).

(d) Views of the Public

Under the arrangements put in place by the Authority under section 62 of the Local Government (Wales) Measure 2011, to bring to the attention of the relevant Select Committees their views on any matter under consideration by the relevant Select Committee, the relevant Select Committee must take into account any views brought to their attention under these arrangements.

(e) When are Meetings Open to the Public?

Meetings will be open to the public wherever possible. The public must be excluded from meetings whenever it is likely that confidential information will be disclosed. The public may be excluded from meetings where it is likely that exempt information will be disclosed. (See Access to Information Rules paragraph 10.5 for definition of ‘exempt information’ and ‘public interest’.)

(f) Making Comments/Complaints

(i) A member of the public may comment or complain about Council services by:

(A) contacting their local councillor;

(B) contacting the Member of the Cabinet responsible for the service;

(C) contacting the Officer responsible for delivering the service or their manager;

(D) using the Council’s complaints procedure;

(E) contacting the Public Services Ombudsman for Wales at 1 Ffordd Yr Hen Gae, Pencoed, CF35 5LJ. Telephone: 0845 601 0987 or via the website www.ombudsman-wales.org.uk.

(ii) Comments or complaints can be made about an Officer or Member by:

(A) Officer

contacting the Officer or the Officer’s manager.

(B) Members

If the complaint is against a Member then the complaint should be referred to the Monitoring Officer or the Public Services Ombudsman for Wales.

(g) Engage with Overview and Scrutiny

All members of the public who live or work in the area of the Council may bring to the attention of a Select Committee their views on any matter under consideration by that Select Committee. Select Committees must take into account any views brought to its attention by a member of the public.

3.03 Citizens' responsibilities

Citizens must not be violent, abusing or threatening to councillors or officers and must not wilfully harm things owned by the council, councillors or officers.

Article 4 – The Full Council

4.01 Full Council is a formal meeting of all Councillors. The Full Council is required by law to take certain important decisions including setting the Council's budget and Council Tax and approving a number of key plans and strategies, which together form the Policy Framework (listed below). It is responsible for all of the functions not the responsibility of the Cabinet. It will carry out some functions itself, but others will be delegated to Committees or named Officers.

4.02 Meanings

(a) **Policy Framework.** The policy framework means the following plans and strategies:-

- Equalities Plan
- Improvement Plan;
- Young People's Partnership Strategic Plan;
- Local Transport Plan;
- Local Housing Strategy;
- Plans and alterations which together comprise the Development Plan;
- Welsh Language Scheme;
- Youth Justice Plan.
- Corporate Plan;
- Policy agreements;
- Asset Management Plan;
- E-Government Strategy;
- Report on Corporate Parent for Looked After Children;
- Armed Forces Covenant and

The Single Integrated Plan

This replaces four of the existing plans and strategies which formed part of the Policy Framework, namely the Community Strategy, the Children and Young People's Plan, the Health, Social Care and Wellbeing Strategy and the Community Safety Partnership Plan.

Together with such other plans and strategies which from time to time the Council may decide should be adopted as a matter of local choice.

(b) The Budget

The budget includes the allocation of financial resources to different services and projects, proposed contingency funds, the Council Tax base, setting the Council Tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits. The Full Council will decide the Council's overall revenue budget and overall capital budget and any changes to these. (See the Budget and Policy Framework Procedure Rules

in Part 4 for how the Council can change the Policy Framework or Budget referred to it for approval by the Cabinet.)

(c) Housing Land Transfer

Housing Land Transfer means the approval or adoption of applications (whether in draft form or not) to the National Assembly for Wales for approval of a programme of disposal of 500 or more properties to a person under the Leasehold Reform, Housing and Urban Development Act 1993 or to dispose of land used for residential purposes where approval is required under section 32 or 43 of the Housing Act 1985.

4.02 Functions of the Full Council

Only the Full Council will exercise the following functions:

- (a) adopting and changing the Constitution;
- (b) approving or adopting the Single Integrated Plan, Policy Framework, the budget and any application to the National Assembly for Wales in respect of any Housing Land Transfer;
- (c) subject to the urgency procedure contained in the Access to Information Procedure Rules in Section 14 of this Constitution, making decisions about any matter in the discharge of an Executive Function which is covered by the Policy Framework or the budget where the decision maker is minded to make it in a manner which would be contrary to the Policy Framework or contrary to/or not wholly in accordance with the budget;
- (d) appointing and removing the Leader;
- (e) agreeing and/or amending the terms of reference for Committees, deciding on their composition and making appointments to them (in accordance with the Local Government and Housing Act 1989) unless the appointments have been delegated by the Council;
- (f) changing the name of the area or conferring the title of freedom of the County;
- (g) making or confirming the appointment of the Head of Paid Service and other Chief Officers;
- (h) making, amending, revoking re-enacting or adopting bylaws and promoting or opposing the making of local legislation or Personal Bills;
- (i) all Local Choice Functions set out in Section 13 of this Constitution which the Council decides should be undertaken by itself rather than the Cabinet;
- (j) all matters which by law must be reserved to the Council. For example, appointing the Chair of the Democratic Services Committee and the pay policy statement;
- (k) appointing representatives to outside bodies unless the appointment has been delegated by the Council or is exercisable only by the Cabinet.

4.03 Membership

All Members of the Council shall be Members of Full Council.

Substitution is not possible at meetings of the Council.

4.04 Council meetings

There are three types of Council meeting:

- (a) the annual meeting;
- (b) ordinary meetings;
- (c) extraordinary meetings.

and they will be conducted in accordance with the Council Procedure Rules in Part 4 of this Constitution.

4.05 Responsibility for functions

The Council will maintain the tables in Part 3 of this Constitution setting out the responsibilities for the Council's functions which are not the responsibility of the executive.

Article 5 – Chairing the Council

5.01 Role and function of the Chairman of the council

The Councillor elected annually by the Council as its chair will be called the "Chair".

The Chair will cease to be Chair if they resign, are dismissed by a vote of Full Council, cease to be a Member of the Council, or are unable to act as a Member of the Council. They continue to act as Chair after an election until their successor has been appointed.

The Chair of the Council and in his/her absence, the Vice Chair will have the following roles and functions:

Ceremonial Role

The Chair of the Council:

- (i) is the civic leader of Monmouthshire County Council;
- (ii) promotes the interests and reputation of the Council and Monmouthshire County Council as a whole and acts as an ambassador for both; and
- (iii) undertakes civic, community and ceremonial activities and fosters community identity and pride.

Responsibilities of the Chair

- to uphold and promote the purposes of the Constitution, and to interpret the Constitution when necessary;
- to preside over meetings of the Council so that its business can be carried out efficiently and with regard to the rights of councillors and the interests of the community;
- to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which members who are not on the executive are able to hold the executive and committee Chair to account;
- to promote public involvement in the Council's activities;
- to be the conscience of the Council;
- to attend such civic and ceremonial functions as the Council and he/she determines appropriate; and
- to carry out duties as required under the Family Absence for Members of Local Authorities (Wales) Regulations 2013.

Article 6 – Select Committees

OVERVIEW AND SCRUTINY COORDINATION

6.01 Introduction

The Council is required by Law to discharge certain overview and scrutiny functions. These functions are an essential component of local democracy. Overview and Scrutiny (or Select) Committees should be powerful committees that can contribute to the development of Council policies and also hold the Cabinet to account for its decisions. Another key part of the overview and scrutiny role is to review existing policies, consider proposals for new policies and suggest new policies.

Overview and scrutiny should be carried out in a constructive way and should aim to contribute to the delivery of efficient and effective services that meet the needs and aspirations of local inhabitants. Select Committees should not shy away from the need to challenge and question decisions and make constructive criticism.

6.02 Select Committees

In order to achieve this, the Council have appointed Four Select Committees which between them will:

- review or scrutinise decisions made or actions taken in connection with the discharge of any of the Council’s functions whether by the Cabinet or another part of the Council;
- make reports or recommendations to the Council or the Cabinet in connection with the discharge of any functions;
- consider any matter which affects the Council’s area or its inhabitants; and
- exercise the right to call in for reconsideration decisions made but not yet implemented by the Cabinet and Officers.

6.03 Role, Scope and Membership

The role, scope and Membership of the Select Committees are described in the table below:

Committee and Membership	Role and Scope
Adult Select - 9 members, up to 5 co-opted members	To review, scrutinise, measure and promote improvement in the provision of services and compliance with Council policies in the area of adults
Children and Young People Select - 9 members, up to 5 co-opted members	To review, scrutinise, measure and promote improvement in the provision of services and compliance with Council policies in the area of children and young people

Economy and Development Select – 9 members, up to 5 co-opted members	To review, scrutinise, measure and promote improvement in the provision of services and compliance with Council policies in the area of economy and development
Strong Communities Select – 9 members, up to 5 co-opted members	To review, scrutinise, measure and promote improvement in the provision of services and compliance with Council policies in the area of strong communities including crime and disorder.

6.04 Specific Functions

Policy Development and Review

The Select Committees may:

- (a) assist the Council and the Cabinet in the development of its Budget and Policy Framework by in depth analysis of policy issues;
- (b) conduct research, community and other consultation in the analysis of policy issues and possible options;
- (c) question Members of the Cabinet and/or Committees and Chief Officers from the Council about their views on issues and proposals affecting the area;
- (d) liaise with other external organisations operating in the area, whether national, regional or local, to ensure that the interest of local people are enhanced by collaborative working; and
- (e) consider the impact of policies to assess if they have made a difference.

Scrutiny

The Select Committees may:

- (a) review and scrutinise the decisions by and performance of the Cabinet and/or Committees and Council Officers in relation to individual decisions and over time;
- (b) review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (c) question Members of the Cabinet and/or Committees and Chief Officers from the Council about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or project;
- (d) make recommendations to the Cabinet and/or appropriate Committee and/or Council arising from the outcome of the scrutiny process;
- (e) review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Select Committees and local people about their activities and performance; and

(f) question and gather evidence from any person (with their consent).

Crime and Disorder Functions and the Strong Communities Select Committee

This Committee:

(a) may review and scrutinise decisions made or other actions taken in connection with the discharge of crime and disorder functions by Responsible Authorities under Sections 5 & 6 of the Crime & Disorder Act 1998. The Committee may make reports or recommendations to full Council or the Cabinet with respect to the discharge of crime and disorder functions, in which case it must provide a copy to each of the Responsible Authorities and those co-operating persons and bodies referred to in the Police & Justice Act 2006.

(b) must consider any local crime and disorder matter (as defined by Section 19 of the Police & Justice Act 2006 (included on the agenda for the meeting where the matter has been referred to the Committee by a member of the Council). It must consider whether to make a report or recommendations to full Council and/or the Cabinet with respect to that local crime and disorder matter, having regard to any representations made by the member concerned. If the Committee decides not to make a report or recommendations it must notify the member concerned of its decision and the reasons for it. If the Committee does make a report or recommendations to full Council and/or Cabinet then it must provide a copy of the report or recommendations to the member concerned and such of the Responsible Authorities and co-operating persons or bodies, as it thinks appropriate.

(c) Whenever it provides a copy of the report or recommendations to a Responsible Authority or a co-operating person or body, must remind that authority/body of its statutory duty to have regard to the report or recommendations in exercising its functions, to consider the report or recommendations and to respond to the Committee indicating what (if any) actions that person or body proposes to take.

Annual Report

The Select Committees must report annually to the Full Council on their workings with recommendations for their future work programme and amended working methods if appropriate.

Head of Democratic Services

One of the roles of the Head of Democratic Services under section 8 of The Measure is to promote the role of the Council's Select Committees and to promote support and guidance to Council Members and Officers generally about the functions of the Select Committees .

Who May Sit on Select Committees?

All Councillors except Members of the Cabinet may be Members of the Select Committees. However, no Member may be involved in scrutinising on decisions in which he has been directly involved.

Co-Optees

Each Select Committee shall be entitled to recommend to Council the appointment of a maximum of five people as non-voting co-optees. In exercising or deciding whether to exercise a co-option, the Authority must, under section 76 of The Measure, have regard to guidance given by the Welsh Ministers and comply with directions given by them.

Education Representatives

The Children and Young People Select Committee shall include in its Membership voting representatives of religious faiths and of parent governors, as required by law and guidance from the National Assembly for Wales.

Crime and Disorder Representatives

In discharging its crime and disorder functions, the Strong Communities Select Committee may co-opt officers, employees or members of Responsible Authorities or Co-operating Persons or Bodies (as defined by section 5 of the Crime and Disorder Act 1998.) Co-optees cannot be members of the Council's Executive and no co-optee is entitled to vote, unless the Committee allows it. Co-optees may be appointed for a particular matter or type of matter and membership may be withdrawn at any time by the Committee

Who Chairs?

The arrangements included in sections 66-75 of the Local Government (Wales) Measure 2011 will be followed for appointing persons to chair Select Committees .

Role of the Chair and the Select Committees

The role of the Chair of the Select Committees will be essential in implementing the new method of working. The Chairs will liaise with the Cabinet and supervise the Work Programme and identify cross cutting themes arising from the various Select Committees .

In summary, therefore, the Chair will:

- (a) be accountable for delivering the new way of working for scrutiny;
- (b) will meet regularly to monitor Work Programmes;
- (c) will liaise with the Cabinet on issues affecting the Scrutiny Work Programme; and
- (d) report to meetings of the Co-ordinating Board on progress in implementing the new methods of working.

Work Programme

The Select Committees will be responsible for setting their own Work Programme and in doing so they should take into account wishes of Members who are not Members of the largest political group on the Council. It may also consider urgent and unforeseen matters not included in the Work Programme.

Meetings

The Select Committees will have 8 meetings a year.

Extraordinary meetings may be called from time to time in order to deal with call-ins (Paragraph 14 of the Select Committee Procedure Rules) where the Chair of a Select Committee agrees it is necessary for that Select Committee to consider the called in decision before the Select Committee's next programmed meeting.

The quorum of a Select Committee will be 3 Members.

Joint Select Committees

Under section 58 of The Measure, regulations may be made to permit two or more local authorities to appoint a joint Select Committee. This is set out in the Local Authority (Joint Overview and Scrutiny) (Wales) Regulations 2012.

Proceedings of select committees

Select committees will conduct their proceedings in accordance with the Select Procedure Rules set out in Part 4 of this Constitution.

The Coordinating Board

The Council will establish a Coordinating Board comprising of the Chair of each Select Committee, the Leader and Deputy Leader, the Chairman of each Area Committee, the Scrutiny Champion and the Chief Executive. The Chairman of the County Council will also be invited to attend.

The role of the Coordinating Board will be to manage the political business processes and the relationship between the constituent parts of the Council's political machinery. In particular it will develop a set of protocols to regulate its coordinating role. Its Role and functions are detailed in the Select Committee Procedure Rules set out in Part 4 of this Constitution.

Article 7 – The Executive (Cabinet)

THE ROLE OF THE EXECUTIVE

7.01 Introduction

The Cabinet is appointed to carry out all of the Council’s functions which are not the responsibility of any other part of the Council, whether by Law or under this Constitution.

7.02 Form and Composition of the Cabinet

The Cabinet will consist of:

- (a) the Leader of the Council (the “Leader”); and
- (b) at least two but not more than nine other Councillors appointed to the Cabinet by the Leader.

7.03 Leader

Election

The Leader will be a Councillor elected to the position of Leader by the Council.

Term of Office

The Leader is appointed on an annual basis at the annual meeting of the Council. He may be removed by motion of the Council pursuant to Rule 12.4 of the Rules of Procedure set out at Part 4.

Role of the Leader

The Leader will Chair meetings of the Cabinet and determine the portfolios of Members of the Cabinet. Further information is contained in the Executive Procedure Rules.

7.04 Deputy Leader

The Leader will appoint up to two Deputy Leaders, one of whom to act as Leader in the Leader’s absence, and may also if he/she thinks fit remove the Deputy Leaders from Office at any time.

The Deputy Leader from time to time appointed by the Leader for the purpose may exercise all of the functions of the Leader where the position is vacant or where the Leader is absent or otherwise unable to act. For the avoidance of doubt the Leader may, at his absolute discretion and at any time remove and/or appoint any member of the Council as deputy leader for this purpose.

7.05 Other Cabinet Members

Other Cabinet Members will be Councillors elected to the position of Cabinet Member by the Leader. Each Cabinet Member shall hold office until:

- he/she resigns from that office; or

- he/she is removed from that office by the Leader upon such notice (if any) as the Leader considers appropriate; or
- he/she ceases to be a Councillor.

The Leader may at any time appoint a Cabinet Member to fill any vacancies.

7.06 Delegation of Functions

The Leader may exercise Executive Functions himself/herself or may otherwise make arrangements to delegate responsibility for their discharge. The Leader may delegate Executive Functions to:

- the Cabinet as a whole;
- a Committee of the Cabinet (comprising executive Members only);
- an individual Cabinet Member;
- a joint committee;
- another local authority or the executive of another local authority;
- a delegated Officer.

7.07 Rules of Procedure and Debate

The proceedings of the Cabinet shall take place in accordance with the Executive Procedure Rules in Part 4 below.

Article 8 – Regulatory Committees

8.01 Regulatory and other committees

The Council will appoint the committees set out in the left hand column of the table 2 in Part 3 of this Constitution to discharge the functions described in column 3 of that table.

8.02 The audit committee

(a) The Council will appoint an audit committee to discharge the functions described in column 3 of table 2 in Part 3 of this Constitution and in accordance with sections 81-87 of The Local Government (Wales) Measure 2011.

(b) The Committee shall comprise of Councillor Members (being at least two thirds of the Membership) and at least one Member who is not a Member of the Council (lay Member) and no more than one Member of the Cabinet (which Cabinet Member must not be the Leader).

(c) The Chair of the Audit Committee is appointed by it and cannot be a Member of the Cabinet but can be a lay Member and can only be a Member of an executive group if there are no opposition groups.

(d) Members of the Audit Committee may vote on any matter that falls to be decided by the Committee.

8.03 The Democratic Services Committee

(a) The Council will appoint a Democratic Services Committee to discharge the functions described in Table 2 of Part 3 of this Constitution.

(b) The Committee shall comprise of Councillor Members but no more than one Member of the Cabinet (which Cabinet Member must not be the Leader).

(c) The Chair of the Democratic Services Committee is appointed by Full Council and must not be the Cabinet Member.

8.04 Other Committees and Sub-Committees

(a) The Council will appoint such other Committees as it considers appropriate to the exercise of its functions. These will include a Planning and Licensing Committee.

(b) Any Committee appointed by the Council may at any time appoint additional Sub-Committees and panels throughout the year. The terms of reference and delegation of powers to them shall be explicit and within the appointment Committee's terms of reference.

8.05 Rules of Procedure and Debate

The Council Procedure Rules in Part 4 will apply.

Article 9 – The Standards Committee

9.01 Standards Committee

The Council will establish a Standards Committee.

9.02 Composition

(a) **Membership.** The Standards Committee will be composed of 9 members. Its membership will include:

- i. Five independent members, who are not either a councillor or an officer or the spouse of a councillor or an officer of this council or any other relevant authority as defined by the Act, appointed in accordance with the procedure set out in the Standards Committees (Wales) Regulations 2001 (as amended);
- ii. Three county councillors other than the Leader and not more than one member of the executive;
- iii. One member of a town or community council wholly or mainly in the Council's area (a 'community committee member').

(b) **Term of office.**

- i. Independent members are appointed for a period of not less than four nor more than six years and may be reappointed for one further consecutive term not exceeding four years.
- ii. Members of the local authority who are members of the standards committee will have a term of office of no more than four years or the period until the next ordinary local government election following their appointment, whichever is the shorter. They may be reappointed for one further term.
- iii. A community committee member will have a term of office of no more than four years or the period until the next ordinary local government election following their appointment, whichever is the shorter. They may be reappointed for one further term.

(c) **Quorum.** A meeting of the standards committee shall only be quorate when:

- i. at least three members, including the Chairman, are present, and
- ii. at least half the members present (including the Chairman) are independent members

(d) **Voting.** Independent members and community committee members will be entitled to vote at meetings

(e) **Community committee members.** A community committee member shall not take part in the proceedings of the standards committee when any matter relating to their town or community council is being considered

(f) **Chairing the Committee.**

- i. Only an independent member of the standards committee may be the Chairman.
- ii. The Chairman will be elected by the members of the standards committee for a period not exceeding one year. The Chairman is

eligible for re-election.

iii. The election of a Chairman will be the first item of business for the standards committee at the commencement of each municipal year.

9.03 Role and Function

The Standards Committee will have the following roles and functions:

- (a) promoting and maintaining high standards of conduct by councillors, co-opted members and church and parent governor representatives;
- (b) assisting the councillors, co-opted members and church and parent governor representatives to observe the Members' Code of Conduct;
- (c) advising the Council on the adoption or revision of the Members' Code of Conduct;
- (d) monitoring and from time to time reviewing the operation of the Members' Code of Conduct and protocols which apply to members of the Council, employees, contractors and other parties or organisations associated with Council activity;
- (e) advising, training or arranging to train councillors, co-opted members and church and parent governor representatives on matters relating to the Members' Code of Conduct;
- (f) granting dispensations to councillors, co-opted members and church and parent governor representatives from requirements relating to interests set out in the Members' Code of Conduct;
- (g) dealing with any reports from a case tribunal or interim case tribunal, and any report from the Monitoring Officer on any matter referred to that officer by the Public Services Ombudsman for Wales.
- (h) mentoring and supporting the Council's Monitoring Officer in the discharge of his/her role
- (i) receiving and investigating (where statute permits) reports and complaints relating to the Members' Code of Conduct and protocols approved by the Council from time to time;
- (j) the exercise of (a) to (i) above in relation to the town and community councils wholly or mainly in its area and the members of those town and community councils.
- (k) ensuring the Council's whistle blowing procedures operate effectively
- (l) ensuring the Council's complaints procedures operate effectively and publishing an annual report on the operation of the system.

Article 10 – Area Committees and Forums

10.01 Area committees

In order to bring discussion of council affairs closer to the community the Council may appoint area committees as it sees fit, if it is satisfied that to do so will ensure improved service delivery in the context of best value and more efficient, transparent and accountable decision making.

The Council has recognised the need to engage the community in Area Working which in its early stages has involved establishing 3 Area Committees with the following roles and functions:

1. To help the Council shape major proposals affecting the area and to advise the Council about the implications for the area of its objectives, plans and policies.
2. To lead the development of the local community planning process and produce a Community Plan for each area in a way which promotes the council's overall policies as well as safeguarding local interest.
3. To ensure properly co-ordinated services on a local level.
4. To encourage effective collaboration with public, private and voluntary sector partners locally to help the Council meet the aspirations of local people.
5. To provide a forum for views of local communities and to encourage discussions and debate on matters of particular relevance to the area including participating in the process of Best Value Reviews as a formal consultee.
6. To make decisions on matters within the area that have been delegated by the Executive provided those decisions are within the Council's overall policies and budgetary allocations and do not adversely affect other areas of Monmouthshire.

10.02 Additional Representation

Each Area Committee may identify and agree 'communities of interest' within its area from which a representative may be invited to participate at meetings of the committee. Such invitees will not be co-opted members of the committee but may speak (not vote) on matters whenever the press and public are able to attend.

Article 11– Joint Arrangements

11.01 Arrangements to promote well being

The Council or the executive, in order to promote the economic, social or environmental well-being of its area, may:

- (a) enter into arrangements or agreements with any person or body;
- (b) co-operate with, or facilitate or co-ordinate the activities of, any person or body; and
- (c) exercise on behalf of that person or body any functions of that person or body.

11.02 Joint arrangements

(a) The Council may establish joint arrangements with one or more local authorities and/or their executives to exercise functions which are not executive functions in any of the participating authorities, or advise the Council. Such arrangements may involve the appointment of a joint committee with these other local authorities.

(b) The cabinet may establish joint arrangements with one or more local authorities to exercise functions which are executive functions. Such arrangements may involve the appointment of joint committees with these other local authorities.

(c) Subject to (d) below, the executive may appoint executive members and non-executive members to a joint committee and the political balance requirements shall not apply to the appointment of such members.

(d) The executive may appoint members to a joint committee from outside the executive where the joint committee has functions for only part of the area of the authority, and that area is smaller than two-fifths of the authority by area or population. In such cases, the executive may appoint to the joint committee any councillor who is a member for an electoral division which is wholly or partly contained within the area. The political balance requirements do not apply to such appointments.

(e) Details of any joint arrangements including any delegations to joint committees will be found in the Council's scheme of delegations in Part 3 of this Constitution.

11.03 Access to information

(a) The Access to Information Rules in Part 4 of this Constitution apply.

(b) If all the members of a joint committee are members of the executive in each of the participating authorities then its access to information regime is the same as that applied to the executive.

(c) If the joint committee contains members who are not on the executive of any participating authority then the access to information rules in Part VA of the Local Government Act 1972 will apply.

11.04 Delegation to and from other local authorities

(a) The Council may delegate non-executive functions to another local authority or, in certain circumstances, the executive of another local

authority.

(b) The executive may delegate executive functions to another local authority or the executive of another local authority in certain circumstances.

(c) The decision whether or not to accept such a delegation from another local authority shall be reserved to the Council meeting.

11.05 Contracting out

The Council [for functions which are not executive functions] and the executive may contract out to another body or organisation functions which may be exercised by an officer and which are subject to an order under section 70 of the Deregulation and Contracting Out Act 1994, or under contracting arrangements where the contractor acts as the Council's agent under usual contracting principles, provided there is no delegation of the Council's discretionary decision making.

Article 12– Officers

12.01 Management structure

(a) **General.** The full Council may engage such staff (referred to as officers) as it considers necessary to carry out its functions.

(b) **Chief Officers.** The full Council will engage persons for the following posts, who will be designated chief officers:

Post	Functions and Areas of Responsibility
Chief Executive (and Head of Paid Service)	<p>Overall corporate management and operational responsibility including overall management responsibility for all Officers.</p> <p>Principal adviser to the Council on general policy.</p> <p>The provision of professional and impartial advice to all parties in the decision making process to the Cabinet, to Select Committees, the Full Council and other Committees).</p> <p>Together with the Head of Democratic Services, responsibility for a system of record keeping for all the Authority’s decisions (executive or otherwise).</p> <p>Representing the Authority on partnership and external bodies (as required by statute or the Council).</p> <p>Service to the whole Council, on a politically neutral basis.</p> <p>Regulatory. Services, Citizen engagement, Performance Framework, Finance and Operations</p>
Chief Officer, Enterprise	Innovation and Enterprise, Developing Communities, Leisure Arts and Tourism and Human Resources.
Chief Officer, Children and Young People	Education Services including schools and continuing education.
Chief Officer, Social Care and Health	<p>Housing, Older Persons, Mental Health Service, Learning disabilities,</p> <p>Children’s Services including safeguarding, looked after children and children in need, youth offending, adoption and fostering.</p>

Head of Paid Service, Monitoring Officer, Chief Financial Officer and Head of Democracy. The Council will designate the following posts as shown:

Post	Designation
Chief Executive	Head of Paid Service
Monitoring Officer	Monitoring Officer
Chief Finance Officer	Chief Finance Officer
Head of Democracy & Improvement	Head of Democratic Services

Such posts will have the functions described in Article 12.02–12.05 below.

(d) **Structure.** The Head of Paid Service will determine and publicise a description of the overall departmental structure of the Council showing the management structure and deployment of officers. This is set out at Part 7 of this Constitution.

12.02 Functions of the Head of Paid Service

(a) **Discharge of functions by the Council.** The Head of Paid Service will report to full Council on the manner in which the discharge of the Council's functions is co-ordinated, the number and grade of officers required for the discharge of functions and the organisation of officers.

(b) **Restrictions on functions.** The Head of Paid Service may not be the Monitoring Officer but may hold the post of Chief Finance Officer if a qualified accountant.

12.03 Functions of the Monitoring Officer

(a) **Maintaining the Constitution.** The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is widely available for consultation by members, staff and the public.

(b) **Ensuring lawfulness and fairness of decision making.** After consulting with the Head of Paid Service and Chief Finance Officer, the Monitoring Officer will report to the full Council or to the executive in relation to an executive function, if he or she considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

(c) **Supporting the Standards Committee.** The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Committee.

(d) **Receiving reports.** The Monitoring Officer will receive and act on reports made by the Ombudsman and decisions of the case tribunals.

(e) **Conducting investigations.** The Monitoring Officer will conduct investigations into matters referred by the Ombudsman and make reports or recommendations in respect of them to the Standards

Committee.

(f) **Proper officer for access to information.** The Monitoring Officer will ensure that executive decisions, together with the reasons for those decisions and relevant officer reports and background papers are made publicly available as soon as possible.

(g) **Advising whether decisions of the executive are within the budget and policy framework.** The Monitoring Officer will advise whether decisions of the executive are in accordance with the budget and policy framework.

(h) **Providing advice.** The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors.

(i) **Restrictions on posts.** The Monitoring Officer cannot be the Chief Finance Officer or the Head of Paid Service.

12.04 Functions of the Chief Finance Officer

(a) **Ensuring lawfulness and financial prudence of decision making.** After consulting with the Head of Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the full Council or to the executive in relation to an executive function and the Council's external auditor if he or she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.

(b) **Administration of financial affairs.** The Chief Finance Officer will have responsibility for the administration of the financial affairs of the Council.

(c) **Contributing to corporate management.** The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.

(d) **Providing advice.** The Chief Finance Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors and will support and advise councillors and officers in their respective roles.

(e) **Give financial information.** The Chief Finance Officer will provide financial information to the media, members of the public and the community.

12.05 Functions of the Head of Democratic Services

(a) to provide support and advice to the authority in relation to its meetings, subject to Article 12.06;

(b) to provide support and advice to committees of the authority (other than the committees mentioned in paragraph (e)) and the members of those committees, subject to Article 12.06;

(c) to provide support and advice to any joint committee which a local

authority is responsible for organising and the members of that committee, subject to subject to Article 12.06

(d) to promote the role of the authority's Select Committees;

(e) to provide support and advice to:

(i) the authority's Select Committees and the members of those Select Committees; and

(ii) the authority's Democratic Services Committee and the members of that committee;

(f) to provide support and advice in relation to the functions of the authority's Select Committees to each of the following:

(i) members of the authority;

(ii) members of the executive of the authority;

(iii) officers of the authority;

(g) to provide support and advice to each member of the authority in carrying out the role of member of the authority, subject to Article 12.06;

(h) to make reports and recommendations in respect of any of the following:

(i) the number and grades of staff required to discharge democratic services functions;

(ii) the appointment of staff to discharge democratic services functions;

(iii) the organisation and proper management of staff discharging democratic services functions;

(iv) such other functions as may be prescribed by law.

12.06 Restrictions on Post

The Head of Democratic Services cannot be the Head of Paid Service, the Monitoring Officer or the Chief Finance Officer.

The function of providing advice about whether or how the authority's functions should be, or should have been exercised, only applies to advice concerning the functions of the Select Committees and Democratic Services Committee.

Advice to a Member does not include advice in connection with their role as an executive Member and does not include advice about a matter being or to be considered at a meeting (other than a meeting of a Select Committees or Democratic Services Committee.

12.07 Duty to provide sufficient resources to the Monitoring Officer, Chief Finance Officer and Head of Democratic Services

The Council will provide the Monitoring Officer, Chief Finance Officer and Head of Democratic Services with such officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

12.08 Conduct

Officers will comply with the Officers' Code of Conduct and the Protocol on Officer/Member Relations set out in Part 5 of this Constitution.

12.09 Employment

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 4 of this Constitution.

12.10 Information Available to Officers

The Monitoring Officer, the Section 151 Officer and the Head of Paid Service may see any papers or records held by any part of the Council or its Officers. Other Officers may see any information held by the Council provided:

- (a) they need to see the information to do their job; and
- (b) that information is processed lawfully in accordance with the Data Protection Act 1998

Article 13 – Decision Making

13.01 Responsibility for decision making

The Council will issue and keep up to date a record of what part of the Council or individual has responsibility for particular types of decisions or decisions relating to particular areas or functions. This record is set out in Part 3 of this Constitution.

13.02 Principles of decision making

All decisions of the Council will be made in accordance with the following principles:

- (a) proportionality (i.e. the action must be proportionate to the desired outcome);
- (b) due consultation and the taking of professional advice from officers;
- (c) respect for human rights (see below for further details);
- (d) a presumption in favour of openness; and
- (e) clarity of aims and desired outcomes.

An explanation of the reasons for the decision, a record of any personal interest declared and any dispensation to speak granted by the authority's standards committee and details of consultation will be included in the record of each executive decision.

13.03 Decisions reserved to full Council

Decisions relating to the functions listed in Article 4.02 will be made by the full Council and not delegated.

13.04 Decision making by the full Council

Subject to Article 13.08, the Council meeting will follow the Council Procedures Rules set out in Part 4 of this Constitution when considering any matter.

13.05 Decision making by the executive

Subject to Article 13.08, the executive will follow the Executive Procedures Rules set out in Part 4 of this Constitution when considering any matter.

13.06 Decision making by select committees

Select committees will follow the Select Committee Procedures Rules set out in Part 4 of this Constitution when considering any matter.

13.07 Decision making by other committees and sub-committees established by the Council

Subject to Article 13.08, other Council committees and sub-committees will follow those parts of the Council Procedures Rules set out in Part 4 of this Constitution as apply to them.

13.08 Decision making by Council bodies acting as tribunals

The Council, a councillor or an officer acting as a tribunal or in a quasi-judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility

of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

Article 14 – Finance, Contracts and Legal Matters

14.01 Financial management

The management of the Council’s financial affairs will be conducted in accordance with the financial rules set out in Part 4 of this Constitution.

14.02 Contracts

Every contract made by the Council will comply with the Contracts Procedure Rules set out in Part 4 of this Constitution.

14.03 Legal proceedings

The Head of Legal Services is authorised to institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Council or in any case where the Head of Legal Services considers that such action is necessary to protect the Council’s interests. The Head of Legal Services has delegated powers to authorise Officers to appear in Court on the Council’s behalf.

14.04 Authentication of documents

Where any document is necessary to any legal procedure or proceedings on behalf of the Council, it will be signed by the Head of Legal Services or other person authorised by him/her, unless any enactment otherwise authorises or requires, or the Council has given requisite authority to some other person. Any contract with a value exceeding £25,000 entered into on behalf of the Council in the course of the discharge of an executive function shall be made in writing. Such contracts must either be signed in accordance with the Council’s Contract Procedure Rules at Part 4 or made under the common seal of the council.

In addition to any other person who may be authorised by resolution of the Council, the Proper Officer for the purposes of authentication of documents under the Local Government Acts shall be:

- (a) the Chief Executive;
- (b) the Monitoring Officer
- (b) the Head of Legal Services
- (c) any Chief Officer of the Council concerned with the matter to which the document relates; or,
- (d) any Officer authorised in writing by such Chief Officer.

14.05 Common Seal of the Council

The Common Seal of the Council will be kept in a safe place in the custody of the Head of Legal Services. A decision of the Council, or of any part of it, will be sufficient authority for sealing any document necessary to give effect to the decision. The Common Seal will be affixed to those documents which in the opinion of the Head of Legal Services should be sealed. The affixing of the Common Seal will be attested by one member and the Head of Legal Services or some other person authorised by him/her.

Article 15 – Review and Revision of the Constitution

15.01 Duty to Monitor and Review the Constitution

The Monitoring Officer will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect. The Section 151 Officer shall be responsible for keeping under review the Financial Regulations set out in Part 4 of the Constitution and shall make any necessary amendments and revisions as are required from time to time. He/she shall report any amendments made to Part 4 to the next available Council meeting for noting.

15.02 Protocol for Monitoring and Review of Constitution by Monitoring Officer

A key role for the Monitoring Officer is to make recommendations for ways in which the Constitution could be amended in order to better achieve the purposes set out in this Section. In undertaking this task, the Monitoring Officer may:

- observe meetings of different parts of the Member and Officer structure;
- undertake an audit trail of a sample of decisions;
- record and analyse issues raised with him/her by Members, Officers, the public and other relevant stakeholders; and
- compare practices in this Council with those in comparable authorities, or national examples of best practice.

15.03 Changes to the Constitution

(a) Approval

Subject to Minor and Legislative amendments referred to below, changes to the Constitution will only be approved by the Full Council after consideration of a proposal by the Monitoring Officer or on recommendation of the Cabinet.

(b) Minor Amendments

If, in the reasonable opinion of the Monitoring Officer, a change is:

- a minor variation; or
- required to be made to remove any inconsistency, ambiguity or typographical correction; or
- required to be made so as to put into effect any decision of the Council or its committees or the Cabinet,

the Monitoring Officer may make such a change. Any such change made by the Monitoring Officer shall come into force with immediate effect. Such changes shall be reported to the next Full Council meeting for information.

(c) Legislative Amendment

Any part of the Constitution may be amended by the Monitoring

Officer where such amendment is required to be made so as to comply with any legislative provision. Such amendments shall take effect when the Monitoring Officer so decides or the legislation (where relevant) so provides. Such changes shall be reported to the next Full Council meeting for information.

Article 16 – Suspension, Interpretation and Publication of the Constitution

16.01 Suspension of the Constitution

(a) **Limit to suspension.** The Articles of this Constitution may not be suspended. Any of the procedure rules contained in the Constitution may be suspended by the full Council to the extent permitted within those Rules and the law.

(b) **Procedure to suspend.** A motion to suspend any rules will not be moved without notice unless at least one half of the whole number of councillors is present. The extent and duration of suspension will be proportionate to the result to be achieved, taking account of the purposes of the Constitution set out in Article 1.

(c) **Rules capable of suspension.** The following Rules may be suspended in accordance with Article 16.01:

- i. The Rules of Procedure relating to meetings of the Council, the Executive, Committees and Sub- committees
- ii. Financial Procedure Rules
- iii Contract Procedure Rules

16.02 Interpretation

The ruling of the Chairman of council as to the construction or application of this Constitution or as to any proceedings of the Council shall not be challenged at any meeting of the Council. Such interpretation will have regard to the purposes of this Constitution contained in Article 1.

16.03 Publication

The Monitoring Officer will ensure that copies of this Constitution are available for inspection at Council offices and on the Council's website.

The Monitoring Officer will give a printed or (upon request) an electronic copy of this Constitution to each Member of the Council upon delivery to him/her of that individual's declaration of acceptance of office on the Member first being elected to the Council and thereafter ensure that an up to date version is available for inspection and published on the Council's website.

The Monitoring Officer will ensure that the Constitution is updated as necessary in accordance with Article 15.03

Schedule 1: Description of Executive Arrangements

The following parts of this Constitution constitute the executive arrangements:

1. Article 6 (Select committees) and the Select Procedure Rules;
2. Article 7 (The Executive) and the Executive Procedure Rules;
3. Article 10 (Area Committees and Forums)
4. Article 11 (Joint arrangements)
5. Article 13 (Decision making) and the Access to Information Procedure Rules;
6. Part 3 (Responsibility for Functions).

PART 3 - RESPONSIBILITY FOR FUNCTIONS

Table 1: Responsibility for Local Choice Functions

Function	Body	Member ship	Delegation
1. Any functions under a local Act other than a function specified or referred to in Schedule 1 of the Local Authorities executive arrangements (Functions and Responsibilities) (Wales) Regulations 2007 as amended	Executive	Up to 9 Members	Relevant executive member
2. The determination of an appeal against any decision made by or on behalf of the authority (where a right of appeal exists)	Council	3	Appeals Panel
3. Functions in relation to the revision of decisions made in connection with claims for housing benefit and for appeals against such decisions under section 68 of and Schedule 7 to the Child Support, Pensions and Social Security Act 2000	Council	43	Monitoring Officer
4. The making of arrangements in relation to appeals against the exclusion of pupils in maintained schools under section 52 of the Education Act 2002	Executive	7	Monitoring Officer
5. The making of arrangements pursuant to section 94(1), (1A) and (4) of, and Schedule 24 to, the School Standards and Framework Act 1998 (admission appeals)	Executive	7	Monitoring Officer
6. The making of arrangements pursuant to section 95(2) of, the School Standards and Framework Act 1998 (children to whom	Executive	7	Monitoring Officer

section 87 applies: appeals by governing bodies)			
7. The making of appointments under paragraphs 2 to 4 (appointment of members by relevant councils) of Schedule 2 (police authorities established under section 3) to the Police Act 1996	Council	43	
8. The conducting of best value reviews in accordance with the provisions of any order for the time being having effect under section 5 (best value reviews) of the Local Government Act 1999	Executive following consultation with relevant Select Committee	7	
9. Any function relating to contaminated land	Landowner responsibility with Executive, otherwise Licensing and Regulatory Committee	7 12	Relevant executive member
10. The discharge of any function relating to the control of pollution or the management of air quality	Landowner responsibility with Executive, otherwise Licensing and Regulatory Committee	7 12	Relevant executive member
11. The Service of an abatement notice in respect of statutory nuisance	Executive	7	
12. The passing of a resolution that Schedule 2 to the Noise and Statutory Nuisance Act 1993 should apply in the council's area	Executive	7	
13. The inspection of the authority's area to detect any statutory nuisance	Executive	7	
14. The investigation of any complaint as to the existence of a statutory nuisance	Executive	7	
15. The obtaining of information under section	Executive	7	

330 of the Town and Country Planning Act 1990 as to interest in land			
16. The obtaining of particulars of persons interested in land under section 16 of the Local Government (Miscellaneous Provisions) Act 1976	The Executive and all non-executive committees in relation to their functions	Various	All Chief Officers as appropriate
17. The making of agreements for the execution of highways works	Executive	7	
18. The appointment of any individual – (a) to any office other than an office in which he is employed by the authority; (b) To any body other than – (i) the authority (ii) a joint committee of two or more authorities; or (c) to any committee or sub-committee of such a body And the revocation of any such appointment	Council	43	
19. Power to make payment or provide other benefits in cases of maladministration etc.	Council	43	
20. The discharge of any function by an authority acting as a harbour authority	Licensing and Regulatory Committee	12	
21. Functions in respect of the calculation of council tax base in accordance with any of the following- (a) the determination of an item for T in section 33(1) and 44(1) of the Local Government Finance Act 1992; (b) the determination of an amount for item TP in sections 34(3), 45(3) 48(3)	Executive	7	Relevant Executive Member

and 48(4) of the Local Government Finance Act 1992; (c) the determination of an amount required for determining an amount for the item mentioned in paragraph (a) or (b) above.			
22. Licensing functions in accordance with Part 2 of the Licensing Act 2003 except section 6.	Licensing and Regulatory Committee	12	
23. Functions in respect of gambling in accordance with any of the following— (a) a resolution not to issue casino licenses in accordance with section 166 of the Gambling Act 2005 (c.19); (b) prescribing of fees in accordance with section 212 of the Gambling Act 2005; (c) making an order disapplying section 279 or section 282(1) of the Gambling Act 2005 in accordance with section 284 of the Gambling Act 2005; (d) authorised persons in accordance with section 304 of the Gambling Act 2005; (e) prosecutions by a licensing authority in accordance with section 346 of the Gambling Act 2005; (f) three-year licensing policy in accordance with section 349 of the Gambling Act 2005;	Council	43	
24. The determination of school organisation proposals under the School Standards and Organisation (Wales) Act 2013	Executive		Relevant Executive Member

Table 2: Responsibility for Council Functions

Committee	Membership	Functions
Planning	16 Members of the Authority	<p>1.Planning and conservation Functions relating to town and country planning and development control as specified in Schedule 1 to the Local Authorities Executive Arrangements (Functions and Responsibilities) (Wales) Regulations 2007 ('the Functions Regulations') save in relation to footpaths and bridleways</p> <p>2. Powers relating to the preservation of trees, the protection of important hedgerows and the power to make limestone pavement order</p>
Licensing and Regulatory	12 Members of the authority	<p>All other functions and powers specified in Schedule 1 to the Functions Regulations, save in relation to the duty to determine licensing policy in accordance with s.5 of the Licensing Act 2003, to approve the Authority's Statement of Accounts, to determine the affordable borrowing limit, to make arrangements for the proper administration of financial affairs, the approval of an annual investment strategy, the power to make Standing Orders, to appoint staff, to appoint Proper Officers and designate Head of Paid Service and Monitoring Officer and to consider adverse reports from the Public Services Ombudsman for Wales, all of which shall be reserved to full Council.</p> <p>All functions and powers specified in Schedule 4 to the Functions Regulations other than those listed in Table 1 above as reserved to full Council or the Executive</p>
Standards Committee	3 members of the authority other than the Leader and 5 voting co-optee(s)	<p>As set out in Article 9.3</p> <p>Other functions Functions relating to standards of conduct of members under any relevant provision of, or regulations made under, the Local Government Act 2000</p> <p>Other functions delegated to the Committee by the Council in accordance with section 54(3) of the Local Government Act 2000, in accordance with any regulations made under that Act</p>

Democratic Services Committee	12 members of the authority	<p>(a) To exercise the function of the local authority under section 8(1)(a) The Local Government (Wales) Measure 2011 (designation of head of democratic services)</p> <p>(b) To review the adequacy of provision by the authority of staff, accommodation and other resources to discharge democratic services functions, and</p> <p>(c) To make reports and recommendations to the authority in relation to such provision.</p> <p>(d) To fully support the non-executive role of councillors.</p> <p>(e) To undertake pieces of work aimed at improving the democratic function, in line with the ethos of the Local Government Measure 2011.</p> <p>(f) To draw up a job description for elected members and improve clarity, transparency and public engagement.</p> <p>(g) To review the ICT policy for members.</p>
Audit Committee	11 members of the authority and 1 lay member	<p>(a) to review and scrutinise the authority's financial affairs,</p> <p>(b) to make reports and recommendations in relation to the authority's financial affairs,</p> <p>(c) to review and assess the risk management, internal control and corporate governance arrangements of the authority,</p> <p>(d) to make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements,</p> <p>(e) to oversee the authority's internal and external audit arrangements, and</p> <p>(f) to review the financial statements prepared by the authority.</p> <p>Core functions</p> <p>In order to meet the terms of reference above the Audit Committee will undertake the following core functions:</p> <ul style="list-style-type: none"> • Approve internal audit's strategy, plan and performance. • Review summary internal audit reports and the main issues arising, and seek assurance that action has been taken where necessary. • Consider the reports of external audit and inspection agencies. • Consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements. Seek assurances that action is being taken on risk

		<p>related issues identified by auditors and inspectors.</p> <ul style="list-style-type: none"> • Be satisfied that the authority's assurance statements, including the Statement on Internal Control and Governance Statement, properly reflect the risk environment and any actions required to improve it. • Ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted. • Review the financial statements, external auditor's opinion and reports to members, recommend the adoption of the financial statements by full Council and monitor management action in response to the issues raised by external audit. • Maintain an overview of the Council's constitution in respect of contract procedure rules and financial regulations • Make recommendations, as appropriate, to Cabinet and Council on any matters reported through the Audit Committee.
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Table 3. Responsibility for Executive Functions

Who is Responsible	Mem'ship	Functions	Delegation of functions
The full Executive	Leader of the Council and up to 8 other executive councillors	All executive functions and those local choice functions specified as being the responsibility of the Executive.	<p>Responsibility delegated to each executive councillor for functions within the scope of their portfolio, provided a matter is</p> <ul style="list-style-type: none"> • within the policy framework or corporate policy • is not in conflict, or does not compromise any existing or proposed policy • has no corporate impact (does not apply to decisions within corporate portfolios) • is within approved budgets or within virement discretion • is not considered (by the executive member or the Leader) to be too sensitive or controversial to be decided “within-portfolio”; <p>and subject</p> <ul style="list-style-type: none"> • in all cases to the Leader being able to require any proposed decision to be taken by the Executive itself (where he/she judges this appropriate) • to the executive taking the final decision on joint arrangements, arrangements to provide well being-partnership arrangements and delegations to other local authorities • to the Executive itself making policy framework and byelaw recommendations to Council. <p>Providing the above criteria are met, cross-portfolio decisions may be made by individual executive councillors in respect of their responsibilities provided there is agreement between the executive member concerned on the cross-portfolio decisions to be taken. In the absence of this, the decisions will fall to the Executive.</p>

Table 4. Scheme of Delegation and Appointment incorporating delegation to Officers, Appointment of Proper Officers and other specified posts

Interpretation and Application

1. The following terms shall be regarded as conferring delegated powers:-

To administer, agree, allocate, appoint, approve, authorise, be responsible, carry out, consider recommendations, control and develop, deal with, decide, determine, discharge, ensure, exercise, grant, identify, initiate and carry out, interview, issue, keep under review, make, make decisions, review, settle, undertake, waive.

2. For the avoidance of doubt, unless otherwise indicated, the words “to approve”, “to issue”, “to appoint” and all other such words mentioned in paragraph 1 above shall be construed having a negative as well as a positive meaning.

3. References to any Act or Regulation shall include any statutory extension or modification, amendment or re-enactment of the same.

4. References to an Act shall include any regulations made under it.

5. Where any delegation requires the relevant officer to consult with the Appropriate Members –

(a) this shall mean the appropriate executive member in relation to executive functions

(b) this shall mean the Chairman and/or Vice-Chairman of the relevant committee or sub-committee in relation to Council functions

(c) other than in the case of proposed planning decisions, consultation will normally be carried out in writing (and it shall be assumed that an Appropriate Member has no objection to the proposed decision or action if he fails to respond within 3 days); and

(d) in cases of urgency, consultation may be other than in writing.

6. “Chief Officer” has the meaning within the Local Authorities (Standing Orders) (Wales) Regulations 2006 (as amended)

6. Any powers or duties delegated to an officer may be exercised by his or her deputy or other persons duly authorised by that officer.

Scheme of Delegation to Officers - Planning Service

This scheme aims to achieve an effective balance between

- efficiency of determination on the majority of non-contentious applications that have limited community impact,
- being reasonably simple and easy to understand, and
- the member/community aspect by ensuring member involvement on contentious applications through committee or the Delegation Panel and local ward member request for applications to be presented to committee;

Where any of the following circumstances apply an application will be determined by Planning Committee:

- Recommendation contrary to the Development Plan
- Applications where the community or town council has indicated it wishes to address Planning Committee
- Applications recommended for approval where objections have been received from 5 or more separate households or organisations (excluding Community or Town Councils)
- The recommendation is contrary to the advice of a statutory consultee
- Applications by officers of the Council
- Applications by any member or co-opted member of the Council
- Council applications unless minor/non-contentious (Minor/non-contentious means applications submitted by the County Council or relating to land owned by the County Council where the Council intends to carry out the development itself and there is no objection on material planning grounds)

The Delegation Panel consists of the Chair, Vice Chair and Opposition Spokesperson of Planning Committee. The Panel does not determine applications or enforcement matters. Its role is to assess whether officers should determine those applications presented to it or to refer them to Planning Committee for determination.

Definitions

“The Act” means the Town and Country Planning Act 1990 as amended

“Local Ward Member” means the member for the electoral division in which the application site is located.

Planning Application means

- (a) Applications for planning permission and approval of reserved matters.
- (b) Applications for Listed Building Consent.

- (c) Applications for Conservation Area Consent.
- (d) Applications for Express Consent to Display Advertisements.
- (e) Applications for Certificates of Lawfulness of Existing Use or Development under Section 191 of the Act (jointly with the Head of Legal Services).
- (f) Applications for Certificates of Lawfulness of Proposed Use or Development under Section 192 of the Act (jointly with the Head of Legal Services).
- (g) Applications to retain works or uses already carried out.
- (h) Applications to remove or modify conditions of planning permissions.
- (i) Applications for an approval required by a development order.
- (j) Proposals by statutory undertakers
- (k) Notices of Proposed Development by Government Departments.
- (l) Hedgerow removal notices under the Hedgerow Regulations 1997
- (m) Application for non-material amendments to a planning permission

Delegation to Officers

The delegation scheme authorises the following officers as set out in the scheme:

- Head of Democracy & Regulatory Services
- Head of Planning
- Development Control Manager
- Planning Control Manager
- Conservation Manager

A. Planning Applications

A.1 To determine or make observations subject to A.2 on all applications unless:

- (a) The officer recommendation is contrary to a development plan policy or proposal or other planning policy of the Council
- (b) The application is to be recommended for approval and any of the following circumstances apply:
 - unresolved written objections on material planning grounds have been received from 5 or more separate

households or organisations (excluding Community or Town Councils), or

- it is contrary to the advice of a statutory consultee, or
- the community or town council has objected on material planning grounds and wishes to address Planning Committee

(c) The application is:

- by or on behalf of the Council and unresolved objections on material planning grounds have been received, or
- for development on Council-owned land or in which the Council has a direct interest

(d) The application is submitted by an employee of the Democracy & Regulatory Services Directorate or one who has close involvement in the planning application process or a member or co-opted member of the Council or by a close relative of such an employee or member or where the application relates to land in which any of them have an interest

(e) The local ward member has requested in writing that the application is presented to Planning Committee

A.2 In consultation with the Delegation Panel to determine or make observations on applications except for those relating to householder development, non-material amendments advertisement applications and applications for Listed building and Conservation Area Consent where the application is to be recommended for approval and:

- unresolved written objections on material planning grounds have been received from 1 – 4 separate households or organisations, or
- the community or town council has objected and does not wish to address Planning Committee, or
- the application is one to which A.1 (c) relates and no unresolved objections on material planning grounds have been received, or
- the Local Ward Member has requested in writing the application is referred to the Delegation Panel.

For the avoidance of doubt applications for householder development, non-material amendments, advertisement consent and Listed building and Conservation Area Consent shall be determined by officers unless the Local Ward Member has requested in writing the application is referred to Planning Committee or the Delegation Panel.

A.3 To determine:

- the Council's case where there is an appeal against non-determination of an application

- the discharge of planning conditions requiring the specific approval of the Local Planning Authority
- minor amendments to plans where planning permission has been granted
- the completion of a planning agreement/obligation) where it has been decided that planning permission should be granted subject thereto
- that an application is a departure from the development plan
- whether an Environmental Assessment is required
- whether an Appropriate Assessment is required under the Conservation (Natural Habitats etc.) Regulations 2010 (as amended).

- A.4 To make observations on planning consultations received from Brecon Beacons National Park and adjoining authorities.
- A.5 To decline to determine an application for planning permission under the powers of Section 70A of the Act (applications submitted within 2 years of a dismissed appeal).
- A.6 To enter into obligations under section 106 of the Act jointly with the Head of Legal Services.
- A.7 To make all necessary decisions on procedural matters in connection with the processing of applications and appeals.
- A.8 Applications for Certificates of Lawfulness of Proposed Use or Development under Section 192 of the Act (jointly with the Head of Local Democracy & Legal Services).

B. Enforcement of Planning Control

B.1 In consultation with the Delegation Panel to determine that it is expedient to take action and to issue the following notices other than those specified in Part B.4 and thereafter to take all necessary steps to remedy the breach:

(a) Enforcement Notices under Section 174 of the Act

(b) Listed Building Enforcement Notices under Section 38 of the Listed Building and Conservation Areas Act 1990

(c) Notices under Section 215 of the Act

B.2 In consultation with the Delegation Panel to determine that it is not expedient to take enforcement action.

B.3 To determine that it is expedient to take action and to issue the following notices and to take all necessary steps to remedy the breach:

(a) Planning Contravention Notices under Section 171C of the Act (to require information).

(b) Breach of Condition Notices under Section 187A of the Act.

(c) Enforcement Notices where planning permission has been refused for the development.

(d) Listed Building Enforcement Notices under Section 38 of the Listed Building and Conservation Areas Act 1990

(e) Breach of Condition Enforcement Notices.

(f) Hedgerow Replacement Notices under the Hedgerow Regulations 1997.

B.4 To consider offers and representations made under Section 171C (4) of the Act (responses to Planning Contravention Notices).

B.5 To remove unauthorised advertisements, placards and posters under Sections 224 and 225 of the Act.

C. Conservation

C.1 In consultation with the Delegation Panel

- To serve building preservation notices under Section 3 of the Planning (Listed Buildings and Conservation Areas) Act 1990 in cases of emergency.
- To authorise urgent works under section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

C.2 To approve grants for historic buildings under Historic Town Schemes.

D. Entry onto Land

D.1 To authorise persons to enter land under

(a) Sections 196A, 214B and 324 of the Act

(b) Section 95 of the Building Act 1984

(c) Section 293 of, and paragraph 7 of Schedule 12A to, the Highways Act 1980

(d) Section 71 of the Road Traffic Regulation Act 1984.

E. Miscellaneous

E.1 To respond on behalf of the Council to HGV operator's licence applications.

**Schedule of Delegated Functions – General Authority to the
Chief Executive and Chief Officers**

Part 1 – Delegation to be exercised following consultation with Appropriate Members

1. To deal with urgent business relating to the work of a department that cannot reasonably await the next appropriate Executive, Council, Committee or Sub-Committee meeting, or the requirements of the Executive and Select Committee procedure rules.
2. To make ex gratia payments for loss or damage to property of up to £300 subject to consultation with the Head of Finance.
3. To write off or sell surplus or obsolete equipment, vehicles and plant valued over £1000 by a process determined in accordance with the Head of Finance.
4. To make grants and donations (excluding under Welsh Church Fund) within the terms of the relevant grants scheme or other conditions imposed by the Council/Executive up to the relevant aggregate budget.

Part 2 – Delegation to Chief Executive and all Chief Officers.

1. To have the day to day control of staff of the department under the terms of the relevant conditions of service and (subject to consultation with the Head of Employees Services as appropriate) to exercise the powers granted to Chief Officers under the Council's disciplinary code.
2. To take steps necessary for the day to day management and routine administration of the department.
3. To incur revenue expenditure within estimates subject to compliance with contract procedure rules and financial regulations of the Council.
4. To incur capital expenditure provided:
 - (a) the project is included in the approved capital programme
 - (b) the project does not exceed the approved budget.
 - (c) the contract procedure rules and financial regulations of the Council have been complied with.
5. To approve courses for staff not exceeding 14 days per person in any one year.
6. To approve carry-over of leave in accordance with the Council's policy.
7. To deal with applications for leave without pay.

8. To authorise attendances at meetings of professional bodies.
9. To pay honoraria subject to notification to the Head of Employee Services.
10. To manage the property under their control, including letting the same either temporarily or in accordance with Council policy and securing the removal of trespassers.
11. To write-off or sell minor items of obsolete equipment (up to £1000).
12. To seek planning permission and all other consents or licences on behalf of the Council in respect of any development associated with the relevant Chief Officer's responsibilities.
13. In consultation with the Head of Employee Services:
 - (a) to appoint or promote staff other than those on Chief Officer related grades within approved establishment and fix commencing salaries for such appointments and promotions.
 - (b) to appoint temporary staff in cases of special need or urgency.
 - (c) to operate national and local conditions of service.
 - (d) review of performance of less senior officers.
 - (e) to authorise overtime, honoraria payments and allocation of car/telephone allowances.
14. In consultation with the Head of Finance to make applications for grants from central government or any other external source.
15. To give directions under s77 of the Criminal Justice and Public Order Act 1994 (Power of local authority to direct unauthorised campers to leave land).

Delegation to Specific Officers

Chief Executive

Part 1 – Delegations to be exercised following consultation with Appropriate Members.

1. Approval of activities as ‘approved duties’.
2. To deal with any urgent business relating to the work of more than one Council directorate.

Part 2

1. To take any action necessary in connection with an emergency or disaster in the County.
2. The approval and issue of all official publicity, press statements and official publications.
3. To execute a power delegated to any officer when that officer is unable or unwilling to act.
4. To maintain a list of politically sensitive posts by adding or deleting posts as he/she considers appropriate and to issue certificates under Section 3(3) of the Local Government and Housing Act 1989.

Monitoring Officer

Part 1 – Delegations to be exercised following consultation with Appropriate Members.

None

Part 2

1. To take all steps incidental to completing or obtaining the confirmation of any order or other formal proceedings made by the Council.
2. To serve any notice or requisition for information under any Act requiring the owner or occupier of or any person having an interest in or managing any land or premises to give information to the local authority.
3. The maintenance of the Land Charges Register and responses to local searches.
4. To deal with applications for the hire of office premises in accordance with the policy of the Council.

5. To approve the assignment of leases.
6. To instruct valuers on rent review or lease renewal and to accept that valuation.
7. To accept the valuer's valuations where the Council has agreed to sell or purchase land at a valuer's valuation and to report thereon to Council.
8. To serve notices of review of rent and notices to quit.
9. To approve the grant of leases and/or easements to utility companies for the purposes of establishing substations and laying cables etc. on Council land and to report thereon to Council.
10. To take out grants of representation to a deceased's estates as creditor, beneficiary or trustee.
11. To settle the amount of compensation for damage to land which the Council is liable to pay in consequence of works carried out or other action taken on behalf of the Council up to a maximum of £1,000 in any one case and to report thereon to Council.
12. To obtain Counsel's opinion and to brief Counsel.
13. To sign on behalf of the Council any document necessary to give effect to any resolution of the Council, or of any Committee or Sub-Committee acting within powers delegated by the Council.
14. To institute or defend civil proceedings and intervene in or appear in proceedings before any court, the Lands Tribunal, an industrial tribunal, a Coroner, or any other statutory tribunal or inquiry, or arbitrator, where the interests of the Council, whether on its own behalf or on behalf of an authority for which the Council is agent, are involved, and to reach agreement as to settlement of such proceedings where appropriate.
15. To accept service of any proceedings.
16. To institute criminal proceedings in respect of offences against legislation (including bye-laws) which the Council is authorised to enforce, and institute or defend appeals arising out of such proceedings.
17. (a) In accordance with the provisions of section 101 of the Local Government Act 1972, the Monitoring Officer may, in the circumstances mentioned in paragraph 17(b) below, authorise another local authority to initiate and conduct the prosecution of offences committed in the County Council's area.

(b) The circumstances are that the Monitoring Officer is satisfied that –

- (i) the offences in question are related to offences alleged to have been committed in that other authority's area
- (ii) it is expedient for the prosecution to be initiated and conducted by that other authority.

18. To defend any criminal proceedings brought against the Council and to institute or defend appeals arising out of such proceedings.

19. Under section 78 of the Criminal Justice and Public Order Act 1994, to make complaints to the Magistrates Court and to take any action authorised by the Court.

20. To authorise persons to survey and enter land in connection with proposed compulsory acquisitions.

21. To settle all claims made on the Council not exceeding £1,000 where provision is not clearly made (in consultation with the appropriate Chief Officer and the Head of Finance).

Chief Officer – Enterprise.

Part 1 – Delegations to be exercised following consultation with Appropriate Members.

1. In relation to County Farms:

(a) Approval of all wayleave and easement agreements of apparatus over, under and through County Farm land

(b) Sale of small areas of surplus County Farm land (up to valuation of £20,000)

(c) Sale of land and buildings approved by Council as part of the County Farms strategy for disposal

(d) Notification of tenants who are more than a quarter in arrears with the payment of their rent farm.

(e) All matters relating to end of tenancy valuations

(f) Letting of land on short term agreement i.e. for less than 3 years

(g) Enforcement of County Farms strategies and policies

(h) Review of all County Farms and Cottage rents for reporting to Members

(i) Shortlisting, interviewing and appointment of new tenants

The above would also be applicable for other land owned by the County Council;

- Welsh Church Trust

- Education Trust Land

2A. **Public Rights of Way**

A.1 To make unopposed temporary Prohibition Orders and Notices under Section 14 of the Road Traffic Regulation Act 1984.

A.2 Where following non-statutory pre-order consultation there is no objection, to make the following orders, namely

(i) Public Path Orders under Section 257 of the Act (to enable development to be carried out in accordance with planning permission granted);

(ii) Modification Orders and Reclassification Orders under Sections 53 and 54 of the Wildlife and Countryside Act 1981;

(iii) Public Path Extinguishment and Diversion Orders under Sections 118.119 and 120 of the Highways Act 1980.

A.3 To determine not to proceed with any such order.

A.4 To grant authorisations under Section 33 of the Road Traffic Act 1988.

A.5 To authorise permissive path agreements.

A.6 To authorise public path creation agreements under section 25 of the Highways Act 1980.

2B. **Tree Preservation**

B.1 To make provisional tree preservation orders under Section 201 of the Act.

B.2 Applications for consent for the cutting down, topping, lopping or destruction of trees under Sections 198 and 211 of the Act.

2C. **Recreation and Industry**

C.1 To grant rent reduced or rent free periods, subject to the Council's appropriate policy.

C.2 To serve notices to quit on tenants or lessees of industrial units.

3. To exercise the Council's functions under Part IX of the Housing Act 1985 (Demolition and Closing Orders).

4. To acquire museum exhibits of value over £1000 (subject also to consultation with the Head of Finance

5. To assess and charge rents on new and existing dwellings acquired or provided by the Council.

6. In consultation with other Chief Officers as appropriate and the local ward member, to dispose at valuation of miscellaneous parcels of land and/or property up to £20K (other than County Farm land)

Part 2

Employment Services

1. To pay Council employees and to properly account for all statutory and non-statutory additions and deductions

Public Rights of Way

2. To give notices under Section 14(2) of the Road Traffic Regulation Act 1984 in cases of emergency.

3. To serve notices and where necessary arrange for work to be carried out in default and recover costs incurred in relation to protection and restoration of public rights of way.

4. To make observations on orders proposed to be made by the Brecon Beacons National Park Authority.

5. To authorise erection of stiles etc. on footpaths and bridleways under section 147 of the Highways Act 1980.

6. To authorise applications to the magistrates' court to divert or extinguish public rights of way under section 116 of the Highways Act 1980.

7. Where, following the relevant statutory period no objections have been received or where such objections have been withdrawn, to confirm the orders specified in paragraph B.2 in Part 1 above.

8. To authorise the provision of barriers etc. under section 66(2) and (3) of the Highways Act 1980.

Conservation

9. To approve grants for historic buildings under Historic Town Schemes.

Tree Preservation

10. To serve notices under Section 207 of the Act to plant replacement trees and to subsequently monitor.

11. To confirm tree preservation orders where no objections were made or where all objections have been withdrawn.

Entry onto Land

12. To authorise persons to enter land under
 - (a) Sections 196A, 214B and 324 of the Act
 - (b) Section 95 of the Building Act 1984
 - (c) Section 293 of, and paragraph 7 of Schedule 12A to, the Highways Act 1980
 - (d) Section 71 of the Road Traffic Regulation Act 1984.
 - (e) Highways Act 1980
 - (f) Wildlife and Countryside Act 1981
 - (g) Countryside and Rights of Way Act 2000.

Recreation and Industry

13. To apply for regional development grants under the Industry Act 1972.
14. To deal with applications for occupation of the Council's industrial units.
15. To undertake (and apply) reviews of rent of the Council's industrial units.

County Farms, Welsh Church Land and Education Trust Land

16. Overall day to day management of the farming estate and other agricultural land owned by the County Council.
17. Farm improvements undertaken by tenants who require Landlords Consent/Permission.
18. Annual programme of farm improvements to be carried out by the Landlord as part of its planned maintenance and reinvestment.
19. Transfer and management of the milk quota between tenants
20. Preparation and annual revision of the County Farms Asset Valuation
21. Conservation and woodland management
22. Preparation and agreement of Service Level Agreements with other Departments of the County Council
23. Land drainage and water supply improvements

24. Agreement to apply for planning permission where required
25. Acquisition of office equipment and supplies
26. Agreeing to staffing and training needs
27. Health and Safety issues.

Other land and buildings

28. To assess and charge rents on new and existing dwellings acquired or provided by the Council.

Leisure Services

29. To authorise free entry to any of the Council's museums for organised parties.
30. To authorise and carry out the destruction of any exhibits which are considered by him to be a considerable risk to other exhibits.
31. To authorise the fee for taking photographs inside any of the Council's museums to be waived in any cases considered appropriate.
32. To acquire museum exhibits up to £1,000 (in consultation with the Head of Finance).

Housing

33. To manage the Council's housing stock.
34. (a) To deal with and take all decisions in relation to homelessness applications.

(b) To authorise payment in respect of accommodation provided other than by the Council in circumstances of homelessness.
35. To administer housing schemes under which the Council sells and purchases properties so as to provide low-cost housing.
36. To approve and refuse applications for housing renovation grants.
37. The service of notices, certificates of disrepair, etc., under the Rent Acts.

Miscellaneous

38. To respond on behalf of the Council to HGV operator's licence applications.

Head of Finance

Part 1

1. To exercise discretions relating to Community Charge, Council Tax and National Non-Domestic Rates where the Council has not established a policy on how such discretions might be exercised.

Part 2

1. (a) To manage the Council's treasury function in accordance with the Treasury Management Strategy established annually.

(b) To write-off debts in accordance with the Council's Sundry Debtor Policy.

(c) To agree charges for council services which may be made available to outside bodies.

(d) To enter into finance or operational leasing arrangements or other off balance sheet arrangements to give effect to decisions to acquire vehicles, plant, equipment, etc.

(e) To administer the Council's scheme for loans for car purchase and car leasing.

(f) To determine the manner in which and conditions on which invoices or accounts should be issued.

(g) To make declarations as to rates of interest under Paragraph 3 of Schedule 16 to the Housing Act 1985.

2. (a) To administer the schemes in relation to Housing Benefit and Council Tax Benefit; taking such decisions and giving such notices and all other action as may be necessary for their efficient administration.

(b) Either the Head of Finance or the Head of Audit, Resources and Performance Management (personally) to conduct the first review under such benefit schemes.

3. (a) To administer the statutory provisions relating to Community Charge, Council Tax and National Non-Domestic Rates.

(b) To exercise discretions relating to Community Charge, Council Tax and National Non-Domestic Rates where the Council has established a policy on how such discretions might be exercised.

4. To manage the fund administered by the Council in accordance with the scheme made under Section 19 of the Welsh Church Act 1914.

5. To sign cheques, bailiff warrants, bonds, securities and loans; provided that cheques in excess of £50,000 shall be countersigned by either the Head of Audit, Resources and Performance Management or the Head of Resources & Corporate Services.
6. To pay all accounts and to receive all income.
7. To deal with all insurance issues including risk management.
8. To manage arrangements with the Council's bankers.
9. To sign all statutory financial returns, accounts, grants and subsidy claims.
10. To instruct valuers for purposes of capital accounting, in consultation with the Monitoring Officer.
11. To approve housing guarantees and advances for house purchase and improvements (and to consider applications for consent under deeds of mortgage).
12. To act as principal point of contact with the Council's external auditors.

Head of Operations

Part 1 - Delegations to be exercised following consultation with Appropriate Members.

To authorise the preparation and submission by the DSO of tender bids, quotations, etc., for works offered by bodies other than the Council of a value estimated greater than £400,000 per annum.

Part 2

1. To authorise the preparation and submission by the DSO of tender bids, quotations, etc., for work offered by the Council.
2. To authorise the preparation and submission by the DSO of tender bids, quotations, etc., for works offered by bodies other than the Council of a value estimated up to £400,000 per annum.
3. To manage and administer the Council's electronic data and telephony network in accordance with corporate standards.

Highways

4. Issuing of permissions and licences in accordance with the provisions of the Highways Act 1980, the New Road and Street Works Act 1991, the Land Drainage Act 1976 and the Public Health Act 1936.

5. The serving of notices, but not their enforcement, in accordance with the provisions of the Highways Act 1980, the New Roads and Street Works Act 1991, the Land Drainage Act 1976 and the Public Health Act 1936.
6. To respond on behalf of the Council to HGV Operators' licence applications.
7. Authorise the making of agreements under section 38 of the Highways Act 1980.
8. Enforcement of car parking orders.
9. To respond to planning applications on behalf of the Council as Highway Authority.
10. To authorise applications to the magistrates' court to divert or extinguish highways, under section 116 of the Highways Act 1980.
11. To authorise persons to enter land and/or premises for the purpose of:-
 - undertaking surveys pursuant to section 289 of the Highways Act 1980; and
 - maintaining, altering or removing certain structures and works pursuant to section 291 of the Highways Act 1980.

Head of Democracy and Regulatory Services

Part 1 - Delegations to be exercised following consultation with Appropriate Members.

1. Urgent matters with regard to safety at sports grounds.
2. To take enforcement action to gain improvement to private water supplies under section 80 of the Water Industry Act 1991.
3. To issue prior consents under section 61 of the Control of Pollution Act 1974 (construction noise).
4. To authorise the issue of the following licences and, where necessary, enforce the legislation relating to licences:
 - For breeding of dogs
 - For caravan sites
 - For milk and dairies
 - For pet animals (other than dogs)
 - Under the Animal Boarding Establishment Act 1963
 - for riding stables
 - For scrap metal dealers

For hairdressers
Under the Poultry Meat (Hygiene) Regulations
For performing animals
For dangerous wild animals
For zoos

5. To make an order under section 70 of the Criminal Justice and Public Order Act 1994.

6. In consultation also with the local member, where appropriate, to authorise the issue of licences and permits etc., under, and where necessary enforce, the following Acts or the legislation relating to the specified matters:-

Cinema Act 1985
Theatres Act 1968
Sunday Entertainments Act 1932 (as amended)
Theatrical Employers Registration Acts 1925 and 1928
Lotteries and Amusements Act 1976
Gaming Act 1968
Street Collection Permits
Game Dealers Licences
Licences for House to House Collections
Public Collections under the Charities Act 1992
Late Night Refreshment Houses Act

7. To serve Street Litter Control Notices under Part IV of the Environmental Protection Act 1990.

Part 2

Environmental Services

1. To serve any notice or requisition for information under any Act relating to any environmental health or private sector housing matter and requiring the owner or occupier of, or any person having an interest in, or managing any land or premises, to give information to the Council and to authorise such other officers as are appropriate to serve such notice or requisition.

2. To determine applications for licences for game.

3. To authorise the removal of abandoned vehicles including the recovery of costs.

4. To take action under the Public Health (Control of Disease) Act 1984 in relation to the control of communicable diseases and in particular to authorise officers (in addition to the Environmental Health Manager):

- (i) On behalf of the Proper Officer to require information from a person in the case of a notifiable disease or food poisoning (s18);
- (ii) On behalf of the Proper officer, to issue a notice in writing to request a person to discontinue work (s20);
- (iii) On behalf of the Proper Officer, to exclude from school a child liable to convey a notifiable disease (s21);
- iv) On behalf of the Proper officer, to require a list of pupils at a school having a case of notifiable disease (s22)
- v) To exclude children from places of entertainment or assembly (s23)
- (vi) To prohibit certain work on premises where a notifiable disease exists (s28)
- (vii) To cleanse or disinfect premises and destroy articles (s31)
- (viii) To sign any notice, order or other document which the authority are authorised or required by or under the Act to give, make or issue (s59).
- (ix) Power of entry (s61)

5. To register:

- (a) persons and premises under s14 and s15 of the Local Government (Miscellaneous Provisions) Act 1982 relating to acupuncture, tattooing, ear piercing and electrolysis, and
- (b) persons and premises under s19 of that Act (Sale of Food by Hawkers)

6. To approve furnaces and chimney heights under the Clean Air Acts.

7. To enforce the provisions of s16 and s19 of and Schedule 2 to the Food and Protection Act 1985 (including the appointment of authorised officers) and the Control of Pesticides Regulations 1986.

8. To authorise officers generally or specially for the purposes of the Food Safety Act 1990.

9. To enforce the provisions of the Health and Safety at Work etc., Act 1974.

10 To exercise the Council's powers under s19 (1) of the Health and Safety at Work etc. Act 1974 in relation to the appointment of inspectors.

11. To exercise the Council's functions under s16 (6) of the Environmental Protection Act 1990 in relation to the appointment of inspectors.

12. To deal with applications under Schedule 2 to the Noise and Statutory Nuisance Act 1993 and to determine the level of fee chargeable for an application dependent upon the circumstances of each case.

13. To take urgent action in relation to matters of animal health.

14. To exercise the Council's functions under legislation relating to food and drugs, food hygiene, offices shops and railway premises.

15. To serve notices and, where necessary, arrange for work to be carried out in default and recover costs incurred in relation to the drainage of existing buildings including private sewers.

16. To authorise persons to enter land and/or premises under any of the following Acts:

- a) Animal Boarding Establishment Act 1963
- b) Dangerous Wild Animals Act 1976
- c) Breeding of Dogs Act 1973 and 1991
- d) Pet Animals Act 1951 as amended 1983
- e) Riding Establishments Acts 1964 and 1970
- f) Public Health (Control of Disease) Act 1984
- g) Water Industry Act 1991
- h) Local Government (Miscellaneous Provisions) Act 1976 and 1982
- i) Caravan Sites and Control of Development Act 1960 as amended by Local Govt. (Misc. Provisions) Act 1982
- j) Scrap Metal Dealers Act 2013
- k) Control of Pollution Act 1974
- l) Refuse Disposal (Amenity) Act 1978
- m) Environment Act 1995
- n) Sunday Trading Act 1994
- o) Prevention of Damage by Pests Act 1949
- p) Trades Descriptions Act 1968
- q) European Communities Act 1972 and regulations made there under.
- r) Antisocial Behaviour Act 2003, part 8 (High Hedges): Section 74 (Powers of entry
- s) Public Health Act 1936
- t) Public Health Act 1961;
- u) Health and Safety at Work etc., Act 1974;
- v) Building Act 1984 (for drainage purposes)
- w) Local Government (Miscellaneous Provisions) Act 1982 (for purposes of public entertainment licensing, acupuncture, tattooing, ear-piercing and electrolysis)
- x) Food Safety Act 1990;
- y) Environmental Protection Act 1990;”
- z) Housing Act 2004

17. To authorise officers under the Dangerous Dogs Act 1991.
18. In respect of statutory nuisances, to serve notices and to take action in default and to authorise Environmental Health Officers to serve notices under s80 Environmental Protection Act 1990 and to take action under section 81 to abate a nuisance.
19. To authorise officers for the purpose of Paragraph 2A of Schedule 3 to the Environmental Protection Act 1990 (entry to or opening vehicles, etc.).
20. (a) To obtain information about the emission of pollutants and other substances into the air under s79(2) of the Control of Pollution Act 1974.

(b) To serve notices requiring information about air pollution under s80 of the Control of Pollution Act 1974.

(c) To serve notices under s93 of the Control of Pollution Act 1974.
21. To take action under s20 of the Local Government (Miscellaneous Provisions) Act 1976 for the provision of sanitary accommodation.
22. To administer the provisions of Part 1 of the Environmental Protection Act 1990 (schedule B processes) including the appointment of officers as inspectors, under s16 of the Act, for the purposes of enforcement of Part 1 of the Act. The Council's powers in relation to authorisations and enforcement generally under Part 1 of the Environmental Protection Act 1990 is delegated to officers duly appointed as inspectors under Part 1 of the Act, in line with such authority as may be approved by the Chief Officer – Enterprise
23. To authorise officers under Part II of the Clean Neighbourhoods & Environment Act 2005.
24. To authorise officers under the Refuse Disposal Amenity Act 1978.
25. To authorise officers to serve a Litter Clearing Notice under Part IV of the Environmental Protection Act 1990.
26. To authorise officers under Part IV of the Environmental Protection Act 1990.
28. To authorise officers to serve Fixed Penalty Notices under section 47ZA of the Environmental Protection Act 1990.
29. To authorise officers under Part 6 Chapter 1 of the Clean Neighbourhoods & Environment Act 2005.

30. To exercise the Council's functions as contained in the Water Industry Act 1991 in relation to private water supplies.

31. To authorise officers under the European Communities Act 1972 and regulations made thereunder, including the Food Labelling Regulations 1996, the General Food Regulations 2004, the Official Feed and Food Controls (Wales) Regulations 2007, the Imported Food Regulations 1997 and the Products of Animal Origin (Third Country Imports (Wales) Amendment) Regulations 2007 and to appoint and authorise officers under the Food Hygiene (Wales) Regulations 2005 and the Food Hygiene (Wales)(No. 2) Regulations 2005.

32. To authorise officers under the provisions of Part 1, Chapter 1 of the Health Act 2006 with discretion to serve fixed penalty notices in accordance with that Act, any subordinate legislation and related guidance.

33. To authorise officers to take action, including the service of notices under the following provisions of the Public Health 1936:

(a) s45 to remedy defective sanitary conveniences

(b) s50 to remedy overflowing and leaking cesspools

(c) s83 to remedy filthy or verminous premises

34. To authorise officers to take action, including the service of notices under s17 of the Public Health 1961 (repair of stopped up drains)

35. To authorise officers for the purpose of enforcement of the Dogs (Fouling of Land) Act 1996, including the issue of a fixed penalty notice in relation to dog fouling offences.

36. To authorise officers to take enforcement action under the Pollution Prevention and Control Act 1999 and regulations made thereunder including those functions under the Environmental Permitting (England and Wales) Regulations 2007; including the granting, variation and revocation of Environmental Permits, the service of Enforcement Notices and Suspension Notices and the Power to prevent or remedy pollution, and the Power to require the provision of information.

37. To authorise officers to discharge the local authority's functions under the Water Industry Act 1991, including the service of notices under s80 and enforcement action under any Regulations made thereunder.

38. To authorise officers to serve notices under s60 of the Control of Pollution Act 1974.

39. To authorise persons to serve notices under s4 of the Prevention of Damage by Pests Act 1949 requiring steps to be taken for the destruction

of rats or mice or otherwise for keeping the land free from rats and mice and, subject to the approval of the Environmental Health Manager, to take action in default (s5);

40. To authorise Food Law Enforcement Officers considered by the Public Protection Manager to be competent to discharge the general duties and powers of the Authority under the Food Hygiene Rating (Wales) Act 2013 and any regulations made thereunder.

41. To appoint authorised officers under the Sunbeds (Regulation) Act 2010 and any associated regulations:

(a) to enter any premises at which the officer has reason to believe that a sunbed business is being carried on;

(b) to carry out on those premises such inspections as the officer considers necessary for the purpose of the proper exercise of the officer's functions;

(c) where the officer considers it necessary for that purpose, to require the production of any book, document or record (in whatever form it is held) and inspect it, and take copies of or extracts from it;

(d) to take possession of any book, document or record which is on the premises (in whatever form it is held) and retain it for as long as the officer considers necessary for that purpose;

(e) to require any person to give such information, or afford such facilities and assistance, as the officer considers necessary for that purpose.

(f) To may make such purchases and secure the provision of such services as the officer considers necessary for the purpose of the proper exercise of the officer's functions

and to undertake any such other powers as may be considered by the Head of Democracy and Regulatory Services to be appropriate under any subsequent regulation made under the Act.

Trading Standards

42. To exercise the registration and enforcement functions of the Council contained in

(a) The Explosives Acts 1875 and 1923 and the Explosives (Age of Purchase etc.) Act 1976.

(b) The Poisons Acts.

43. To provide under the Weights and Measures Act 1985 local standards and other weights, measures and testing equipment; and to exercise the enforcement functions of the Council as weights and measures authority.

44. To authorise officers to enter land, inspect and undertake enforcement action pursuant to the

- (a) Agriculture Act 1970 as it applies to Animal Feeding Stuffs and Fertilisers;
- (b) Animal Health Acts 1981 and 1984;
- (c) Cancer Act 1939 as it applies to the investigation of offences;
- (d) Children and Young Persons (Protection from Tobacco) Act 1991;
- (e) Consumer Credit Act 1974;
- (f) Consumer Protection Act 1987;
- (g) Control of Pollution Act 1984 as it applies to anti fouling paints;
- (h) Education Reform Act 1988 in respect of bogus degrees;
- (i) Environmental Protection Act 1990 as it applies to the sale and labelling of pesticides and dangerous substances;
- (j) Estate Agents Act 1979;
- (k) European Communities Act 1972 as it applies to subordinate regulations;
- (l) Fair Trading Act 1973;
- (m) Hallmarking Act 1973
- (n) Health and Safety at Work etc. Act 1974 as it applies to the Explosives Acts 1875 and 1923 and the Explosives (Age of Purchase etc.) Act 1976;
- (o) Medicines Act 1968 as it applies to Medicated Animal Feeding Stuffs and relevant aspects of the sale and labelling of pharmaceutical products;
- (p) Motorcycles Noise Act 1987 relevant to the sale of motorcycle parts
- (q) Motor Vehicles (Safety Equipment for Children) Act 1991 as it applies to the sale etc. of child care seats;
- (r) Poisons Act 1972 in respect of Part II poisons;
- (s) Prices Act 1974 and 1975 regarding price marking;
- (t) Property Misdescriptions Act 1991;
- (u) Telecommunications Act 1984 in respect of subordinate regulations;
- (v) Timeshare Act 1992;
- (w) Trade Descriptions Act 1968;
- (x) Trade Marks Act 1974;
- (y) Video Recordings Act 1984 and 1993;
- (z) Weights and Measures Act 1985.
- (aa) Protection of Children (Tobacco Act) 1986
- (bb) Licensing Act 1964
- (cc) Licensing (Young Persons) Act 2000
- (dd) Clean Air Act 1993
- (ee) Development of Tourism Act 1969
- (ff) Energy Conservation Act 1981
- (gg) Olympic Symbol etc. (Protection) Act 1995
- (hh) Trading Representations (Disabled Persons) Acts 1958 and 1972
- (ii) Protection of Animals (anaesthetics) Act 1954

- (jj) Protection of Animals Act 2000
- (kk) Criminal Justice and Police Act 2001
- (ll) Vehicle Crimes Act 2001

45. To authorise officers and take action in the public interest as appropriate in respect of the following

- (a) Agriculture (Miscellaneous Provisions) Act 1968;
- (b) Agriculture Produce (Grading and Markings) Acts 1923 and 1931;
- (c) Business Names Act 1985;
- (d) Companies Act 1985;
- (e) Copyright, Designs and Patents Act 1988;
- (f) Sections 30 and 31 of the Explosives Act 1875;
- (g) Farm and Garden Chemicals Act 1967;
- (h) Petroleum Consolidation Act 1928;
- (i) Protection of Animals Act 1911;
- (j) Ss.40A, 70, 71, 75, 76 and 78 of the Road Traffic Act 1988;
- (k) Theft Acts 1968 and 1978;
- (l) Trading Stamps Act 1964;
- (m) Unsolicited Goods and Services Act 1971;
- (n) Intoxicating Substances (Supply) Act 1985.
- (o) Accommodation Agencies Act 1953
- (p) Administration of Justice Act 1970 (re harassment of debtors)
- (q) Dogs Act 1906 and Dogs (Amendment) Act 1928
- (r) Forgery and Counterfeiting Act 1981
- (s) Knives Act 1997
- (t) Offensive Weapons Act 1996
- (u) Malicious Communications Act 1988
- (v) Mock Auctions Act 1961
- (w) National Lottery Act 1993
- (x) Pet Animals Act 1951
- (y) Protection against Cruel Tethering Act 1988
- (z) Unsolicited Goods and Services Act 1975
- (aa) Enterprise Act 2002
- (bb) Tobacco Advertising and Promotion Act 2002

46. To appoint for enforcement purposes:

- (a) Inspectors under the Agriculture Act 1970 as it applies to Animal Feeding Stuffs and Fertilisers;
- (b) Inspectors under the Animal Health Acts 1981 and 1984;
- (c) Officers under the Consumer Protection Act 1987;
- (d) Officers under the Environmental Protection Act 1990 as it applies to sale, labelling etc. of pesticides and dangerous substances;
- (e) Officers under the Health and Safety at Work etc. Act 1974 (the 1974 Act)

(i) to exercise the powers of an Inspector specified in sections 20, 21, 22, 25 and in England and Wales section 39 of the 1974 Act

(ii) any health and safety regulations

(iii) the provisions of the Acts mentioned in Schedule 1 to the 1974 Act which are specified in the third column of that Schedule and of the regulations, orders or other instruments of a legislative character made or having effect under any provision so specified,

as in force from time to time.

(f) Officers under the Licensing Act 2003

(g) Officers under Part II of the Clean Neighbourhoods & Environment Act 2005

(h) Officers under the Refuse Disposal Amenity Act 1978

(i) Environmental Health Officers to serve a Litter Clearing Notice under Part IV of the Environmental Protection Act 1990

(j) Officers under Part IV of the Environmental Protection Act 1990.

(k) Officers to serve Fixed Penalty Notices under s47ZA of the Environmental Protection Act 1990

(l) Officers under Part 6 Chapter 1 of the Clean Neighbourhoods & Environment Act 2005

47. Having obtained the agreement of the Head of Legal Services, to lay informations (but not to prosecute) in respect of offences under the Acts listed in paragraph 27 to 39 above.

Where the Head of Legal Services or the Head of Finance considers it necessary, he/she is authorised to commence proceedings by way of charge.

Note: The Principal Trading Standards Officer is authorised to lay informations (but not to prosecute) in respect of

The Enterprise Act 2002
The Tobacco Advertising and Promotion Act 2002
The Criminal Justice and Police Act 2001
The Vehicle Crimes Act 2001
The Protection of Children (Tobacco) Act 1986
The Licensing Act 1964
The Licensing (Young Persons) Act 2000
The Clean Air Act 1993

The Development of Tourism Act 1969
The Energy Conservation Act 1981
The Olympic Symbol Etc. (Protection) Act 1995
The Trading Representations (Disabled Persons) Acts 1958 and 1972
The Protection of Animals (Anaesthetics) Act 1954
The Protection of Animals Act 2000
The Accommodation Agencies Act 1953
The Administration of Justice Act 1970
The Dogs Act 1906 and The Dogs (Amendment) Act 1928
The Forgery and Counterfeiting Act 1981
The Knives Act 1997
The Offensive Weapons Act 1996
The Malicious Communications Act 1988
The Mock Auctions Act 1961
The National Lottery Act 1993
The Pet Animals Act 1951
The Protection against Cruel Tethering Act 1988
The Unsolicited Goods and Services Act 1975

and any other legislation within the ambit of the Trading Standards section

Licensing

48. No delegations have been made to specific officers under the Gambling Act 2005

49. In relation to the hackney carriage and private hire licensing functions, to approve applications for drivers' licences where they are unproblematical and/or reveal minor traffic offences and/or the applicants had not received any additional convictions/endorsements since the previous licences were issued.

50. To determine (including imposition of conditions) application for a Pleasure Boat Licence pursuant to s94 Public Health Amenities Act 1907

Building Regulations

51. To deal with applications under the Building Regulations including relaxation, dispensation and enforcement thereof.

52. To serve notices and take any necessary action in respect of demolition works, dangerous buildings, walls, stands, trees, places, hoardings and other structures.

Private Sector Housing

53. (a) To serve notices in respect of unfit houses under s189 and s264 of the Housing Act 1985.

- (b) To serve repair notices under s190 of the Housing Act 1985.
- (c) To authorise work in default of compliance with notices served under s190 of the Housing Act 1985.
- (d) To exercise the Council's functions as contained in Part XI of the Housing Act 1985 in relation to houses in multiple occupation.
- (e) To exercise the powers conferred on Councils under the Housing Act 2004 - Part 1.
- (f) To carry out inspections of any residential premises to see if a Category 1 or Category 2 hazard exists.
- (g) To take appropriate enforcement action where a Category 1 or Category 2 hazard exists, this includes:
 - (i) Serving an Improvement Notice. (Housing Act 2004 s11 - s12)
 - (ii) Making a Prohibition Order (Housing Act 2004 s20 - s21)
 - (iii) Serving a Hazard Awareness Notice. (Housing Act 2004 s28 - s29)
 - (iv) Taking emergency remedial action. (Housing Act 2004 Section 40)
 - (v) Making an Emergency Prohibition Order. (Housing Act 2004 s43)
- (h) To suspend Improvement Notices and to review such Improvement Notices. (Housing Act 2004 s14)
- (i) To revoke or vary Improvement Notices and to suspend and review suspended Improvement Notices. (Housing Act 2004 s16)
- (j) To suspend Prohibition Orders and to review such Prohibition Orders. (Housing Act 2004 s23)
- (k) To revoke or vary Prohibition Orders and to suspend and review suspended Prohibition Orders. (Housing Act 2004 s25)
- (l) To serve an Overcrowding Notice. (Housing Act 2004 s139)
- (m) To revoke or vary Overcrowding Notice. (Housing Act 2004 s144)
- (n) To take enforcement action under Schedule 3 (works in default).

(o) To exercise the powers conferred on Councils under the Housing Act 2004 - Part 2).

(p) To operate and manage any H.M.O. licensing scheme.

(q) To compile and maintain a public register of licensed H.M.Os. (Housing Act 2004 s232)

(r) To impose conditions relating to the management of a H.M.O. (Housing Act 2004 s67)

(s) To serve or decide not to serve a Temporary Exemption Notice. (Housing Act 2004 s62)

(t) To require a fee for H.M.O. licensing.

(u) To grant or refuse a H.M.O. licence. (Housing Act 2004 s.64)

(v) To vary or revoke a H.M.O. licence. (Housing Act 2004 s69 - 70)

(w) To apply to A Residential Property Tribunal to make a Rent Repayment Order and to serve a Notice of Intended Proceedings. (Housing Act 2004 s73)

(x) To make an Interim and Final Management Order. (Housing Act 2004 s102 and s113)

(y) To authorise officers to enter premises to carry out work under Housing Act 2004 s131, Schedule 3 para. 3 (4) and Schedule 7 para. 25.

(z) To require the production of documents under Section 235.

(aa) To enter premises for the purposes of survey and examination under s239.

(bb). To apply to a Justice of the peace for a warrant to authorise entry.

(cc) To authorise officers for enforcement purposes. (Housing Act 2004 s243)

54. To carry out relevant functions under the Housing Act 2004, such delegation to include the authorisation of Environmental Health Officers including:

(a) To exercise the powers conferred on Councils under the Housing Act 2004 - Part One.

(b) To carry out inspections of any residential premises to see if a Category 1 or Category 2 hazard exists.

- (c) To take appropriate enforcement action where a Category 1 or Category 2 hazard exists, this includes:
- (i) Serving an Improvement Notice. (Housing Act 2004 s11 - s12)
 - (ii) Making a Prohibition Order. (Housing Act 2004 s20 - s21)
 - (iii) Serving a Hazard Awareness Notice. (Housing Act 2004 s28 – s29)
 - (iv) Taking emergency remedial action. (Housing Act 2004 s40)
 - (v) Making an Emergency Prohibition Order. (Housing Act 2004 s43)
- (d) To suspend Improvement Notices and to review such Improvement Notices. (Housing Act 2004 s14)
- (e) To revoke or vary Improvement Notices and to suspend and review suspended Improvement Notices. (Housing Act 2004 s16)
- (f) To suspend Prohibition Orders and to review such Prohibition Orders. (Housing Act 2004 s23)
- (g) To revoke or vary Prohibition Orders and to suspend and review suspended Prohibition Orders. (Housing Act 2004 s25)
- (h) To serve an Overcrowding Notice. (Housing Act 2004 s139)
- (i) To revoke or vary Overcrowding Notice. (Housing Act 2004 s144)
- (j) To take enforcement action under Schedule 3 (works in default).
- (k) To exercise the powers conferred on Councils under the Housing Act 2004 - Part 2).
- (l) To operate and manage any H.M.O. licensing scheme.
- (m) To compile and maintain a public register of licensed H.M.O.'s. (Housing Act 2004 s232)
- (n) To impose conditions relating to the management of a H.M.O. (Housing Act 2004 s67)
- (o) To serve or decide not to serve a Temporary Exemption Notice. (Housing Act 2004 s62)
- (p) To require a fee for H.M.O. licensing.
- (q) To grant or refuse a H.M.O. licence. (Housing Act 2004 s64)

(r) To vary or revoke a H.M.O. licence. (Housing Act 2004 s69 - 70)

(s) To apply to A Residential Property Tribunal to make a Rent Repayment Order and to serve a Notice of Intended Proceedings. (Housing Act 2004 s73)

(t) To make an Interim and Final Management Order. (Housing Act 2004 s102 and s113)

(u) To authorise officers to enter premises to carry out work under Housing Act 2004 s131, Schedule 3 paragraph 3 (4) and Schedule 7 paragraph. 25.

General

55. To carry out duties as required under the Family Absence for Members of Local Authorities (Wales) Regulations 2013.

Head of Regulatory Services

Part 2

Licensing Act 2003

1. To consider and, where appropriate, agree the following applications:
 - (i) Application for personal licence with unspent convictions
 - (ii) Application for a Minor Variation
 - (iii) Request to be removed as designated premises supervisor

2. To consider and, where appropriate, agree the following applications where no police or other relevant representation is made:
 - (i) Application for personal licence
 - (ii) Application to disapply the requirement for a designated premises supervisor at community premises
 - (iii) Application for premises licence/club premises certificate
 - (iv) Application for provisional statement
 - (v) Application to vary premises licence/club premises certificate
 - (vi) Application to vary designated premises supervisor
 - (vii) Application for transfer of premises licence
 - (viii) Application for interim authorities

Public Protection Manager

Part 1

The authority to grant, refuse or vary the following licenses

- i) Caravan sites
- ii) Riding establishments

Part 2

Public Health (Control of Disease) Act 1984 (as amended by the Health and Social Care Act 2008) and Regulations made under the 1984 Act

1. To enter premises (Sections 61 and 62)
2. To sign any notice, order or other document which the authority are authorised or required by or under this Act to give, make or issue (Section 59)

The Health Protection (Local Authority Powers) (Wales) Regulations 2010

3. To serve, if satisfied a child is or may be infected or contaminated and therefore presents or could present significant harm to human health, a notice to require that the child be kept away from school (Reg. 2)
4. To serve notice to require the Head teacher of a school to provide a list of names, addresses and contact telephone numbers of children attending school (Reg. 3)
5. To arrange disinfection or decontamination of things, premises on request of the owner (Reg. 4)
6. To arrange disinfection or decontamination of things on request of person with custody or control (Reg. 5)
7. To arrange disinfection or decontamination of premises on request of the owner (Reg. 6)
8. To arrange disinfection or decontamination of premises on request of tenant (Reg. 7)
9. To serve a notice to request co-operation for health protection purposes (Reg. 8)
10. To serve a notice to restrict contact with dead bodies (Reg. 9)
11. To serve a notice to restrict access to dead bodies (Reg. 10)
12. To relocate, or cause to be relocated a dead body that is or may be infected or contaminated (Reg. 11)

The Health Protection (Part 2A Orders) (Wales) Regulations 2010

13. To make an application to a Justice of the Peace for an order under Part 2A of the Act for Health Measures (Regulation 3):
 - Health measures in relation to persons (under s45G(2a-k) or (4) of Part 2A of 1984 Act)

- Health measures in relation to things (under s45H(2a-e) or (4a&b) of Part 2A of 1984 Act)
- Health measures in relation to premises (under s45I(2a-d) or (4) of Part 2A of 1984 Act)

14. To make reasonable enquiries as to the existence and location of persons in relation to an application for an order, namely,

- the person subject to the application for an order and
- persons to whom the local authority must give notice of an application for an order, (as specified in paragraphs (4) to (7) Regulation 3)

15. To determine information, as deemed necessary, to enable provision of the evidence required for a Part 2A application in relation to persons (Regulation 4)

Petroleum Consolidation Act 1928

16. To grant or vary petroleum licences

Regulatory Enforcement and Sanctions Act 2008

17. To enter into Primary Authority partnerships, considered on a case by case basis.

18. To agree the provision of services to businesses.

Principal Licensing Officer

1. To approve applications and issue licences under the Scrap Metal Dealers Act 2013 in cases where no relevant information needs to be considered. This power to approve applications and issue licences may be exercised by a deputy or other persons duly authorised by the Principal Licensing Officer, including Senior Licensing Officers.

Chief Officer - Children & Young People

Part 1 - Delegations to be exercised following consultation with Appropriate Members.

1. School Term Dates: In the case of County, Voluntary Controlled and Special Schools, including residential schools, (as from 1 September 1999, community, foundation and voluntary schools and community and foundation special schools) to determine school term dates after consultation with the Teachers' Associations.

2. Regarding admissions:

- (a) To keep standard numbers under review and to implement any necessary changes, where these are agreed by the governing body.
 - (b) To respond to any proposals from governing bodies to increase standard numbers.
 - (c) To set admission limits which exceed the standard number where this is considered appropriate.
3. To consider proposed statements of special educational need where it is proposed that consideration is to be given to placement at a school establishment outside the area of the Council.
4. To determine and authorise the payment of discretionary awards and grants including any awards from charitable trust funds which the Council administers.
5. To agree, on safety grounds, that home to school arrangements be provided in any particular case in excess of the Council's mileage policy.

Part 2

1. Regarding admissions:

- (a) To consult annually with governing bodies about admission arrangements as required by Section 412 of the Education Act 1996.
- (b) To administer arrangements for admissions to nursery schools and classes in accordance with policies agreed by the Council.
- (c) Under Section 431 of the Education Act 1996 to issue a direction that a child be admitted to a named school within the Council's area.
- (d) To comply with any requirements made by the Secretary of State to implement a scheme for co-ordinated arrangements for admissions in accordance with Section 430 of the Education Act 1996.
- (e) To administer arrangements for the admission of individual pupils to primary and secondary schools, including designated areas and other relevant factors and to present the case on behalf of the Council to admission appeal panels.
- (f) To exercise the functions of the Council in relation to pupils excluded from school and to present the case on behalf of the Council to exclusion appeal panels.

2. Attendance at School:

- (a) To ensure that appropriate transport arrangements are made in accordance with the Council's policies.

(b) To exercise the powers and duties of the Council in respect of children excluded from school and to make suitable arrangements for the continuing education of pupils who are excluded or otherwise unable to attend school.

(c) To exercise the functions of the Council relating to the non-attendance of pupils at school.

(d) To undertake the powers and duties of the Council under Section 36 of the Children Act 1989 regarding Education Supervision Orders.

3. Curriculum:

(a) To monitor the implementation of the requirements in respect of the school curriculum, including religious worship and education, in conjunction with SACRE, if appropriate, as set out in the Education Act 1996.

(b) In accordance with arrangements approved by the Secretary of State under Section 409 of the Education Act 1996 to investigate complaints concerning alleged failures of schools to comply with the National Curriculum, including the requirements for religious education and collective worship and the arrangements for statutory assessment and moderation of the National Curriculum.

(c) To determine whether application be made to the Secretary of State to direct that an LEA maintained school be authorised to conduct curriculum experiments outside the National Curriculum.

(d) To provide any information which the Secretary of State may, by regulation, require.

4. Special Educational Needs

(a) To arrange for children to be assessed in accordance with the requirements of the Education Act 1996, to determine the special educational provision which should be made for them and to maintain and review statements of special educational need.

(b) To represent the Council at Special Educational Needs Tribunals in connection with the assessment of special educational needs.

(c) To ensure that the requirements of the Code of Practice on Special Educational Needs or other regulations are complied with.

5. Staffing as respects primary, secondary and special schools:

(a) To appoint

(i) persons selected by governing bodies to fill vacant posts as head teachers or deputy head teachers

(ii) persons recommended or accepted for appointment by governing bodies to fill other teaching posts

(iii) persons recommended by governing bodies for appointment to non-teaching posts

unless the person does not meet any qualification requirements applicable to the post.

(b) In the case of aided schools to exercise any advisory rights relating to the appointment of head teachers, deputy head teachers or other teaching or ancillary staff conferred by agreement or legislation.

(c) To nominate persons to fill vacancies in other teaching posts in schools where governing bodies have notified their intention to fill those vacancies.

(d) To appoint persons selected by governing bodies as their Clerks.

(e) To implement determinations of governing bodies of schools relating to the determination of potential dismissals and any subsequent appeals against such dismissals, which are within the Council's powers to determine.

(f) To exercise the powers of the Council as local education authority in respect of the Licensed Teacher Scheme.

(g) To appoint supply teachers from funds held centrally.

(h) To exercise the powers and duties under the School Teacher (Appraisal) Regulations 1991 in respect of head teachers.

6. Finance

(a) To design and keep under review the Council's scheme of delegation in accordance with the Council's policies and any statutory requirements.

(b) To determine and authorise the payment of boarding awards, grants towards tuition fees and expenses at schools where fees are payable, mandatory awards, maintenance allowances and tuition fees for correspondence courses and requests for the refund of grants in accordance with the policy of the Council.

(c) To approve the payment of recoupment charges for pupils at establishments located outside the area of the Council.

7. Copyright

To enter into such agreements with licensing agencies as are necessary to ensure the Council's establishments comply with all relevant statutory provisions.

8. To exercise the Council's duties pursuant to section 12C of the Children and Young Persons Act 1969.

Chief Officer - Social Care and Health

Part 1 - Delegations to be exercised following consultation with Appropriate Members.

1. To make decisions to exempt persons from the usual fostering limit in accordance with paragraph 4 of Schedule 7 to the Children Act 1989.
2. To cancel an eviction in the event of a change in circumstances.
3. To approve the registration of HOMES applications within Council policy.
4. To determine all succession and assignment cases in accordance with Council policy.
5. To take action under the National Assistance Act 1948 to remove persons in need of care to hospital.
6. To determine whether repayment of housing renovation grants should be sought (where this is a discretionary matter).

Part 2

Children

1. To exercise all duties and functions of the Council under the Children and Young Persons Act 1969.
2. To exercise the powers and duties of the Council under Part III of the Children Act 1989 (Local Authority Support for Children and Families).
3. To commence such proceedings as are appropriate under Sections 25, 31, 34, 35, 39, 43, 44 and 49 of the Children Act 1989 and otherwise to exercise the powers and duties of the Council under Parts 4 (Care and Supervision) and 5 (Protection of Children) of the Act.
4. To exercise the duties of the Council under Section 7 of the Children Act 1989 to report to the court on the welfare of children in private proceedings.
5. To exercise the duties of the Council under Section 16 of the Children Act 1989, to provide advice, assistance and befriending under the terms of the Family Assistance Order.

6. To recover, vary or waive the charges for any service provided by the Council under Part 3 of the Children Act 1989.
7. To make contributions towards the maintenance of children placed with a person as a result of a Residence Order in accordance with paragraph 15 of Schedule 1 to the Children Act 1989.
8. To approve payment where appropriate of the legal expenses of applicants for orders under Section 8 of the Children Act 1989 in respect of children in care to the extent that they are not met by the Legal Aid Fund.
9. To consent to the change of names of children who are the subject of a Care Order in favour of the County Council subject to the requirements of Section 33 of the Children Act 1989.
10. To appoint an independent visitor for a child where appropriate in accordance with paragraph 17 of Schedule 2 to the Children Act 1989.
11. To guarantee apprenticeship and similar deeds under paragraph 18 of Schedule 2 to the Children Act 1989 and to guarantee tenancy agreements entered into on behalf of children to whom the Council have a responsibility under the provisions of the Children Act 1989.
12. To give consent to the marriage of a young person in care pursuant to Section 3 of the Marriage Act 1949.
13. To approve and sign applications for passports for children and young persons in the care of the Council.
14. To arrange for a child in care to live abroad subject to the approval of the court in accordance with paragraph 19 of Schedule 2 to the Children Act 1989.
15. To respond to the Local Education Authority who has consulted the Council under Section 36(8) of the Children Act 1989.
16. To approve the applications of children and young persons in the care of the Council who wish to join HM Forces.
17. To exercise the powers of the Council under paragraph 20 of Schedule 2 to the Children Act 1989 in relation to the death of children looked after by local authorities.
18. To exercise the functions of the Council under Part VI (Community Homes) of the Children Act 1989 in relation to the provision of accommodation for children in community homes.
19. To take such action as may be necessary to implement the payments of the various foster care allowances for the time being approved by the

Council within current budgetary limits and in consultation with the Director of Finance and IT to increase the allowances annually.

20. To sanction payments of the cost of the initial clothing and equipment required by children looked after by the Council who are placed in boarding schools and other establishments within current budgetary limits.

21. To approve applications to go on school expeditions, including expeditions abroad, by children looked after by the Council, including expenditure on equipment and pocket money within current budgetary limits.

22. To make ex gratia payments in respect of damage or injury resulting from the action of children looked after by the Council.

23. To make payments to promote contact between parents and children looked after by the Council in accordance with paragraph 16 of Schedule 2 to the Children Act 1989.

24. To assess the contributions to be paid towards board and lodging by working children provided that the amount remaining of weekly personal pocket money and clothing allowance should not be less than the amount currently approved under the payment of foster care allowances.

25. To exercise the powers of the Council to make applications under Section 18 of the Adoption Act 1976.

26. To make applications under the Criminal Injuries Compensation Board Scheme for compensation in respect of children in care.

Adoption

27. To set up an adoption panel in accordance with Regulation 56 of the Adoption Agencies Regulations 1983 and to make such decisions and notifications as to the adoption of children as are specified in those Regulations.

28. To approve the institution of adoption proceedings by foster parents.

29. To approve the payment of legal expenses of prospective adoptive parents for children who are being placed for adoption by the Council as an adoption agency.

30. To grant allowances to persons who have adopted children in accordance with Section 57 of the Adoption Act 1976.

Guardian ad Litem Panel

31. To maintain a panel of Guardians ad Litem in accordance with the Guardians ad Litem and Reporting Officers (Panels) Regulations 1991.

32. To pay the fees and expenses of individual members of the panel in accordance with the Regulations.

Registration Functions

33. To exercise the powers conferred on the Council under Part IX (Private Arrangements for Fostering Children) of the Children Act 1989 in respect of arrangements for the care of privately fostered children.

34. In consultation with an authorised officer of the appropriate Health Authority, to approve the registration of nursing agencies under Section 2 of the Nurses Agencies Act 1957.

35. To exercise the functions of the Council under Sections 85, 86 and 87 of the Children Act 1989. (Notification of children accommodated in certain establishments).

Adult Services

36. To waive the assessment charge for any services to clients in circumstances where it is essential for the family for social and/or medical reasons and to record every case requiring such action in the register to be provided for this purpose.

37. To authorise and approve the maintenance costs for the admission of any person to any residential accommodation.

38. To authorise the following facilities for any registered disabled person within the approved budget and within approved policies:-

(a) Attendance at a centre providing appropriate development opportunities.

(b) The provision of special facilities.

(c) Minor alterations and adaptations to premises including the installation of appropriate equipment, the works to be supervised by the appropriate professional staff.

(d) Contribute where assessed as appropriate to the cost of adaptations to premises where the client is not eligible for a grant.

39. To act as receiver in all matters in which it is appropriate for an officer of the Council to so act.

40. To accept guardianship application and to make an order for discharge of patients subject to guardianship under the Mental Health Act 1983.

41. To appoint officers to act as approved social workers under the Mental Health Act 1993.

42. To make appropriate applications to the Court of Protection for receivership orders.

43. To exercise the Council's functions in relation to badges for disabled persons as drivers or passengers.

44. Within the approved policies and estimates of the Council to discharge the duties towards people with disabilities imposed upon the Council by the National Assistance Act 1948, the Chronically Sick and Disabled Persons Act 1970 and the Disabled Persons (Services Consultation Representation) Act 1986.

45. Within the provisions of the National Health Service and Community Care Act 1990 to arrange for provision of appropriate care service to those persons assessed as having needs that fall within the Council's agreed priorities subject always to appropriate contract and financial regulations, the approved estimates and policies of the Council.

Complaints

46. To make arrangements for the hearing of representations and complaints in accordance with Section 26 of the Children Act 1989 and the National Health Service and Community Care Act 1990; and to respond to and determine responses to recommendations of Complaint Review Panels (including application of financial redress) as considered appropriate within the framework of the Council's policies on remedies to complaints, financial regulations and, where necessary, in consultation with the Monitoring Officer.

Proper Officers

In relation to the references and provisions mentioned in the first column of the schedule hereto:-

(a) the officer specified in the second column of the schedule is hereby appointed the proper officer, and

(b) the officer specified in the third column of the schedule is hereby appointed to act as proper officer when the first-mentioned officer is absent or otherwise unable to act

(c) where no officer is specified in the third column, the first-mentioned officer is authorised to appoint a deputy as he considers fit

Any reference to a “Proper Officer” within this Constitution which is not defined in the Schedule hereto, shall mean the Head of Paid Service and when he/she is absent or otherwise unable to act, shall mean the Monitoring Officer.

SCHEDULE

	Function	Proper Officer	Deputy
1	Any reference in any enactment passed before or during the 1971-72 session of Parliament other than the Local Government Act 1972 or in any instrument made before 26 October 1972 to the following officers which, by virtue of any provisions of the said Act, is to be construed as a reference to the proper officer of the Council:		
	(a) Clerk or Town Clerk	Chief Executive	Monitoring Officer
	(b) Engineer or Surveyor	Head of Operations	
	(c) Public Health Inspector	Head of Democracy and Regulatory Services	
	(d) Housing Officer	Chief Officer – Enterprise	

2	<p>The following provisions, namely:-</p> <p>In the National Assistance (Amendment) Act 1951 - s.1</p> <p><u>In the Registration Service Act 1953</u></p> <p><u>In the Local Government Act 1972</u></p> <p>- s.83 (1)-(4) Witness and receipt of declarations of acceptance of office</p> <p>- s.84 Receipt of declaration of resignation of office</p> <p>- s.88 (2) Convening of meeting of Council to fill casual vacancy in the office of Chairman</p> <p>- s.89 (1) (b) Receipt of notice of casual vacancy from two local government electors</p> <p>- s.96 (1) Receipt of notices of pecuniary interest</p> <p>- s.96 (2) Keeping record of disclosures of pecuniary interest under Section 94, and of notices under Section 96(1)</p> <p>- s.100B (2) Exclusion of reports likely to be considered in private session</p> <p>- s.100B (7) (c) Supply of papers to press</p> <p>- s.100C (2) Inspection of minutes and other documents</p> <p>- s.100D (1) (a) Compilation of lists of background papers</p> <p>- s.100D (5) (a) Identification of background papers</p> <p>- s.100F (2) Identification of papers disclosing certain exempt information (rights of members to inspect)</p> <p>- s.115 (2) Receipt of money due from officers</p>	<p>Head of Finance</p> <p>Head of Operations</p> <p>Chief Executive</p> <p>Chief Executive</p> <p>Monitoring Officer</p> <p>Relevant Chief Officer</p> <p>Head of Democracy and Regulatory Services</p> <p>As s100B(2)</p> <p>As s100B(2)</p> <p>Relevant Chief Officer</p> <p>S151 Officer</p>	<p>Monitoring Officer</p> <p>Head of Democracy/Regulatory Services</p> <p>Deputy Monitoring Officer</p>
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<p>- s.146 (1)(a)&(b) Declarations and certificates with regard to securities</p>	<p>S151 Officer</p>	
<p>- s.191 Functions with respect to ordnance survey</p>	<p>Head of Operations</p>	
<p>- s.204(3)) Receipt of applications for Licence under Schedule 2, Licensing Act 1964</p>	<p>Monitoring Officer</p>	
<p>- s.210(6)(7) Officer for the purpose of certain charities</p>		
<p>- s.225(1)&(2) Deposit of documents, and on behalf of a community without a Community Council.</p>		
<p>- s.229(5) Certification of photographic copies of documents</p>		
<p>- s.234(1)(2) Authentication of documents</p>		
<p>s.236(9)(10) Officer to send copies of bylaws</p>		
<p>- s.238 Certification of byelaws</p>		
<p>Schedule 12 paragraph (2)(b) signature of summonses to Council meetings</p>	<p>Chief Executive</p>	
<p>Schedule 14 paragraph 25(7) Certification of resolutions under paragraph 25</p>	<p>Monitoring Officer</p>	
<p>Schedule 16 paragraph 28 Receipt on deposit of lists of protected buildings</p>	<p>Monitoring Officer</p>	
<p><u>In the Local Government Act 1974</u></p>		
<p>- s.30(5) Publication of reports of Local Commissioner</p>	<p>Monitoring Officer</p>	
<p><u>In the Local Government (Miscellaneous Provisions) Act 1976</u></p>		
<p>- s.41 Certification of copies of resolutions orders, reports, minutes, and instruments of appointment or authorisation</p>	<p>Monitoring Officer</p>	

	<p><u>In the Public Health (Control of Diseases) Act 1984</u></p> <p><u>In the Local Government and Housing Act 1989</u></p> <p>- s.2(4) Receipt on deposit of first and revised lists of politically restricted posts)</p> <p>In the Local Government (Committees and Political Groups) Regulations 1990</p> <p>In the Local Authorities (Members' Interests) Regulations 1992</p>	<p>Environmental Health Manager</p> <p>Chief Executive</p> <p>Chief Executive</p> <p>Monitoring Officer</p>	<p>Named Environmental Health and other Officers as may be approved by the Environmental Health Manager as competent and duly authorised by the Head of Democracy and Regulatory Services</p>
3	Where a Council function has been delegated to a specified officer and that function requires or otherwise involves action by the proper officer then for those purposes the proper officer shall be	The officer to whom the function is delegated	
4	Until the Council determines otherwise, the Chief Executive is appointed the proper officer for the purpose of all statutory provisions, whether existing or future, in respect of which no express proper officer appointment has for the time being been made.		
5	Notwithstanding anything to the contrary above, where any order, notice or other document requires the seal of the Council to be attached then the proper officer for the authentication of such order, notice or other document shall be	Head of Legal Services	Monitoring Officer, Deputy Head of Legal Services or a Solicitor employed by the Council

Other Specified Officer Posts

In relation to the references and provision mentioned in the first column of the schedule hereto:-

(a) the officer specified in the second column of the schedule is hereby appointed or nominated, as the case may be.

(b) the officer specified in the third column of the schedule shall act in that first-mentioned officer's capacity when he is absent or otherwise unable to act.

Schedule

1	2	3
1	Nomination of a registered medical practitioner under sections 35 and 36 of the Public Health (Control of Disease) Act 1984	Consultant in Communicable Disease Control (Gwent Health Authority)
2	Officers to be appointed under the Local Government Act 1972 - s.39 (Registration Officer) - s.41(1) (Returning Officer) - s.151 (Administration of financial affairs)	Chief Executive Chief Executive s.151 Officer
	Local Government and Housing Act 1989 Head of Paid Service Monitoring Officer	Chief Executive Monitoring Officer
4	Weights and Measures Act 1985 (s72) Chief Inspector of Weights and Measures	Head of Public Health and Culture
5	Officers authorised to sign certificates under the Local Government (Contracts) Act 1997	Monitoring Officer Head of Legal Services

PART 4 – RULES OF PROCEDURE

COUNCIL PROCEDURE RULES (STANDING ORDERS)

CONTENTS

Rule

1. Annual meeting of the Council
2. Ordinary meetings
3. Extraordinary meetings
4. Appointment of substitute members of committees and sub-committees
5. Time and place of meetings
6. Notice of and summons to meetings
7. Chair of meeting
8. Quorum
9. Remote Attendance
10. Questions by the public
11. Questions by members
12. Motions on notice
13. Motions without notice
14. Rules of debate
15. State of Monmouthshire debate
16. Previous decisions and motions
17. Voting
18. Minutes
19. Record of attendance
20. Petitions
21. Exclusion of public
22. Members' conduct
23. Disturbance by public
24. Filming and Use of Social Media during Meetings
25. Suspension and amendment of Council Procedure Rules
26. Application to committees and sub-committees
27. Appointment of Substitute Members on Council Bodies
28. Procedure Rules for Family Absence for Members

The Council Procedure Rules contained in the Sections below will apply to meetings of the Full Council.

1. Annual Meeting of the Council

1.1 Timing and Business

In a year when there is an ordinary election of councillors, the annual meeting will take place within 21 days of the retirement of the outgoing councillors. In any other year, the annual meeting will take place in March, April or May. The annual meeting will:

- (i) elect a person to preside if the Chair and Vice Chair of the Council are not present;
- (ii) elect the Chair of the Council;
- (iii) elect the Vice Chair of the Council;
- (iv) approve the minutes of the last meeting;
- (v) receive any announcements from the Chair and/or the Head of Paid Service;
- (vi) elect the Leader of the Council, except where the Leader was appointed for a period of four years at the initial annual meeting of the Council;
- (vii) be informed by the Leader of the number of Members to be appointed to the Cabinet;
- (viii) appoint the Select Committees, a Standards Committee and such other committees and sub-committees as the Council considers appropriate to deal with matters which are neither reserved to the Council nor are Executive Functions (as set out in Part 3 of this Constitution);
- (ix) determine which political group shall nominate the chair of each Select Committee appointed under (viii) above, having regard to the guidance issued under the Local Government (Wales) Measure 2011;
- (x) receive from the Leader the scheme of delegations (as set out in Part 3 of this Constitution);
- (xi) approve a programme of ordinary meetings of the Council for the year; and
- (xii) consider any business set out in the notice convening the meeting.

1.2 Selection of Councillors on Committees and Outside Bodies

At the annual meeting, the Council meeting will:

- (i) decide which committees and sub-committees to establish for the municipal year;
- (ii) decide the size and terms of reference for those committees;
- (iii) decide the allocation of seats to political groups in accordance with the political balance rules;
- (iv) make appointments to outside bodies except where appointment to those bodies has been delegated by the Council or is exercisable only by the Cabinet.

2. Ordinary Meetings

Ordinary meetings of the Council will take place in accordance with a programme decided at the Council's annual meeting. The order of business at ordinary meetings will be as follows:

- (i) elect a person to preside if the Chair and Vice Chair are not present;
- (ii) approve the minutes of the last meeting;
- (iii) receive any declarations of interest from Members;
- (iv) receive any announcements from the Chair, Leader, members of the cabinet or the Head of Paid Service;
- (v) receive a report from the Leader and receive questions and answers on the report;
- (vi) receive a report from the Cabinet and receive questions and answers on the report;
- (vii) receive reports from the Council's committees and receive questions and answers on those reports;
- (viii) receive reports about and receive questions and answers on the business of joint arrangements and external organisations;
- (ix) consider any other business specified in the summons to the meeting, including consideration of proposals from the Cabinet in relation to the Council's Budget and Policy Framework, Single Integrated Plan and reports of the Select Committees;
- (x) consider motions; and
- (xi) deal with questions from Members in accordance with Rule 11
- (xii) receive questions from, and provide answers to, the public in relation to matters which in the opinion of the Chair are relevant to the Council's functions.

3. Extraordinary Meetings

3.1 Calling Extraordinary Meetings

The Proper Officer and/or Monitoring Officer may call Council meetings in addition to ordinary meetings. Those listed below may request the Proper Officer to call additional Council meetings:

- (a) the Council by resolution;
- (b) the Chair of the Council;
- (c) any five Members of the Council if they have signed a requisition presented to the Chair of the Council and he has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

3.2 Business

The business to be conducted at an extraordinary meeting shall be restricted to the item or items of business contained in the request for the extraordinary meeting and there shall be no consideration of previous minutes or reports from committees etc, except that the Chair may at

his/her absolute discretion permit other items of business to be conducted for the efficient discharge of the Council's business.

4. Appointment of members of committees and sub-committees

The Council or Committee may appoint members to a committee or sub-committee as the case may be:

- (i) by naming the members so appointed or
- (ii) by reference to such numbers of members as a specified political group or groups shall from time to time nominate

When members are appointed under paragraph 4(ii) the political group in question shall notify the Chief Executive in writing of the names of the members who may nominate.

A political group may from time to time change its membership of a committee (whether the member of members where appointed under paragraph 4(i) or (ii)) by giving notice in writing to the Chief Executive.

The decisions of a political group are to be taken as those expressed to the Chief Executive

- (i) in writing by the leader or other representative of the group concerned
- (ii) in a written statement signed by a majority of the members of the group

AND in the event that different decisions of a political group are notified, the decision notified in accordance with sub-paragraph (ii) shall prevail.

This rule of procedure applies to appointments to committees, sub-committees and other informal groupings of members but not to appointments or nominations on external bodies.

5. Time, Place and Duration of Meetings

The time and place of meetings will be determined by the Proper Officer and notified in the summons.

6. Notice of and Summons to Meetings

The Proper Officer will give notice to the public of the time and place of any meeting in accordance with the Access to Information Procedure Rules (below). At least five clear days before a meeting, the Proper Officer will send a summons signed by him/her to every Member of the Council. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

7. Chair of Meeting

7.1 The person presiding at the meeting may exercise any power or duty of the Chair. The decision of the Chair of the meeting on all points of procedure and order and the Chair's interpretation of any Procedure Rule shall be final and no debate may ensue thereon.

7.2 Accordingly, if it appears appropriate, the Chair may, at his/her sole discretion waive compliance with the rules of debate set out in Rule 14 to facilitate the transaction of business at the meeting.

7.3 Where these rules apply to committee and sub-committee meetings, references to the Chair should instead be read as reference to the chair of that committee or sub-committee.

8. Quorum

The quorum of a meeting will be one quarter of the whole number of Members. During any meeting if the Chair counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chair. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

9. Remote Attendance

These Procedure Rules do not currently allow meetings to take place remotely within the meaning of s4 Local Government Measure 2011 and the use of facilities to enable compliance with the requirements of s4 of the Measure is prohibited.

10. Questions by the Public

10.1 General

- (a) Members of the public may ask questions of Members of the Cabinet at ordinary meetings of the Council.
- (b) The total time allocated for questions by the public should be limited to 15 minutes.

10.2 Order of Questions

Questions will be asked in the order notice of them was received, except that the Chair may group together similar questions.

10.3 Notice of Questions

A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the Head of Democratic Services no later than midnight seven working days before the day of the meeting. Each question must give the name and address of the questioner.

10.4 Number of Questions

At any one meeting no person may submit more than one question and no more than one such question may be asked on behalf of one organisation.

10.5 Scope of Questions

The Head of Democratic Services may reject a question if it:

- (a) is not about a matter for which the Council has a responsibility or which affects the County;
- (b) is defamatory, frivolous or offensive;
- (c) is substantially the same as a question which has been put at a meeting of the Council in the past six months;
- (d) requires the disclosure of confidential or exempt information.

10.6 Record of Questions

(a) The Head of Democratic Services will enter each question in a book open to public inspection and will immediately send a copy of the question to the Councillor to whom it is to be put. Rejected questions will include reasons for rejection.

(b) Copies of all questions will be circulated to all Councillors and will be made available to the public attending the meeting.

10.7 Asking the Question at the Meeting

The Chair will invite the questioner to put the question to the Councillor named in the notice. If a questioner who has submitted a written question is unable to be present, they may ask the Chair to put the question on their behalf. The Chair may ask the question on the questioner's behalf, indicate that a written reply will be given or decide, in the absence of the questioner, that the question will not be dealt with.

10.8 Supplementary Question

A questioner who has put a question in person may also put one supplementary question without notice to the Councillor who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. The Chair may reject a supplementary question on any of the grounds set out in Rule 10.5 above.

10.9 Written Answers

Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the Councillor to whom it was to be put, will be dealt with by a written answer.

10.10 Reference of Question to the Cabinet or a Committee

Unless the Chair decides otherwise, no discussion will take place on any question, but any Member may move that a matter raised by a question be referred to the Cabinet or the appropriate committee or sub-committee. Once seconded, such a motion will be voted on without discussion.

11. Questions by Members

11.1 On Reports of the Cabinet or Committees

A Member of the Council may ask the Leader or the Chair of a Committee any question without notice directly arising from an item of the report of the Cabinet or a Committee, when that item is being received or is under consideration by the Council

11.2 Questions on Notice at Full Council

Subject to Rule 11.4, a Member of the Council may ask:

- (a) the Chair;
 - (b) Member of the Cabinet;
 - (c) the chair of any committee or sub-committee;
- a question on any matter in relation to which the Council has powers or

duties or which affects the County Council.

11.3 Questions on Notice at Committees and Sub-Committees

Subject to Rule 11.4, a Member of a committee or sub-committee may ask the chair of it a question on any matter in relation to which the Council has powers or duties or which affects the County and which falls within the terms of reference of that committee or sub-committee.

11.4 Notice of Questions

A Member may ask a question under Rule 11.2 or 11.3 if either:

- (a) they have given at least seven working days' notice in writing of the question to the Head of Democratic Services (calculated on the basis of a working day running from midnight to midnight); or
- (b) the question relates to urgent matters, they have the consent of the Chair or Member to whom the question is to be put and the content of the question is given to the Head of Democratic Services at least two hours before the meeting.

11.5 Order of Questions

Questions of which notice has been given under Rule 11.2 or 11.3 will be listed on the agenda in the order determined by the Chair of the Council, committee or sub-committee.

11.6 Content of Questions

Questions under Rule 11.2 or 11.3 must, in the opinion of the Chair:

- (a) contain no expressions of opinion;
- (b) relate to matters on which the Council has or may determine a policy;
- (c) not relate to questions of fact.

11.7 Response

An answer may take the form of:

- (a) a direct oral answer at the meeting;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication;
- (c) Where the reply cannot conveniently be given orally, a written answer circulated within five working days to the questioner.

11.8 Supplementary Question

A Member asking a question under Rule 11.2 or 11.3 may ask one supplementary question without notice of the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

11.9 Length of Speeches

A Member asking a question under Rule 11.2 or 11.3 shall not speak other than in exercise of their right to ask a supplementary question under Rule 12.8 and a Member answering such a question may speak for no longer than three minutes unless the Chair consents to a longer period.

12. Motions on Notice

12.1 Notice

Except for motions which can be moved without notice under Rule 14 and in cases of urgency, written notice of every motion, must be delivered to the Head of Democratic Services not later than midnight on the seventh working day before the Council meeting at which it is to be considered. Motions received will be entered in a book open to public inspection.

12.2 Motion Set Out in Agenda

Motions for which notice has been given will be listed on the agenda in the order determined by the Chair.

12.3 Scope

Motions must be about matters for which the Council has a responsibility or which affect the wellbeing of the administrative area of the Council.

12.4 Motion to Remove the Leader

- (a) A motion to remove the Leader cannot be moved unless the notice of motion is signed by a number of councillors which is at least equivalent to 15% of the total number of councillors on the Council and which includes councillors from at least two political groups.
- (b) In order for such a motion to be carried it must have the support of at least two thirds of those Members voting and present in the room at the time the question was put.
- (c) A motion to remove the Leader cannot be moved more than once in any rolling 12 month period.

13. Motions without Notice

The following motions may be moved without notice:

- (a) to appoint a Chair of the meeting at which the motion is moved;
- (b) in relation to the accuracy of the minutes;
- (c) to change the order of business in the agenda;
- (d) to refer something to an appropriate body or individual;
- (e) to appoint a committee or Member arising from an item on the summons for the meeting;
- (f) to receive reports or adoption of recommendations of committees or Officers and any resolutions following from them;
- (g) to withdraw a motion;
- (h) to amend a motion;
- (i) to proceed to the next business;
- (j) that the question be now put;
- (k) to adjourn a debate;
- (l) to adjourn a meeting;
- (m) to suspend a particular Council Procedure Rule;

(n) to exclude the public and press in accordance with the Access to Information Procedure Rules;

(o) to not hear further a Member named under Rule 21.3 or to exclude them from the meeting under Rule 21.4; and

(p) to give the consent of the Council where its consent is required by this Constitution.

14. Rules of Debate

14.1 No Speeches until Motion Seconded

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

14.2 Right to Require Motion in Writing

Unless notice of the motion has already been given, the Chair may require it to be written down and handed to him before it is discussed.

14.3 Secunder's Speech

When seconding a motion or amendment, a Member may reserve their speech until later in the debate.

14.4 Content and Length of Speeches

Speeches must be directed to the question under discussion or to a personal explanation or point of order no speech may exceed ten minutes without the consent of the Chair.

14.5 When a Member may Speak Again

A Member who has spoken on a motion may not speak again whilst it is the subject of debate, except:

- (a) to speak once on an amendment moved by another Member;
- (b) to move a further amendment if the motion has been amended since he last spoke;
- (c) if his first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he spoke was carried);
- (d) in exercise of a right of reply;
- (e) on a point of order; and
- (f) by way of personal explanation.

14.6 Amendments to Motions

(a) An amendment to a motion must be relevant to the motion and will either be:

- (i) to refer the matter to an appropriate body or individual 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

as long as the effect of 14.6 (a) (ii) to 14.6 (a) (iv) is not to negate the

motion.

(b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been decided.

(c) If an amendment is not carried, other amendments to the original motion may be moved.

(d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.

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

14.7 Alteration of Motion

(a) A Member may alter a motion of which he has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.

(b) A Member may alter a motion which he has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.

(c) Only alterations which could be made as an amendment may be made.

14.8 Withdrawal of Motion

A Member may withdraw a motion which he has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No Member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

14.9 Right of Reply

(a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.

(b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.

(c) The mover of the amendment has no right of reply to the debate on his amendment.

14.10 Motions which may be Moved During Debate

When a motion is under debate, no other motion may be moved except the following procedural motions:

(a) to withdraw a motion;

(b) to amend a motion;

(c) to proceed to the next business;

(d) that the question be now put;

- (e) to adjourn a debate;
- (f) to adjourn a meeting;
- (g) to exclude the public and press in accordance with the Access to Information Procedure Rules; and
- (h) to not hear further a Member named under Rule 22.3 or to exclude them from the meeting under Rule 22.4.

14.11 Closure Motions

(a) A Member may move, without comment, the following motions at the end of a speech of another Member;

- (i) to proceed to the next business;
- (ii) to ask that the question be now put;
- (iii) to adjourn a debate; or
- (iv) to adjourn a meeting.

(b) If a motion to proceed to next business is seconded and the Chair thinks the item has been sufficiently discussed, he will give the mover of the original motion a right of reply and then put the procedural motion to the vote.

(c) If a motion that the question be now put is seconded and the Chair thinks the item has been sufficiently discussed, he will put the procedural motion to the vote. If it is passed he will give the mover of the original motion a right of reply before putting his motion to the vote.

(d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Chair thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, he will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

14.12 Point of Order

A point of order is a request from a Member to the Chair to rule on an alleged irregularity in the procedure of the meeting. A Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of these Council Rules of Procedure or the law. The Member must indicate the rule or law and the way in which he considers it has been broken. The ruling of the Chair on the matter will be final.

14.13 Personal Explanation

A Member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the Member which may appear to have been misunderstood in the present debate. The ruling of the Chair on the admissibility of a personal explanation will be final.

15. State of the County Debate

15.1 Calling of Debate

The Leader may call a state of the County debate annually on a date and in a form to be agreed with the Chair.

15.2 Form of Debate

The Leader will decide the form of the debate with the aim of enabling the widest possible public involvement and publicity. This may include holding workshops and other events prior to or during the debate.

15.3 Chairing of Debate

The debate will be chaired by the Chair.

15.4 Results of Debate

The results of the debate will be disseminated as widely as possible within the community and to agencies and organisations in the area which work in active partnership with the Council and considered by the Leader in proposing the Budget and Policy Framework to the Council for the coming year.

16. Previous Decisions and Motions

16.1 Motion to Rescind a Previous Decision

A motion or amendment to rescind a decision made at a meeting of Council within the past six months cannot be moved unless moved on the recommendation of a Committee or the Cabinet or the notice of motion is signed by at least eleven Members, except in the case of new information becoming available.

16.2 Motion Similar to One Previously Rejected

A motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past six months cannot be moved unless moved on the recommendation of a Committee or the Cabinet or the notice of motion is signed by at least eleven Members. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

17. Voting

17.1 Majority

Unless this Constitution provides otherwise, any matter will be decided by a simple majority of those Members voting and present in the room at the time the question was put.

17.2 Chair's Casting Vote

If there are equal numbers of votes for and against, the Chair will have a second or casting vote. There will be no restriction on how the Chair chooses to exercise a casting vote.

17.3 Method of Voting

Unless a recorded vote is demanded under Rule 17.4 the Chair will take the vote by show of hands or by use of the Council's electronic voting system if any, or if there is no dissent, by the affirmation of the meeting.

17.4 Recorded Vote

If nine Members present at the meeting demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

17.5 Right to Require Individual Vote to be Recorded

Where any Member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting.

17.6 Voting on Appointments

If there are more than two people nominated for any position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

18. Minutes

18.1 Signing the Minutes

The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

18.2 No Requirement to Sign Minutes of Previous Meeting at Extraordinary Meeting

Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of Schedule 12 to the Local Government Act 1972 (an extraordinary meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of Schedule 12 relating to signing of minutes.

18.3 Form of Minutes

Minutes will contain all motions and amendments in the form and order the Chair put them.

19. Record of Attendance

All Members present during the whole or part of a meeting must sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

20. Presentation of Petitions

20.1 At a meeting of the Council any member of the Council may present a petition, signed by person other than members of the Council, which is relevant to some matter in relation to which the Council or Cabinet have functions, or which affects the area of the Council, or part of it, or the inhabitants of that area, or some of them. The member presenting the petition shall satisfy himself that the petition is proper to be received.

20.2 A member wishing to present a petition shall give notice of his intention to do so to the Chief Executive before the beginning of the

meeting at which he wishes to present it.

20.3 The presentation of a petition shall be limited to not more than three minutes, and shall be confined to reading out, or summarising, the prayer of the petition, indicating the number and description of the signatories.

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

20.5 A petition presented at a meeting of the Council shall stand referred to a future meeting of the Cabinet or relevant committee, in order that the appropriate chief officer may present a report on the subject matter of the petition.

21. Exclusion of Public

Members of the public and press may only be excluded either in accordance with the Access to Information Procedure Rules of this Constitution or Rule 23 (Disturbance by Public).

22. Members' Conduct

22.1 Speaking at Meetings

When a Member speaks at Full Council he/she must stand and address the meeting through the Chair. If more than one Member signifies their intention to speak, the Chair will ask one to speak. Other Members must remain silent whilst a Member is speaking unless they wish to make a point of order or a point of personal explanation. Chair Speaking

When the Chair speaks during a debate, any Member speaking at the time must stop and sit down. The meeting must be silent.

22.2 Member not to be Heard Further

If a Member persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, the Chair may move that the Member be not heard further. If seconded, the motion will be voted on without discussion.

22.3 Member to Leave the Meeting

If the Member continues to behave improperly after such a motion is carried, the Chair may move that either the Member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

22.4 General Disturbance

If there is a general disturbance making orderly business impossible, the Chair may adjourn the meeting for as long as he thinks necessary.

23. Disturbance by Public

23.1 Removal of Member of the Public

If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will order their removal from the meeting room.

23.2 Clearance of Part of Meeting Room

If there is a general disturbance in any part of the meeting room open to

the public, the Chair may call for that part to be cleared.

24. Filming and Use of Social Media During Meetings

Filming and use of social media is permitted during meetings so long as there is no disturbance to the conduct of the meeting.

25. Suspension and Amendment of Council Procedure Rules

25.1 Suspension

All of these Council Rules of Procedure except Rule 17.4 and 18.2 may be suspended by motion on notice or without notice if at least one half of the whole number of Members of the Council are present. Suspension can only be for the duration of the meeting.

25.2 Amendment

Any motion to add to, vary or revoke these Council Rules of Procedure will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council.

25.3 Adjustment

At the discretion of the Chairman, any of the Council Rules of Procedure will be subject to 'reasonable adjustment' by suspension or amendment and without notice as appropriate, to prevent a disabled elected member or member of the public being placed at a disadvantage in terms of their proper participation in any aspect of Council procedures.

26. Application to Committees and Sub-Committees

All of the Council Rules of Procedure apply to meetings of Full Council. None of the rules apply to meetings of the Cabinet, save as set out in the Executive Procedure Rules. Only Rules 5 to 8, 11 to 14, 16 to 25 (but not Rule 22.1) apply to meetings of committees and sub-committees.

27. Appointment of Substitute Members on Council Bodies

27.1 The substitution rules will not apply to meetings of the Cabinet, the Standards Committee or the Audit Committee.

27.2 Subject to any other restrictions elsewhere in the Constitution, any Member of the Council will be permitted to act as a substitute on a Council Body.

27.3 The Head of Democratic Services will allow a request from a Member of a Council Body to appoint a substitute Member, providing that substitute Member is from the same political group and the request is received no later than one hour before the meeting.

27.4 In order to be eligible to sit as substitutes on regulatory or quasi-judicial committees or panels or staff appointments or disciplinary bodies established by the Council, Members must have received formal training in relevant procedures and the law.

27.5 Substitute Members will have all the powers and duties of any ordinary Member of the committee but will not be able to exercise any special powers or duties exercisable by the person they are substituting.

27.6 Substitute Members may attend meetings in that capacity only:

- (a) to take the place of the ordinary Member for whom they are designated substitute;
- (b) where the ordinary Member will be absent for the whole of the meeting; and
- (c) where the ordinary Member or that Member's political group has notified the Head of Democratic Services of the intended substitution at least one hour before the start of the relevant meeting.

28. Procedure Rules for Family Absence for Members

28.1 Different Types of Family Absence

A Member may be entitled to family absence subject to compliance with the Family Absence for Members of Local Authorities (Wales) Regulations 2013 ("the Regulations"), as follows:

- (i) Maternity absence – for the mother of a child, granted up to a maximum of twenty six weeks;
- (ii) Newborn absence – for the parent of a child other than the mother, for a period of up to two weeks;
- (iii) Adopter's absence – for the adopter of a child, for a period of up to two weeks;
- (iv) New adoption absence - for the partner of an adopter, for a period of up to two weeks; and
- (v) Parental absence – for a Member who becomes responsible for a child (and does not meet the conditions for newborn absence, adopter's absence or new adoption absence), for a period of up to three months.

28.2 Prescribed Conditions

The Regulations prescribe the conditions Members must satisfy to be entitled to each type of family absence, make provisions regarding the durations, start, cancellation and end of periods of family absence, and set out the administrative process for dealing with family absences. A copy of the Regulations can be obtained from the Head of Democratic Services and must be referred to by any Member considering taking family absence.

28.3 Requirement for Member to give Written Notice

A Member intending to take family absence is required to give written notice to the Head of Democratic Services, specifying the type of family absence the Member intends to take and the intended start date, as well as certain other specified information in respect of particular types of family absence. Any changes to, or cancellation of, family absence must similarly be notified to the Head of Democratic Services. Members should refer to the Regulations for the prescribed information which must be included in the notice, and advice is available in this respect from the Head of Democratic Services.

28.4 Records and Notification of Family Absence

The Head of Democratic Services will keep a record of all notifications and periods of family absence taken and will inform the Chair of Council, the Chair of the Democratic Services Committee, and the leaders of each political group, and other recognised group, of the authority. The Head of Democratic Services may also inform any other persons, as he/she considers necessary, for example, fellow ward Members.

28.5 Cancellation of Family Absence by Council

(a) If the Head of Democratic Services reasonably suspects that a Member may not be entitled to the family absence notified, he/she may cancel or end a Member's family absence in accordance with the Regulations.

(b) In the event of a decision to cancel family absence, the Head of Democratic Services will give written notice to the Member concerned setting out the decision to cancel or bring to an end the period of family absence, and the date from which the Member must return from family absence. If the Member then fails to resume duties, the Council may withhold the Member's remuneration.

28.6 Members' Right to Appeal against Cancellation

(a) A Member may, within 28 days from being notified of a cancellation of family absence, complain in writing to the Head of Democratic Services regarding the cancellation.

(b) The Head of Democratic Services will refer any complaint duly made regarding cancellation to the Chair of Council (or Presiding Member).

(c) The Member's complaint will be considered by a politically balanced Panel, drawn from the Democratic Services Committee, which may either confirm the decision of the Head of Democratic Services, or substitute its own decision as to the Member's entitlement to family absence in accordance with the Regulations.

(d) The decision of the Panel is final.

28.7 Performance of Duties – At Member's request

The following provision is subject consideration by the Democratic Services committee as to whether

(i) To describe the circumstances in which a Member on maternity or parental leave may continue to perform some duties if so desired, such as "where the Member has a well-known particular interest in a matter of business or if urgent business affecting their local area is being considered"; and

(ii) To provide whether any duty conferred on Members should be performed during a period of family absence.

(1) A Member on maternity absence or parental absence may, subject to paragraphs (2) to (6):

- (a) Attend particular meetings;
- (b) Attend particular descriptions of meetings;
- (c) Perform particular duties; or
- (d) Perform duties of a particular description.

(2) The Member must obtain the permission of the Chair of Council (or Presiding Member) before attending any meeting or performing any duty.

(3) The Chair of Council (or Presiding Member) will inform the leaders of each political group of the Council before granting permission under paragraph (2).

(4) A Member may complain in writing to the Head of Democratic Services regarding a refusal under paragraph (2).

(5) The Head of Democratic Services will refer a complaint under paragraph (4) to the Chair of Council (or Presiding Member).

(6) The Family Absence Appeals Panel (“the Panel”) will determine a complaint made under paragraph (4).

(7) The Panel may:

- (a) confirm the decision of the Chair of Council (or Presiding Member) under paragraph (2); or 258
- (b) substitute its own decision as to the Member attending any meeting or performing any duty.

28.8 Continuing Duties

If a Member is on family absence leave and it would be difficult to replace that Member on a temporary basis, the Chair of Council can request that Member to attend a meeting if it might otherwise be inquorate.

A Member on family absence is expected to continue to observe and comply with any duties under the Members’ Code of Conduct which remain applicable, including the duty to not bring the office of Member or the Council into disrepute (Members’ Code, Rule 6(1) (a)), and the duty to not use their position or the resources of the authority improperly or for private advantage (Members’ Code, Rule 7).

28.9 Members’ Salaries

In accordance with the determinations of the Independent Remuneration Panel for Wales, a Member on family absence is entitled, for the duration

of the absence, to retain a basic salary and any senior salary for which the Member is eligible.

ACCESS TO INFORMATION PROCEDURE RULES

1. SCOPE

These rules apply to all meetings of the Council, the executive, select committees, area committees, the Standards Committee and regulatory committees.

2. ADDITIONAL RIGHTS TO INFORMATIONS

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law.

3. RIGHTS TO ATTEND MEETINGS

Members of the public may attend all meetings subject only to the exceptions in these rules.

4. NOTICES OF MEETING

The council will give at least three clear days' notice unless to consider urgent items as defined of any meeting by posting details of the meeting at County Hall Usk. (The Designated Office)

5. ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING

The Council will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer shall make each such report available to the public as soon as the report is completed and sent to councillors) will be open to inspection from the time the item was added to the agenda.

6. SUPPLY OF COPIES

The Council will supply copies of:

- (a) any agenda and reports which are open to public inspection;
- (b) any further statements or particulars necessary to indicate the nature of the items in the agenda; and
- (c) if the proper officer thinks fit, copies of any other documents supplied to councillors in connection with an item

to any person on payment of a charge for postage and any other costs.

7. ACCESS TO MINUTES ETC AFTER THE MEETING

The Council will make available copies of the following for six years after a meeting:

- (a) the minutes of the meeting or record of decisions taken by the executive, excluding any part of the minutes of proceedings when the meeting was not open to the public because exempt or confidential information was being considered;

(b) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;

(c) the agenda for the meeting; and

(d) reports relating to items when the meeting was open to the public.

8. BACKGROUND PAPERS

8.1 List of background papers

The proper officer will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:

(a) disclose any facts or matters on which the report or an important part of the report is based; and

(b) which have been relied on to a material extent in preparing the report

but does not include published works or those which disclose exempt or confidential information (as defined in Rule 10).

8.2 Public inspection of background papers

The Council will make available for public inspection for four years after the date of the meeting one copy of each of the documents on the list of background papers.

9. SUMMARY OF PUBLIC'S RIGHTS

A written summary of the public's rights to attend meetings and to inspect and copy documents must be kept at and available to the public at County Hall.

10. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS

10.1 Public and private meetings of the executive

The executive may only make decisions in relation to its functions and conduct formal business in a properly constituted meeting that complies with Article 13 and these procedure rules. This does not prevent the executive from holding informal deliberations in private, with or without officers present, but these meetings shall not take decisions.

10.2 Confidential information – requirement to exclude public

The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

10.3 Exempt information – discretion to exclude public

The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.

Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held

in public unless a private hearing is necessary for one of the reasons specified in Article 6.

10.4 Meaning of confidential information

Confidential information means information given to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

10.5 Meaning of exempt information

Exempt information means information falling within the following 10 categories (subject to any qualification):

CATEGORY	QUALIFICATION
1. Information relating to a particular individual.	Public interest test applies (see below)
2. Information which is likely to reveal the identity of an individual.	Public interest test applies (see below)
3 .Information relating to the financial or business affairs of any particular person (including the authority holding that information).	<p>Information falling within paragraph 14 is not exempt information by virtue of that paragraph if it is required to be registered under —</p> <p>the Companies Act 1985;</p> <p>the Friendly Societies Act 1974;</p> <p>the Friendly Societies Act 1992;</p> <p>the Industrial and Provident Societies Acts 1965 to 1978;</p> <p>the Building Societies Act 1986; or</p> <p>the Charities Act 1993.</p> <p>Public interest test applies (see below)</p>
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.	Public interest test applies (see below)

CATEGORY	QUALIFICATION
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	
6. Information which reveals that the authority proposes : (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.	Public interest test applies (see below)
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.	Public interest test applies (see below)
<p><i>(In relation to a meeting of a standards committee, or a sub-committee of a standards committee, which is convened to consider a matter referred under the provisions of section 70(4) or (5) or 71(2) of the Local Government Act 2000):</i></p> <p>8. Information which is subject to any obligations of confidentiality.</p> <p>9. Information which relates in any way to matters concerning national security.</p> <p>10. The deliberations of a standards committee or of a sub-committee of a standards committee established under the provisions of Part 3 of the Local Government Act 2000 in reaching any finding on a matter referred to it.”.</p>	Public interest test applies (see below)

Public Interest Test:

Information which —

- (a) falls within any of paragraphs 12 to 15, 17 and 18 above; and
- (b) is not prevented from being exempt by virtue of the ‘qualifications’ above,

is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information falling within any of paragraphs 1-10 is not exempt by virtue of that paragraph if it relates to proposed development for which the local planning authority can grant itself planning permission under Regulation 3 of the Town and Country Planning General Regulations 1992.

10.6 DISCLOSURE BY MEMBERS

Members will not make public Confidential or Exempt Information without the consent of the Authority or divulge information given in confidence to anyone other than a member or officer entitled to know it unless otherwise authorised.

10.7 PUBLIC INTEREST

Information within Categories 1 to 4, 6 and 7 set out in Rule 10.4 may only be treated as exempt if an assessment of the public interest has been made.

The public interest should be assessed on a case by case basis having regard to all relevant factors, to ensure a proper balance is achieved between the right to know, the right to personal privacy and the delivery of effective government.

In making such an assessment the proper officer should have regard to any relevant prejudice which may be caused to the Authority or any other party if the information were disclosed, having regard to the full context of any disclosure. Account may be taken of whether disclosure would breach any obligation of confidence or the rights of any individual under the Data Protection Act 1998 or the Human Rights Act 1998.

Account will be taken of the fact that the public interest may be served by allowing access to information which would:-

- (a) further the understanding of and participation in debating issues of the day;
- (b) facilitate transparency and accountability in and enhance scrutiny of decisions taken by the Authority;
- (c) facilitate transparency and accountability in the spending of public money;
- (d) help individuals understand the decisions made by the Authority affecting their lives;
- (e) bring to light information affecting public safety or danger to the environment;

(f) contribute to the administration of justice and enforcement of the law or the prevention or detection of crime or the apprehension or prosecution of offenders;

(g) protect the public from unsafe products or rogue traders or practices;

In making such an assessment the following factors should be regarded as irrelevant:

(a) possible embarrassment to the Authority or its Officers;

(b) possible loss of confidence in the Authority or other public body;

(c) the seniority of persons involved in the subject matter;

(d) the risk of the public misinterpreting the information.

11. EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS

If the proper officer thinks fit, the Council may exclude access by the public to reports which in his or her opinion relate to items during which, in accordance with Rule 10, the meeting is likely not to be open to the public. Such reports will be marked "Not for publication" together with the category of information likely to be disclosed.

12. THE FORWARD WORK PROGRAMME

12.1 Period of forward work programme

The forward work programme will be prepared by the Chief Executive to cover a period of four months. It will be updated quarterly on a rolling basis.

12.2 Contents of forward work programme

The forward work programme will contain matters which the executive, select committees and full Council are likely to consider. It will contain information on:

(a) the timetable for considering the budget and any plans forming part of the policy framework and requiring council approval, and which body is to consider them;

(b) the timetable for considering any plans which are the responsibility of the executive;

(c) any individual matters on which the executive intends to consult in advance of taking a decision, and the timetable for consultation and decision;

(d) the work programme of the select committees, to the extent that it is known.

13. CONSULTATION ON PROPOSALS TO BE CONSIDERED BY THE EXECUTIVE

At least two weeks should be permitted in the forward plan timetable for consultation with relevant select committees and ward members where a matter is to be considered by the executive and is not urgent (as defined below) or confidential or exempt (as defined in para 10).

A matter may be considered urgent where the events to which it is addressed were unforeseen at the time that the last forward work programme was produced and a decision is required within (the minimum time provided for consultation as specified above).

A decision can only be treated as urgent if the decision taker (if an individual) or the chair of the body making the decision obtains the agreement of the chair of a relevant select committee that the taking of the decision cannot be reasonably deferred. If there is no chair of a relevant select committee, or if the chair of each relevant select committee is unable to act, then the agreement of the Head of Paid Service of the Council, will suffice. Any decisions taken under this urgency procedure will be recorded as having been taken in the absence of consultation in the decision record.

14. RECORD OF DECISIONS OF THE EXECUTIVE

14.1 The decision record

- (a) A written record will be made of every executive decision made by the executive and its committees (if any) and individual members, and to joint committees and joint sub-committees whose members are all members of a local authority executive.
- (b) This decision record will include a statement, for each decision, of:
 - 1. the decision made
 - 2. the date the decision was made
 - 3. the reasons for that decision;
 - 4. any personal interest declared;
 - 5. any dispensation to speak granted by the authority's standards committee;
 - 6. the consultation undertaken prior to the decision and, if such consultation has not taken place, the reason why.

14.2 Preparing the decision record

- (a) The proper officer or his or her representative shall attend any meeting of the executive, a committee of the executive or a joint committee or joint sub-committee where all its members are members of a local authority executive, and shall as soon as reasonably practicable after the meeting produce a decision record.
- (b) Where an individual member has made any executive decision,
 - i. that member shall as soon as reasonably practicable instruct the proper officer to produce a decision record; and
 - ii. the decision shall not be implemented until that decision record has been produced, subject to (c) below.
- (c) Where the date by which an executive decision made by an individual member must be implemented makes compliance with (b) ii above impracticable, the decision may be implemented if the decision maker has the agreement of the Chairman (or in his/her

absence, the vice-chairman) of the relevant select committee, that the making of the decision is urgent and cannot reasonably be deferred.

15. DECISIONS BY AN INDIVIDUAL MEMBER OF THE EXECUTIVE

15.1 Reports intended to be taken into account

Where an individual member of the executive receives a report which he/she intends to take into account in making any decision, then he/she will not make the decision until at least 5 clear days after receipt of that report.

15.2 Provision of copies of reports to select committees

On giving of such a report to an individual decision maker, the person who prepared the report will give a copy of it to the chair of every relevant select committee as soon as reasonably practicable, and make it publicly available at the same time.

15.3 Record of individual decision

The decision recording rules in paragraph 14 will apply.

16. SELECT COMMITTEE MEMBERS' ACCESS TO DOCUMENTS

16.1 Rights of access

Subject to Rule 16.2 below, a select committee (including its sub-committees) will be entitled to access to any document which is in the possession or control of the executive or its committees and which contains material relating to

- (a) any business transacted at a meeting of the executive or its committees; or
- (b) any decision taken by an individual member of the executive.

16.2 Limit on rights

A select committee or sub-committee will not be entitled to any part of a document that contains:

- (a) confidential or exempt information, or
- (b) advice provided by a political advisor or assistant

unless that information is relevant to an action or decision that is being reviewed or scrutinised or any review contained in a programme of work of that committee or sub-committee.

16.3 Disclosure

Exempt or confidential information supplied to a member in accordance with Rule 15.1 remains exempt or confidential.

17. ADDITIONAL RIGHTS OF ACCESS FOR MEMBERS

17.1 Rights of access

All members will be entitled to inspect any document which is in the possession or under the control of the executive or its committees and contains material relating to any business transacted at a meeting of a decision making body of that authority or by an individual member of the executive.

17.2 Limitation on rights

A member will not be entitled to any part of a document where

- (a) it would disclose exempt information falling within paragraphs 12 to 18, 21, 23, 24 and 26 of Schedule 12A of the Local Government Act 1972, or
- (b) it would disclose advice of a political advisor or assistant.

17.3 Nature of rights

These rights of a member are additional to any other right he/she may have.

17.4 Other Rights of Members

Notwithstanding any restriction in the foregoing provisions, all reports (including those that are “exempt” or “confidential” by virtue of Schedule 12A Local Government Act 1972 as amended) to all decision making bodies are available to all members.

A Member will not make public information which is confidential or exempt (as defined in Section 14) without the consent of the Council or divulge information given in confidence to anyone other than a Councillor or person(s) or organisation(s) entitled to know it.

BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1. The framework for executive decisions

The Council will be responsible for the adoption of its policy framework and budget as set out in Article 4. The policy framework and budget adopted by the Council will be based on that proposed by the executive. Once a budget or a policy framework is in place, it will be the responsibility of the executive to implement it

2. Process for developing the framework

The process by which the policy framework and budget shall be developed is:

(a) The executive will publicise by including in the forward plan and at the Council's offices a timetable for making proposals to the Council for the adoption of any plan, strategy or budget that forms part of the budget and policy framework, and its arrangements for consultation after publication of those initial proposals. The chairmen of select committees will also be notified. The consultation period shall in each instance be not less than six weeks.

(b) At the end of that period, the executive will then draw up firm proposals having regard to the responses to that consultation. If a relevant select committee wishes to respond to the executive in that consultation process then it may do so. As the select committees have responsibility for fixing their own work programme, it is open to the select committee to investigate, research or report in detail with policy recommendations before the end of the consultation period. The executive will take any response from a select committee into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees and the executive's response.

(c) Once the executive has approved the firm proposals, the Chief Executive will refer them at the earliest opportunity to the Council for decision.

(d) In reaching a decision, the Council may adopt the executive's proposals, amend them, refer them back to the executive for further consideration, or in principle, substitute its own proposals in their place.

(e) If it accepts the recommendation of the executive without amendment, the Council may make a decision which has immediate effect. Otherwise, it may only make an in-principle decision. In either case, the decision will be made on the basis of a simple majority of votes cast at the meeting.

(f) The decision will be publicised in accordance with Article 4 and a copy shall be given to the Leader.

(g) An in-principle decision will automatically become effective five days from the date of the Council's decision, unless the Leader informs

the proper officer in writing within five days that he/she objects to the decision becoming effective and provides reasons why.

(h) In that case, the proper officer will call a Council meeting within a further ten days. The Council will be required to re-consider its decision and the Leader's written submission at that meeting. The Council may

- i) approve the executive's recommendation by a simple majority of votes cast at the meeting; or
- ii) approve a different decision which does not accord with the recommendation of the executive by a simple majority

(i) The decision shall then be made public in accordance with Article 4, and shall be implemented immediately;

(j) In approving the budget and policy framework, the Council will also specify the extent of virement within the budget and degree of in-year changes to the policy framework which may be undertaken by the executive, in accordance with paragraphs 5 and 6 of these Rules (virement and in-year adjustments). Any other changes to the policy and budgetary framework are reserved to the Council.

3. Decisions outside the budget or policy framework

(a) Subject to the provisions of paragraph 5 (virement) the executive, a committee of the executive, an individual member of the executive and any officers, area committees or joint arrangements discharging executive functions may only take decisions which are in line with the budget and policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by full council, then that decision may only be taken by the Council, subject to 4 below.

(b) If the executive, a committee of the executive, an individual member of the executive and any officers, area committees or joint arrangements discharging executive functions want to make such a decision, they shall take advice from the monitoring officer and/or the chief financial officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of either of those officers is that the decision would not be in line with the existing budget and/or policy framework, then the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 (urgent decisions outside the budget and policy framework) shall apply.

4. Urgent decisions outside the budget or policy framework

(a) The executive, a committee of the executive, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. However, the decision may only be taken:

- i) if it is not practical to convene a quorate meeting of the full Council;
and
- ii) if the chairman (or if he/she is unavailable the vice chairman) of a relevant select committee agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the chairman of the relevant select committees' consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the chairman of a relevant select committee the consent of the Chairman of the Select Board will be sufficient.

(b) Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

5. Virement

The Council operates a scheme enabling controlled virement of revenue and capital expenditure as detailed within its Financial Procedure Rules.

6. In-year changes to policy framework

The responsibility for agreeing the budget and policy framework lies with the Council, and decisions by the executive, a committee of the executive an individual member of the executive or officers, area committees or joint arrangements discharging executive functions must be in line with it. No changes to any policy and strategy which makes up the policy framework may be made by those bodies or individuals except those changes:

- (a) which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
- (b) necessary to ensure compliance with the law, ministerial direction or government guidance;
- (c) in relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration.

7. Call-in of decisions outside the budget or policy framework

(a) Where a select committee is of the opinion that an executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the monitoring officer and/or chief financial officer.

(b) In respect of functions which are the responsibility of the executive, the monitoring officer's report and/or chief financial officer's report shall be to the executive with a copy to every member of the Council. Regardless of whether the decision is delegated or not, the executive must meet to decide what action to take in respect of the monitoring officer's report and to prepare a report to Council in the event that the

monitoring officer or the chief finance officer conclude that the decision was a departure, and to the select committee if the monitoring officer or the chief finance officer conclude that the decision was not a departure.

(c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the monitoring officer and/or the chief financial officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the select committee may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet twenty-one days of the request by the select committee. At the meeting it will receive a report of the decision or proposals and the advice of the monitoring officer and/or the chief financial officer. The Council may either:

i) endorse a decision or proposal of the executive decision taker as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all councillors in the normal way;

Or

ii) amend the council's budget or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all councillors in the normal way;

Or

iii) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, require the executive to reconsider the matter in accordance with the advice of either the monitoring officer/chief financial officer.

EXECUTIVE PROCEDURE RULES

1. HOW DOES THE EXECUTIVE OPERATE?

1.1 Who may make executive decisions?

The arrangements for the discharge of executive functions are set out in Part 3. In either case, the arrangements or the Leader may provide for executive functions to be discharged by:

- i) the executive as a whole;
- ii) a committee of the executive;
- iii) an individual member of the executive;
- iv) an officer;
- v) an area committee;
- vi) joint arrangements; or
- vii) another local authority.

1.2 Delegation by the Leader

Following the annual meeting of the Council, the Monitoring Officer, at the direction of the Leader, will draw up a written record of executive delegations made by the Leader for inclusion in the Council's scheme of delegation at Part 3 to this Constitution. This will contain the following information about Executive Functions in relation to the coming year:

- (a) the names, addresses and electoral divisions of the people appointed to the executive by the Leader;
- (b) the extent of any authority delegated to Cabinet Members individually, including details of the limitation on their authority;
- (c) the terms of reference and constitution of such Cabinet committees as the Leader appoints and the names of Cabinet Members appointed to them;
- (d) the nature and extent of any delegation of Executive Functions to any other authority or any joint arrangements;
- (e) the nature and extent of any delegation to Officers with details of any limitation on that delegation, and the title of the Officer to whom the delegation is made;

1.3 Sub-Delegation of Executive Functions

- (a) Where the Cabinet, a committee of the Cabinet or an individual Member of the Cabinet is responsible for an Executive Function, they may delegate further to joint arrangements or an Officer.
- (b) Unless the Leader directs otherwise, a committee of the Cabinet to whom functions have been delegated by the Leader may delegate further to an Officer.
- (c) Where Executive Functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

1.4 The Council's Scheme of Delegation and Executive Functions

- (a) Subject to (b) below the Council's scheme of delegation will be subject to adoption by the Council and may only be amended by

the Council. It will contain the details required in Article 7 and set out in Part 3 of this Constitution.

- (b) The Leader may amend the scheme of delegation relating to Executive Functions at any time. In doing so the Leader will give written notice to the Monitoring Officer and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body or committee. The Monitoring Officer will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.

Where the Leader seeks to withdraw delegation from a committee of the Cabinet, notice will be deemed to be served on that committee when he has served it on its chair.

1.5 Conflicts of Interest

- (a) Where the Leader has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members. If any Member of the Cabinet has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- (b) If the exercise of an Executive Function has been delegated to a committee of the Cabinet, an individual Member or an Officer, and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made and otherwise as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.

1.6 Cabinet Meetings – When and Where?

The frequency and timing of meetings of the Cabinet will be determined by the Leader. The Cabinet will meet at the Council's main offices or another location to be agreed by the Leader.

1.7 Public or private Meetings of the Cabinet?

The Cabinet will hold its meetings in public, except in the circumstances set out in the Access to Information Procedure Rules in Section 14, for example where confidential or exempt information is being discussed.

1.8 Quorum

- (a) The quorum for a meeting of the Cabinet shall be three including the Leader or Deputy Leader.
- (b) The quorum for a meeting of a committee of the Cabinet shall be a quarter of the number of members of the committee.

1.9 Remote Attendance

These Procedure Rules do not currently allow meetings to take place remotely within the meaning of s4 Local Government Measure 2011 and the use of facilities to enable compliance with the requirements of s4 of the Measure are prohibited.

1.10 How are Decisions to be taken by the Cabinet?

- (a) Executive Decisions made by the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Procedure Rules in Part 4 of this Constitution.
- (b) Where Executive Decisions are delegated to a committee of the Cabinet, the rules applying to Executive Decisions taken by them shall be the same as those applying to those taken by the Cabinet as a whole.

2. HOW ARE THE EXECUTIVE MEETINGS CONDUCTED?

2.1 Who Presides?

The Leader will preside at any meeting of the Cabinet or its committees at which he is present. In his absence, the Deputy Leader will preside. In his/her absence, then a person appointed to do so by those present shall preside.

2.2 Who May Attend?

These details are set out in the Access to Information Procedure Rules in Part 4 of this Constitution. See also Section 3 in relation to Member participation in meetings.

2.3 Business?

At each meeting of the Cabinet the following business will be conducted:

- (a) declarations of interest, if any;
- (b) matters referred to the Cabinet (whether by Select Committees or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Select Committee Procedure Rules or the Budget and Policy Framework Procedure Rules set out above;
- (c) consideration of reports from Select Committees;
- (d) consideration of reports from Cabinet Committees;
- (e) reports from Officers of the Authority.

2.4 Consultation

All reports to the Cabinet from any Member of the Cabinet or an Officer on proposals relating to the Budget and Policy Framework must contain details of the nature and extent of consultation undertaken with stakeholders and with the Select Committees and the outcome of that consultation. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

2.5 Who can put Items on the Cabinet Agenda?

- (a) The Leader will decide upon the schedule for meetings of the Cabinet. He/she may put any matter on the agenda of any Cabinet meeting whether or not authority has been delegated to the Cabinet, a committee of it or any Member or Officer in respect of that matter.
- (b) Any Member of the Cabinet may require the Proper Officer to

make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration.

- (c) The Head of Paid Service, the Monitoring Officer and/or the Chief Financial Officer may include an item for consideration on the agenda of a Cabinet meeting and may require that such a meeting be convened in pursuance of their statutory duties.
- (d) In other circumstances, where any two of the Head of Paid Service, Chief Finance Officer and Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision they may jointly include an item on the agenda of a Cabinet meeting. If there is no meeting to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be considered at which the matter will be considered.

2.6 Disturbance by the Public, Filming and Use of Social Media

The provisions in Council Procedure Rules in Part 4 in relation to disturbance by the public, filming and use of social media apply to meetings of the Cabinet.

SELECT COMMITTEE PROCEDURE RULES

1. What will be the number and arrangements for select committees?

1.01 The Council will have four Select Committees set out in the table in Article 6 and will appoint to them as it considers appropriate from time to time. The Select Committees may appoint smaller groups to carry out detailed examination of particular topics for report back to them. Such groups may be appointed for a fixed period on the expiry of which they shall cease to exist.

1.02 The Council will also establish a Co-ordinating Board to provide a link with the Executive and to consider matters of joint interest. It will comprise of the Chairman of each Select Committee; the Leader and Deputy Leader; the Chairman of each Area Committee; the Scrutiny Champion; the Chief Executive. The Chairman of the County Council will also be invited to attend. The Co-ordinating Board will have the following roles and functions:

(a) To manage the business processes and the relationship between the constituent parts of the Council's business machinery.

(b) To review Council, Cabinet and Committee work programmes with a view to improving co-ordination and avoiding duplication.

(c) Where matters fall within the remit of more than one select committee or sub-committee, to provide a forum for discussion as to which of them will assume responsibility for any particular issue, and to resolve any issues of dispute between select committees.

(d) To receive requests from the executive and/or the full Council for reports from select committees and to allocate them if appropriate to one or more select committees.

(d) To put in place and maintain a system to ensure that referrals from select committees to the executive, and from the executive to select committees either by way of report or for reconsideration are managed efficiently and do not exceed the limits set out in this Constitution.

(e) At the request of the executive, to make decisions about the priority of referrals made in the event of reports to the executive exceeding limits in this Constitution, or if the volume of such reports creates difficulty for the management of executive business or jeopardises the efficient running of Council business.

(f) To enable Chairs to keep the Board informed of progress e.g. on Select Committee and other reviews.

(g) To share best practice across Committees and identify training and development needs.

(h) To enable the Chief Executive to brief Chairs about forthcoming issues.

1.03 The terms of reference of the various Select Committees will be to:

(a) review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions; (except

any matters specifically identified in the terms of reference of any other select committee)

- (b) make reports and/or recommendations to the full Council and/or the executive and/or any joint or area committee in connection with the discharge of any functions;
- (c) consider any matter affecting the area or its inhabitants;
- (d) exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the executive and/or any area committees; and
- (e) convene joint meetings with overview and scrutiny committees of other councils.
- (f) assess the impact of partnerships with and resources and services provided by external organisations including the Welsh Assembly Government and Assembly Sponsored Public Bodies on the effectiveness of Council service delivery.

2. Specific functions of Select Committees

2.01 Policy development and review

Select committees may:

- (a) assist the Council and the executive in the development of its budget and policy framework by in-depth analysis of policy issues;
- (b) conduct research, community and other consultation in the analysis of policy issues and possible options;
- (c) consider and implement mechanisms to encourage and enhance community participation in the development of policy options;
- (d) question members of the executive and/or committees and chief officers about their views on issues and proposals affecting the area; and
- (e) liaise with other external organisations operating in the area, whether national, regional or local, to ensure that the interests of local people are enhanced by collaborative working.

2.02 Scrutiny

Select committees may:

- (a) review and scrutinise the decisions made by and performance of the executive and/or committees and council officers both in relation to individual decisions and over time;
- (b) review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (c) question members of the executive and/or committees and chief officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
- (d) make recommendations to the executive and/or appropriate committee and/or Council arising from the outcome of the scrutiny process;

- (e) review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the select committee and local people about their activities and performance; and
- (f) question and gather evidence from any person (with their consent).

2.03 Finance

Select committees may exercise overall responsibility for the finances made available to them.

2.04 Select Committees shall undertake the following:

- (a) investigate or review a particular matter in depth and without delay, reporting their conclusions and making any recommendations to the Council or Cabinet as appropriate;
- (b) conduct research, community (and other) consultation for the purposes of analysing issues and developing where appropriate; possible options, through liaison with the area/community partnerships;
- (c) consider and report on mechanisms to encourage and enhance community participation in the development of service delivery options;
- (d) question Cabinet Members and Officers about their views and actions on issues and proposals affecting the County;
- (e) liaise with other external organisations operating in the area, whether national, regional or local, to ensure that the interests of local people are enhanced by collaborative working; and
- (f) question and gather evidence from any person (with his/her consent) whilst conducting investigative and reporting processes.

2.05 Report

From time to time, as appropriate, the Chairman of each Select committee will report to full Council on the workings of the committee including future work programmes.

2.06 Officers

Select committees may exercise overall responsibility for the work programme of the officers employed to support their work.

3. Who chairs Select Committee Meetings?

Each Select Committee will be Chaired by a Chair appointed from the membership of that Select Committee

4. Who may sit on Select Committees?

There will be cross party Membership of all Select Committees. All councillors except members of the executive may be members of a select committee. However, no member may be involved in scrutinising a decision in which he/she has been directly involved.

5. Meetings of the Select Committees

The Council may determine a cycle of meetings for the Select Committees. If the Council do not set the cycle, each such Select Committee shall determine their own cycle of meetings. The Chair, or in their absence the Vice Chair, may change the date or cancel meetings, or call additional meetings as they consider necessary to deal with the Select Committee's work programme. A meeting of a Select Committee may be called by the Chair (or in his or her absence, the Vice Chair) or by the Monitoring Officer or by the Head of Democratic Services, if he or she considers it necessary or appropriate.

6. Quorum

The quorum for a Select Committee shall be as set out in the Council Procedure Rules in Part 4 of this Constitution.

7. Agenda Items

Any Member of a particular Select Committee shall be entitled to give notice to the Proper Officer that he wishes an item relevant to the functions of the that Select Committees to be included on the agenda for the next available meeting. Seven working days' notice of the item should be given to Proper Officer together with sufficient information to enable the Officer to advise about the nature and purpose of the item.

On receipt of such a request, so long as it is an appropriate matter to be considered, the Proper Officer will ensure that it is included on the next available agenda.

Select Committees shall also respond, as soon as their work programme permits, to requests from the Council and/or the Cabinet to review particular areas of Council activity. Where they do so, the particular Select Committees shall report their findings and any recommendations back to the Cabinet and/or Council. The Council and/or the Cabinet shall consider the report of the Select Committees within one month of receiving it.

8. Policy Review and Development

The role of the Select Committees in relation to the development of the Council's Budget and Policy Framework is set out in detail in the Budget and Policy Framework Procedure Rules above.

In relation to the development of the Council's approach to other matters not forming part of its Budget and Policy Framework, Select Committees may make proposals to the Cabinet for developments in so far as they relate to matters within their terms of reference.

Select Committees may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay to any

advisers, assessors and witnesses a reasonable fee and expenses for doing so.

9. Reports from the Select Committees

All formal reports from the Select Committees will be submitted to the Proper Officer for consideration by the Cabinet (if the proposals are consistent with the existing Budget and Policy Framework), or to the Council as appropriate (e.g. if the recommendation would require a departure from or a change to the agreed Budget and Policy Framework).

If a Select Committee cannot agree on one single final report to the Council or Cabinet as appropriate, one minority report may be prepared and submitted for consideration by the Council or Cabinet with the majority report.

The Council or Cabinet shall consider the report of a Select Committee within one month of it being submitted to the Proper Officer.

10. Making sure that Overview and Scrutiny Reports are considered by the Cabinet

The agenda for Cabinet meetings shall include an item entitled “Issues Arising from Overview and Scrutiny”. The reports of the Select Committees referred to the Cabinet shall be included at this point in the agenda (unless they have been considered in the context of the Cabinet's deliberations on a substantive item on the agenda) as soon as practicable. Where an item is not considered by the Cabinet within two months, the Cabinet will give an explanation of the reasons to the Chair of the relevant Select Committee as soon as practicable.

Where the Cabinet has delegated decision making power to another individual Member of the Cabinet, the relevant Select Committee will submit a copy of its report to him or her for consideration. At the time of doing so the Select Committee shall serve a copy on the Head of Legal Services. The Member with delegated decision making power must consider the report and respond in writing to the Select Committee within four weeks of receiving it. A copy of his written response to it shall be sent to the Proper Officer and the Leader. The Member will also attend a future meeting of that Select Committee to present their response.

11. Rights of Members of the Select Committees to Documents

In addition to their rights as Councillors, Members of the Select Committees have the additional right to documents, and to notice of meetings as set out in the Access to Information Procedure Rules.

Nothing in this paragraph prevents more detailed liaison between the Cabinet and the Select Committee as appropriate depending on the particular matter under consideration.

12. Members and Officers Giving Account

The Select Committees may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the Scrutiny role, it may require any Member of the Cabinet, the Chief Executive

and/or any senior Officer to attend before it to explain in relation to matters within their remit:

- (a) any particular decision or series of decisions;
- (b) the extent to which the actions taken implement Council policy; and/or
- (c) their performance

and it is the duty of those persons to attend if so required.

For this purpose, senior Officer includes any chief Officer, deputy chief Officer and other appropriate senior Officer. Where there are concerns about the appropriateness of the Officer who should attend, the relevant chief Officer shall discuss this with the appropriate Overview and Scrutiny Chair or Vice Chair with a view to achieving consensus.

Where any Member or Officer is required to attend a Select Committee under this provision, the Chair of that Committee will inform the Proper Officer. The Proper Officer shall inform the Member or Officer, if necessary in writing, giving at least 10 working days' notice of the meeting at which he or she is required to attend (unless agreed otherwise). Any notice will state the nature of the item on which he or she is required to attend to give account and whether any papers are required to be produced for the Committee.

Where the account to be given to a Select Committee will require the production of a report, then the Member or Officer concerned will be given sufficient notice to allow for preparation of that documentation.

Where, in exceptional circumstances, the Member or Officer is unable to attend on the required date, then the Select Committee shall in consultation with the Member or Officer arrange an alternative date for attendance.

13. Attendance by Others

Select Committees may invite people other than those people referred to in paragraph 12 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and Members and Officers in other parts of the public sector and shall invite such people to attend.

14. Call-In

(a) Where a decision is made by the Cabinet an individual Member of the Cabinet or a Committee of the Cabinet or under joint arrangements, the decision shall be published by the Proper Officer, including where possible by electronic means, and shall be available at the main offices of the Council normally within two clear working days of it being made. All Members of the Select Committees will be sent copies of the records of all such decisions within the same time scale, by the person responsible for publishing the decision.

(b) That notice will bear the date on which it is published and will specify that the decision will come into force and may then be

implemented, on the expiry of five clear working days after the publication of the decision, unless a Select Committee objects to it and calls it in for review.

(c) During that period the Proper Officer shall call-in a decision for scrutiny by a Select Committee if so requested in the specified format by three Members of the Council and, shall then notify the decision taker of the call-in. He/she shall call a meeting of that Select Committees on such a date as he/she may determine, where possible after consultation with the Chair or Vice Chair of that Select Committees, and in any case within 15 clear working days of the decision to call-in (only in exceptional circumstances will the Chair of the Select Committee consider extending this time limit).

(d) If, having considered the decision, the Select Committee is still concerned about it, then it may refer it back to the decision making body for reconsideration, setting out in writing the nature of its concerns or refer the matter to Full Council. If referred to the decision maker they shall then reconsider within a further 10 clear working days, amending the decision or not, before adopting a final decision. If referred to full Council, the Proper Officer will convene a meeting of the Council within 15 clear working days.

(e) If following an objection to the decision, a Select Committee does not meet within the period set out above, or does meet but does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the Select Committee' meeting, or the expiry of that further 15 clear working day period, whichever is the earlier.

(f) If the matter was referred to Full Council and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, the Council will refer any decisions to which it objects back to the decision making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the Cabinet as a whole or a Committee of it, a meeting will be convened to reconsider within ten working days of the Council's request. Where the decision was made by an individual, the individual will reconsider within ten working days of the Council's request.

(g) If the Council does not meet, or if it does but does not refer the decision back to the decision making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is earlier.

(h) No Education Co-opted Members may report a decision be called in.

(i) The Monitoring Officer may veto any request for call-in if it falls outside the remit of this scheme.

(j) Save in exceptional circumstances (as adjudicated by the Head of Paid Service) all Members requesting a matter be called in must attend the meeting at which the matter is being considered. The relevant cabinet member or, in their absence, the Leader or a deputy leader should also attend.

Call-In and Urgency

The call-in procedure set out above shall not apply where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would, for example, seriously prejudice the Council's or other public interests. The record of the decision, and notice by which it is made public, shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. A decision can only be treated as urgent if the decision taker (if an individual) or the chair of the body making the decision obtains the agreement of the chair of a relevant select committee that the taking of the decision cannot be reasonably deferred. If there is no chair of a relevant select committee, or if the chair is unable to act, then the agreement of the Head of Paid Service of the Council, will suffice. The Head of Paid Service must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported at the next available meeting of the Council, together with the reasons for urgency.

The operation of the provisions relating to call-in and urgency shall be monitored annually and a report submitted to Council with proposals for review if necessary.

15. The Party Whip

If a Member of a Select Committee is subject to a party whip in respect of an issue to be considered by it, that Member must declare the existence of the whip and the nature of it before the commencement of deliberations on the matter. The declaration, and the detail of the whipping arrangements, shall be recorded in the minutes of the meeting.

16. Procedure at Select Committee Meetings

Select Committees shall consider the following business:

- (a) minutes of the last meeting;
- (b) declarations of interest;
- (c) consideration of any matter referred to that Select Committee for a decision in relation to call in of a decision;
- (d) responses of the Cabinet to reports of that Select Committee;
- (e) the business otherwise set out on the agenda for the meeting.

The Rules of Procedure at a Select Committee will be the same as the Council procedure Rules except that the Chair of the meeting may allow the rules of debate to be relaxed to enable a full contribution by those attending the meeting whether as Members of a Select Committee or in

any other capacity which allows them to contribute to the worth of the meeting.

Select Committees may ask people to attend to give evidence or answer questions about any items on their agenda. Meetings should be conducted in accordance with the following principles:

- (a) that the business be conducted fairly and all Members of the Select Committees be given the opportunity to ask questions of attendees, and to contribute and speak;
- (b) that those assisting by giving evidence be treated with respect and courtesy;
- (c) that the business be conducted as efficiently as possible.

Following any investigation or review, a Select Committee shall prepare a report, for submission to the Cabinet and/or Council as appropriate and shall make its report and findings public.

17. Matters within the Remit of more than one Select Committees

Where a matter for consideration by a Select Committee also falls within the remit of one or more other Select Committee, the decision as to which Select Committees will consider it will be resolved by the respective Chairs or, if they fail to agree, the decision will be made by the Co-ordinating Board.

18. Councillor Call for Action

The Councillor Call for Action is a mechanism for enabling elected Members to bring matters of local concern to the attention of the Council via the Scrutiny process. It should be an option of “last resort”.

Any Member may request that an item is placed on the agenda of an Select Committees for consideration.

The procedure for dealing with a Call for Action is set out in the Councillor Call for Action - Guidance for Councillors attached to these Rules at Appendix 1.

Appendix 1 to Select Procedure Rules
Councillor Call for Action - Guidance for Councillors

INTRODUCTION

The Local Government Wales Measure 2011 introduced a number of new provisions aimed at strengthening local democracy. Section 63 of the Measure introduced a provision for “Councillor Calls for Action” (CCfA) which enables Councillors to refer issues of local importance to Select Committees .

CCfAs are intended to enable local Councillors and their electors to obtain a response from their Council Leadership on issues of local importance. CCfAs should be regarded as one of a series of tools which elected Members have at their disposal to resolve local issues and make a positive difference in their community. Previously in Wales, only local Crime and Disorder issues could be referred by the local Member to the designated Crime and Disorder Select Committee for action and it should be noted that these local crime and disorder referrals will remain in place under separate legislation.

As part of their community leadership role, councillors have always attempted to resolve issues on behalf of their local residents and CCfAs provide an additional avenue for councillors to follow if the normal ways of resolving an issue have not been successful and the issue meets the criteria for a referral. It should be noted that a referral under this process should be seen as a last resort after all other avenues have been exhausted.

CCfAs have been introduced alongside other powers for scrutiny, including powers to scrutinise a wide range of bodies not previously subject to local authority scrutiny. CCfAs are intended to enable any Member for the Council to refer to a Select Committee, “a local government matter” which falls within the Select Committees remit.

HOW SHOULD I NORMALLY ATTEMPT TO RESOLVE A LOCAL ISSUE IN MY AREA?

Local issues can be resolved in a number of ways by councillors on behalf of their residents as listed in the Welsh Government’s Statutory Guidance from the Local Government Measure 2011:

- 1) informal discussions with Officers or other councillors;
- 2) informal discussions with partner representatives;
- 3) referral to other “scrutiny” bodies such as Community Health Councils or internal audit committee;
- 4) formal discussions with Officers and councillors;
- 5) formal letters to the Cabinet Members;
- 6) asking questions at Full Council;
- 7) submitting a motion to Full Council;
- 8) organising public meetings;
- 9) use of petitions;
- 10) making a complaint;
- 11) questions at Full Council

- 12) freedom of information requests;
- 13) communication with local AMs or MPs;
- 14) use of social media or email based campaigns.

This is not an exhaustive list and councillors may choose different routes for specific issues. If an issue has not been resolved after exhausting all possible alternative routes, then a local councillor can refer it to the appropriate Select Committees .

WHAT IS A COUNCILLOR CALL FOR ACTION

In order for the Select Committees to accept a CCfA as an agenda item for discussion at one of their meetings, the issue must affect either all or part of a councillor's electoral area or it must affect someone who lives or works in that area.

A Councillor does not however need a referral from a constituent in order to start the process. It is important to recognise that a CCfA is not guaranteed to solve a given problem, though it can provide a method for discussing such problems and, through discussion, attempt to overcome them.

HOW AND WHEN SHOULD I MAKE A CCFA

A flowchart showing the process is provided at Annex A. A councillor may initiate the process by completing the form at Annex B. Further copies are available from the Head of Democratic Services. It is important that the local councillor specifies what outcome is expected from the referral. After completion the form should be returned to the Head of Democratic Services who will log and acknowledge the referral within five working days, to track its progress and forward a copy of the form to the Proper Officer.

The Proper Officer will confirm whether or not the referral satisfies the requirements outlined above to enable it to be placed on the agenda for discussion at a meeting of the Select Committee. The Proper Officer reserves the right to exclude from the agenda any matter which is vexatious, discriminatory or otherwise potentially unlawful; and the Councillor will be informed of this outcome as soon as practicable.

CRITERIA TO BE FOLLOWED BY A SELECT COMMITTEE

It is up to the Members of a Select Committee to decide whether, and in what form, to take the matter further. The Select Committee will use the following criteria to decide whether or not the referral is appropriate to be considered by that Select Committee:

- i) Is that Select Committee satisfied that all reasonable attempts have been made to resolve the issue by the local councillor? Do the responses received by the referring councillor demonstrate that the matter is not being progressed?
- ii) Has that Select Committee considered a similar issue recently? If so, have the circumstances or evidence changed?
- iii) Is there a similar or related issue which is the subject of a review on the current work programme? It may be more appropriate to

link the new issue to an existing review, rather than hold a separate CCfA hearing. Relevant time pressures on resolving the CCfA should be taken into account.

- iv) Have all relevant service areas or partner organisations been informed and been given enough time to resolve the issue? What response has the councillor received?
- v) Is this a case that is being or should be pursued via the Council's corporate complaints procedure?
- vi) Is it relating to a "quasi-judicial" matter or decision such as planning or licensing?
- vii) Is the matter an issue of genuine local concern which impacts on the local community rather than a personal matter?
- viii) Is this an issue currently being looked at by another form of local scrutiny?
- ix) And, as with all scrutiny, does the matter have the potential for scrutiny to produce recommendations which could realistically be implemented and lead to improvements for anyone living or working in the Member's electoral division?

NB: Crime and Disorder referrals should be directed to the designated Crime and Disorder Select Committee .

If a Select Committee decides not to accept the CCfA it must inform the councillor of the decision and the reasons for it.

If a Select Committee decides to accept the CCfA the Councillor will be informed and advised of the agreed Protocol, e.g. the Councillor will be given adequate notice (a minimum of 10 clear days) of the date of the Select Committee's meeting. The Councillor will be requested to attend to the Select Committee and informed that he/she will have five minutes in which to address the Select Committee. The Select Committee may then wish to question the Councillor further before deciding how it intends to take the matter forward. This could include:

- (i) asking the relevant responsible authorities to respond to the CCfA;
- (ii) setting up a research or task and finish group to undertake a more in-depth review;
- (iii) asking for further evidence and/or witnesses to be brought to a future meeting. The Select Committee has the power to request "designated persons" such as representatives from other public bodies/agencies to attend, where relevant, and to request information.

POTENTIAL OUTCOMES FROM A CCFA

A Select Committee could:

- (i) determine that it is a complex issue that requires further investigation and commission a scrutiny review of the issue;
- (ii) write a response and make recommendations on the CCfA to a relevant responsible authority;

(iii) decide that further action is not appropriate giving its reasons.

Once a Select Committee has completed its work, the Councillor who made the referral will receive a copy of any response or recommendations made.

TIMESCALES FOR DEALING WITH A CCFA

In exceptional circumstances, for example where there are unavoidable time constraints, a special Select Committee meeting may be convened.

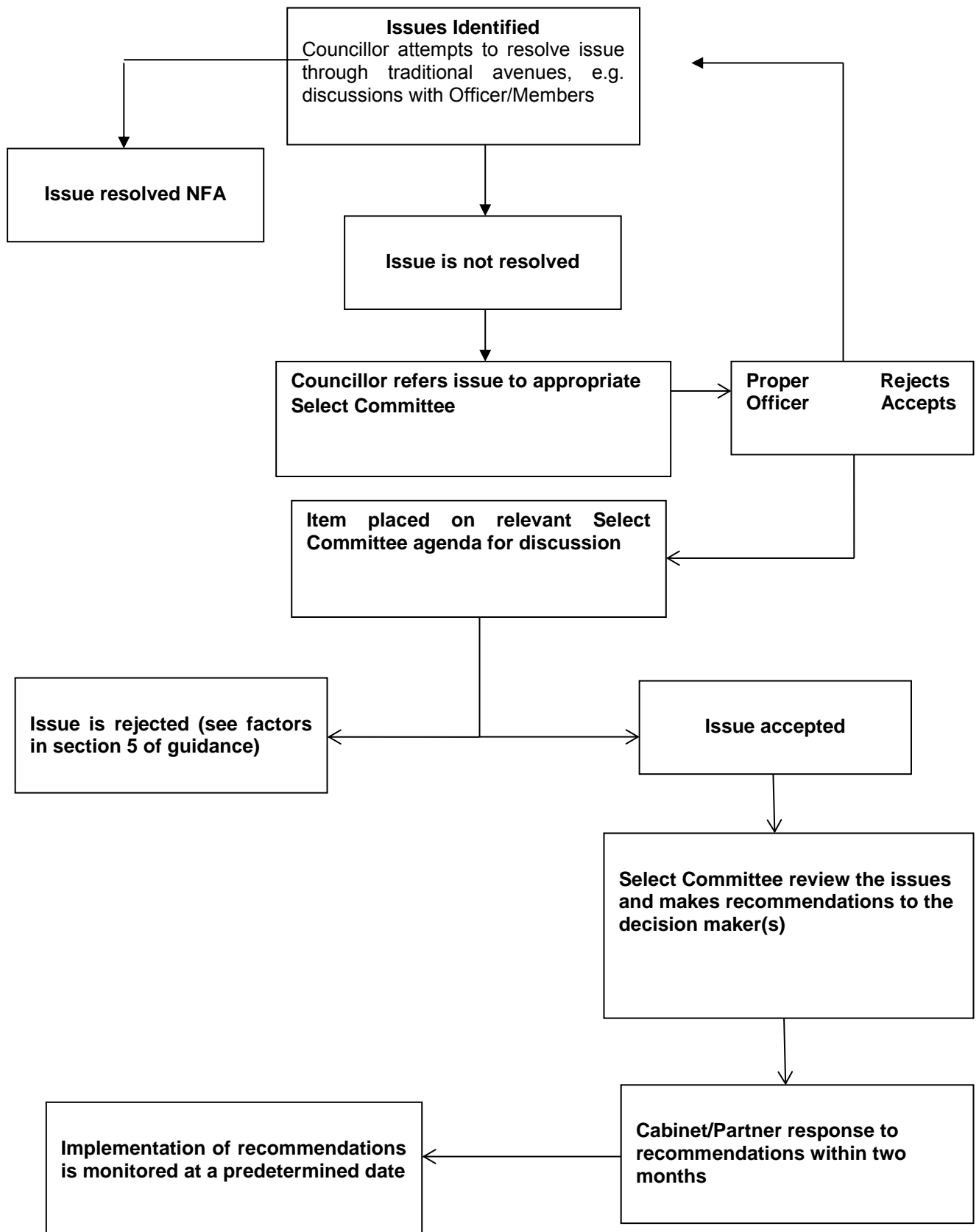
Should a CCfA result in recommendations to the Cabinet responsible authorities, they will be requested to make a response to the recommendations within 28 days and two months respectively.

Select Committees will monitor implementation of any recommendations as part of their Forward Work Programme.

REVIEW OF THIS GUIDANCE

This guidance is based on a model prepared and approved by the Association of Council Secretaries and Solicitors (ACSeS) in October 2009. ACSeS will review their model guidance in light of experience of the use of these procedures by local authorities in Wales, and this guidance may therefore be modified accordingly.

ANNEX A TO APPENDIX 1 Flow Chart for Councillor Call for Action



ANNEX B to Appendix 1 Call for Action Referral

For the attention of (name and title of Proper Officer)	
From	Councillor
Electoral Division	
Contact details	
Telephone	
E-mail	
SUBJECT	
Details Please briefly explain what the issue is and how it affects your electoral division.	
<p>Action taken to date</p> <p>Please explain what steps have been taken, with whom, to try to resolve the issue (please tick the actions you have taken to date) or add additional.</p>	<p><i>Informal discussions with Officers or other councillors</i></p> <p><i>Informal discussions with partner representatives</i></p> <p><i>Referral to other “scrutiny” bodies such as Community Health Councils or internal audit committee</i></p> <p><i>Formal discussions with Officers and councillors</i></p> <p><i>Formal letters to the Cabinet Members</i></p> <p><i>Asking questions at Full Council</i></p> <p><i>Submitting a motion to Full Council</i></p> <p><i>Organising public meetings</i></p> <p><i>Use of petitions</i></p> <p><i>Making a complaint</i></p> <p><i>Questions at Full Council</i></p> <p><i>Freedom of Information requests</i></p> <p><i>Communication with local AMs or MPs</i></p> <p><i>Use of social media or email based campaigns</i></p>
Expected Outcome Please describe the outcome you hope to gain via this referral.	
Papers attached Please list documents attached which should evidence the impact of the issue, the steps taken and any responses received.	

1. The following criteria will be taken into consideration when a Select Committee decide whether to progress with your CCfA:

1.1 Have all reasonable attempts been made to resolve the issue? Do the responses received by you demonstrate that the matter is not being progressed?

1.2 Has the committee considered a similar issue recently – if yes have the circumstances or evidence changed?

1.3 Is there a similar or related issue which is the subject of a review on the current work programme? It may be more appropriate to link the new issue to an existing review, rather than hold a separate LCDR hearing. Relevant time pressures on resolving the CCfA should be taken into account.

1.4 Have all relevant service areas or partner organisations been informed and been given enough time to resolve the issue? What response have you received?

1.5 Is this a case that is being or should be pursued via the Council's corporate complaints procedure?

1.6 Is it relating to a "quasi-judicial" matter or decision such as planning or licensing?

1.7 Is the matter an issue of genuine local concern, which impacts on the local community rather than a personal matter?

1.8 Is this an issue currently being looked at by another form of local scrutiny?

1.9 And, as with all scrutiny, does the matter referred have the potential for scrutiny to produce recommendations, which could realistically be implemented and lead to improvements for anyone living or working in your electoral division.

2. Please consider whether your referral might be considered premature by the Select Committee. Consider whether other potential remedies have been exhausted, before a referral is made. Members should be aware that if a premature referral is made, the Committee is likely to refuse to deal with the issue, based on the criteria outlined above. If the Proper Officer believes that the referral is premature, he/she will advise you accordingly.

FINANCIAL PROCEDURE RULES

(Financial Standing Orders and Financial Regulations)

1. INTRODUCTION

1.1. These Financial Standing Orders and Financial Regulations form part of the Constitution of Monmouthshire County Council. They were approved by Council at its meeting of 2nd May, 2002, and amended on 12th January 2006.

2. GENERAL

2.1. These Financial Standing Orders and Financial Regulations shall apply to schools and to the activities under the purview of the Property and Contract Services Panel only to the extent that the provisions of this part of Standing Orders are consistent with the statutory provisions and the arrangements made in relation to schools and the said activities.

2.2. References in these Regulations to "Chief Officers" are to all the corporate directors of the Council. References to "the Council" means the Monmouthshire County Council and (where the context so admits) a Committee or Sub-Committee of the Council exercising delegated powers.

2.3. Each Chief Officer shall consult the Head of Finance with respect to any matter which is liable materially to affect the Finances of the Council before any provisional or other commitment is incurred or before reporting thereon to a Cabinet or Committee.

2.4. The Head of Finance shall be notified of all Government or other circulars, orders, sanctions, regulations, etc. affecting finance. The relevant Chief Officer shall maintain records of any special or specific grants not included within the Directorate budget that are received or receivable.

3. FINANCIAL ADMINISTRATION

3.1. The Head of Finance shall, for purposes of section 151 of the Local Government Finance Act, 1972 (as extended by Sections 114-116 of the Local Government Finance Act 1988) be responsible for the administration of the Council's financial affairs.

3.2. The Cabinet will be responsible for regulating and controlling the finances of the Council.

3.3. As the Council's financial adviser, the Head of Finance shall each year report to the Cabinet with respect to the level of resources proposed to be utilised in each financial year and shall keep Cabinet informed with respect to the Council's finances and financial performance and he shall also keep Select Committees informed of the financial implications of the Council's activities.

3.4. Each Chief Officer and Cabinet Member shall be responsible to the Council for the observance of the Council's Financial Standing Orders and Financial Regulations.

3.5. Each Chief Officer shall be responsible for the accountability and control of staff, and the security, custody and control of all other resources appertaining to his department.

4. FINANCIAL PLANNING

4.1. Preparation of Annual Estimates

4.1.1. The detailed form of capital and revenue estimates shall be determined by the Head of Finance consistent with the general directions of the Cabinet.

4.1.2. Estimates of income and expenditure on revenue account and of receipts and payments on capital account shall be prepared by the Head of Finance in consultation with Chief Officers, and he/she shall collate the estimates for scrutiny by Select Committees and report to the Cabinet, such report to include compliance with the financial plans approved by the Council or the Cabinet and other financial implications.

4.1.3. All fees and charges for County Council services are to be reviewed annually and a report produced by the relevant Chief Officer and Cabinet Member, having first consulted with the Head of Finance, for review by the appropriate Select Committee and decision by Cabinet.

4.1.4. The Cabinet shall consider the aggregate effect of these programmes and estimates upon the Council's financial resources and submit them for approval to Council with a recommendation of the council tax to be levied for the ensuing financial year.

4.1.5. Each member of the Council shall be provided with a copy of the capital programme and revenue estimates, together with a statement by Head of Finance of their effect on the Council's finances and the council tax to be levied.

4.2. Forward Planning

4.2.1. Chief Officers shall submit a programme for capital expenditure, estimates of the revenue consequences of that expenditure, proposals and estimates regarding levels of revenue spending and income for such future periods, to the Cabinet in such form and by such dates as may from time to time be required.

4.2.2. The Cabinet may consider the aggregate of these programmes and estimates upon the Council's financial resources and their effect upon the council taxes to be levied in future years.

4.2.3 Forward Planning programmes may be set by the Cabinet in accordance with the budget framework. The Cabinet shall subsequently

settle the long term plans for Council services and the distribution between services of available resources to provide a framework within which annual budgets will be prepared.

5. BUDGETARY CONTROL

5.1. It shall be the duty of each Chief Officer and Cabinet Member to monitor and regulate its financial performance during the currency of each estimate period.

5.2 Net expenditure may not be incurred which cannot be met at directorate level from the amount provided in the revenue estimates (including any virement made in accordance with Regulation 5.3 below) where that charge would result in an overspending unless a supplementary estimate had been approved by Cabinet by a report submitted by the relevant Chief Officer in consultation with the Responsible Financial Officer.

5.3. That revenue virement be controlled as shown in the table below, as further detailed under Financial Control Procedure 1.

Category	Virement	Authorisation
Cost Centre	Same Directorate/Corporate Area – Same Division	Relevant Head of Service
	Same Directorate/Corporate Area – Different Division	Relevant Chief Officer
	Different Directorate/Corporate Area – No Reserve Funding Impact	Relevant Chief Officers
	Different Directorate/Corporate Area – Reserve Funding Impact	Cabinet by recommendation of Chief Officer supported by Responsible Financial Officer
Account Code	Between Indirect Codes	Chief Accountant
	Between Direct Codes	Respective Directorate Accountant – Directorate Budgets Chief Account – Corporate Areas
	Between Indirect and Direct Codes	Head of Finance
Project Codes and other lower level codes	All	Respective Directorate Accountant – Directorate Budgets Team Leader – Central Accountancy – Corporate Areas

5.4 That capital budget virement be controlled as set out below:

Scheme Categories	Virement	Approvals Required
Property Maintenance Infrastructure Maintenance HRA Planned Maintenance GF Renovation Grants	Virement <u>within</u> each category Virement <u>between</u> financial years within each category	Budget holder responsibility up to £50k, relevant Chief Officer over £50k
IT Schemes	Virement within this category and between financial years	Relevant responsible Chief Officer in consultation with Chief Officer RCS and Cabinet Member
Development schemes over £250k Development schemes under £250k CEDs Match funding Reserve funded schemes Education strategic review	Virement <u>within</u> and <u>between</u> these categories and between financial years	Virements affecting more than one portfolio require Cabinet approval. Virements within a single Member's portfolio require Single member approval
All categories (except specific grant funded schemes)	Virements between categories and between financial years	Virements require Cabinet approval
Specific grant funded Specific SCA funded		Virement not allowed unless granted by the funding body as funding is specific to schemes

5.5 Nothing in these Standing Orders shall prevent a Chief Officer from incurring expenditure which is essential to meet any immediate needs created by a sudden emergency or which is referable to Section 138 of the Local Government Act 1972, subject to this action being reported to the Head of Finance and the Cabinet, as soon as practicable.

5.6 The inclusion of items in approved revenue estimates or capital programmes, shall, subject to any Government sanction, constitute authority to incur such expenditure save to the extent which the Cabinet shall have placed reservation on any such item or items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservation has been removed.

5.7 The Head of Finance shall from time to time keep the Cabinet informed as to the state of the Council's finances and shall report on the accounts of each financial year within legislative timescales.

5.8 Where a proposal exists to adopt or to recommend to the Cabinet or Council a policy which, if carried out, will involve the Council in expenditure not already specifically approved by the Council, or for which provision has not been made in the usual estimates, it shall first obtain from the Head of Finance and the Chief Officer concerned, an estimate of the cost and then forward to the Cabinet such an estimate of the cost as will enable a report to the Council upon the immediate and prospective financial effects of the proposal and no liability shall be incurred until the Council have considered the said report.

6. BUDGET

6.1. Where any sanctions of a Government Department are required to expenditure, such expenditure shall not be incurred before such sanction had been obtained.

6.2. Upon the approval by the Council of a programme of capital expenditure the Chief Officer concerned shall be authorised;

- to take steps in conjunction with the Monitoring Officer or his authorised representative to enable land required for the purposes of the programme to be acquired in due time and
- to prepare a scheme and estimate including associated revenue expenditure for approval under Contract Standing Orders.

6.3. Any proposal to Cabinet which would involve the incurring of expenditure during a period in respect of which the Council has approved a budget or a programme of capital expenditure shall be accompanied by a report of the Chief Officer concerned indicating that the financial provision within the budget and/or programme is adequate. If the provision is not adequate a joint report prepared by the Head of Finance and the Chief Officer must be submitted to the Cabinet.

6.4. Where it appears that the amount of any head of estimate of approved expenditure may be exceeded, it shall be the duty of the Chief Officer concerned after consulting with the Head of Finance to inform the Cabinet.

6.5. The Head of Finance shall furnish each Chief Officer with periodical statements of receipts and payments under each head of approved estimate and such other relevant information as he/she has.

7. ACCOUNTING

7.1. The Head of Finance shall be responsible for the whole of the accounting records of the Council and Chief Officers shall obtain the approval of the Head of Finance before introducing any books, forms computer systems or procedure relating to cash, stores or other accounts of the Council and it shall be the duty of the Head of Finance to see that uniform systems shall, as far as practicable, be adopted throughout the Directorates of the Council.

7.2. The following principles shall be observed as far as practicable in the allocation of accounting duties;

- the duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them;
- officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these functions.

8. IMPREST ACCOUNTS AND ADVANCES

8.1. The Head of Finance shall provide such imprest accounts as he considers appropriate for such officers of the Council as may need them to meet petty cash disbursements which shall be supported by receipted vouchers to the extent that the Head of Finance may require.

8.2. Petty disbursements shall not include sums due to any tradesmen with whom the County Council normally trade, nor any account for goods exceeding £100 in value, nor travelling and subsistence expenses, unless specifically agreed by the Head of Finance.

8.3. Where he/she considers it appropriate, the Head of Finance shall open an account with the Council's bankers or National Giro for use by the imprest holder who shall not cause such an account to be overdrawn. It shall be a standing instruction to the Council's bankers that the amount of any overdrawn balance on an imprest holder's banking account shall forthwith be reported to the Head of Finance.

8.4. No income received on behalf of the Council may be paid into an advance account but must be paid to the Council as provided elsewhere within these Financial Standing Orders and Financial Regulations, unless specifically agreed with the Head of Finance

8.5. An officer responsible for an advance or imprest account shall, if so requested, give to the Head of Finance a certificate as to the state of his advance or imprest account.

8.6. On leaving the employment of the Council or otherwise ceasing to be entitled to hold an imprest advance, an officer shall account to the Head of Finance for the amount advanced to him.

9. AUDIT

9.1. A continuous internal audit, under the independent control and direction of the Head of Finance, shall be arranged to carry out an examination of accounting financial and other operations of the Council.

9.2. The Head of Finance shall have the responsibility to independently review, appraise and report to the Council upon the financial systems and procedures in operation to ensure that they accord with these Financial Standing Orders and Financial Regulations and accord with good practice, namely:-

- the soundness, adequacy and application of internal financial control;
- the safeguarding of assets;
- that value for money is being obtained; and
- the suitability and reliability of financial and related management information.

9.3. The Head of Finance or his/her representative shall have authority to:

- enter at all reasonable times on any Council premises or land;
- have access to all records, documents, computer programmes and files and correspondence relating to any financial and other transactions of the Council;
- require and receive such explanations as are necessary concerning any matter under such examination; and
- require any employee of the Council to produce cash, stores or any other Council property under his control.

9.4. Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Council or any suspected irregularity in the exercise of the functions of the Council, the Chief Officer concerned shall forthwith notify the Head of Finance who shall take such steps as are necessary by way of investigation and report.

10. LOCAL GOVERNMENT FINANCE ACT 1988

10.1. The Head of Finance shall, after consultation with the Monitoring Officer, personally make a report to the External Auditor and each Elected Member if it appears to him/her that a Member, committee, officer or joint committee of which the authority is represented:

- has made or is about to make a decision which involves or would involve the Authority in unlawful expenditure;
- has taken or is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Authority;
- is about to enter an item of account the entry of which is unlawful;

10.2. He/she shall also make such a report if it appears to him that the expenditure of the Authority incurred (and proposed to incur) in a financial year is likely to exceed the resources (including borrowings) available to meet that expenditure.

11. BANKING ARRANGEMENTS AND CHEQUES

11.1. All arrangements with the Council's bankers shall be made by or under arrangements approved by the Chief Officer - Regeneration, Environment and Resources, who shall be authorised to operate such banking accounts, including National Giro Accounts, as he may consider necessary.

11.2. All cheques, including National Giro payment forms, but excluding cheques drawn on authorised imprest accounts, shall be ordered only on the authority of the Head of Finance, who shall make proper arrangements for their safe custody.

11.3. Cheques on the Council's main banking accounts, including National Giro accounts, shall bear the facsimile signature of or shall be signed by the Head of Finance.

11.4. Cheques over £50,000 will bear the manuscript signature of the Head of Finance or Principal Officer – Management Accountancy.

12. CONTRACTS FOR BUILDING, CONSTRUCTIONAL OR ENGINEERING WORK

12.1. Where contracts provide for payment to be made by instalments, the Head of Finance shall arrange for the keeping of records to show the state of the account on each contract between the Council and the contractor, together with any other payments and the related professional fees.

12.2. Payments to contractors on account of contracts shall be made only on a certificate issued by the appropriate Chief Officer (or private architect, engineer or consultant where engaged by the Council issued through the appropriate Chief Officer) as appropriate or by his deputy or other officer nominated by him, in writing, for the purpose. The certificate will show the value of work executed to date, retention money, amounts paid to date, Value Added or other Tax liability where appropriate, and the amount now certified.

12.3. Subject to the provisions of the contract, in each case every extra or variation shall be authorised, in writing, at the time the decision is made by the appropriate Chief Officer (or private architect, engineer or consultant as may be appropriate) or by his deputy or other officer nominated by him in writing for the purpose. The variation order shall record the estimated costs of the variation.

12.4. Where by reasons of such extra or variation it is apparent that the tender sum is to be exceeded by 5% (or 10% if the tender sum contains no contingency provision), the officer responsible for the contract shall report to the Head of Finance and to the relevant Cabinet Member. Should further variations cause additions to the tender sum by a further 5%, these also shall be reported to the Head of Finance and to the relevant Cabinet Member.

12.5. The final payment for any contract shall not be authorised until the appropriate officer, private architect, engineer or consultant has produced to the Head of Finance a detailed statement of account, and all relevant documents, if required and the Head of Finance has signified agreement to the final payment due.

12.6. The Head of Finance shall, to the extent he considers necessary examine final accounts for contracts and he shall be entitled to make all such enquiries and receive such information and explanations as he may require in order to satisfy himself as to the accuracy of the accounts.

12.7. Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Monitoring Officer for consideration of the Council's legal liability and, where necessary, to the Head of Finance for financial consideration before a settlement is reached.

12.8. Where completion of a contract is delayed, it shall be the duty of the Chief Officer concerned to take appropriate action in respect of any claim for liquidated damages.

12.9. A report concerning expected final costs at practical completion shall be made to the appropriate Cabinet Member in respect of all contracts in excess of £100,000.

12.10. In any case where the total cost of any additional work carried out under a contract exceeds the approved contract sum by £50,000 or more than 10%, whichever is the greater, a report of such costs shall, after agreement of the Final Account, be submitted to the Cabinet.

13. PROPERTY

13.1. The Head of Finance, or an officer nominated by him/her, will maintain a record of all properties owned by the Council (except dwellings provided under the Housing Acts).

13.2. Before acquiring or disposing of any building, the appropriate Chief Officer shall consult with the Head of Finance and he/she shall compile a report for the consideration of Cabinet.

13.3. The Monitoring Officer shall have the custody of and responsibility for all title deeds of the Council under secure arrangements agreed with the Head of Finance.

14. INCOME

14.1. The collection of all money due to the Council shall be under the supervision of the Head of Finance. In no cases should lodgement of cash be less frequent than weekly except by agreement of the Head of Finance.

14.2. Each Chief Officer shall furnish the Head of Finance with such particulars in connection with work done, goods supplied or services rendered and of all accounts due as may be required to enable all sums due to the Council, and to ensure the prompt rendering of accounts for the recovery of income due.

14.3. All accounts for income due to the Council shall be sent by the Head of Finance except where otherwise agreed.

14.4. The Head of Finance shall be notified promptly, in writing, of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council, and shall have the right to inspect any documents or other evidence in this connection as he may decide.

14.5. All receipts, forms, books, tickets and cash receipting machines shall be ordered and supplied to Directorates by the Head of Finance except where otherwise agreed by him, and he shall satisfy himself as to arrangements for their control.

14.6. All money received by an officer on behalf of the Council shall, without delay, be paid to the Head of Finance or if directed, to the Council's banking or National Giro account or transmitted directly to any other body or person entitled thereto. No deduction may be made from such money save to the extent that the Head of Finance may specifically authorise. Each officer who banks money shall enter on the paying-slip,

a reference to the related debt (such as the receipt number or the name of the debtor) or otherwise indicate the origin of the cheque, and, as may be directed, the receiving department, office or establishment.

14.7. Personal cheques shall not be cashed out of the money held on behalf of the Council other than with the express consent of the Head of Finance.

14.8. Every transfer of official money from one member of staff to another will be evidenced in the records of the Directorates concerned, by the signature of the officer receiving the money.

14.9. No debit in respect of an amount due to the Council once established shall be discharged otherwise than by payment in full, by approval of the Head of Finance where the debt does not exceed £1,000 or is for any value where the debtor is in liquidation or bankruptcy. Debts of over £1,000 may be written off by the Head of Finance in consultation with the Cabinet Member with responsibility for corporate finance.

15. INSURANCES

15.1. The Head of Finance shall effect all insurance cover under the general direction of the Cabinet and shall negotiate all claims in consultation with officers where necessary.

15.2. Chief Officers shall give prompt notification to the Head of Finance of all new risks, properties or vehicles which required to be insured and of any alterations affecting existing insurances and shall advise their view of the amount and type of cover required for new risks or alterations.

15.3. Chief Officers shall notify the Head of Finance in writing forthwith upon knowing of any loss, liability or damage or any incident, whether or not likely to lead to a claim on a policy of the Council and shall arrange for an estimate of the cost or reinstatement to be obtained and shall inform the police unless otherwise decided after consultation with the Head of Finance.

15.4. All appropriate employees of Monmouthshire County Council shall be included in a suitable fidelity guarantee insurance.

15.5. The Head of Finance shall annually, or such other period as he/she may consider necessary, review all insurances in consultation with other Chief Officers as appropriate.

15.6. Chief Officers shall consult the Deputy Chief Executive Officer and the Head of Finance in respect of the terms of any indemnity or guarantee which the Council is requested to give.

16. INVENTORIES

16.1. All Chief Officers shall maintain inventories recording an adequate description of furniture, fittings, equipment, computer hardware and software, plant and machinery having an item value greater than £50 belonging to the Council. The extent of such property shall be so recorded and the form in which the inventories shall be kept shall be determined by each Chief Officer in consultation with the Head of Finance

16.2. Each Chief Officer shall be responsible for maintaining an annual check of all items on inventories and for taking action in relation to surpluses or deficiencies and noting the inventory accordingly.

16.3. The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Chief Officer of each Directorate.

17. INVESTMENTS, BORROWINGS AND TRUST FUNDS

17.1. Council has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA) "Code of Practice for Treasury Management in Local Authorities".

17.2. All investments of money under its control shall be made in the name of the Council or in the name of nominees approved by the Cabinet; Bearer Securities shall be excepted from this Standing Order, but any purchase of such securities shall be reported to the Cabinet.

17.3. All securities the property of, or in the name of, the Council or its nominees shall be held in the custody of the Council's bankers, or otherwise, as the Council may direct.

17.4. All borrowings shall be effected in the name of the Council.

17.5. The Head of Finance shall be the Council's registrar of stocks, bonds and bills and shall maintain records of all borrowing of money by the Council.

17.6. A Treasury Management Policy Statement shall be produced by the Head of Finance, adopted by the Council or amended as it may think fit and reviewed annually.

17.7. All money in the hands of the Council may be aggregated for the purposes of Treasury Management and shall be under the control of the Head of Finance designated for the purposes of Section 151 of the Local Government Act 1972.

17.8. At or before the start of the financial year the Head of Finance shall report to the Cabinet or to Council on the strategy for treasury management it is proposed to adopt for the coming financial year.

17.9. All executive decisions on borrowing, investment or financing shall be delegated to the Head of Finance, who shall be required to act in accordance with the CIPFA Code of Practice for Treasury Management in Local Authorities.

17.10. The Head of Finance shall report to the Cabinet not less than twice in each financial year on the activities of the treasury management operation and on the exercise of treasury management power delegated to him. One such report shall comprise an annual report on treasury management for presentation by 30th September of the succeeding financial year.

17.11. All trust funds shall be in the name of the Council unless the Trust Deed otherwise provides.

17.12. All officers acting as trustees by virtue of their official position shall deposit all securities etc. relating to the Trust with the Head of Finance, or according to his order, unless the Trust deed otherwise provides.

18. ORDERS FOR WORK, GOODS AND SERVICES

18.1. Official orders shall be in a form approved by the Head of Finance and are to be signed only by officers authorised in writing by the appropriate Chief Officer who shall be responsible for official orders issued from his/her Directorate.

18.2. Official orders shall be issued for all work, goods or services to be supplied to the Council except for supplies of public utility services, for periodical payments such as rent or rates, for petty cash payments or such other exceptions as the Head of Finance may approve.

18.3. Verbal orders should be used only in the event of an emergency. In the event of goods being supplied after a verbal order a "confirmation only" order will be sent to the supplier.

18.4. Each order shall conform with the directions of the Council with respect to central ordering and purchasing and the standardisation of supplies and materials.

18.5. A copy of each order shall, if so required be supplied to the Head of Finance.

19. PAYMENTS OF ACCOUNTS

19.1. Apart from petty cash and other payments from advance accounts, the normal method of payment of money due from the Council shall be by cheque or other instrument drawn on the Council's banking account or National Giro account by the Head of Finance. Where appropriate payment may be made electronically under the direction of the Head of Finance.

19.2. The Chief Officer issuing an order is responsible for examining, verifying and certifying the related invoice(s) and similarly any other payment vouchers or accounts arising from sources in his Department. Such Certification shall be in manuscript or on behalf of the Chief Officer. The names of officers authorised to sign such records shall be authorised by each Chief Officer in writing and shall be sent to the Head of Finance by each Chief Officer, together with specimen signatures and initials and shall be amended on the occasion of any change therein.

19.3 Before certifying an account, the certifying officer shall, save to the extent that the Head of Finance may otherwise determine, have satisfied himself that;-

- the work, goods or services to which the account relates have been received, carried out, examined and approved;
- the prices, extensions, calculations, trade discounts, other allowances, credits and tax are correct and are in accordance with the quotation, contract, agreement or current market rate, whichever is applicable;
- the relevant expenditure has been properly incurred and is within the relevant estimates provision;
- appropriate entries have been made in inventories, stores records or stock books as required; and
- the account has not been previously passed for payment and is a proper liability of the Council.

19.4 Duly certified accounts shall be passed without delay to the Head of Finance, or otherwise under arrangements approved and controlled by him/her, who shall determine them to the extent that is considered necessary, for which purpose he shall be entitled to make such enquiries and to receive such information and explanations as may be required.

19.5 Any amendment to an account shall be made in ink, and initialled by the officer making it, stating briefly the reasons where they are not self-evident.

19.6 Each Chief Officer shall, as soon as possible after 31st March and not later than a date to be notified by the Head of Finance in each year, notify the Head of Finance of all outstanding expenditure relating to the previous financial year. Such expenditure must be on revenue account, for goods or services ordered and received within the year of account.

20. PROTECTION OF PRIVATE PROPERTY

20.1 The Chief Officer - Social Care & Health and any other Chief Officer affected shall notify the Head of Finance in such form as he may require, of any case known to him where steps are necessary to prevent or mitigate loss or damage of moveable property of a third party into the

possession of the Council or of that officer, and shall forward to the Head of Finance an itemised inventory in each case, prepared in the presence of two officers.

20.2 All valuables such as jewellery, watches and other small articles of a similar nature and documents of title belonging to a third party shall (unless in any case otherwise decided by the Head of Finance) be deposited with him for safe custody.

21. SALARIES, WAGES AND PENSIONS

21.1 The payment of all salaries, wages, compensation and other emoluments to all employees of the Council shall be made by the Head of Finance or under arrangements approved and controlled by him.

21.2 Each Chief Officer shall notify the Head of Finance as soon as possible and in the form prescribed or otherwise under arrangements approved and controlled by him, of all matters affecting the payment of such emoluments and in particular:-

- appointments, resignations, dismissals, suspension, secondments and transfers;
- absences from duty for sickness or other reasons, apart from approved leave;
- temporary or permanent changes in remuneration, other than normal increments and pay awards and agreements of general application;
- information necessary to maintain records of service for superannuation, income tax, national insurance and the like; and
- amendments or adjustments to temporary or permanent additions or deductions.

21.3 Appointments for all employees shall be made in accordance with Policies of the Council within the approved establishments, grades and rates of pay.

21.4 All time records or other pay documents shall be in a form prescribed or approved by the Head of Finance and shall be certified in manuscript by or on behalf of the Chief Officer. The names of officers authorised to sign such records shall be sent to the Head of Finance by each Chief Officer, together with specimen signatures and shall be amended on the occasion of any change.

22. SECURITY

22.1 Each Chief Officer is responsible for maintaining reasonable security at all times for all buildings, stocks, stores, furniture, equipment, cash etc. under his control. He shall consult the Head of Finance in any

case where security is thought to be defective or where it is considered that special security arrangements may be needed.

22.2. Maximum limits for cash holdings shall be agreed with the Head of Finance and shall not be exceeded without his permission.

22.3. Each Chief Officer will be responsible for making reasonably secure arrangements in regard to the custody and availability of keys to safes and similar receptacles in his department and the loss of any such keys must be reported to the Head of Finance forthwith.

22.4. No property belonging to the County Council shall be sold or otherwise disposed of without the prior approval of the committee concerned and prior notification to the Head of Finance.

23 STOCKS AND STORES

23.1 Each Chief Officer shall make reasonable arrangements for the secure care and custody of the stocks and stores in his department.

23.2 Stocks shall not be in excess of normal requirements except in special circumstances with the approval of the Committee concerned.

23.3 Chief Officers shall arrange for periodical test examinations of stocks by persons other than storekeepers and shall ensure that all stocks are checked at least once in every year.

23.4 The Head of Finance shall be entitled to receive from each Chief Officer such information as required in relation to stores for the accounting, costing and financial records.

23.5 Relevant Chief Officers shall be required to certify to the Head of Finance stock quantities and values held within their Directorates as at the end of each financial year by such dates as may be determined by him.

23.6 Surplus materials, stores or equipment shall be disposed of by competitive tender or public auction unless the Head of Finance decides otherwise in a particular case. Before disposals are made it should be ascertained whether there is a need for them in another Directorate of the County Council.

24 TRAVELLING, SUBSISTENCE AND FINANCIAL LOSS ALLOWANCES

24.1 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted to the Head of Finance duly certified in a form approved by him, made up to the last day of each month, by the fifth day of the following month. The names of officers authorised to sign such claims shall be sent to the Head of Finance by each Chief Officer together with specimen signatures and shall be amended on the occasion of any change.

24.2 The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council.

24.3 Officers' claims submitted more than four months after the first date to which the claim relates will be forwarded to the Head of Finance for consideration and will only be paid with his express approval.

24.4 Payments to members, including co-opted members of the Council or its Committees who are entitled to claim travelling or other allowances, will be made by the Head of Finance on receipt of the prescribed form duly completed. All claims for a financial year are to be submitted by the fifteenth day of April of the next financial year.

CONTRACT PROCEDURE RULES

PREFACE

A corporate view of procurement issues should be considered in that whole-life costs and establishment of longer-term objectives to secure overall best value should be considered rather than short-term savings.

These Contract Procedure Rules therefore link with the Council's Procurement Strategy and the Council's Buyers' Guide.

The best authorities recognise the critical contribution that procurement makes to the quality of the services delivered to their communities and that it must be seen in the context of the Council's overall objectives.

Contract Procedure Rules are the link between the documented Procurement Strategy, detailed codes of practice, and operational procedures. Therefore, it is envisaged that authorities will ensure that their rules are supported by a detailed Buyers' Guide and standard documents, preferably on their intranets, to steer the systems and procedures that are established at departmental level.

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FURTHER ADVICE AVAILABLE FROM:

Strategic Procurement Unit: procurement@monmouthshire.gov.uk
 Internal Audit: internalaudit@monmouthshire.gov.uk

A BRIEF GUIDE TO CONTRACT PROCEDURE RULES (CPR's)

These contract procedure rules (issued in accordance with section 135 of the 1972 Local Government Act) are intended to promote good purchasing practice and public accountability.

Whilst ensuring a safeguard for those officers who have responsibility for spending the public purse, following the rules is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Officers responsible for purchasing or disposal **must** comply with these contract procedure rules. They lay down minimum requirements and a more thorough procedure may be appropriate for a particular contract. (For example, if CPR's would normally require that quotes be obtained, it might be appropriate in particular circumstances to seek additional quotations in writing or tender submissions. Equally, it may not always be appropriate to make use of an exemption under Rule 3 (even if one might apply or be granted).

These rules are mandatory. Failure to comply with these contract procedure rules could lead to disciplinary action.

For the purposes of these rules, where there is a requirement for communication to be in writing, this shall be deemed to include e-mail and fax transmissions as well as hard copy.

- Follow the rules if you purchase goods or services or order works.
- Take all necessary legal, financial, procurement and professional advice.
- Declare any personal financial interest in a contract and then withdraw. Corruption is a criminal offence.
- Appraise the purchasing need.
- Check with Strategic Procurement Unit whether there is an existing Corporate or Collaborative Contract which you can make use of before undergoing a competitive process.
- For contracts greater than £25K allow at least four weeks for submission of bids, excluding EU tendering exercises which have specific timescales (not to be submitted by fax or e-mail). Please refer to the Buyers' Guide.
- Keep bids confidential.
- Complete a written contract.

- An official order should always be raised using the purchase order process (POP) unless an exemption has been approved by the Chief Finance Officer.
- Identify a contract manager with responsibility for ensuring the contract delivers as intended.
- Keep records of dealings with suppliers.
- For contracts greater than £25K assess each contract afterwards to see how well it met the purchasing need and Value for Money requirements.

SECTION 1:

SCOPE OF CONTRACT PROCEDURE RULES

1.1 BASIC PRINCIPLES

1.11 All purchasing and disposal procedures **must:**

- demonstrate Value for Money for public money spent
- be consistent with the highest standards of integrity
- ensure fairness in allocating public contracts
- comply with all legal requirements
- ensure that non-commercial considerations do not influence any contracting decision
- support the Council's corporate and departmental aims and policies
- comply with the principles of the Council's Corporate Procurement Strategy
- be planned with adequate timescales (e.g. officers need to be aware of extended timescales where EU procurement rules apply).
- be advertised through Buy for Wales and/or recognised advertising portals e.g. Constructionline

[Please refer to the Strategic Procurement Unit for advice]

1.12 Consideration must be given to applying the most economically advantageous tender (MEAT) criteria when awarding contracts. The lowest price may not always be the only criteria for awarding the contract; other criteria could be quality, ability to undertake the work in a given timescale, references, [for further examples refer to the Strategic Procurement Unit] **and this must be predetermined prior to advertising the tender or inviting quotes.**

1.13 Where contract values are likely to be just below these contract procedure rules thresholds [CPR 8] officers should apply the conditions of the higher threshold. [Often an officer's estimate determines which threshold applies and quotes may come in well above that figure.] The **total value** of the contract must be considered.

1.14 Officers need to consider the procurement of goods, services and works well in advance and be aware of specific timescales to meet deadlines, in particular where EU procurement rules apply.

1.15 The volume, frequency and standardisation of the goods or services

required should also be considered; better value may be obtained if a longer term contract is applied rather than a number of individual purchases of the same item.

1.2 In-house Providers

1.2.1 In accordance with these Contract Procedure Rules, in house service providers must be used. Where an in-house service provider has declined the opportunity to provide goods, works, or services, any subsequent procurement from an external supplier/provider must comply with these Contract Procedure Rules.

1.2.2 Subject to the requirements of the Local Government Planning and Land Act 1980, the Local Government Acts 1988 and 1999 and all subsequent amendments, all official tenders (where an in-house service provider is tendering) with the exception of those items tendered on the basis of a schedule of rates, should be returned to, and opened by, the Monitoring Officer or an officer nominated by him. Where such tenders exceed EU thresholds they should be returned to, and opened by, the Monitoring Officer or an officer nominated by him in consultation with the appropriate Cabinet Member.

1.2.3 Where the in-house service provider has declined the provision of the goods, works or services, Officers must comply with the principles of these Contract Procedure Rules and demonstrate value for money.

1.2.4. For the avoidance of doubt, the following in-house service providers are included

- Building Hygiene and Cleaning Services
- Energy Management Services
- ICT Support
- Landscape and Grounds Maintenance Services
- Property Services including New Build, Refurbishments, and Maintenance
- Refuse Collection and Waste Management Services
- Legal Services
- Procurement Services
- Health & Safety Support
- School Meals and Catering
- Photocopying
- Corporate Training

Nothing in these Contract Procedure Rules shall prevent in-house service providers from employing sub-contractors to undertake relevant contracts awarded to them provided that this shall only apply when permanent or temporary staff are not available or it is otherwise more economically effective to do so.

2. OFFICER RESPONSIBILITIES

2.1 Officers

2.1.1 Officers responsible for purchasing or disposal must comply with these Contract Procedure Rules, Financial Regulations, the Employee Code of Conduct and with all UK and European Union legal requirements. Officers must ensure that any agents, consultants and contractual partners acting on their behalf also comply.

2.1.2 Officers must:

- have regard to the guidance in the Buyers' Guide
- check whether a suitable *contract* (corporate or collaborative) exists before seeking to let another contract; where a suitable *contract* (corporate or collaborative) exists, this must be used unless there is a valid reason not to [Please refer to the Strategic Procurement Unit for advice]
- keep the records required by Rule 6
- take all necessary legal, financial and procurement advice

2.1.3 When any employee either of the Council or of a service provider may be affected by any transfer arrangement, Officers must ensure that the Transfer of Undertaking (Protection of Employment) (TUPE) issues are considered and obtain legal & Strategic Procurement Unit advice before proceeding with inviting Tenders or quotations.

2.2 Chief Officers

2.2.1 Chief Officers must:

- ensure that their staff comply with Rule 2.1
- keep registers of:
 - contracts completed by signature, rather than by the Council's seal (see Rule 16.3) and arrange their safekeeping on Council premises for the duration of the contract plus six years.
 - exemptions recorded under Rule 3.2.

3. EXEMPTIONS, COLLABORATIVE AND E-PROCUREMENT ARRANGEMENTS

3.1 In exceptional circumstances, a Chief Officer may waive any requirements within these Contract Procedure Rules, provided that, the contract is not likely to exceed £25K. Where the value is likely to exceed £25K the Chief Finance Officer and the relevant Cabinet member will

need to approve the waiver. A waiver is different from an exemption, please refer to the buyers guide for this distinction.

3.2 Subject to 3.3 and 3.4 below where EU thresholds apply no exemption can be granted.

3.3 Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Council services, the Officer and the Chief Officer may jointly approve the exemption but they must prepare a report for the relevant Cabinet Member [Portfolio Holder] to support the action taken.

3.4 Other exemptions include:

- Specialist provider
- Auctions / works of art / artists
- In house service providers see CPR 1.2
- 1st extension of existing contract, providing that there is a provision to extend in the existing contract
- Collaboration / Partnership e.g. an existing contract

3.5 All exemptions, and the reasons for them, must be recorded by requesting a proforma from internal audit. Exemptions can be approved as follows:

- >£5k, < £25k Head of Service (e.g. only one supplier)
- >£25k, < £75k Chief Officer
- >£75k.< EU thresholds Chief Finance Officer and relevant Cabinet Member

3.6 All exemptions must be reported to the Chief Internal Auditor. The Audit and Accounts Select Committee will monitor the use of all exemptions; exemptions will be reported 6 monthly to the Audit and Accounts Select Committee.

3.7 In order to secure Value for Money, the Council may enter into collaborative procurement arrangements. The Officer must consult the Chief Finance Officer and the Strategic Procurement Unit where the purchase is to be made using collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium. [The Strategic Procurement Unit holds an updated register of all available collaborative contracts]

3.8 All purchases made via a local authority purchasing and distribution consortium are deemed to comply with these contract procedure rules and no exemption is required. However, purchases above the relevant EU Threshold must be let under the EU Procedure, unless the consortium has satisfied this requirement already by letting their contract in accordance with the EU Procedures on behalf of the

Council and other consortium members.

3.9 Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract procedure rules of the lead organisation, will be deemed to comply with these contract procedure rules and no exemption is required (e.g. Welsh Purchasing Consortium, Value Wales). However, advice must be sought from the Strategic Procurement Unit before such contracts are let. Where Monmouthshire County Council is the lead authority then these contract procedure rules will apply.

3.10 The use of e-procurement technology does not negate the requirement to comply with all elements of these contract procurement rules, particularly those relating to competition and Value for Money.

4. RELEVANT CONTRACTS

4.1 All relevant contracts must comply with these contract procedure rules. A relevant contract is any arrangement made by, or on behalf of, the Council (including schools) for the carrying out of works or the supply of goods, materials or services. These include arrangement for:

- The supply or disposal of goods
- The hire, rental or lease of goods or equipment
- The delivery of services, including (but not limited to) those related to:
 - the recruitment of agency staff
 - property transactions
 - financial and consultancy services
 - the commissioning of building/engineering works
 - EU categories Part A, and Part B Goods and Services please refer to the buyers guide for information

4.2 Relevant Contracts do not include:

- Contracts of employment which make an individual a direct employee of the Council, or
- Agreements regarding the acquisition, disposal, or transfer of land (for which Financial Regulations shall apply).

SECTION 2:

COMMON REQUIREMENTS

5. STEPS PRIOR TO PURCHASE

5.1 The Officer must appraise the purchase, in a manner commensurate with its complexity and value, and taking into account any guidance in the Buyers' Guide by:

- Taking into account the requirements from any relevant service review.
- Appraising the need for the expenditure, its priority and availability of budget.
- Ensure that officers are aware of the additional costs of over specifying their needs.
- Defining the objectives of the purchase assessing the risks associated with the purchase and how to manage them.
- Consider whether the procurement is ethical (Refer to the Buyers' Guide)
- Considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, partnering, and collaborate procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium.
- Consider whether the procurement is socially, economically and environmentally sustainable for all purchases over £25K. Please refer to the Buyers' Guide.
- Consulting users as appropriate about the proposed procurement method, contract standards and performance and user satisfaction monitoring
- Drafting the terms and conditions that are to apply to the proposed contracts which must accompany all purchases that exceed £25K.

and by confirming that:

There is an approved budget for the proposed expenditure and the purchase accords with the approved policy framework and scheme of delegation as set out in the Constitution

6. RECORDS

6.1 Where the Total Value exceeds £5K but is less than £25K the

following records must be kept:

- invitations to quote and quotations (proforma available within the Buyers' Guide)
- a record:
 - of any exemptions and the reasons for them
 - of the reason if the lowest price is not accepted
- written records of communications with the successful contractor or an electronic record if a written record of the transaction would normally not be produced.

6.2 Where the Total Value exceeds £25K the Officer must record:

- The method for obtaining bids (see rule 8.1)
- Any contracting decision and the reasons for it
- Any exemption under Rule 3 together with the reasons for it
- The award criteria in descending order of importance
- Tender documents sent to and received from suppliers/providers
- Pre-tender market research
- Post-tender clarification (where permitted) (to include minutes of meetings and outcomes)
- The contract documents
- Post-contract evaluation and monitoring
- Communications with suppliers/providers and with the successful contractor throughout the period of the contract.

6.3 Records required by this rule must be kept for six years after the end of the contract. However, written documents which relate to unsuccessful tenderers may be microfilmed or electronically scanned or stored by some other suitable method after 12 months from award of contract, provided there is no dispute about the award.

6.4 For EU grants the relevant terms and conditions must be adhered to.

7. ADVERTISING, APPROVED LISTS AND FRAMEWORK AGREEMENTS

7.1 Identifying and Assessing Potential Suppliers / providers

7.1.1 Officers shall ensure that, where proposed contracts, irrespective of their Total Value, might be of interest to potential suppliers/providers located in other member states of the EU, a sufficiently accessible advertisement is published. Generally, the greater the interest of the contract to potential bidders from other member states, the wider the coverage of the advertisement should be. Examples of where such advertisements may be placed include:

- Buy4Wales (www.buy4wales.co.uk), and;
- The Council's website
- Portal websites specifically created for contract advertisements (e.g. Construction Line /Construction Health And Safety)
- National official journals
- The Official Journal of the European Union (OJEU)/Tenders Electronic Daily (TED) (even if there is no requirement with the EU Procedure) and

(please refer to the Strategic Procurement Unit for advice)

7.1.2 Officers are responsible for ensuring that all suppliers / providers for a relevant contract are suitably assessed. The assessment process shall establish that the potential suppliers / providers have sound:

- Economic and financial standing
- Technical ability and capacity to fulfil the requirements of the Council

7.1.3 This shall be achieved in respect of proposed contracts that are expected to exceed £25k by selecting firms from:

- Approved lists of providers, maintained by the Council or on its behalf, and compiled following responses to a public advertisement, (e.g. Constructionline) or
- Shortlists assessed from expressions of interest in a particular contract submitted in response to a public advertisement.
- Public advertisements issued in respect of Rule 7.1.1 above shall reflect the potential degree of interest from suppliers / providers located within other member states of the EU

7.2 Approved Lists (contact the Strategic Procurement Unit)

7.2.1 Approved Lists should be used where recurrent transactions of a similar type are likely but where such transactions need to be priced individually and cannot easily be aggregated and priced in a single

tendering exercise. Approved Lists cannot be used where the EU Procedure applies.

7.2.2 Officers may only compile approved lists in consultation with Strategic Procurement Unit.

7.2.3 No person may be entered on an Approved List until there has been an adequate investigation into both their financial and their technical ability to perform the contract, unless such matters will be investigated each time bids are invited from that list.

7.2.4 Approved Lists must be drawn up after an advertisement inviting applications for inclusion on the list. The advertisement must be placed to secure the widest publicity among relevant suppliers throughout all member states of the EU. Persons may be entered on a list between the initial advertisement and re-advertisement provided the requirements of Rule 7.2.3 are met.

7.2.5 The list and Shortlisting criteria must be reviewed at least annually and re-advertised at least every three years. On re-advertisement, a copy of the advertisement must be sent to each person on the list, inviting them to reapply. Review means:

- The reassessment of the financial and technical ability and performance of those suppliers/providers on the list.
- The deletion of those suppliers/providers no longer qualified, with a written record kept justifying the deletion. Head of Service must approve any deletions from the approved list.

7.2.6 All approved lists shall be maintained in an open, fair and transparent manner and be open to public inspection.

7.2.7 A register of pre-qualified contractors and Consultants maintained by or on behalf of central government (e.g. Construction line) will be deemed to be an Approved List for the purpose of these contract procedure rules and shall not be subject to the requirements of Rules 7.2.2. to 7.2.6 inclusive.

7.3 Framework Agreements

7.3.1 The term of a Framework Agreement must not exceed four years and, while an agreement may be entered into with one provider, where an agreement is concluded with several organisations, there must be at least three in number.

7.3.2 Contracts based on Framework Agreements may be awarded by either:

- Applying the terms laid down in the Framework Agreement (where such terms are sufficiently precise to cover the particular call-off)

without reopening competition, or

- Where the terms laid down in the Framework Agreement are not precise enough or complete for the particular call-off, by holding a mini competition in accordance with the following procedure:

- inviting the organisations within with the Framework Agreement that are capable of executing the subject of the contract to submit written offers.

- Fixing a time limit which is sufficiently long enough to allow offers for each specific contract to be submitted by nominated providers within the framework agreement, taking into account factors such as the complexity of the subject of the contract.

- Awarding each contract to the provider who has submitted the best offer on the basis of the Award Criteria set out in the specifications of the original Framework Agreement, and tailored criteria set out in the mini competition.

(Please refer to the Strategic Procurement Unit for advice)

SECTION 3:

CONDUCTING PURCHASE AND DISPOSAL

8. COMPETITION REQUIREMENTS FOR PURCHASE, DISPOSAL AND PARTNERSHIP ARRANGEMENTS.

8.1 The Officer must calculate the Total Value of the contract.

8.2 The following procedures apply where there are no other procedures which take precedence. Other procedures may include agency agreements with government. If in doubt Officers must seek the advice of the Chief Finance Officer/Strategic Procurement Unit.

8.3 Purchasing – Competition Requirements

8.3.1 Where the Total Value for a purchase is within the values in the first column below, the Award Procedure in the second column must be followed. Shortlisting shall be done by the persons specified in the third column.

Total Value	Award Procedure	Shortlisting	Minimum number of bids invited
Up to £1K	Demonstrate that good value has been achieved	Officer	No requirement
£1K - £5K	One written quotation	Officer	Demonstrate value for money
£5K - £25K	Three written quotations. Value for money needs to be demonstrated, Advertisement through relevant trade journal/portal and/or buy4wales	Officer and Line Manager	Three
£25,001 – EU Threshold * Goods & Services and works <£1m	Invitation to Tender by advertisement, through relevant trade journal/portal and/or buy4wales	Officer, Line Manager	Three
£25,001 – EU Threshold * >£1m works only	Invitation to Tender by advertisement, through relevant	Officer, Line Manager and Head of Service (or	Three

	trade journal/portal and/or buy4wales	delegated officer)	
Above EU Threshold	EU Procedure or, where this does not apply. Seek legal and/or procurement advice	Consult the Strategic Procurement Unit – see rule 8.1.4	Consult the Strategic Procurement Unit – see rule 8.1.4

* see Buyers' Guide

Strategic Procurement Unit to be made aware of all contracts over £25K

8.3.2 Where it can be demonstrated that there are insufficient suitable qualified suppliers/providers to meet the competition requirement, all suitably qualified suppliers must be invited.

8.3.3 An officer must not enter into separate contracts nor select a method of calculating the Total Value in order to minimise the application of these contract procedure rules. Total contract is the life of the contract not broken down per financial year. Contracts must not be disaggregated. (Contact Strategic Procurement Unit)

8.3.4 When the EU procedure is required, the officer shall consult the Strategic Procurement Unit to determine the method of conducting the purchase.

8.4 Assets for Disposal Excluding Land

8.4.1 Assets for disposal must be sent to public auction except where better Value for Money is likely to be obtained by inviting Quotations and Tenders. (These may be invited by advertising on the Council's intranet site). In the latter event, the method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed as indicated below -

>£100, <£5K Head of Service

>£5K Chief Finance Officer

Buy4wales is the portal where suppliers sell the goods and services, not where we can dispose of assets.

8.5 Collaborative and Partnership Arrangements

8.5.1 Collaborative and partnership arrangements are subject to all UK and EU procurement legislation and must follow these contract procedure rules. If in doubt, officers must seek the advice of the Strategic Procurement Unit and Head of Legal Services.

8.6 The Appointment of Consultants to Provide Services

8.6.1 Consultant architects, engineers, surveyors and other professional consultants shall be selected and commissions awarded in accordance with the procedures detailed within these contract procedure rules and as outlined below.

Total Value	Award Procedure	Shortlisting	No of bids invited
Up to £5K	One oral quotation (confirmed in writing where the Total Value exceeds £1K)	Officer	Demonstrate value for money
£5K - £25K	Three written quotations. Value for money needs to be demonstrated, Advertisement through relevant trade journal/portal and/or buy4wales as appropriate	Officer and Line Manager	Three
£25,001-£100K	Three written quotations Advertisement through relevant trade journal and/or buy4wales as appropriate	Officer and Line Manager	Three
£100,001-EU Threshold	Invitation to Tender by advertisement/shortlist to at least three and no more than six suppliers / providers	Officer, Line manager and Chief Finance Officer	Three
Above EU Threshold	EU Procedure or, where this does not apply, Invitation to Tender by advertisement/shortlist to at least four and no more than six candidates	Consult the Head of Legal Services – see rule 8.1.4	Consult the Head of Legal Services – see rule 8.1.4

8.6.2 Consultants shall follow the agreement of a brief that adequately describes the scope of the services to be provided and shall be subject to completion of a formal letter or contract of appointment.

8.6.3 Records of consultancy appointments shall be maintained in accordance with Rule 6.

8.6.4 Consultants shall be required to provide evidence of, and maintain professional indemnity insurance policies to the satisfaction of the relevant Head of Service for the periods specified in the respective agreement.

9. PRE-TENDER MARKET RESEARCH AND CONSULTATION

9.1 The Officer responsible for the purchase:

- May consult potential suppliers prior to the issue of the Invitation to Tender in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided this does not prejudice any potential candidate, but
- Must not seek or accept technical advice on the preparation of an Invitation to Tender or Quotation from anyone who may have a commercial interest in them (except during an EU competitive dialogue process) and must not prejudice the equal treatment of all potential suppliers / providers or distort competition, and should seek advice from the Strategic Procurement Unit.

10. STANDARDS AND AWARD CRITERIA

10.1 The Officer must ascertain what are the relevant British, European or international standards which apply to the subject matter of the contract. The Officer must include those standards (or their European equivalent) which are necessary to properly describe the required quality. The Strategic Procurement Unit must be consulted if it is proposed to use standards other than European standards.

10.2 The Officer must pre-define Award Criteria that are appropriate to the purchase and designed to secure an outcome giving Value for Money for the Council. Consideration [in the first instance] must be given to applying the Most Economically Advantageous Tender (MEAT) when setting award criteria

The basic criteria shall be:

- Highest price if payment is to be received, or
- >£5k 'most economically advantageous tender' (MEAT) where considerations other than price also apply (>£5k represents total aggregated contract value)

•If the last criterion is adopted, it must be further defined by reference to sub-criteria which may refer only to relevant considerations. These may include price, service, quality of goods, running costs, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance and any other relevant matters. Sustainability and equality must be one of the selected criteria when adopting (MEAT) to award contracts.

(Refer to Strategic Procurement Unit for advice).

11. INVITATIONS TO TENDER/QUOTATIONS

11.1 The invitation to tender shall state that no tender will be considered unless it is received by the date and time stipulated in the invitation to tender. No tender delivered in contravention of this clause shall be considered.

11.2 All invitations to tender shall include the following:

- (a) A specification that describes the Council's fit for purpose requirements.
- (b) A requirement for tenderers to declare that the tender content, price or any other figure or particulars concerning the tender have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose).
- (c) A requirement for tenderers to complete fully and sign all tender documents including a form of tender and certificates relating to canvassing and non-collusion.
- (d) Notification that tenders are submitted to the Council on the basis that they are compiled at the tenderer's expense.
- (e) A description of the Award Procedure and, unless defined in a prior advertisement, a definition of the Award Criteria in measurable terms and if possible in descending order of importance.
- (f) Notification that no tender will be considered unless it is enclosed in a sealed envelope or container which bears the word 'Tender' followed by the subject to which it relates, but no other name or mark indicating the sender. (tender label template within Buyers' Guide).
- (g) A stipulation that any tenders submitted by fax or other electronic means shall not be considered, unless an approved electronic tendering process has been agreed up front by the Strategic Procurement Unit, and communicated in the tender advertisement.
- (h) The method by which any arithmetical errors discovered in the submitted tenders is to be dealt with. In particular, whether the overall

price prevails over the rates in the tender or vice versa.

Dispute Resolution Clause – clause which stipulates how disputes will be resolved. (Refer to Strategic Procurement Unit for advice)

Terms of payment – when and how payment is to be made.

Delivery – When, where and how delivery is to be made.

Acceptance – Awarded contracts are a mere intent to engage, acceptance will take place by way of official transaction i.e. MCC purchase order, the purchase order must make reference to the awarded contract. This procedure must be expressed in all contract terms and conditions. Contact Strategic Procurement Unit for advice.

Law – Need to identify the law under which the contract will be govern i.e. English Law.

11.3 All invitations to tender or quotations must specify the goods, service or works that are required, together with the terms and conditions of contract that will apply (see rule 16).

11.4 The Invitation to Tender or Quotation must state that the Council is not bound to accept any Quotation or Tender.

11.5 All suppliers / providers invited to tender or quote must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.

11.6 All awarded tenders need to be followed by a purchase order to confirm commitment to the contract.

12. SHORTLISTING

12.1 Any shortlisting must have regard to the financial, technical and sustainability standards relevant to the contract and the Award Criteria. Special rules apply in respect of the EU Procedure. Contact Strategic Procurement Unit for advice.

12.2 The officers responsible for shortlisting are specified in rule 8.1.1.

13. SUBMISSION, RECEIPT AND OPENING OF TENDERS/QUOTATIONS

13.1 Suppliers / providers must be given an adequate period in which to prepare and submit a proper quotation or tender consistent with the complexity of the contract requirement. Normally at least four weeks should be allowed for submission of tenders. The EU Procedure lays down specific time periods (see guidance in the Buyers' Guide or contact the Strategic Procurement Unit).

13.2 All tenders must be returned to the Monitoring Officer.

13.3 Tenders received by fax or other electronic means (e.g. e-mail) must be rejected, unless they have been sought in accordance with an electronic tendering system approved by the Chief Finance Officer and Strategic Procurement Unit.

13.4 The Monitoring Officer shall be responsible for the safekeeping of tenders until the appointed time of opening. Each tender must be:

- Suitably recorded so as to subsequently verify the date and precise time it was received
- Adequately protected immediately on receipt to guard against amendment of its contents.
- Recorded immediately on receipt in the tender record log.

13.5 The Monitoring Officer must ensure that all tenders are opened at the same time when the period for their submission has ended. Tenders must be opened in the presence of two officers representing the Monitoring Officer or an officer nominated by him/her. Should the process of accepting tenders be compromised please contact Head of Legal Services. The relevant Cabinet Member should be present for all tenders opened above EU thresholds.

13.6 Upon opening, a summary of the main terms of each tender (i.e. significant issues that are unique to each tender submission and were not stated in the tender invitation documents such as tender sum, construction period etc.) must be recorded in the tender record log. The summary must be initialled by or on behalf of the Monitoring Officer.

14. POST TENDER CLARIFICATION PROCEDURES

(With the exception of the EU competitive dialogue)

14.1 Providing clarification of an invitation to tender to potential or actual suppliers / providers or seeking clarification of a tender, whether in writing or by way of a meeting, is permitted. However, discussions with tenderers after submission of a tender and before the award of a contract with a view to obtaining adjustments in price, delivery or content (i.e. post-tender clarifications) must be the exception rather than the rule. In particular, they must not be conducted in an EU Procedure where this might distort competition, especially with regard to price.

14.2 If post-tender clarifications are necessary after a single-stage tender or after the second stage of a two stage tender, then such clarifications shall only be undertaken with the tenderer who is identified as having submitted the best tender and after all unsuccessful suppliers / providers have been informed. During clarifications tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope of

quantity included in the tender documents. Officers appointed by the Chief Officer to carry out post-tender clarifications should ensure that there are recorded minutes of all clarification meetings and that both parties agree actions in writing.

14.3 Post tender clarification must only be conducted in association with the Strategic Procurement Unit. Clarifications must be conducted by a team of at least two officers, one of whom must be from the Strategic Procurement Unit.

14.4 Where post tender clarification results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.

15. EVALUATION, AWARD OF CONTRACT, AND DEBRIEFING SUPPLIERS / PROVIDERS

15.1 Apart from the debriefing required or permitted by these contract procedure rules, the confidentiality of quotations, tenders and the identity of suppliers / providers must be preserved at all times and information about one candidate's response must not be given to another candidate.

15.2 Contracts must be evaluated and awarded in accordance with the award criteria as set out in the initial tender documentation. During this process, officers shall ensure that submitted tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily.

15.3 The arithmetic in compliant tenders must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their tender. Alternatively, if the rates in the tender, rather than the overall price, were stated within the tender invitation as being dominant, an amended tender price may be requested to accord with the rates given by the tenderer.

15.4 Officers may accept quotations and tenders received in respect of proposed contracts, provided they have been sought and evaluated fully in accordance with these contract procedure rules.

15.5 For all above EU threshold contracts, officers must ensure that a period of at least 10 days is given for unsuccessful suppliers/providers to potentially challenge the decision, before the contract can be awarded. If the decision is challenged, officers shall not award the contract and shall immediately seek advice from the Head of Legal Services and the Strategic Procurement Unit.

15.6 For all contracts over £25K, all unsuccessful suppliers/providers may request and be given the opportunity of a debriefing. Such practice should include the name of the successful supplier/provider, but not the contract price. Where three or more bids have been received the range of evaluated scores should be disclosed.

15.7 A Contract Award Notice must be sent to OJEU for all contracts that are subject to the provisions of the Public Procurement Directives, as well as those contracts for the provision of Part B services where the value exceeds the OJEU threshold. The Contract Award Notice shall be sent to OJEU no later than 48 days after the award or conclusion of the contract.

15.8 No information, other than the following, should be given without taking the advice of the Head of Legal Services, and the Strategic Procurement Unit.

- How the award criteria were applied
- The result of the criteria application
- The names of suppliers / providers where there were three or more suppliers / providers

15.9 If a candidate requests in writing the reasons for a contracting decision, the officer must give the reasons in writing within 15 days of the request. If requested, the officer may also give the debriefing information at rule 15.6 above to suppliers / providers who were deselected in a pre-tender shortlisting process.

15.10 The officer with responsibility for awarding the contract above the EU threshold should then inform Strategic Procurement Unit of the a) contract title b) duration c) total contract value d) nationality of successful tender and e) identify which tendering procedure was used i.e. open, restricted, competitive dialogue or negotiated.

SECTION 4:

CONTRACT AND OTHER FORMALITIES

16. CONTRACT DOCUMENTS

16.1 Contracts

16.1.1 All contracts that exceed £25K shall be in writing. (Contact Strategic Procurement Unit for notification of the contract).

16.1.2 All relevant purchases, irrespective of value, [as a minimum] shall clearly specify:

- What is to be supplied (i.e. the works, materials, services)
- Quality and quantity of works, materials, services to be supplied
- The provisions for payment (i.e. the price to be paid and when)
- The time, or times, within which the contract is to be performed
- The provisions for the Council to terminate the contract.

The Council's Terms and Conditions issued must be used wherever possible (or made reference to on the Council's official order form).

In addition, every relevant contract of purchase over £25K must also state clearly as a minimum:

- That the contractor may not assign or sub-contract without prior written consent
- Any insurance requirements
- Health and safety requirements
- Dispute Resolution / Ombudsman requirements
- Data protection requirements, if relevant
- That charter standards are to be met if relevant
- Race relations requirements
- Environmental and Ethical Policy
- Disability Discrimination Act requirements
- Freedom of Information Act requirements

- Where agents are used to let contracts, that agents must comply with the Council’s contract procedure rules
- A right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant.

16.2 Contract Formalities

16.2.1 Agreements shall be completed as follows:

Total Value	Method of Completion	By
Up to £25K	Signature/authorisation	Line manager (see rule 16.2.3)
£25,001 to £75K	Signature/authorisation	Supervising officer (see rule 16.2.3)
Above £75K	Sealing	See rule 16.3

16.2.2 All contracts must be concluded formally in writing, and sealed where appropriate. A completed official purchase order must be provided before the supply, service or construction begins, indicating a reference to the awarded contract, except in exceptional circumstances, and then only with the written consent of the Monitoring Officer or Head of Legal Services. An award letter is insufficient.

16.2.3 The officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it.

16.3 Sealing

16.3.1 A contract must be sealed where:

- The Council may wish to enforce the contract more than six years after its end
- The price paid or received under the contract is a nominal price and does not reflect the value of the goods or services.
- There is any doubt about the authority of the person signing for the other contracting party, or
- The total value exceeds £75K

16.3.2 Where contracts are completed by each side adding their formal seal, the Council’s seal will be witnessed by a Member and the Head of Legal Services or some other person authorised by him or her.

16.3.3 Every Council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the authority of the Cabinet, a Committee, a Portfolio

Holder or the Monitoring Officer acting under delegated powers.

16.3.4 It is recognised that the sealing of a contract may prolong commencement and execution of supply, service, or works and therefore recommend that this procedure is planned in the procurement timetable. If however sealing prior to supply, service and works proves impractical, the official purchase order [making reference to the contract] will suffice until the procedure has been completed.

17. BONDS AND PARENT COMPANY GUARANTEES

17.1 The officer must consult the Chief Finance Officer about whether a parent company guarantee is necessary when a candidate is a subsidiary of a parent company and:

- The total contract value exceeds £250,000 or
- Award is based on evaluation of the parent company or
- There is some concern about the stability of the candidate

17.2 The officer must consult the Chief Finance Officer about whether a bond is needed:

- Where the total contract value exceeds £1,000,000 or
- Where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the candidate.

18. PREVENTION OF CORRUPTION

18.1 The officer must comply with the Council's code of conduct for employees and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to investigation under the council's disciplinary procedures and possible dismissal and is a crime under the statutes referred to in Rule 18.2 below.

18.2 The following clause must be included in every written Council contract:

The Council may terminate this contract and recover all its loss if the contractor, its employees or anyone acting on the contractor's behalf do any of the following things:

- (a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract or
- (b) commit an offence under the Prevention of Corruption Acts 1889 or 1916 or section 117 (2) of the Local Government Act 1972 or

(c) commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.

Any clause limiting the contractor's liability shall not apply to this clause.

19. DECLARATION OF INTERESTS

19.1 If it comes to the knowledge of a member or an employee of the Council that a contract in which he or she has a pecuniary interest has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Chief Executive and immediately withdraw from any involvement with that contract process. The Chief Executive shall report such declarations to the appropriate committee.

19.2 Such written notice is required irrespective of whether the pecuniary interest is direct or indirect. An indirect pecuniary interest is distinct from a direct pecuniary interest in as much as it is not a contract to which the member or employee is directly a party.

19.3 A shareholding in a body not exceeding a total nominal value of £1K or 1% of the nominal value of the issued share capital (whichever is the less) is not a pecuniary interest for the purposes of these Contract Procedure Rules.

19.4 The Chief Executive shall maintain a record of all declarations of interest notified by members and officers.

SECTION 5:

CONTRACT MANAGEMENT

20. MANAGING CONTRACTS

20.1 Heads of service in sponsoring departments are to name contract managers for all new contracts. All contracts must have a named Council contract manager for the entirety of the contract.

20.2 Contract managers must follow these Contract Procedure Rules and the Council's Buyers' Guide.

21. RISK ASSESSMENT AND CONTINGENCY PLANNING

21.1 A procurement risk/sourcing assessment must be prepared for all procurements with a potential value over the EU Threshold. Provision for resources for the management of the contract, for its entirety, must be identified in the risk/sourcing assessment.

22. CONTRACT MONITORING, EVALUATION AND REVIEW

22.1 All contracts which have a value higher than the EU Threshold limits, or which are high risk, are to be subject to monthly formal review with the contractor. The review may be conducted quarterly if permitted by the Head of Service.

22.2 For all contracts with a value higher than the EU Threshold limits, or which are high risk, an annual report must be submitted to the Head of Service.

22.3 During the life of the contract, the officer must monitor in respect of

- Performance and relevant key performance indicators
- Compliance with specification and contract
- Cost
- Any value for money requirements
- User satisfaction and risk management

22.4 A summary report should be submitted to the relevant Cabinet Member for contracts awarded over £1m on an annual basis based on the assessment that the purchasing need and the contract objectives (as determined in accordance with Rule 5.2) were met by the contract. This should be done normally when the contract is completed. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to reletting of the subsequent contract.

DEFINITIONS

APPENDIX

Agent	A person or organisation acting on behalf of the Council or on behalf of another organisation
Approved List	A list drawn up in accordance with Rule 7.2
Award Criteria	The criteria by which the successful quotation or tender is to be selected (see further rules 10 and 11.2e)
Award Procedure	The procedure for awarding a contract as specified in Rules 8,10 and 15
Best Value	The duty, which Part 1 of the Local Government Act 1999 places on local authorities to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the Council. This terminology has now in many instances been superseded by Value for Money.
Bond	An insurance policy: if the contractor does not do what it has promised under a contract with the Council, the Council can claim from the insurer the sum of money specified in the bond (often 10% of the contract value). A bond is intended to protect the Council against a level of cost arising from the contractor's failure.
Cabinet	The Council's Cabinet as defined in the constitution.
Chief Finance Officer	The Director of Finance, Chief Officer RER or such other officer as may be designated Chief Finance Officer by the Council
Chief Officer	The officers defined as such in the constitution
Code of Conduct	For employees: The code regulating

	<p>conduct of officers incorporated in all contracts of employment and the Council's Constitution</p> <p>For members: the code of conduct for the time being adopted by the Council under s51 Local Government Act 2000</p>
Committee	A committee which has power to make decisions for the Council, for example a joint committee with another local authority, but not an overview and scrutiny committee.
Constitution	<p>The constitutional document approved by the Council which:</p> <ul style="list-style-type: none"> • Allocates powers and responsibility within the Council and between it and others • Delegates authority to act to the Cabinet, committees, portfolio holders and officers • Regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.
Consultant	Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the Council has no ready access to employees with the skills, experience or capacity to undertake the work.

Contracting Decision	<p>Any of the following decisions:</p> <ul style="list-style-type: none"> • Composition of approved lists • Withdrawal of invitation to tender • Whom to invite to submit a quotation or tender • Shortlisting • Award of contract • Any decisions to terminate a contract
Corporate Contract	A contract let or endorsed by the Strategic Procurement Unit to support the Council's aim of achieving Value for Money

CPR's	Contract Procedure Rules
Monitoring Officer	As defined in the constitution
EU Procedure	The procedure required by the EU where the total value exceeds the EU Threshold
EU Threshold	The contract value at which the EU public procurement directives apply
Financial Regulations	The financial regulations outlining officer responsibilities for financial matters issued by the Chief Finance Officer in accordance with the constitution.
Framework Agreement	An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.
Government Procurement Agreement	The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the European economic area are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway, Aruba, Hong Kong, China, Liechtenstein and Singapore.
Head of Legal Services	As identified in the constitution
High Risk	A high-risk purchase is one which presents the potential for substantial exposure on the Council's part should it fail or go wrong.
High Value	A high value purchase is where the value exceeds the EU Threshold values
Invitation to tender	Invitations to tender documents in the form required by these contract procedure rules
Key Decision	Decisions that are defined as key decisions in the constitution
Line Manager	The officer's immediate superior or the

	officer designated by the Chief Officer to exercise the role reserved to the line manager by these contract procedure rules
Nominates Suppliers and Sub-Contractors	Those persons specified in a main contract for the discharge of any part of that contract.

Non-commercial considerations	<p>(a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces (“workforce matters”)</p> <p>(b) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.</p> <p>(c) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.</p> <p>(d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons (industrial disputes).</p> <p>(e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors.</p> <p>(f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees</p> <p>(g) Financial support or lack of financial support by contractors for any institution to or from which the Council gives or withholds support</p> <p>(h) Use or non-use by contractors of technical or professional services provided by the Council under the Building Act 1984 or the Building (Scotland) Act 1959.</p> <p>Workforce matters and industrial disputes, as defined in paragraphs (a) and (d) cease to be non-commercial considerations to</p>
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	the extent necessary or expedient to comply with Best Value; or where there is a transfer of staff to which the transfer of undertakings (Protection of Employment) Regulations 1981 (TUPE) may apply
Officer	The officer designated by the Chief Officer to deal with the contract in question
Parent Company Guarantee	A contract which binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with the Council, the Council can require the parent company to do so instead.
Portfolio Holder	A member of the Cabinet to whom political responsibility is allocated in respect of specified functions
Priority Services	Those services required to be tendered as defined in the EU public procurement directives
Procurement Strategy	The document setting out the Council's approach to procurement and key priorities for the next few years.
Buyers' Guide	The suite of guidance documents, together with a number of standard documents and forms, which supports the implementation of these contract procedure rules. The guide is available on the Council's intranet
Quotations	A quotation of price and any other relevant matter (without the formal issue of an invitation to tender)
Relevant Contract	Contracts to which these contract procedure rules apply (see Rule 4)
Shortlisting	The process of selecting suppliers / providers who are to be invited to quote or bid or to proceed to final evaluation
Strategic Procurement Unit	The Council's central procurement unit charged with providing strategic direction and advice to secure value for money in

	the Council's procurement activities.
Supervising Officer	The line manager's immediate superior.
Supplier/Provider	Any person who asks or is invited to submit a quotation or tender
Tender	A supplier's / provider's proposal submitted in response to an invitation to tender
Tender record log	The log kept by the Monitoring Officer to record details of tenders (see Rule 13.5)
Total Value	<p>The whole of the value or estimated value (in money or equivalent value) for single purchase or disposal calculated as follows:</p> <p>(a) where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period</p> <p>(b) where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months</p> <p>(c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48</p> <p>(d) for feasibility studies, the value of the scheme or contracts which may be awarded as a result</p> <p>(e) for nominated suppliers and sub contractors, the total value shall be the value of that part of the main contract to be fulfilled by the nominated supplier or sub contractor</p>
TUPE Transfer of undertakings (protecting of employment) Regulations 2006 (SI 2006 No. 246)	Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the Council is transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a contracting out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers,

	enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.
Value for Money	Value for money is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.

OFFICER EMPLOYMENT PROCEDURE RULES

1. Recruitment and appointment

1.01 Declarations

(i) The Council has drawn up procedures which include a requirement that any candidate for an appointment as an Officer must state in writing whether they have any relationship with any councillor or Officer of the Council.

(ii) No candidate so related to a councillor or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.

1.02 Seeking support for appointment.

(i) The Council will disqualify any applicant who directly or indirectly seeks the support of any councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.

(ii) No councillor will seek support for any person for any appointment with the Council.

2. Recruitment and remuneration of Chief Officers

2.01 Where the Council proposes to appoint a Chief Officer, within the meaning of the Local Authorities (Standing Orders) (Wales) Regulations 2006 [as amended], and the proposed remuneration of the post is £100,000 or more per annum, or it is otherwise not proposed that the appointment be made exclusively from among their existing Officers, the Council will:

(a) draw up a statement specifying:

- (i) the duties of the officer concerned; and
- (ii) any qualifications or qualities to be sought in the person to be appointed;

(b) make arrangements for the post to be advertised publicly in such a way as is likely to bring it to the attention of persons who are qualified to apply for it (unless the proposed appointment is for a period of 12 months or less); and

(c) make arrangements for a copy of the statement mentioned above to be sent to any person on request.

2.02 Where a post has been advertised as provided in 2.01 above, the Council must:-

- (a) interview all qualified applicants for the post, or
- (b) select a short list of such qualified applicants and interview those included on the short list.

2.03 Where no qualified person has applied, or if the Council decides to re-advertise the appointment, the Council may make further arrangements for advertisement in accordance with 2.01 (b) above.

2.04 Any decision to determine or vary the remuneration of Chief Officers (or those to be appointed as Chief Officers) must be made by full Council.

3. Appointment of Head of Paid Service

The full council will make the appointment of the Head of Paid Service following the recommendation of a short list for such an appointment by a committee of the Council. That committee must include at least one member of the executive but must not comprise a majority of members of the executive.

4. Appointment of Chief Officers and Deputy Chief Officers

The full Council will appoint statutory chief officers. A committee of the Council will appoint non-statutory chief officers and deputy chief officers. That committee must include at least one member of the executive but must not comprise a majority of members of the executive.

[Note: this provision reflects the rules made in Assembly regulations. It means that elected members will appoint Directors, Heads of Service and Area Managers only.]

Save for the appointment of the Head of Paid Service, the steps in 2.02 and 2.03 may be undertaken by a committee, sub-committee or chief officer.

5. Other appointments

- (a) **Officers other than those in (4) above.** Appointment of these officers (other than assistants to political groups) is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by councillors.
- (b) **Assistants to political groups.** Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

6. Disciplinary action - Head of Paid Service, Chief Finance Officer, Monitoring Officer, Head of Democratic Services

(a) No disciplinary action (other than action to which paragraph (b) applies) in respect of the head of the authority's paid service (unless the head of the authority's paid service is also a council manager of the relevant authority), its monitoring officer, its chief finance officer or its Head of Democratic Services may be taken by the relevant authority, or by a committee, a sub-committee, a joint committee on which the relevant authority is represented or any other person acting on behalf of the relevant authority, other than in accordance with a recommendation in a report made by a designated independent person under regulation 9 of the Local Authorities (Standing Orders) (Wales) Regulations 2006 [as amended] (investigation of alleged misconduct). The detailed rules appear in paragraph 7 below.

(b) The action to which this paragraph applies is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action; provided such suspension is on full pay and terminates no later than the expiry of two months beginning on the day on which the suspension takes effect.

7. Investigation of alleged misconduct - Head of Paid Service, Chief Finance Officer, Monitoring Officer, Head of Democratic Services

7.01 Subject to paragraph 7.11, where, it appears to the council that an allegation of misconduct which may lead to disciplinary action has been made against—

(a) the head of the authority's paid service;

(b) its monitoring officer; or

(c) its chief finance officer; or

(d) its head of democratic services,

("the relevant officer"), as the case may be,

the council must appoint a committee ("an investigation committee") to consider the alleged misconduct.

7.02 The investigation committee must:

(a) consist of a minimum of 3 members of the relevant authority;

(b) be politically balanced in accordance with section 15 of the 1989 Act; and must, within 1 month of its appointment, consider the

allegation of misconduct and decide whether it should be further investigated.

7.03 For the purpose of considering the allegation of misconduct, the investigation committee:

(a) may make such enquiries of the relevant officer or any other person it considers appropriate;

(b) may request the relevant officer or any other person it considers appropriate to provide it with such information, explanation or documents as it considers necessary within a specified time limit; and

(c) may receive written or oral representations from the relevant officer or any other person it considers appropriate.

7.04 Where it appears to the investigation committee that an allegation of misconduct by the relevant officer should be further investigated, it must appoint a person ("the designated independent person")

7.05 The designated independent person who is appointed—

(a) must be such person as may be agreed between the relevant authority and the relevant officer within 1 month of the date on which the requirement to appoint the designated independent person arose; or

(b) where there is no such agreement, must be such person as is nominated for the purpose by the Welsh Ministers.

7.06 The designated independent person—

(a) may direct—

(i) that the relevant authority terminates any suspension of the relevant officer;

(ii) that any such suspension is to continue after the expiry of the period referred to in paragraph 6 above;

(iii) that the terms on which any such suspension has taken place are to be varied in accordance with the direction; or

(iv) that no steps (whether by the relevant authority or any committee, sub-committee or officer acting on behalf of the relevant authority) by way of disciplinary action or further disciplinary action against the relevant officer, other than steps taken in the presence, or with the agreement, of the designated independent person, are to be taken before a report is made under sub-paragraph (d);

(b) may inspect any documents relating to the conduct of the relevant officer which are in the possession of the relevant authority, or which the relevant authority has power to authorise the designated independent person to inspect;

(c) may require any member or member of staff of the relevant authority to answer questions concerning the conduct of the relevant officer;

(d) must make a report to the relevant authority—

(i) stating an opinion as to whether (and, if so, the extent to which) the evidence obtained supports any allegation of misconduct against the relevant officer; and

(ii) recommending any disciplinary action which appears appropriate for the relevant authority to take against the relevant officer, and

(e) must no later than the time at which the report is made under subparagraph (d); send a copy of the report to the relevant officer.

7.07 Subject to paragraph 7.08, the relevant officer and relevant authority must, after consulting the designated independent person, attempt to agree a timetable within which the designated independent person is to undertake the investigation.

7.08 Where there is no agreement under paragraph 7.07, the designated independent person must set a timetable as that person considers appropriate within which the investigation is to be undertaken.

7.09 The relevant authority must consider the report prepared by the independent person under paragraph 7.06 (d) above within 1 month of receipt of that report.

7.10 A relevant authority must pay reasonable remuneration to a designated independent person appointed by the investigation committee and any costs incurred by, or in connection with, the discharge of functions under this regulation.

7.11 These rules do not apply in the case of a Head of Paid Service who is also the Council Manager. For the purposes of these rules, any officer who was a relevant officer at the time of the alleged misconduct or when the reason for the proposed dismissal occurred (but is no longer so), shall be regarded as a relevant officer.

7.12 A disciplinary committee of the Council (excluding those persons who served on the investigation committee) will consider the report under para. 7.09 above along with representations from the officer

against whom allegations are made, in accordance with the Council's detailed disciplinary procedures. An appeal will lie to the full Council from the decision of this committee, except in the case of the Head of Paid Service (in which case the Council will consider an appeal, or approve the recommendation of the committee if no appeal is made).

8. Other Officers

8.01 Appointment and dismissal of Officers below Chief Officer is the responsibility of the Head of Paid Service or his nominee, and may not be undertaken by councillors.

8.02 Councillors will not be involved in disciplinary action against any Officer below Chief Officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct or where the Council's disciplinary, capability and related procedures, as adopted from time to time, allow a right of appeal to Members.

9. Definitions

(References to "the 1989 Act" are to the Local Government and Housing Act 1989)

"Head of Paid Service" means the officer designated as the authority's Head of Paid Service under s.4 of the 1989 Act.

"Statutory Chief Officer" means:-

- (a) the Chief Education Officer or Director of Education appointed under s.532 of the Education Act 1996;
- (b) the Director of Social Services appointed under s.6 of the Local Authority Social Services Act 1970;
- (c) the officer having responsibility for the purposes of s.151 of the Local Government Act 1972, s.73 of the Local Government Act 1985 and s.112 of the Local Government Finance Act 1988.

"Non-Statutory Chief Officer" means:-

- (a) a person for whom the Head of Paid Service is directly responsible;
- (b) a person who as respects all or most of the duties of the post is required to report directly or is directly accountable to the Head of the authority's Paid Service (except for secretarial, clerical and support staff);
- (c) any person who as respects all or most of the duties of the post is required to report directly or is directly accountable to the local

authority themselves or any committee or sub-committee of the authority.

“Deputy Chief Officer” means a person who as respects all or most of the duties of the post is required to report directly or is directly accountable to one or more of the statutory or non-statutory chief officers (except for secretarial, clerical and support staff).

“Chief Finance Officer” or **“s.151 Officer”** means the officer appointed for the purposes of s.151 of the Local Government Act 1972, s.73 of the Local Government Act 1985 or s.112 of the Local Government Finance Act 1988.

“Monitoring Officer” means the officer designated under s.5 (1) of the 1989 Act.

“Head of Democratic Services” means the officer appointed under s.8 of the Local Government (Wales) Measure 2011

“Chief Officer” means:-

- (a) the Head of Paid Service;
- (b) the Monitoring Officer;
- (c) the Head of Democracy
- (c) a statutory Chief Officer;
- (d) a non-statutory Chief Officer.

“Disciplinary action” means:-

In relation to a member of staff of a relevant authority any action occasioned by alleged misconduct which, if proved, would, according to the usual practice of the authority, be recorded on the member of staff's personal file, and includes any proposal for dismissal of a member of staff for any reason other than redundancy, permanent ill-health or infirmity of mind or body, but does not include failure to renew a contract of employment for a fixed term unless the relevant authority has undertaken to renew such a contract;

PART 5 – CODES AND PROTOCOLS

CODE OF CONDUCT FOR MEMBERS AND CO-OPTED MEMBERS

Having had regard to the Conduct of Members (Principles) (Wales) Order 2001 as amended and The Local Authorities (Model Code of Conduct) (Wales) Order 2008 and upon the advice of its Standards Committee, Monmouthshire County Council has adopted the following Code of Conduct with effect from 2 May 2008

PART 1

Interpretation

In this code —

“co-opted member”, in relation to a relevant authority, means a person who is not a member of the authority but who —

(a) is a member of any committee or sub-committee of the authority, or

(b) is a member of, and represents the authority on, any joint committee or joint sub-committee of the authority,

and who is entitled to vote on any question which falls to be decided at any meeting of that committee or sub-committee;

“meeting” means any meeting —

(a) of the relevant authority,

(b) of any executive or board of the relevant authority,

(c) of any committee, sub-committee, joint committee or joint sub-committee of the relevant authority or of any such committee, sub-committee, joint committee or joint-committee of any executive or board of the authority, or

(d) where members or officers of the relevant authority are present other than a meeting of a political group constituted in accordance with regulation 8 of the Local Government (Committee and Political Groups) Regulations 1990,

and includes circumstances in which a member of an executive or board or an officer acting alone exercises a function of an authority;

“member” includes, unless the context requires otherwise, a co-opted member;

“relevant authority” means —

(a) a county council,

- (b) a county borough council,
- (c) a community council,
- (d) a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies,
- (e) a National Park authority established under section 63 of the Environment Act 1995;

“you” means you as a member or co-opted member of a relevant authority; and

“your authority” means the relevant authority of which you are a member or co-opted member.

In relation to a community council, references to an authority’s monitoring officer and an authority’s standards committee are to be read, respectively, as references to the monitoring officer and the standards committee of the county or county borough council which has functions in relation to the community council for which it is responsible under section 56(2) of the Local Government Act 2000.

PART 2

General Provisions

1. Save where paragraph 3(a) applies, you must observe this code of conduct
 - (a) whenever you conduct the business, or are present at a meeting, of your authority;
 - (b) whenever you act, claim to act or give the impression you are acting in the role of member to which you were elected or appointed;
 - (c) whenever you act, claim to act or give the impression you are acting as a representative of your authority; or
 - (d) at all times and in any capacity, in respect of conduct identified in paragraphs 6 (1) (a) and 7.
2. You should read this code together with the general principles prescribed under section 49(2) of the Local Government Act 2000 in relation to Wales.
3. Where you are elected, appointed or nominated by your authority to serve —
 - (a) on another relevant authority, or any other body, which includes a police authority or Local Health Board you must, when acting for that other authority or body, comply with the code of conduct of that other authority or body; or

(b) on any other body which does not have a code relating to the conduct of its members, you must, when acting for that other body, comply with this code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

4. You must —

(a) carry out your duties and responsibilities with due regard to the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion;

(b) show respect and consideration for others;

(c) not use bullying behaviour or harass any person; and

(d) not do anything which compromises, or which is likely to compromise, the impartiality of those who work for, or on behalf of, your authority.

5. You must not —

(a) disclose confidential information or information which should reasonably be regarded as being of a confidential nature, without the express consent of a person authorised to give such consent, or unless required by law to do so;

(b) prevent any person from gaining access to information to which that person is entitled by law.

6. (1) You must —

(a) not conduct yourself in a manner which could reasonably be regarded as bringing your office or authority into disrepute;

(b) report, whether through your authority's confidential reporting procedure or direct to the proper authority, any conduct by another member or anyone who works for, or on behalf of, your authority which you reasonably believe involves or is likely to involve criminal behaviour (which for the purposes of this paragraph does not include offences or behaviour capable of punishment by way of a fixed penalty);

(c) report to the Public Services Ombudsman for Wales and to your authority's monitoring officer any conduct by another member which you reasonably believe breaches this code of conduct;

(d) not make vexatious, malicious or frivolous complaints against other members or anyone who works for, or on behalf of, your authority.

(2) You must comply with any request of your authority's monitoring officer, or the Public Services Ombudsman for Wales, in connection with an investigation conducted in accordance with their respective statutory powers.

7. You must not —

(a) in your official capacity or otherwise, use or attempt to use your position improperly to confer on or secure for yourself, or any other person, an advantage or create or avoid for yourself, or any other person, a disadvantage;

(b) use, or authorise others to use, the resources of your authority —

- i. imprudently;
- ii. in breach of your authority's requirements;
- iii. unlawfully;
- iv. other than in a manner which is calculated to facilitate, or to be conducive to, the discharge of the functions of the authority or of the office to which you have been elected or appointed;
- v. improperly for political purposes; or
- vi. improperly for private purposes.

8. You must —

(a) when participating in meetings or reaching decisions regarding the business of your authority, do so on the basis of the merits of the circumstances involved and in the public interest having regard to any relevant advice provided by your authority's officers, in particular by -

- the authority's head of paid service;
- the authority's chief finance officer;
- the authority's monitoring officer;
- the authority's chief legal officer (who should be consulted when there is any doubt as to the authority's power to act, as to whether the action proposed lies within the policy framework agreed by the authority or where the legal consequences of action or failure to act by the authority might have important repercussions);

(b) give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.

9. You must —

- (a) observe the law and your authority's rules governing the claiming of expenses and allowances in connection with your duties as a member;
- (b) avoid accepting from anyone gifts, hospitality (other than official hospitality, such as a civic reception or a working lunch duly authorised by your authority), material benefits or services for yourself or any person which might place you, or reasonably appear to place you, under an improper obligation.

PART 3

Interests

Personal Interests

10. (1) You must in all matters consider whether you have a personal interest, and whether this code of conduct requires you to disclose that interest.

(2) You must regard yourself as having a personal interest in any business of your authority if

(a) it relates to, or is likely to affect —

- (i) any employment or business carried on by you;
- (ii) any person who employs or has appointed you, any firm in which you are a partner or any company for which you are a remunerated director;
- (iii) any person, other than your authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties as a member;
- (iv) any corporate body which has a place of business or land in your authority's area, and in which you have a beneficial interest in a class of securities of that body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital of that body;
- (v) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a body of the description specified in sub-paragraph (iv) above;
- (vi) any land in which you have a beneficial interest and which is in the area of your authority;
- (vii) any land where the landlord is your authority and the tenant is a firm in which you are a partner, a company of which you are

a remunerated director, or a body of the description specified in sub-paragraph (iv) above;

(viii) any body to which you have been elected, appointed or nominated by your authority;

(ix) any body in which you have membership or hold a position of general control or management;

(x) any land in your authority's area in which you have a licence (alone or jointly with others) to occupy for 28 days or longer;

(aa) public authority or body exercising functions of a public nature;

(bb) company, industrial and provident society, charity, or body directed to charitable purposes;

(cc) body whose principal purposes include the influence of public opinion or policy;

(dd) trade union or professional association; or

(ee) private club, society or association operating within your authority's area,

(b) a member of the public might reasonably perceive a conflict between your role in taking a decision, upon that business, on behalf of your authority as a whole and your role in representing the interests of constituents in your ward or electoral division; or

(c) a decision upon it might reasonably be regarded as affecting —

(i) your well-being or financial position, or that of a person with whom you live, or any person with whom you have a close personal association;

(ii) any employment or business carried on by persons as described in 10(2) (c) (i),

(iii) Any person who employs or has appointed such persons described in 10(2) (c) (i), any firm in which they are a partner, or any company of which they are directors;

(iv) any corporate body in which persons as described in 10(2) (c) (i) have a beneficial interest in a class of securities exceeding the nominal value of £5,000; or

(v) any body listed in paragraphs 10(2)(a)(ix)(aa) to (ee) in which persons described in 10(2)(c)(i) hold a position of general control or management,

to a greater extent than the majority of—

(aa) in the case of an authority with electoral divisions or wards, other council tax payers, rate payers or inhabitants of the electoral division or ward, as the case may be, affected by the decision; or

(bb) in all other cases, other council tax payers, ratepayers or inhabitants of the authority's area.

Disclosure of Personal Interests

11. (1) Where you have a personal interest in any business of your authority and you attend a meeting at which that business is considered, you must disclose orally to that meeting the existence and nature of that interest before or at the commencement of that consideration, or when the interest becomes apparent.

(2) Where you have a personal interest in any business of your authority and you make

(a) written representations (whether by letter, facsimile or some other form of electronic communication) to a member or officer of your authority regarding that business, you should include details of that interest in the written communication; or

(b) oral representations (whether in person or some form of electronic communication) to a member or officer of your authority you should disclose the interest at the commencement of such representations, or when it becomes apparent to you that you have such an interest, and confirm the representation and interest in writing within 14 days of the representation.

(3) Subject to paragraph 14(1) (b) below, where you have a personal interest in any business of your authority and you have made a decision in exercising a function of an executive or board, you must in relation to that business ensure that any written statement of that decision records the existence and nature of your interest.

(4) You must, in respect of a personal interest not previously disclosed, before or immediately after the close of a meeting where the disclosure is made pursuant to sub-paragraph 11(1), give written notification to your authority in accordance with any requirements identified by your authority's monitoring officer from time to time but, as a minimum containing —

(a) details of the personal interest;

(b) details of the business to which the personal interest relates; and

(c) your signature.

(5) Where you have agreement from your monitoring officer that the information relating to your personal interest is sensitive information,

pursuant to paragraph 16(1), your obligations under this paragraph 11 to disclose such information, whether orally or in writing, are to be replaced with an obligation to disclose the existence of a personal interest and to confirm that your monitoring officer has agreed that the nature of such personal interest is sensitive information.

(6) For the purposes of sub-paragraph (4), a personal interest will only be deemed to have been previously disclosed if written notification has been provided in accordance with this code since the last date on which you were elected, appointed or nominated as a member of your authority.

(7) For the purposes of sub-paragraph (3), where no written notice is provided in accordance with that paragraph you will be deemed as not to have declared a personal interest in accordance with this code.

Prejudicial Interests

12 (1) Subject to sub-paragraph (2) below, where you have a personal interest in any business of your authority you also have a prejudicial interest in that business if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.

(2) Subject to sub-paragraph (3), you will not be regarded as having a prejudicial interest in any business where that business—

(a) relates to —

(i) Another relevant authority of which you are also a member;

(ii) another public authority or body exercising functions of a public nature in which you hold a position of general control or management;

(iii) a body to which you have been elected, appointed or nominated by your authority;

(iv) your role as a school governor (where not appointed or nominated by your authority) unless it relates particularly to the school of which you are a governor;

(v) your role as a member of a Local Health Board where you have not been appointed or nominated by your authority;

(b) relates to —

(i) the housing functions of your authority where you hold a tenancy or lease with your authority, provided that you do not have arrears of rent with your authority of more than two months, and provided that those functions do not relate particularly to your tenancy or lease;

(ii) the functions of your authority in respect of school meals, transport and travelling expenses, where you are a guardian, parent, grandparent or have parental responsibility (as defined in section 3 of the Children Act 1989) of a child in full time education, unless it relates particularly to the school which that child attends;

(iii) the functions of your authority in respect of statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of such pay from your authority;

(iv) the functions of your authority in respect of an allowance or payment made under sections 22(5), 24(4) and 173 to 176 of the Local Government Act 1972, an allowance or pension under section 18 of the Local Government and Housing Act 1989 or an allowance or payment under section 100 of the Local Government Act 2000;

(v) your role as a community councillor in relation to a grant, loan or other form of financial assistance made by your community council to community or voluntary organisations up to a maximum of £500.

(3) The exemptions in subparagraph (2) (a) do not apply where the business relates to the determination of any approval, consent, licence, permission or registration.

Overview and Scrutiny Committees

13. You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where—

(a) that business relates to a decision made (whether implemented or not) or action taken by your authority's executive, board or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and

(b) at the time the decision was made or action was taken, you were a member of the executive, board, committee, sub-committee, joint-committee or joint sub-committee mentioned in sub-paragraph (a) and you were present when that decision was made or action was taken.

Participation in Relation to Disclosed Interests

14. (1) Subject to sub-paragraphs (2), (3) and (4), where you have a prejudicial interest in any business of your authority (or where the information relating to it is sensitive information as defined in paragraph 16(3)) you must, unless you have obtained a dispensation from your authority's standards committee —

(a) withdraw from the room, chamber or place where a meeting considering the business is being held—

- (i) where sub-paragraph (2) applies, immediately after the period for making representations, answering questions or giving evidence relating to the business has ended and in any event before further consideration of the business begins, whether or not the public are allowed to remain in attendance for such consideration; or
 - (ii) in any other case, whenever it becomes apparent that that business is being considered at that meeting;
 - (b) not exercise executive or board functions in relation to that business;
 - (c) not seek to influence a decision about that business;
 - (d) not make any written representations (whether by letter, facsimile or some other form of electronic communication) in relation to that business; and
 - (e) not make any oral representations (whether in person or some form of electronic communication) in respect of that business or immediately cease to make such oral representations when the prejudicial interest becomes apparent.
- (2) Where you have a prejudicial interest in any business of your authority you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.
- (3) Sub-paragraph (1) does not prevent you attending and participating in a meeting if —
- (a) you are required to attend a meeting of an overview or scrutiny committee, by such committee exercising its statutory powers; or
 - (b) you have the benefit of a dispensation provided that you —
 - (i) state at the meeting that you are relying on the dispensation; and
 - (ii) before or immediately after the close of the meeting give written notification to your authority containing —
 - (aa) details of the prejudicial interest;
 - (bb) details of the business to which the prejudicial interest relates;
 - (cc) details of, and the date on which, the dispensation was granted; and
 - (dd) your signature.
- (4) Where you have a prejudicial interest and are making written or oral representations to your authority in reliance upon a dispensation, you must provide details of the dispensation within any such written or oral

representation and, in the latter case, provide written notification to your authority within 14 days of making the representation.

PART 4

THE REGISTER OF MEMBERS' INTERESTS

Registration of Financial and Other Interests and Memberships and Management Positions

15. (1) Subject to sub-paragraphs (3) and (4), you must, within 28 days of

(a) your authority's code of conduct being adopted or the mandatory provisions of this model code being applied to your authority; or

(b) your election or appointment to office (if that is later),

register your financial interests and other interests, where they fall within a category mentioned in paragraph 10(2)(a) in your authority's register maintained under section 81(1) of the Local Government Act 2000 by providing written notification to your authority's monitoring officer.

(2) Subject to paragraph (3), you must, within 28 days of becoming aware of any new personal interest or change to any personal interest registered under sub-paragraph (1), register that new personal interest or change by providing written notification to your authority's monitoring officer.

(3) Sub-paragraphs (1) and (2) do not apply to sensitive information determined

in accordance with paragraph 16(1).

(4) Sub-paragraph (1) will not apply if you are a member of a relevant authority

which is a community council when you act in your capacity as a member of

such an authority.

Sensitive information

16.(1) Where you consider that the information relating to any of your personal interests is sensitive information, and your authority's monitoring officer agrees, you need not include that information when registering that interest, or, as the case may be, a change to the interest under paragraph 15.

(2) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under sub-paragraph (1) is no longer sensitive information, notify your authority's monitoring officer asking that the information be included in your authority's register of members' interests.

(3) In this code, “sensitive information” means information whose availability for inspection by the public creates, or is likely to create, a serious risk that you or a person who lives with you may be subjected to violence or intimidation.

Registration of Gifts and Hospitality

17. You must, within 28 days of receiving any gift, hospitality material benefit or advantage above a value specified in a resolution of your authority, provide written notification to your authority's monitoring officer of the existence and nature of that gift, hospitality material benefit or advantage.

CODE OF CONDUCT FOR EMPLOYEES

The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001 incorporates the following code into every contract of employment for qualifying employees.

General Principles

1. The public is entitled to expect the highest standards of conduct from all qualifying employees of relevant authorities. The role of such employees is to serve their employing authority in providing advice, implementing its policies, and delivering services to the local community. In performing their duties, they must act with integrity, honesty, impartiality and objectivity.

Accountability

2. Qualifying employees of relevant authorities work for their employing authority and serve the whole of that authority. They are accountable to, and owe a duty to that authority. They must act in accordance with the principles set out in this Code, recognising the duty of all public sector employees to discharge public functions reasonably and according to the law.

Political Neutrality

3. Qualifying employees of relevant authorities, whether or not politically restricted, must follow every lawfully expressed policy of the authority and must not allow their own personal or political opinions to interfere with their work. Where qualifying employees are politically restricted (by reason of the post they hold, the nature of the work they do, or the salary they are paid), they must comply with any statutory restrictions on their political activities.

Relations with members, the public and other employees

4. Mutual respect between qualifying employees and members is essential to good local government, and working relationships should be kept on a professional basis.

5. Qualifying employees of relevant authorities should deal with the public, members and other employees sympathetically, efficiently, and without bias.

Equality

6. Qualifying employees of relevant authorities must comply with policies relating to equality issues, as agreed by the authority, in addition to the requirements of the law.

Stewardship

7. Qualifying employees of relevant authorities must ensure that they use public funds entrusted to them in a responsible and lawful manner, and must not utilise property, vehicles or other facilities of the authority for personal use unless authorised to do so.

Personal Interests

8. Whilst qualifying employees' private lives are their own concern, they must not allow their private interests to conflict with their public duty. They must not misuse their official position or information acquired in the course of their employment to further their private interests, or the interests of others. In particular, they must comply with:

(1) any rules of their relevant authority on the registration and declaration by employees of financial and non - financial interests,

(2) any rules of their relevant authority on the declaration by employees of hospitality or gifts offered to or received by them, from any person or organisation doing or seeking to do business, or otherwise benefiting or seeking to benefit from a relationship with the authority. Qualifying employees must not accept benefits from a third party unless authorised to do so by their relevant authority.

Whistleblowing

9. In the event that a qualifying employee becomes aware of activities which that employee believes to be illegal, improper, unethical or otherwise inconsistent with this Code, the employee should report the matter, acting in accordance with the employee's rights under the Public Interest Disclosure Act 1998, and with the relevant authority's confidential reporting procedure, or any other procedure designed for this purpose.

Treatment of Information

10. Openness in the dissemination of information and decision making should be the norm in relevant authorities. However, certain information may be confidential or sensitive and therefore not appropriate for a wide audience. Where confidentiality is necessary to protect the privacy or other rights of individuals or bodies, information should not be released to anyone other than a member, relevant authority employee or other person who is entitled to receive it, or needs to have access to it for the proper discharge of their functions. Nothing in this Code can be taken as overriding existing statutory or common law obligations to keep certain information confidential, or to divulge certain information.

Appointment of Staff

11. Qualifying employees of relevant authorities involved in the recruitment and appointment of staff must ensure that appointments are

made on the basis of merit. In order to avoid any possible accusation of bias, such employees must not be involved in any appointment, or any other decisions relating to discipline, promotion or pay and conditions for any other employee, or prospective employee, to whom they are related, or with whom they have a close personal relationship outside work.

Investigations by Monitoring Officers

12. Where a monitoring officer is undertaking an investigation in accordance with regulations made under section 73(1) of the Local Government Act 2000 a qualifying employee must comply with any requirement made by that monitoring officer in connection with such an investigation.

To the extent that its provisions do not conflict with the foregoing statutory code, the Council has adopted (after appropriate consultation) the following Code of Conduct for Employees.

Introduction

The public is entitled to expect the highest standards of conduct from all employees who work for local government. This Code of Conduct is based on the recommendations of the Committee on the Standards of Conduct in Public Life. It applies to employees' conduct both within the council and when dealing with other organisations as a representative of the council. The principles detailed below are the basic ones governing all council employees.

The Code does not affect an employee's rights and responsibilities under the law; its purpose is to provide clear and helpful advice but all employees must comply with the Code.

This Policy should be read in conjunction with the council's Whistle Blowing procedure, the Dignity at Work policy and the Social Media Policy. This allows employees to disclose any wrong doing on the part of any employee or Councillor under The Public Interest Disclosure Act 1998. A breach of this Code may give rise to disciplinary action, which will be taken in accordance with the Council's Disciplinary Procedure.

The Code incorporates "The Seven Principles of Public Life"

Selflessness

Employees shouldn't take decisions which will result in any financial or other benefit to themselves, their family, or their friends. Decisions should be based solely on the Council's best interests.

Integrity

Employees shouldn't place themselves under any financial or other obligation to an individual or an organisation which might influence them in their work with the Council.

Objectivity

Any decisions that employees take in the course of their work, including making appointments, awarding contracts, or recommending individuals for rewards or benefits must be based solely on merit.

Accountability

Employees are accountable to the council as their employer. The council, in turn, is accountable to the public.

Openness

Employees should be as open as possible in all the decisions and actions that they take. They should give reasons for their decisions and shouldn't restrict information unless this is clearly required by council policy or by the law.

Honesty

Employees have a duty to declare any private interests, which might affect their work with the council.

Leadership

Employees in a leadership or managerial position should promote and support these principles by their leadership and example.

Standards

The aim of this code is to apply standards for all Monmouthshire County Council employees on the understanding that the citizens of Monmouthshire are entitled to expect the highest standards of conduct and where it is part of their duties, to provide appropriate advice to Councillors and fellow employees with impartiality.

Employees will be expected to bring any deficiency in the provision of service or any impropriety or breach of procedure which would have a detrimental impact on the Council to the attention of the appropriate level of management.

The standards laid down in this Code are considered to be fundamental to the reputation of the Council. Any uncertainty about the meaning of this code is not accepted as a reason for failing to comply with it. If employees are in doubt they should seek advice from a Chief Officer.

Social Media

It's your own personal choice whether or not you participate in any kind of social media activity in your own time – the views and opinions that you express are your own. However, as a council employee you should be aware that any information which you post about Monmouthshire County Council cannot be kept entirely separate from your working life.

What you say openly online can be accessed around the world within seconds, it might be shared or re-published elsewhere (online or in print) and it will continue to be available for all to see in the future. You must be willing to take personal responsibility for anything that you say online.

The council would expect staff to make a distinction between their own views and those where they represent their employer. It may be appropriate to add a disclaimer to your personal blog or social media profile to make it clear that your personal accounts are your own – for example: “These views are my own not my employers”.

Think about what capacity you’re speaking in, particularly if you are commenting about Monmouthshire County Council. Make sure you avoid misunderstandings about whether you’re speaking as part of your work or not. Seek further advice if you’re unsure.

Check your online privacy settings so that you understand who can see the information you publish and who can view your personal information.

Respect privacy and confidentiality – make sure you don’t publish any information that should be kept private.

Stay safe – don’t give out personal details such as your address or phone number.

Make sure that you’re familiar with the council’s policy about personal use of electronic communications in the workplace.

Relationships

The Local Community and Service Users

Employees should always remember the responsibilities to the citizens they serve and ensure courteous, efficient and impartial service delivery to all groups and individuals within that community.

Councillors

Employees are responsible to the Council through its senior managers and leaders. For some, their role is to give advice to councillors and senior managers and all are there to carry out the Council’s work. Mutual respect between employees and councillors is essential to good local government. Close personal familiarity between employees and individual councillors can damage the relationship and prove embarrassing to other employees and councillors and should therefore be treated with caution.

Contractors

All relationships of a business or private nature with external contractors, or potential contractors, should be made known to the appropriate manager. Orders and contracts must be awarded on merit, by competition against other tenders, and no favour should be shown to businesses run by, for example, friends, partners or relatives in the tendering process. No part of the local community should be discriminated against. At all times the requirements of the Councils Contract Standing Orders must be applied.

Employees should let their Chief Officer know if they appoint or supervise contractors with whom they have a current or previous relationship in a private or domestic capacity.

All members of the public, citizens, customers, colleagues and Elected Members should be dealt with fairly, equitably, with dignity and respect in line with the principles of the Equality Act 2010 and the policies of the Council.

Appointment and Employment

All appointments will be made on merit. It is unlawful for an employee to make an appointment which was based on anything other than the ability of the candidate to undertake the duties of the post.

In order to avoid any possible accusation of bias, employees should not be involved in an appointment where they are related to an applicant, or have a close personal relationship outside work with him or her.

Similarly, employees should not be involved in decisions relating to discipline promotion or pay for any employee who is a relative, partner, etc.

Canvassing of members or Employees of the Council

Candidates will be disqualified if they canvass members or employees of the council directly or indirectly in connection with any appointment within the Council. Employees can give a written reference of a candidate's suitability for appointment, but they can't solicit for them or recommend them for appointment or promotion.

Politically Restricted Posts (PoRPs)

The effect of including a local authority employee on the list of 'politically restricted posts' is to prevent that individual from having any active political role either in or outside the workplace. Politically restricted post holders will automatically be disqualified from

- Standing for or holding elected office
- Acting as an election agent or sub agent

- Being an officer of a political party or of any branch of such a party or a member of any committee or sub-committee of such a party
- Canvassing on behalf of a political party or on behalf of a person who is, or proposes to be, a candidate for election
- Speaking to the public at large or to a section of the public with the apparent intention of affecting public support for a political party.

These restrictions are incorporated as terms in the employee's contract of employment.

Politically restricted posts fall into two broad categories: specified posts and sensitive posts.

Specified posts:

- Head of the Paid Service (Chief Executive)
- Statutory Chief Officers, Chief Finance officer (section 151 officer)
- Non-statutory Chief Officers (officers reporting to the Chief Executive)
- Deputy Chief Officers (officers reporting to a Chief Officer)
- The Monitoring Officer
- Officers exercising delegated powers, i.e. persons whose posts are for the time being specified by the authority.

Sensitive posts:

A sensitive post is one which meets one or both of the following duties-related criteria:

- Giving advice on a regular basis to the Council, to any committee or sub-committee of the Council or to any joint committee on which the Council is represented; or where the Council operates executive arrangements, to the executive of the authority; to any committee of that executive; or to any member of that executive who is also a member of the authority
- Speaking on behalf of the authority on a regular basis to journalists or broadcasters.

Teachers and Head Teachers are exempt from political restrictions and are not regarded as holding 'PoRPs' whatever their role.

Political Neutrality

Employees work for the Council as a whole, including Elected Members and must ensure that the individual rights of all members are respected.

If employees are required to advise political groups, they must do so in a way which does not compromise their political neutrality.

Employees, whether or not politically restricted, must follow every lawful expressed policy of the authority and must not allow their own personal or political opinions to interfere with their work.

Outside Commitments

Employees on Band G and above will need to obtain written consent from their Chief Officer prior to taking on any outside employment. All employees should be clear about their contractual obligations and should not take outside employment which could conflict with the authority's interests or use Council premises or equipment for other than Council business.

Personal interests

Employees must declare in writing to their Chief Officer any financial or non-financial interests which could conflict with the Council's interests. A copy of this declaration should be sent to the Chief Executive.

Employees should tell their Chief Officer if they are a member of any organisation that isn't open to the public without formal membership and commitment or allegiance and which has secrecy about rules or membership or conduct.

Disclosure of Information

The Council's decision making process must be transparent and open. The Council must provide the public with clear and accessible information about how it operates. It must also ensure that there is an effective complaints procedure in place for the public to use when things go wrong.

The Council is committed to ensuring that all data collected, held or obtained under its control is dealt with in an ethical and legally responsible manner. Failure to do so would jeopardise the credibility of the council and may cause the council to breach disclosure legislation.

The Council's policy is that information will be made open and available. There are exceptions to this principle of openness where confidentiality is involved. Information may be withheld if, for example, it would compromise a right of personal or commercial confidentiality. This doesn't apply where there is a legal duty to provide information. Employees must not break the law in this area.

In particular, information mustn't be supplied about employees to any person outside the Council unless the consent of the employee is obtained first. This won't apply where there is a statutory duty to provide information, e.g. HMRC, DWP etc. or in the process of prevention or

detection of fraud, as detailed below. If there is any doubt employees should raise the matter with their line manager.

Breaches of confidentiality will constitute a breach of this code which could result in disciplinary action, including dismissal. Under the Data Protection Act 1998, breaches of confidentiality can lead in certain circumstances, to legal proceedings against employees as individuals.

In order to ensure a co-ordinated approach to the Council's external relations, requests for information from the media should be dealt with by the Communications Manager or an employee authorised by a Chief Officer.

If in any doubt as to whether to divulge information to anyone the relevant line manager should be consulted.

Separation of roles during Tendering

Employees involved in the tendering process and dealing with contractors should be clear on the separation of client and contractor roles within the Council. Senior employees who have both a client and contractor responsibility must be aware of the need for accountability and openness and must exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.

Employees who are privy to confidential information on tenders or costs for either internal or external contractors should not disclose that information to any unauthorised party or organisation.

Employees contemplating a management buyout or similar arrangement should, as soon as they have formed a definite intent, inform their Chief Officer and withdraw from the contract awarding processes.

Employees should ensure that no favour is shown to current or recent former employees or their partners, close relatives or associates in awarding contracts to businesses run by them or employing them in a senior or relevant managerial capacity.

Bribery and Corruption

Under the Bribery Act 2010 employees must be aware that it is a serious criminal offence to;

- Bribe a person to induce or reward them to perform a relevant function improperly
- Request, accept or receive a bribe as a reward for performing a relevant function improperly
- Use a bribe to influence a foreign official to gain a business advantage.

Surveillance

There may be circumstances that warrant the authority to carry out covert surveillance. This will only be in situations where all other investigative options have been exhausted.

Use of Financial Resources

Employees must ensure that they use public funds entrusted to them in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the authority.

Hospitality

Employees should only accept offers of hospitality if there is a genuine need to impart information or represent the local authority in the community. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the authority should be seen to be represented. They should be properly authorised by Chief Officers and recorded.

People making the offer of hospitality should be courteously but firmly declined and they should be informed of the procedures and standards operating within the authority.

Employees should not accept significant personal gifts from contractors and outside suppliers, although insignificant items of token value such as pens, diaries, etc. are acceptable.

When receiving authorised hospitality, employees should be particularly sensitive as to its timing in relation to decisions which the authority may be taking affecting those providing the hospitality.

Sponsorship - Giving and Receiving

Where an outside organisation wishes to sponsor or is seeking to sponsor a Council activity, whether by invitation, tender, negotiation or voluntarily, the basic conventions concerning acceptance of gifts or hospitality apply. Particular care must be taken when dealing with contractors or potential contractors.

Where the authority wishes to sponsor an event or service an employee nor any partner, spouse or relative must benefit from the sponsorship in a direct way without there being full disclosure to their Chief Officer of their interest. Similarly, where the authority through sponsorship, grant aid, financial or other means, gives support in the community, employees should ensure that impartial advice is given and that there is no conflict of interest involved.

The Council and the citizens of Monmouthshire expect the highest standards of conduct from all employees, therefore we encourage

employees and others with serious concerns about any aspect of the Council's work to come forward and voice those concerns. You can do this through the Whistle Blowing policy if you want. Remember that if you fail to inform us it may result in disciplinary action being taken against you for failing to tell us.

WHISTLEBLOWING” POLICY

Purpose

The Council and the citizens of Monmouthshire expect the highest standards of conduct from all employees, therefore we encourage employees and others with serious concerns about any aspect of the Council’s work to come forward and voice them in a safe environment.

The Council recognises that employees are in an ideal position to be aware when malpractice, negligence or wrongdoing occurs. However, they may not express their concerns due to fear of harassment or victimisation.

This policy enables employees to raise concerns at an early stage and in the correct way.

Any serious concerns employees have about the conduct of members or officers of the Council, or agents or contractors of the Council, or about service provision, should be reported under this policy. This policy doesn’t cover grievances relating to an employee’s employment contract and formal complaints about the Council. Separate policies exist for those, and this Whistleblowing Policy is intended to cover concerns that fall outside the scope of those other procedures.

Aims and Scope

This policy aims to:

- Inform employees of how to raise concerns which they reasonably believe are in the
- public interest
- Provide a procedure for employees to raise concerns
- Ensure confidentiality is maintained
- Ensure that employees who raise a concern are protected from recrimination and fear of harassment or victimisation.

This policy applies to employees, volunteers, workers and agency workers, contractors or partners working for or on behalf of the Council. A separate policy applies for school based staff.

It is appreciated that it’s sometimes difficult to report malpractice or wrongdoing, but failing to report it is serious and can in itself result in disciplinary action against you.

If an allegation is made which it is believed to be in the public interest but is not confirmed by an investigation, no action will be taken against the person who raised the initial concern. However, if the allegation is

malicious, vexatious or for personal gain disciplinary action may be taken against the person making those claims.

Sometimes the investigation process may have to reveal the source of the information and a statement by you may be required as part of the evidence. The Council will do its best to protect your identity when you raise a concern and do not want your name to be disclosed, but this can't be guaranteed if it means we can't take action against the wrongdoer.

Areas covered by this policy include:

- a criminal offence
- a miscarriage of justice
- health or safety risks
- damage to the environment
- deliberate covering up of information tending to show any of the above five matters
- A breach of any statutory code of practice including the Council's Standing Orders
- Unethical conduct
- Abuse of power for any unauthorised purpose or for personal gain
- Unfair discrimination in the provision of services
- Fraud, corruption and bribery
- Racial harassment, sexual or physical abuse of clients
- Vulnerable adult or child safeguarding concerns
- Showing undue favour over a contractual matter or to a job applicant

Relevant Legislation and Council policies

The Council recognises its responsibilities under the following legislation;

- The Public Interest Disclosure Act 1998
- The Enterprise and Regulatory Reform Act 2013
- Employment Rights Act 1999
- The Equality Act 2010
- The Bribery Act 2010
- The Trade Union and Labour Relations (Consolidation)Act 1992

This Policy should be read in conjunction with the Council's;

- Code of Conduct
- Disciplinary Policy
- Equality Policy
- Grievance Policy

If an employee is the subject of disciplinary or redundancy procedures they won't be halted as a result of the whistleblowing.

In order to be protected the disclosure must be made in the public interest and not for personal gain. You must reasonably believe that the information, and any allegation contained in it, is substantially true.

How to raise a concern

Employees should normally raise any concern they may have with their immediate line manager. However, if employees feel unable to raise a concern through this route for whatever reason, they should write to the Chief Executive, County Hall, Rhadyr, Usk, Monmouthshire, NP15 1GA and mark it confidential.

This depends on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice.

If you feel that your line manager is involved, the concern should be raised with the relevant Chief Officer or the Chief Executive. If the concern is about the Chief Executive it should be raised with the Leader of the Council, if the concern relates to an Elected Member, it should be raised with the Chief Executive.

Concerns are better raised in writing. Employees who wish to raise a concern in writing should:

- Set out the background and history of the concern, giving names, dates and places, where possible
- Give the reason why they are particularly concerned about the situation. If you do not feel able to put your concern in writing, you can telephone or meet the appropriate officer.

The earlier a concern is raised the easier it is to take effective action. We appreciate that it can be difficult to know what to do when the concern feels serious because it relates to service user welfare, malpractice, health and safety or a possible fraud that might affect others or the organisation itself. You may be worried about raising such a concern and may think it best to keep it to yourself, perhaps feeling it's none of your business or that it's only a suspicion. You may feel that raising the matter would be disloyal to colleagues, managers or to the organisation. You may decide to say something but find that you have spoken to the wrong person or

raised the issue in the wrong way and are not sure what to do next. If you are at all worried please speak to someone rather than leave it. You may of course invite your Trade Union to assist you to raise the matter or speak to a member of the Employee Services Team.

The person with whom you raise the concern becomes the Designated Officer responsible for investigating the matter and for keeping you informed on the outcome.

If in doubt – please raise it!

How the Council will respond

The action taken by the Council will depend on the nature of the concern. The matters raised may:

- be investigated internally
- be referred to the Police
- be referred to the external Auditor
- form the subject of an independent inquiry

In order to protect individuals and the Council, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may be resolved without the need for investigation.

Within 10 working days of a concern being received, the Designated Officer will write:

- acknowledging that the concern has been received
- indicating how it proposes to deal with the matter
- indicating whether any initial enquiries have been made, and
- indicating whether further investigations will take place, and if not, why not
- indicating support mechanisms available

The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised. If necessary, further information may be requested from the employee.

The Employee Services team can offer further advice and support.

Safeguarding Whistleblowers - Our Assurances to You

Your safety

The Chief Executive is committed to this policy. If you raise a genuine concern under this policy, you will not be at risk of losing your job or

suffer any form of retribution, victimisation or detriment as a result. It won't matter if you are mistaken provided you genuinely believe that you are acting in the public interest. Of course we cannot extend this assurance to someone who maliciously raises a matter they know is untrue.

Your confidence

With these assurances, we hope you will raise your concern openly. However, we recognise that there may be circumstances when you would prefer to speak to someone in confidence first. If this is the case, please say so at the outset. If you ask us not to disclose your identity, we will not do so without your consent unless required by law. You should understand that there may be times when we are unable to resolve a concern without revealing your identity, for example, where your personal evidence is essential. In such cases, we will discuss with you whether and how the matter can best proceed.

Please remember that if you do not tell us who you are it will be much more difficult for us to look into the matter. We will not be able to protect your position or to give you feedback. Accordingly, you should not assume we can provide the assurances we offer in the same way if you report a concern anonymously.

The Council accepts that employees need to be assured that the matter has been properly addressed. Subject to legal constraints, the employee who raised the concern will receive information about the outcomes of any investigations.

How the matter can be taken further

This policy is intended to provide employees with a logical route to raise concerns they may have within the Council. However, if employees do not wish to raise concerns internally or if the concern has not been dealt with satisfactorily, the following are possible contact points:

- Your local councillor (if you live in the area of the Council)
- Welsh Audit Office – the council's external auditors
- An organisation which is prescribed with the Public Interest Disclosure Act
- Solicitors
- The Police
- Trade Unions
- Professional Bodies

- ***Public Concern at Work*** – an independent authority which seeks to ensure that concerns
- about malpractice are raised and addressed in the workplace.

If employees take matters outside the council, it will be necessary to ensure that no confidential or legally privileged information is disclosed. However, if the allegation is malicious or vexatious or for personal gain disciplinary action may be taken.

Records

The Chief Executive has overall responsibility for the maintenance and operation of this policy and will maintain a record of concerns raised and the outcomes (but in a form which does not compromise confidentiality) and will report as necessary to the council.

PROTOCOL ON MEMBER AND OFFICER RELATIONS

1. Introduction

The purpose of this Protocol is to guide Members and Employees of the Council in their relations with one another.

Mutual respect between Members and Employees is essential to good local government. However, close personal familiarity between individual Members and Employees can damage this relationship and prove embarrassing to other Members and Employees.

The relationship has to function without compromising the ultimate responsibilities of Employees to the Council as a whole, and with due regard to such technical, financial, professional and legal advice that Employees can legitimately provide to Members. The Protocol seeks to set a framework that assists the working relationships between Members and Employees.

2. Roles of Members

- a) Members undertake many different roles. Broadly these are:
- b) Members express political values and support the policies of the party or group to which they belong (if any).
- c) Members represent their electoral division and are advocates for the citizens who live in the area.
- d) Members are involved in active partnerships with other organisations as community leaders.
- e) Members contribute to the decisions taken in Full Council and in its various bodies on which they serve, as well as joint committees, outside bodies and partnership organisations.
- f) Members help develop and review policy and strategy.
- g) Members monitor and review policy implementation and service quality.
- h) Members are involved in quasi-judicial work through their Membership of regulatory committees.

3. Roles of Employees

Briefly, Employees have the following main roles:

- a) Managing and providing the services for which the Council has given them responsibility and being accountable for the efficiency and effectiveness of those services.
- b) Providing advice to the Council and its various bodies and to individual Members in respect of the services provided.
- c) Initiating policy proposals.
- d) Implementing agreed policy.
- e) Ensuring that the Council always acts in a lawful manner.

4. Respect and Courtesy

For the effective conduct of Council business there must be mutual respect, trust and courtesy in all meetings and contacts, both formal and informal, between Members and Employees. This plays a very important part in the Council's reputation and how it is seen in public. It is very important that both Members and Employees remember their respective obligations to enhance the Council's reputation and to do what they can to avoid criticism of other Members, or other Employees, in public places.

Undue Pressure

It is important in any dealings between Members and Employees that neither should seek to take unfair advantage of their position.

In their dealings with Employees (especially junior Employees), Members need to be aware that it is easy for them to be overawed and feel at a disadvantage. Such feelings can be intensified where Members hold senior official and/or political office.

A Member should not apply undue pressure on an Employee either to do anything that he is not empowered to do or to undertake work outside normal duties or outside normal hours. Particular care needs to be taken in connection with the use of Council property and services.

Similarly, an Employee must neither seek to use undue influence on an individual Member to make a decision in his favour, nor raise personal matters to do with their job, nor make claims or allegations about other Employees. *(The Council has formal procedures for consultation, grievance and discipline, and Employees have the right to report possible wrongdoing under the Council's Confidential Reporting Code.)*

Familiarity

Close personal familiarity between individual Members and Employees can damage the principle of mutual respect. It could also, intentionally or accidentally, lead to the passing of confidential information or information which should not properly be passed between them, such as personal details.

Such familiarity could also cause embarrassment to other Members and/or other Employees and even give rise to suspicions of favouritism.

For these reasons close personal familiarity must be avoided.

Breach of Protocol

If a Member considers that he has not been treated with proper respect or courtesy he may raise the issue with the Employee's line manager. If direct discussion with the manager does not resolve the complaint it should be referred to the Head of Service or Chief Officer responsible for

the employee concerned. Breach of the Protocol may give rise to disciplinary proceedings against an Employee if the circumstances warrant it.

If an employee considers that a Member has contravened the protocol he should consult his line manager who will if necessary involve the Head of Service or Chief Officer. In certain circumstances breach of the Protocol may also constitute a breach of the Members' Code of Conduct. If the breach is sufficiently serious this may warrant a formal reference to the Monitoring Officer as a complaint to be considered for potential investigation by the Standards Committee. Many complaints will be capable of informal resolution. The Monitoring Officer or the Chief Executive will assist in this process if necessary.

5. Provision of Advice and Information to Members

Members are free to approach Employees of the Council to provide them with such information and advice as they may reasonably need in order to assist them in discharging their role as a Member of the Council. This can range from a request for general information about some aspect of the Council's activities to a request for specific information on behalf of a constituent.

Employees should always endeavour to respond to requests for information promptly and should in any event inform the Member if there is likely to be any appreciable delay in dealing with an enquiry. As a minimum the timescale for responding to correspondence should be observed ie either a full response or, if this is not possible, an acknowledgement that fully explains what is happening within [five] working days of the receipt of the enquiry.

The legal rights of Members to inspect Council documents are covered partly by statute and partly by common law.

The Access to Information Procedure Rules of this Constitution explain the position with regard to access to papers relating to the business of a Council body.

The exercise of the common law right depends upon a Member's ability to demonstrate a "need to know". In this respect a Member has no right to "a roving commission" to examine any documents of the Council. Mere curiosity is not sufficient.

The information sought by a Member should only be provided by the respective Service as long as it is within the limits of the Service's resources. For their part, Members should seek to act reasonably in the number and content of the requests they make.

It is important for Services and their staff to keep Members informed both about the major issues concerning the Council and, more specifically, about issues and events affecting the area that he

represents. Local Members should be informed about proposals that affect their electoral division and should also be invited to attend Council initiated events within their electoral division. (Further details are contained in the Local Member Consultative Charter, which is annexed to this Protocol).

If a Member asks for specific information relating to the work of a particular Service, and it appears possible or likely that at a subsequent meeting an issue could be raised or question asked on the basis of the information provided, then the appropriate Cabinet Member or Committee Chair concerned should be advised about the information provided.

Officers have to advise Members from time to time that a certain course of action cannot be carried out. Members sometimes assume that this is a case of Officers deliberately obstructing the wishes of politicians. In fact this is hardly ever the case. Officers are employed to give unbiased professional advice even if it is not what Members want to hear. They do this as much for the protection of Members as for any other reason. However, the mark of an effective Officer is that if they do have to give negative advice, this will be accompanied by suggestions as to how Members might achieve some or all of their objectives in other ways. Such Officers are invaluable to any Council.

Members may be entitled under the Freedom of Information Act 2000 to receive information which falls outside their common law rights based on the “need to know”. Employees are encouraged to supply documents to Members without the need for a formal FOI request if it is apparent from the Member’s enquiry that any individual would be entitled to receive such documentation. The Council’s Information Officer will be able to advise in consultation if necessary with the Monitoring Officer on whether any request would fall within the Freedom of Information Act.

6. Confidentiality

In accordance with the Code of Conduct for Members, a Member must not disclose information given to him/her in confidence by anyone, or information acquired which he/she believes, or ought reasonably to be aware, is of a confidential nature, except where:

- a) he/she has the consent of a person authorised to give it;
- b) he/she is required by law to do so;
- c) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or
- d) the disclosure is:

- (i) reasonable and in the public interest; and
- (ii) made in good faith and in compliance with the reasonable requirements of the authority.

Confidential Committee papers (pink papers) are to be treated as confidential information unless the relevant Committee resolves not to exclude press and public. Members are reminded that the author of the report makes the initial decision as to whether or not the papers are to be treated as confidential. The decision as to whether they remain confidential is for the Committee. Other information may be confidential because to disclose it would be against the Council's or the public interest. Information may also be confidential because of the circumstances in which it was obtained.

Information and correspondence about an individual's private or business affairs will normally be confidential.

Officers should make it clear to Members if they are giving them confidential information. If a Member is not sure whether information is confidential, he or she should ask the relevant Officer, but treat the information as confidential in the meantime.

Any Council information provided to a Member must only be used by the Member in connection with the proper performance of the Member's duties as a Member of the Council.

If a Member receives confidential information and considers it should be disclosed to another person because it is reasonable and in the public interest to do so then he or she must first consult with the Monitoring Officer and shall not disclose the information without having regard to any advice given by that Officer.

7. Provision of Support Services to Members

The only basis on which the Council can lawfully provide support services (e.g. stationery, word processing, printing, photocopying, transport, etc.) to Members is to assist them in discharging their role as Members of the Council. Such support services must therefore only be used on Council business. They should never be used in connection with party political or campaigning activity or for private purposes.

Correspondence

Official letters on behalf of the Council should be sent in the name of the appropriate Employee, rather than over the name of a Member. There are circumstances where a letter sent in the name of a Member is perfectly appropriate, for example, in response to a letter of enquiry or complaint sent direct to that Member. Letters which, for example, create obligations or give instructions on behalf of the Council should never be sent out in the name of a Member.

Media

Communication with the media can be an important part of a Member's workload. In general, Members provide comment and views while Employees provide factual information. If a Member is unsure about the circumstances of a particular issue he should contact the appropriate Chief Officer or Head of Service concerned or ask the Press Office to do so.

8. The Council's Role as Employer

In their dealings with Officers, Members should recognise and have regard to the Council's role as employer. Members should be aware that Officers could rely on inappropriate behaviour of a Member in an employment case against the Council.

9. Political Activity

There are a number of constraints that apply to an employee who occupies a post that is designated as "politically restricted" under the terms of the Local Government and Housing Act 1989.

In summary, such employees are prevented from:

- (a) being a Member of Parliament, European Parliament or local authority;
- (b) acting as an election agent or sub-agent for a candidate for election as a Member of any the bodies referred to in 0;
- (c) being an Officer of a political party or any branch of a political party or a Member of any committee or sub-committee of such a party or branch, if his duties would be likely to require him to:
 - (i) participate in the general management of the party or branch; or
 - (ii) act on behalf of the party or branch in dealings with persons other than Members of the party;
- (d) canvassing on behalf of a political party or a candidate for election to any the bodies referred to in 0;
- (e) speaking to the public with the apparent intent of affecting public support for a political party; and
- (f) publishing any written or artistic work of which he is the author (or one of the authors) or acting in an editorial capacity in relation to such works, or to cause, authorise or permit any other person to publish such work or collection - if the work appears to be intended to affect public support for a political party.

It is common for party groups to give preliminary consideration to matters of Council business in advance of such matters being considered by the relevant decision making body. Employees may properly be called upon to support and contribute to such deliberations by party groups provided they maintain a stance which is politically impartial. Support may include a range of activities including briefings for Members relating to their roles, e.g. chairperson or spokesperson. Employees should be required to give information and advice to political groups on Council business only and not on matters which are purely of a party political nature. Such advice should be available to all party groups and not solely to the majority group. It is important that the political neutrality of Employees is preserved and that group confidentiality is maintained by Employees.

Usually the only Employees involved in attending group meetings will be the Chief Executive, Chief Officers and Heads of Service and they will generally leave the meeting after making their presentation and answering questions.

Employees are employed by the Council as a whole. They serve the Council and are responsible to the Chief Executive and their respective Chief Officers/Heads of Service, and not to individual Members of the Council whatever office they might hold.

Both Members and Employees are subject to their own Codes of Conduct which can be found in the Constitution. This Protocol provides guidance on working relationships between Members and Employees. It is essential that both are familiar with the detailed obligations in their respective Codes of Conduct which will prevail in the event of any conflict between the Codes and this Protocol.

10. Sanctions

Complaints about any breach of this Protocol by a Member may be referred to the Monitoring Officer. It should be noted that certain breaches may also amount to breaches of the Code of Conduct for Members.

Complaints about any breach of this protocol by an Officer may be referred to the relevant Chief Officer, the Chief Executive or the Head of Legal Services.

11. Conclusion

It is hoped that, by following good practice and securing sensible and practical working relationships between Members and Employees, we can provide one of the cornerstones of a successful local authority and thereby enhance the delivery of high value quality services to the people of the area. Mutual understanding, openness and respect are the greatest safeguard of the integrity of the Council, its Members and Employees.

Local Member Consultative Charter

1. The Council is committed to providing its Elected Members with accurate, helpful and timely consultation, advice and information in relation to any matters of any significance or sensitivity which relate to their particular Electoral Division and where circumstances render it appropriate to involve a Local Member.
2. Chief Officers and staff will be continually vigilant to identify such matters and ensure that Local Members are informed accordingly. This will also include any matter which could impact upon the neighbouring areas of other Members.
3. Chief Officers will ensure that all correspondence/enquiries from Local Members are dealt with promptly and if necessary Members will be kept advised of progress.
4. Appropriate Chief Officers will ensure that, where the Council's Constitution allows, Local Members will be invited to meetings and receive the necessary documentation.
5. Any matter of significance or sensitivity which relates to a particular Electoral Division or Divisions will be discussed with the Local Member(s) concerned before being submitted for consideration by the Cabinet or other Council Body. This will provide the opportunity for early awareness and allow a local perspective to be obtained.
6. Chief Officers and staff will regularly brief appropriate Cabinet Members on service and partnership issues and developments and will use such occasions to help identify any potential local issues.
7. Details of any petitions received which relate to matters in a particular Electoral Division will be sent to the Local Member concerned. In addition, copies will also be provided to the [Leader]. Local Members will be kept informed on the progress/outcomes of such petitions.
8. Subject to any restrictions caused by commercial, legal or personal confidentiality, copies of all correspondence with Community/Town Councils and the Public Services Ombudsman which relate to matters of any significance or sensitivity in a particular Electoral Division will be sent to the Local Member concerned.
9. Copies of all correspondence with AMs, MPs and MEPs which relate to matters in a particular Electoral Division will be sent to the Local Member concerned. Copies will also be provided to the Leader.
10. Chief Officers and staff will ensure that as much local service information as possible is provided to local Members.

11. Services will provide every Member with an Officer contact guide for the services they provide, including where appropriate local contacts.

12. Wherever appropriate, Services will make Local Members aware of and invite them to service events and activities in their area. This will include strict adherence to the arrangements that have been agreed for the official opening/launch of Council projects, schemes, exhibitions etc.

13. In certain instances, both Members and Officers will receive an enquiry which relates to a matter in a particular area. In order to ensure consistency of approach in these circumstances, Officers will agree with the Member(s) concerned a single response to such enquiries.

14. As part of a continual review of the Charter's effectiveness, the co-operation of Members is sought in the responsible use at all times of advice and information that is provided to them and Members are encouraged to advise Officers of the information requirements and of any local circumstances or sensitivities which might have a bearing on the Council's work.

PROTOCOL FOR SELF REGULATION OF MEMBER CONDUCT

General Principles

1. To promote high standards of conduct and behaviour as a means of strengthening respect and trust amongst members.
2. The protocol does not replace the Member-Officer Relations Protocol set out in the Council's Constitution.
3. It is NOT intended to replace the Code of Conduct rather it is intended to sit alongside it, enabling behaviour which may not reach the Ombudsman's threshold to be dealt with.
4. Members will make all reasonable attempts to resolve disputes through agreed internal processes subject to their obligations under the Members' Code of Conduct.
5. Members will avoid personal confrontation in any public forum, especially full Council and through the media.
6. These commitments will not stifle legitimate political debate or scrutiny.
7. Group discipline will become the cornerstone of self-regulation with Group Leaders taking responsibility for their own members.
8. Group Leaders individually and collectively will work to ensure compliance with this protocol.
9. Members will commit to training and development in support of this protocol

Working to avoid problems

To minimise the number of instances of alleged breaches all Group Leaders are asked to commit to:-

1. A Member Learning and Development Strategy – to which they will seek to secure the commitment of their group members. All reasonable endeavours will be made to ensure that the Learning and Development Strategy identifies and responds to the needs of members.
2. Attending relevant Member training events - in particular those relating to the Code of Conduct or probity courses within the scope of their role.
3. Support the provision made by the County Council for complying with sections 5 and 7 of the Local Government Measure 2011 (Annual reports & Training and development)

Role of Group Leaders

A complaint by a member relating to a member of the same group will be referred to the Group Leader. A complaint by a member concerning the activities of a member of a different political group will be discussed with the complainant's own Group Leader, who will then refer the issue to the Group Leader with responsibility for the member against whom the complaint is made.

Upon receiving a complaint, it is the role of Group Leaders to take responsibility for discipline within their groups. Group discipline should seek to be informal, resolved through face to face meetings. Group Leaders will need to retain some records but the process will not be "document heavy". The emphasis should be on training, education, mediation and conciliation.

When appropriate, a sanction such as removal from a committee or an outside body, may be used in extreme cases or after persistent breaches and the matter will be referred to the Public Services Ombudsman for Wales.

Prior to considering any sanction, or training, the relevant Group Leader may consult with a member of the Standards Committee in conjunction with the Monitoring Officer or Deputy Monitoring Officer. The Standards Committee will seek to ensure fairness and consistency in the discipline imposed within each Group.

At the next available Group Leaders' meeting any issue of discipline which has been referred to a Group Leader will be discussed with the group and with the objective of seeking to ensure that fair and consistent sanctions are applied.

Unaffiliated Members

As far as unaffiliated members are concerned, the Chair of the Council will fulfil the role of Group Leader. Concerns regarding the conduct of an unaffiliated member should be referred to the Chair who will apply the same principles and standards as those of the Group Leaders in terms of training/mediation/conciliation.

In the event that an unaffiliated member refuses to provide reasonable co-operation to the Chair of the Council, or if the breach is significant, or in the event of repeated breaches, then the Council may remove the unaffiliated member from any committee seats allocated by the full Council. Such a proposal should be put to the Council jointly by the Group Leaders. In the case of persistent breaches the matter shall be

referred to the Ombudsman by the Monitoring Officer or in his/her absence the Deputy Monitoring Officer.

Persistent Breaches

In the case of persistent breaches, or areas where the Group Leaders have concerns that the conduct of an individual member or members is damaging to relations between political groups or to the reputation of the Council, then the Group Leaders will meet with the Chief Executive and Monitoring Officer to agree a way forward. Consideration will be given to joint references to the Ombudsman, by the Group Leaders, for persistent low level breaches. The collective Group Leaders will also assume this responsibility in relation to unaffiliated members.

Standards Committee

- The Standards Committee Members will play a supporting/advisory role to the Group Leaders. This process will be initiated at the request of the Group Leader, in a particular case.
- Such meetings will be private and informal.
- Any documentation, attendance notes, file notes or advisory notes passing between a Group Leader (or as appropriate the Chair of the Council) and the members of the Standards Committee shall remain private and confidential.
- When acting in an advisory role to the Group Leaders/Chair of the Council, the Standards Committee has no right of sanction. However, it shall be open to the Group Leader to request that the Standards Committee, as a last resort, issue a public censure against a group member. Where this is to be considered, the member who may be subject to censure will be provided with a reasonable opportunity to make submissions to the Standards Committee members, either in person or in writing.
- The recommendations available to the Standards Committee will include a recommendation that a Group Leader takes action against one of their members, including removal from committee or outside body.

Protocol - Standard of Conduct Expected of Members

This protocol sets out the standards of conduct expected from Members within Monmouthshire County Council in dealing with each other. It should be read in conjunction with the Members Code of Conduct and the Local Resolution Procedure. It adds to these documents and does not detract from them.

Members are expected to:

2. **PUBLIC BEHAVIOUR**

- 2.1 show respect to each other;
- 2.2 not to make personal abusive comments about each other;
- 2.3 not to publish anything insulting about each other;
- 2.4 not to make malicious allegations against each other;
- 2.5 not to publish or spread any false information about each other;
- 2.6 show respect to diversity and equality;

3. **BEHAVIOUR IN MEETINGS**

- 3.1 behave with dignity;
- 3.2 show respect to the Chair and obey his/her decisions;
- 3.3 not to use indecent language nor make racial remarks or remarks which prejudice any section of society;

4. **CONFIDENTIALITY**

- 4.1 keep the confidentiality of exempt papers and any other documents which are not public;
- 4.2 not to release confidential information to the press or the public;
- 4.3 not to use confidential information for purposes other than intended;

5. **LOCAL MEMBERS**

- 5.1 work with Members of adjoining electoral divisions for the benefit of the locality;
- 5.2 if dealing with any matter relating to another electoral division:
 - 5.2.1 explain to anyone seeking assistance that he/she is not the local Member;
 - 5.2.2 inform the local Member, unless it would lead to a breach of confidentiality.

PART 6 - SCHEDULE OF MEMBERS' REMUNERATION 2014-15

1. Introduction

The Independent Remuneration Panel for Wales (IRPW) Regulations require the Council to produce a schedule of payments it intends to make to its Members and co-opted Members for each municipal year. The amount of those payments must accord with the Panel's determinations made for that year and the schedule must be produced no later than 4 weeks following the annual meeting of the Council. This schedule may be amended during the year provided such amendments accord with the Panel's determinations for that year.

2. Members' Basic Salary

All Members are paid a basic salary of £13,300 per annum, usually by monthly instalments. All payments are subject to appropriate tax and National Insurance deductions. Members receiving only this Basic Salary in 2014-15 are as follows:

County Councillors: R.F. Chapman, P.R. Clarke, Ms. J.E. Crook, D.L.S. Dovey, G.L. Down, A. Easson, D.L. Edwards, D.J. Evans, J. George, R.G.Harris, R.J.C. Hayward, M. Hickman, R.J.Higginson, D.W.H. Jones, R.P. Jordan, J.I. Marshall, Mrs M. Powell, Mrs. V.E. Smith, Mrs. F. Taylor, A.C. Watts, Mrs. P.A. Watts, Mrs. A.E. Webb, Mrs S. White, K.G. Williams and A.M. Wintle.

3. Members' Senior Salaries (inclusive of basic salary)

Senior salaries are paid to members to reflect categories (bands) of additional responsibility. No member may be paid more than one senior salary by the Council but those not in receipt of a Band 1 or 2 senior salary may receive a second salary as an appointee to the South Wales Fire & Rescue Authority. The maximum number of senior salaries which the Council can pay is 17. The Council has decided to pay 16 senior salaries in 2014/15.

The bands of senior salary, **inclusive of basic salary**, are set out below.

(a) Members' Band 1 Senior Salaries

County Councillor P.A.Fox: Leader of the Council and Cabinet Member for Organisational Development: **£43,000**

County Councillor R.J.W.Greenland: Deputy Leader of the Council and Cabinet Member for Innovation, Enterprise & Leisure: **£30,000**

County Councillor P.A.D.Hobson: Deputy Leader of the Council and Cabinet Member for Community Development: **£30,000**

(b) Members' Band 2 Senior Salaries

County Councillor G.C.Burrows, Cabinet Member for Social Care and Health: **£26,000**

County Councillor Mrs. E.J.Hacket Pain, Cabinet Member for Schools and Learning: **£26,000**

County Councillor G. Howard, Cabinet Member for Environment, Public Services & Housing: **£26,000**

County Councillor S.B.Jones Cabinet Member for County Operations: **£26,000**

County Councillor P.Murphy, Cabinet Member for Resources: **£26,000**

(c) Members' Band 3 Senior Salaries

County Councillor Mrs. L.Guppy, Chairman of Licensing Committee: **£22,000**

County Councillor Mrs. R.M.Edwards, Chairman of Planning Committee: **£22,000**

County Councillor S.G.M.Howarth, Chairman of Strong Communities Select Committee: **£22,000**

County Councillor P. Farley, Chairman of Adults Select Committee: **£22,000**

County Councillor P.Jones, Chairman of Children and Young Peoples' Select Committee: **£22,000**

County Councillor S. Jones, Chairman of Economy and Development Select Committee: **£22,000**

County Councillor D. Blakebrough, Chairman, Democratic Services Committee: **£22,000**

County Councillor D. Batrouni, Leader of largest Opposition Group: **£22,000**

(d) Members' Band 4 Senior Salaries

Leader of other political groups comprising at least 10% membership of the Council – none paid

4. Civic Salaries (inclusive of basic salary)

County Councillor J.L. Prosser, Chairman of the Council: **£19,000**

County Councillor B. Strong, Vice-Chairman of the Council: **£14,000**

5. Co-opted Members' Allowances

The following rates are set by the IRPW.

Co-opted Chairman of a Committee - £256 per day (£128 half day)

Co-opted Ordinary Member of a Committee- £198 per day (£99 half day)

Co-opted members with voting rights who are able to claim this allowance for 2014 - 2015 are as follows:

Mrs P.Reeves, Chairman, Standards Committee

Mr. T.Auld, co-opted member Standards Committee

Mr. G.Powell, co-opted member Standards Committee

Mr. G.Preece, co-opted member Standards Committee

Mr. M. Sutton, co-opted member Standards Committee

Community Councillor Mrs I. Cameron, Town and Community Council representative, Standards Committee

Mr. P.White, Chairman, Audit Committee

Rev. S. James, co-opted member Children and Young People Select Committee (Church in Wales)

Mrs A. Lewis, co-opted member Children and Young People Select Committee (Parent Governor Representative)

Mrs S Ingle-Gillis, co-opted member Children and Young People Select Committee (Parent Governor Representative)

6. Care Allowances

Care allowance for care of dependent children and adults necessarily incurred while undertaking council duties is payable for actual and receipted costs up to a maximum of £403 per month.

7. Travel and Subsistence Allowances

Councillors and Co-optees are entitled to receive travel and subsistence allowances at rates set out below, where expenditure is necessarily incurred in the performance of official business.

(a)Travel Allowances

Private Motor vehicle:

45p per mile - Up to 10,000 miles.

25p per mile - Over 10,000 miles.

5p per passenger per mile - Passenger supplement.

24p per mile - Private Motor cycles.

20p per mile - Bicycles.

(b)Subsistence Allowances

£ 28 per day - Day allowance.

£150 - London overnight.

£ 95 - Elsewhere overnight.

£ 25 - Overnight staying with friends/family.

Official business (formerly approved duties) for which travel and subsistence allowances are payable:

- (a) attendance at a meeting of the authority or of any committee of the authority or of any body to which the authority makes appointments or nominations or of any committee of such a body;
- (b) attendance at a meeting of any association of authorities of which the authority is a member;

- (c) attendance at any other meeting the holding of which is authorised by the authority or by a committee of the authority or by a joint committee of the authority and one or more other authorities;
- (d) a duty undertaken for the purpose of or in connection with the discharge of the functions of the executive;
- (e) a duty undertaken in pursuance of a standing order which requires a member or members to be present when tender documents are opened;
- (f) a duty undertaken in connection with the discharge of any function of the authority which empowers or requires the authority to inspect or authorise the inspection of premises;
- (g) attendance at any training or developmental event approved by the authority or its executive or board; and
- (h) any other duty approved by the authority, or any other duty of a class so approved, undertaken for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees.

8. Arrangements for claims and payment

(a) Salaries, allowances and fees

These are paid through the Council's payroll system on receipt of notification from the Head of Democracy. Payments for travelling or other allowances will be made on receipt of the prescribed form duly completed. All claims for a financial year are to be submitted by the fifteenth day of April of the next financial year.

(b) Care, travel and subsistence allowances

Subsistence allowances are no longer payable in respect of undertaking approved duties within the Council boundaries. Travel claims must be accompanied by relevant receipts for all actual expenditure incurred.

Care allowances will be paid on the basis of actual expenditure up to a maximum of £403 per month.

When submitting claims members are required to certify that:

- (i) the journeys were made on approved business
- (ii) where fares etc. are charged expenditure has actually been incurred
- (iii) where subsistence allowances are claimed they have been necessarily incurred by the member for the purpose "of enabling me to perform my duties as a member of the Council"

9. Arrangements for the avoidance of duplication

Travel, subsistence and care allowance claims are verified by the Members' Secretary by reference to the Council Diary, attendance

records, and members' and officers' individual diaries, following which they are authorised by the Head of Democratic Services

10. Other Facilities Provided to Members

The Council also provides, without charge to individual Members, as much support as is necessary to enable them to fulfil their duties as determined by the Council, but excluding party political and personal activities.

These facilities include the provision of office accommodation, IT equipment, as well as postage, printing and photocopying costs incurred as part of official business subject to specified limits. In addition, stationery will be provided to each Member, as required.

11. Pensions

Members under the age of 75 are also eligible to join the Local Government Pension Scheme. Copies of the relevant Pension Scheme Enrolment Form are available on request from Democratic Services.

12. Repayment Arrangements.

If a Member ceases to be entitled to Basic Salary and/or Senior Salary, the Council's Section 151 Officer will make appropriate arrangements for the payment of any sum due to the Member or for recovery of any sum that is overpaid in accordance with the Council's usual procedures.

The Council requires that such part of a salary, allowance or fee must be repaid where payment has already been made in respect of any period during which the Member or Co-opted Member concerned:

- (a) is suspended or partially suspended from that Member's/Co-opted Member's duties or responsibilities in accordance with Part 3 of the Local Government Act 2000 or regulations made under that Act;
- (b) ceases to be a Member of the Council or Co-opted Member; or
- (c) is in any other way not entitled to receive a salary, allowance or fee in respect of that period.

13. Election to Forgo Entitlement to Payment

Any Member or co-opted Member may by notice in writing to the Chief Executive elect to forgo any part of their entitlement to a payment for that particular year.

14. Members' Basic Responsibility

A statement of the basic responsibilities of members (a "role description") has been approved by the Council.

15. Senior Salary Office Holder Role Descriptions

Role descriptions for cabinet members and chairs of Select Committees have been approved by the Council. No other role descriptions are in place.

16. Records of Members' Attendance

Records of Councillor attendance at meetings are noted in the minutes of meetings and in attendance sheets.

17. Members' Annual Reports

Arrangements have been made to enable members to publish annual reports and a number of reports have been published on the Council's website.

PART 7 – MANAGEMENT STRUCTURE

