

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No.

meeting date: 7 NOVEMBER 2017
title: SURVEILLANCE COMMISSIONERS INSPECTION REPORT DATED 14 AUGUST 2017
submitted by: CHIEF EXECUTIVE
principal author: MAIR HILL

1. PURPOSE

1.1 To report to Committee the receipt of the Office of Surveillance Commissioners inspection report 14 August 2017 and to seek approval of the revised policy.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions – To prevent and/or detect crime or disorder, whilst respecting individuals rights under the European Convention on Human Rights (“**ECHR**”) and the Human Rights Act 1998 (“**HRA**”), and ensuring compliance with the Regulation of Investigatory Powers Act 2000 (“**RIPA**”).
- Community Objectives – None.
- Corporate Priorities – None.
- Other Considerations – None.

2. BACKGROUND

2.1 RIPA came into force on 25 September 2000; its aim is to strike a balance between protecting individuals' rights under Article 8 ECHR and the HRA and the need for investigatory powers to protect the interests of society as a whole. RIPA allows the Council to carry out directed surveillance and/or use covert human intelligence sources (“**CHIS**”) lawfully if it is authorised in accordance with the provisions of RIPA, it is necessary for the purpose of preventing or detecting crime or disorder, it is proportionate to the aims, which it seeks to achieve, and any authorisation receives judicial approval.

2.2 Until 1 September 2017 the Office of the Surveillance Commissioner (“**OSC**”) carried out routine inspections of all public bodies to ensure their compliance with the requirements of RIPA. On 1 September 2017, this passed to the Investigatory Powers Commissioner's Office.

2.3 Mrs Grainne Athorn (“**Inspector**”) carried out a paper exercise and concluded that a full inspection was not required. She did however make a number of comments and recommendations. A copy of the covering letter from Lord Justice Fulford dated 11 September 2017 and the Inspector's report setting out her findings and recommendations are enclosed at **Appendix 1** to this report (“**Inspection Report**”).

2.4 The Inspector made two recommendations in her report:

- The Requirement to complete a risk assessment prior to the authorisation and reauthorisation of a CHIS be added to the existing RIPA policy; and
- The corporate RIPA policy be further enhanced by the introduction of control measures to ensure that should it become necessary to utilise online covert identities/pseudonyms, these be centrally logged and a record made of what research activity is conducted, details of which should be reported to the relevant

2.6 In response to these recommendations the Council has amended its RIPA policy to incorporate all the recommended amendments set out in paragraph 13 of the Inspection Report. A copy of this is contained at **Appendix 2**.

3. RISK ASSESSMENT

3.1 The approval of this report may have the following implications:

- Resources – Resources have been expended in amending the policy and will be in providing RIPA training to the Chief Executive, and the Directors of the Council.
- Technical, Environmental and Legal – The Council will be better able to pursue legal action as necessary.
- Political – No implications identified.
- Reputation – The Council's response to the Inspection Report will demonstrate the Council's commitment to carrying out its responsibilities.

4. **RECOMMENDED THAT COMMITTEE**

4.1 Note the Inspector's recommendations.

4.2 Approve the amended policy with immediate effect.

MAIR HILL
SOLICITOR

MARSHAL SCOTT
CHIEF EXECUTIVE

SOLICITOR BACKGROUND PAPERS

Appendix 1 – Inspection Report

Appendix 2 – Amended Policy

For further information please ask for Mair Hill, on extension 3216.

IPCO

Investigatory Powers
Commissioner's Office

PO Box 29105, London

Chief Executive Mr Marshal Scott
Ribble Valley Borough Council
Council Offices
Church Walk
Clitheroe
Lancashire
BB7 2RA

11th September 2017

Dear Mr Scott

The inspection by Ms Gráinne Athorn was a marked success because of the cooperation she received on the part of all involved and the time taken to answer all the questions and matters that were raised. I am grateful to the Chief Executive, Mr Marshal Scott, and his team for their excellent approach. It is to be noted that no RIPA surveillance or CHIS activity has been requested since the last inspection in 2014; as a result the inspection was undertaken without a visit by Ms Athorn.

I extend my thanks for the assistance that was provided.

It is to be noted that the two recommendations made by HH David Hodson in 2014 have been implemented; these related to amendments to the corporate policy and training for the Chief Executive and the two relevant directors.

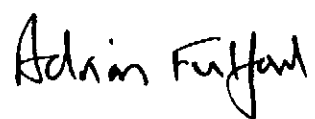
The overarching RIPA Policy merits praise, particularly as it is well written and organised, and contains all the relevant information. It is recommended that the Policy, in order to comply with the Covert Human Intelligence Source Code of Practice, should be amended to include the requirement that a risk assessment must be undertaken prior to authorisation/reauthorisation of a CHIS.

Furthermore, it is suggested that control measures are introduced to ensure that if covert identities or pseudonyms are used, they need to be centrally logged; further, a record needs to be made of the activity that is undertaken, and details should be reported to the relevant authorising officer.

I am pleased to note that the three designated authorising officers have completed their refresher training, and there is informal mentoring and an advisory service for RIPA-related matters.

Notwithstanding the few recommendations made in the inspection report, the authority is clearly taking its responsibilities seriously and I encourage this positive approach and the proper use of these powers.

Yours sincerely,

A handwritten signature in black ink that reads "Adrian Fulford". The signature is written in a cursive, slightly slanted style.

Lord Justice Fulford

OFFICIAL - SENSITIVE



OFFICE OF SURVEILLANCE COMMISSIONERS
INSPECTION REPORT

Ribble Valley Borough Council

14th August 2017

**Surveillance Inspector:
Mrs Grainne Athorn**

OFFICIAL - SENSITIVE

OFFICIAL- SENSITIVE

DISCLAIMER

This report contains the observations and recommendations identified by an individual surveillance inspector, or team of surveillance inspectors, during an inspection of the specified public authority conducted on behalf of the Chief Surveillance Commissioner.

The inspection was limited by time and could only sample a small proportion of covert activity in order to make a subjective assessment of compliance. Failure to raise issues in this report should not automatically be construed as endorsement of the unreported practices.

The advice and guidance provided by the inspector(s) during the inspection could only reflect the inspectors' subjective opinion and does not constitute an endorsed judicial interpretation of the legislation. Fundamental changes to practices or procedures should not be implemented unless and until the recommendations in this report are endorsed by the Chief Surveillance Commissioner.

The report is sent only to the recipient of the Chief Surveillance Commissioner's letter (normally the Chief Officer of the authority inspected). Copies of the report, or extracts of it, may be distributed at the recipient's discretion but the version received under the covering letter should remain intact as the master version.

The Office of Surveillance Commissioners is not a public body listed under the Freedom of Information Act 2000, however, requests for the disclosure of the report, or any part of it, or any distribution of the report beyond the recipients own authority is permissible at the discretion of the Chief Officer of the relevant public authority without the permission of the Chief Surveillance Commissioner. Any references to the report, or extracts from it, must be placed in the correct context.

OFFICIAL – SENSITIVE



OSC INSP/075

The Rt. Hon. Lord Judge
Chief Surveillance Commissioner
Office of Surveillance Commissioners
PO Box 29105
London SW1V 1ZU

14th August 2017

OSC INSPECTION – RIBBLE VALLEY BOROUGH COUNCIL

1 Date of Inspection

A desktop review of Ribble Valley Borough Council was undertaken on Monday 14th August 2017.

2 Inspector

Mrs Gráinne Athorn.

3 Introduction

3.1 Ribble Valley is a local government district with borough status in the county of Lancashire. Geographically it covers a large area including the Forest of Bowland to the north, Gisburn in the east and Longridge in the west. Clitheroe is the largest town in the area and is home to the Ribble Valley administration.

3.2 The current Chief Executive is Mr Marshal Scott who is supported by Directors of Community Services and Finance, both of whom are designated and trained Authorising Officers. The SRO is Mair Hill a solicitor by profession who has oversight of all RIPA related activity undertaken by the council.

3.3 The address for correspondence is Council Offices, Church Walk, Clitheroe, Lancashire, BB7 2RA.

4 Inspection Approach

4.1 The last inspection was undertaken during 2014 by HH David Hodson an Assistant Surveillance Commissioner. In the period since the last inspection no RIPA surveillance or CHIS activity has been requested or authorised. As a consequence this report has been prepared without visiting Ribble Valley Borough Council. To assess the ongoing compliance of the council, information provided by the SRO has been reviewed which included a RIPA Policy and draft amended RIPA Policy due for publication during September 2017.

OFFICIAL

- ii. In respect of CHIS, The Covert Human Intelligence Source Code of Practice states that a risk assessment must be prepared prior to the authorisation and deployment of a CHIS and be updated frequently throughout their activity, thus ensuring that their welfare and safety is protected. **It is therefore recommended that the requirement to complete a risk assessment prior to the authorisation and reauthorisation of a CHIS be added to the existing RIPA Policy.**

- 6.3 The RIPA policy has recently been redrafted to include a new section concerning the access of private information available on the internet and social media during investigations. The statements contained within the draft correspond with guidance offered by the Surveillance Commissioners and accurately warn of the privacy implications of repeatedly accessing such information. The document further references that there may be an intention to access such information or profiles using covert identities or pseudonyms.

- 6.4 Information provided by the SRO in the course of this Inspection indicates that control is exercised over the number of Council employees who are permitted to access social media in conjunction with their professional duties, and of the thirteen staff permitted; only two are fulfilling investigative roles. Both individuals have been provided with bespoke guidance by the SRO as per the advice contained within the revised policy.

- 6.5 Whether or not Ribble Valley chooses to sanction the use of covert online identities is a matter for its leaders, however it is important that if such activity is undertaken in conjunction with a Directed Surveillance Authorisation, it is done in a manner that is both controlled and effectively overseen by managers and the relevant Authorising Officer. As such **it is recommended that this guidance be further enhanced by the introduction of control measures to ensure that should it become necessary to utilise online covert identities/pseudonyms, these be centrally logged and a record made of what research activity is conducted, details of which should be reported to the relevant Authorising Officer during routine reviews or, where applicable, a cancellation.**

- 7 **Training**

- 7.1 Since the last Inspection in 2014 all three designated Authorising Officers have completed refresher training and all are due to do so again this year. In addition to the delivery of formal training, the SRO provides a more informal mentoring and advisory service for staff members seeking to develop their knowledge of RIPA matters. To ensure a consistent level of knowledge between the AOs and SRO it is suggested that he be invited to join them during the next training event.

- 8. **Reports to Members**

- 8.1 RIPA matters are the subject of oversight by Members of the Policy and Finance Committee. From September 2017 RIPA matters including usage figures will be provided on a six monthly rather than annual basis.

OFFICIAL

- 12.3 The amendments to the RIPA Policy suggested within this report relating to social media and the use of covert identities reflect a progression of operating practice that would bring Ribble Valley into line with other practitioners.
- 12.4 In respect of the required changes in relation to CHIS, amending the policy in the manner suggested will enable any officer applying for an authorisation for a CHIS (no matter how remote the possibility) to do so in such a way that is lawful and protects the source in question.
- 12.5 The planned refresher training for AOs will continue to ensure Ribble Valley's continued readiness to utilise its covert investigative powers should it become necessary to do so in the future, particularly if the decision is taken to utilise online information.
- 12.6 The absence of authorisation documentation generated since the last inspection means that it is not possible to comment upon the quality of authorisations, however should one be required there appears sufficient guidance available to enable it to be completed to a good standard.

13 Recommendations

- 13.1 The requirement to complete a risk assessment prior to the authorisation and reauthorisation of a CHIS be added to the existing RIPA Policy.
- 13.2 The corporate RIPA Policy be further enhanced by the introduction of control measures to ensure that should it become necessary to utilise online covert identities/pseudonyms, these be centrally logged and a record made of what research activity is conducted, details of which should be reported to the relevant Authorising Officer during routine reviews or, where applicable, a cancellation.

Gráinne Athorn
Surveillance Inspector

Corporate Policy in Respect of Regulation of Investigatory Powers Act 2000 (“RIPA”)



Ribble Valley
Borough Council

www.ribblevalley.gov.uk

NOVEMBER 2017

INDEX

Item	Description	Page
1.	Introduction	3
2.	Legislative Background	3-7
3.	Surveillance	7-9
4.	Covert Human Intelligence Sources	9-12
5.	Authorisation Process	12-19
6.	Authorising Officers	19-20
7.	Records and Central Register	20-21
8.	Complaints	22
9.	Appendices	
	• Appendix 1 - Code of Conduct on Directed Surveillance	22
	• Appendix 2 – Code of Conduct on Covert Human Intelligence Sources	22
	• Appendix 3 – Home Office Guidance to Local Authorities in England and Wales on the judicial approval process for RIPA and the crime threshold for directed surveillance	22

1. INTRODUCTION

- 1.1 This Corporate Policy is based upon the requirements of the Regulation of Investigatory Powers Act 2000 (“**RIPA**”), the Home Office’s Code of Practice for Covert Surveillance and property interference, and Covert Human Intelligence Sources (“**CHIS**”) (“**Codes**”), and the Home Office guidance for local authorities in England and Wales on the judicial approval process for RIPA and the crime threshold for directed surveillance (“**Guidance**”).
- 1.2 Ribble Valley Borough Council (the “**Council**”) has also taken into account and incorporated the guidance given by the Office of Surveillance Commissioners in its report dated 4 June 2008, 21 August 2011, and 10 August 2014 and is grateful to it for providing this.
- 1.3 On 18 November 2008 the Head of Legal and Democratic Services was authorised by the Council’s Policy and Finance Committee to carry out periodic reviews of this policy and to amend it to the extent necessary to keep it up to date and in line with the Home Office’s Codes of Practice. As recommended in the Codes an annual report will be taken to the Council’s Policy and Finance Committee, which will contain such detail to enable Committee to determine that the Council’s policy is fit for purpose. There will also be 6 monthly reports to Committee on the level of RIPA activity or inactivity.
- 1.4 Whilst this policy provides guidance it is not intended to be an authoritative source on the provisions of RIPA. All Officers must therefore make reference to RIPA itself and to the Codes, and the Guidance for an authoritative position.
- 1.5 Should any Officer be uncertain in respect of any aspect of RIPA, the authorising procedures set out in this policy, or at all, they should contact the legal department of the Council immediately.
- 1.6 The Council’s Solicitor is the RIPA Senior Responsible Officer.

2. LEGISLATIVE BACKGROUND

2.1 The Human Rights Act 1998 (the “**HRA**”) incorporated the European Convention on Human Rights (the “**ECHR**”) into domestic law.

2.2 Article 8 of the ECHR provides that:

“1. *Everyone has the right to respect for his private and family life, his home and his correspondence.*

2. *There shall be no interference by a public authority with the exercise of this right except such as is **in accordance with the law** and is **necessary** in a democratic society in the interests of national security, public safety or the economic well being of the country, for the prevention of disorder or crime, for the protection of health or morals or for the protections of the rights and freedoms of others.” [Emphasis added]*

2.3 There is therefore a qualified right for interference with individual’s rights under Article 8 if it is:

2.3.1 done in accordance with the law;

2.3.2 necessary; and/or

2.3.3 proportionate.

2.4 Any individual undertaking surveillance and/or using CHIS on behalf of the Council will therefore be breaching a person’s human rights unless that surveillance is authorised in accordance with the law, is necessary for one of the reasons set out above, and is proportionate.

2.5 This could have serious implications for the Council, not only in terms of its reputation, but could also potentially render any evidence gathered during the surveillance inadmissible in criminal proceedings, leave the Council open to civil proceedings for a breach of an individual’s human rights, and/or lead to a complaint being made to the Ombudsman. To avoid such a situation arising therefore, Officers must not carry out either Surveillance and/or CHIS unless the provisions of paragraph 2.3 are complied with.

In accordance with the law – RIPA

- 2.6 RIPA came into force on 25 September 2000, with the Codes subsequently coming into force pursuant to Section 71 of RIPA. The aim of RIPA was to strike a balance between protecting individuals' rights under Article 8 ECHR and the HRA and the need for investigatory powers to protect the interests of society as a whole. It therefore allows interference with individuals' rights in certain circumstances.

Necessity

- 2.7 It should be noted that pursuant to the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Statutory Instrument No. 2010/521 ("**RIPA Order 2010**") a local authority, (and hence the Council) can only rely on Section 28 (3) (b) of RIPA as a ground for its interference being necessary. Therefore, under RIPA any interference can **only** be necessary if it is "*for the purpose of preventing or detecting crime where the offence is punishable by a maximum term of at least six months imprisonment.*"
- 2.8 Regulation 7A of the 2010 RIPA Order (as amended by the 2012 RIPA Order SI 2012/1500) introduced this further limitation so that Authorising Officers may only authorise surveillance in respect of a criminal offence which is punishable by a maximum term of at least 6 months imprisonment or which constitutes an offence under section 146, 147 or 147A of the Licensing Act 2003 (sale of alcohol to children) or section 7 of the Children and Young Persons Act 1933 (sale of tobacco to children under 18 years old).
- 2.9 However, not all applications for the purpose set out above will be necessary. The Authorising Officer **must** be satisfied that it is necessary in all the circumstances. A judgment will have to be made on a case-by-case basis. Generally any such interference will not be necessary if there is an alternative **overt** method which could be used to obtain the information. Authorising Officers should therefore satisfy themselves that all other methods have either been exhausted or are not practicable. Authorising Officers should also take care to record in the authorisation their reasoning as to why the action is necessary.

Proportionate

- 2.10 Once it has been established that such interference is necessary it must then be considered whether it is **proportionate** to what is to be achieved. The Authorising Officer should consider the following elements of proportionality (as set out in paragraph 3.6 of the Code):
- 2.10.1 Balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
 - 2.10.2 Explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
 - 2.10.3 Considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the necessary result; and
 - 2.10.4 Evidencing as far as reasonably practicable what other methods had been considered and why they were not implemented.
- 2.11 Authorising Officers should also take care to record within the authorisation form the reasons why they consider that the action is proportionate.

Judicial Approval

- 2.12 Following authorisation by an Authorising Officer judicial approval must be obtained prior to any surveillance being undertaken. Section 32A(2) of RIPA states that “*The authorisation is not to take effect until such time (if any) as the relevant judicial authority has made an order approving the grant of the authorisation.*”
- 2.13 Section 32A(3) of RIPA further provides that:
- “(3) The relevant judicial authority may give approval under this section to the granting of an authorisation under section 28 if, and only if, the relevant judicial authority is satisfied that-*
- at the time of the grant-*
- there were reasonable grounds for believing that the requirements of section 28(2) were satisfied in relation to the authorisation, and*
- the relevant conditions were satisfied in relation to the authorisation, and*

at the time when the relevant judicial authority is considering the matter, there remain reasonable grounds for believing that the requirements of section 28(2) are satisfied in relation to the authorisation.

(4) For the purposes of subsection (3) the relevant conditions are –

(a) in relation to a grant by an individual holding an office, rank or position in a local authority in England or Wales, that-

the individual was a designated person for the purposes of section 28,

the grant of the authorisation was not in breach of any restrictions imposed by virtue of section 30(3), and

any other conditions that may be provided for by an order made by the Secretary of State were satisfied,.....”.

- 2.14 The procedure for making an application for judicial approval is contained in *The Magistrates’ Court (Regulation of Investigatory Powers) Rules 2012 (SI 2012/2563*, and is explained further in the Guidance.

3. SURVEILLANCE

What is surveillance?

- 3.1 Surveillance includes:

3.1.1 Monitoring, observing, listening to persons, watching or following their movements, listening to their conversations and other such activities or communications;

3.1.2 Recording anything mentioned above in the course of authorised surveillance; and/or

3.1.3 Surveillance, by or with, the assistance of appropriate surveillance device(s).

- 3.2 Surveillance can be either overt or covert.

Overt Surveillance

- 3.3 The vast majority of surveillance, which the Council carries out, will be overt and will involve Officers and employees noting events in the course of their normal daily duties. This will not fall within the scope of RIPA and will not require an authorisation. For example, a dog warden who notes an offence being committed as he/she carries out their daily routine will not require RIPA authorisation.

Covert Surveillance

- 3.4 Covert surveillance is defined in section 26(9)(a) of RIPA. It provides that *“surveillance is covert if, and only if, it is carried out in a manner that is calculated to ensure that persons who are subject to the surveillance are unaware that it is or may be taking place”*.

Covert Surveillance of Social Networking Sites (SNS)

- 3.5 Occasionally officers may be alerted to information on social media which may be pertinent to an investigation. When using social media sites for gathering evidence to assist in enforcement activities, officers should note that the fact that digital investigation is routine or easy to conduct does not reduce the need for authorisation. Care must be taken to understand how the specific SNS being used works particularly in relation to privacy settings.

Whilst it is the responsibility of an individual to set privacy settings to protect unsolicited access to private information, and even though data may be deemed published and no longer under the control of the authority, it is unwise to routinely regard it as ‘open source’ or publicly available. The author has a reasonable expectation of privacy if access controls are applied. Where privacy settings are available but not applied the data may be considered open source and an authorisation is not usually required. Repeat viewing of ‘open source’ sites may constitute directed surveillance and this should be borne in mind. To ensure compliance with regulations:

- Officers must **not** create a false identity in order to ‘befriend’ individuals on social media networks without authorisation under RIPA. If it is necessary and proportionate for the Council to covertly breach access controls, an authorisation for Directed Surveillance will be required. An authorisation for the use and

conduct of a CHIS is necessary if a relationship is established or maintained by the officer.

- Officers viewing an individual's public profile on a social network should do so only to the minimum degree necessary and proportionate.
- Legal advice should be taken in advance as to whether repeated viewing of open profiles on social networks to gather evidence or to monitor an 'individual's' status for a specific investigation will require RIPA authorisation.
- Officers should also be aware that it is not possible to verify the accuracy of information on social networking sites, and if such information is to be used as evidence, take reasonable steps to ensure its validity.

In the event that it is necessary to utilise online covert identities/pseudonyms, pursuant to a RIPA authorisation, these must be centrally logged by the Senior Responsible Officer and a record made of what research activity is conducted, details of which should be reported to the relevant Authorising Officer during routine reviews or, where applicable, a cancellation.

RIPA Part II

3.5 RIPA Part II applies to the following conduct:

- 3.5.1 Directed Surveillance
- 3.5.2 Intrusive surveillance
- 3.5.3 Covert Human Intelligence Sources

Directed Surveillance (Section 26(2) RIPA)

3.6 **Section 26(2)** defines directed surveillance as surveillance, which is:

- 3.4.1 Covert but not intrusive;
- 3.4.2 Undertaken for the purpose of a specific operation;

3.4.3 Undertaken in such a manner as is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation); or

3.4.5 Otherwise than by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation under this Part to be sought for the carrying out of surveillance.

3.7 **Section 26(10)** defines “private information” in relation to a person as *“including any information relating to his private or family life”*.

Private information should be taken generally to include any aspect of a person’s private or personal relationship with others, including family and professional or business relationships. Family should be treated as extending beyond the formal relationships created by marriage or civil partnerships.

Intrusive Surveillance (Section 26(3)-(6))

3.8 **Section 26(3)** defines surveillance as intrusive if and only if it is covert surveillance that:

3.8.1 Is carried out in relation to anything taking place on any residential premises or in any private vehicle; and

3.8.2 involves the presence of an individual on the premises or in the vehicle or is carried out by means of a surveillance device.

3.9 Pursuant to **Section 26 (5)** surveillance which:

39.1 Is carried out by means of a surveillance device in relation to anything taking place on a residential premises or in any private vehicle, but

3.9.2 Is carried out without that device being present on the premises or in the vehicle.

is not intrusive **unless** the device is such that it consistently provides information of the same quality and detail as might be expected to be obtained from a device actually present on the premises or in the vehicle.

3.10 Please note that there is **NO** provision for a local authority to authorise intrusive surveillance.

4. COVERT INTELLIGENCE SOURCES (“CHIS”)

Who is a CHIS?

4.1 **Section 26(8)** of RIPA defines a CHIS as a person who:

- (a) Establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within (b) & (c) below;
- (b) covertly uses such a relationship to obtain information or to provide access to any information to another person; or
- (c) covertly discloses information obtained by the use of such a relationship, or as a consequence of the existence of such a relationship.

4.2 This is defined further within **Section 26(9)(b)&(c)** so that:

4.2.1 A **purpose** will only be covert if, and only if, it is carried out in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the purpose.

4.2.2 A **relationship** is used **covertly**, and information obtained is **disclosed covertly**, if and only if it is used or, as the case may be, disclosed in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the use or disclosure in question.

- 4.3 Hence, there is no use of CHIS if a member of the public offers information to the Council that may be material to an investigation of an offence, but there would be if the Council then asked that person to obtain further information.

Authorising a CHIS

- 4.4 An authorisation **must** be obtained for CHIS in the same way as for directed surveillance. A detailed explanation of the authorisation process is contained in **Section 5** below. However, in addition, to the process for considering whether an authorisation is justified, a CHIS should not be authorised if it does not comply with the requirements of **Section 29(5)** of RIPA.

- 4.5 **Section 29(5)** requires that:

4.5.1 There will at all times be a person holding an office, rank, or position with the relevant investigating authority who will have **day to day responsibility for dealing with the source** on behalf of that authority, and **for the source's security and welfare ("Handler")**;

4.5.2 There will at all times be another person holding an office, rank or position with the relevant investigating authority who will have **general oversight** of the use made of the source ("**Controller**");

4.5.3 There will at all times be another person holding an office, rank or position with the relevant investigating authority who will have responsibility for **maintaining a record** of the use made of the source;

4.5.4 The records relating to the source that are maintained by the relevant investigating authority will always contain particulars of all such matters (if any) as may be specified for the purposes of this paragraph in regulations made by the Secretary of State (**see below**); and

4.5.5 The records maintained by the relevant investigating authority that disclose the identity of the source will not be available to persons except to the extent that there is a need for access to them to be made available to those persons.

- 4.6 With regard to paragraph 4.5.4 above the regulations are set out in the Regulation of Investigatory Powers (Source Records) Regulations 2000. These regulations can be found at www.security.homeoffice.gov.uk/ripa/legislation/ripa-statutory-instruments, and **must** be referred to by Officers.

Security and Welfare

Before authorising the use of conduct of a CHIS the authorising officer should ensure that a risk assessment is carried out to determine the risk to the CHIS of any tasking and the likely consequences should the role of CHIS become known.

The ongoing security and welfare of the CHIS, after cancellation of the authorisation should also be considered at the outset. Also consideration should be given to the management of any requirement to disclose information tending to reveal the existence or identity of a CHIS to, or at court.

The Handler will be responsible for bringing to the attention of the Controller any concerns about the personal circumstances of the CHIS in so far as they might affect:

- The validity of the risk assessment;
- The conduct of the CHIS; and
- The safety and welfare of the CHIS.

Where appropriate concerns about such matters must be considered by the authorising officer, and a decision taken on whether or not to allow the authorisation to continue.

Vulnerable Individuals

- 4.7 A vulnerable individual is a person who is or may be in need of community care services by reason of mental or other disability, age, illness and who is or may be unable to take care of himself, or unable to protect himself against significant harm or exploitation.

Vulnerable individuals should only be authorised to act as a source in the most exceptional circumstances, and the Chief Executive may only give such an authorisation.

Juvenile sources

- 4.8 There are also special safeguards with regard to the use or conduct of juvenile sources (under 18 years).
- 4.9 A source under 16 years of age **must not** be authorised to give information against his parents or any person who has parental responsibility for him.
- 4.10 There are also further requirements within the Regulation of Investigatory Powers (Juveniles) Order 2000 (SI No. 2793), and in other cases authorisations should not be granted unless these provisions are complied with. A copy of this can be also be found at www.security.homeoffice.gov.uk/ripa/legislation/ripa-statutory-instruments, and must be referred to by all Officers
- 4.11 The duration of such an authorisation is **one month** instead of 12 months.
- 4.12 Notwithstanding the above, the Council has not to date utilised these powers and considers that it is rare that they would be used in the future. As such **only** the **Chief Executive** may authorise any application for the use of CHIS and Officers should contact the legal department before making any application.

5. AUTHORISATION PROCESS

- 5.1 Directed surveillance and/or the use of CHIS shall be lawful for all purposes, if the conduct is properly and legitimately authorised and an Officer's conduct is in accordance with the authorisation.
- 5.2 Therefore all officers must obtain an authorisation from an Authorising Officer and Judicial approval before undertaking either directed surveillance and/or the use of CHIS, to ensure that it is lawful. A flowchart setting out the steps to be taken is contained at page 17 of the Guidance which can be found at **Appendix 3**.
- 5.3 Authorisations will only be given where:

- 5.3.1 The directed surveillance and/or the use of CHIS is necessary in the interests of preventing or detecting crime or disorder where the offence is punishable by a maximum term of at least six months imprisonment; and
- 5.3.2 It is proportionate to the objective which it is intended to achieve.
- 5.4 The Authorising Officer **must** satisfy himself of this before granting the authorisation.
- 5.5 In particular the Authorising Officer must consider whether the activity could be carried out in an overt or less intrusive manner. If it could then this should be the preferred method.

Collateral Intrusion

- 5.6 Before granting an authorisation an Authorising Officer **must** take into account the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation.
- 5.7 Wherever practicable measures should also be taken, to avoid or minimise unnecessary intrusion into the lives of those people.
- 5.8 The applicant should also have included an assessment of the risk of collateral intrusion in the application form and the Authorising Officer should consider this in making their decision.

Confidential Information

- 5.9 RIPA does not provide any special protection for “confidential information”.
- 5.10 Notwithstanding this, special care should be taken where the subject of the investigation or operation might reasonably expect a high degree of privacy or where confidential information may be involved.
- 5.11 Confidential information includes, matters subject to legal privilege, confidential personal information or confidential journalistic material.

- 5.12 For example special care should be taken with **surveillance** where it would be possible to acquire knowledge of discussions between a minister of religion and an individual relating to the latter's spiritual welfare, or where matters of medical or journalistic confidentiality or legal privilege may be involved.
- 5.13 In cases where through the use of surveillance and/or CHIS, confidential information may be obtained, **only** the Chief Executive, or in his absence, a Director, may give authorisation.

Application Forms

- 5.14 All applications and authorisations **must** be made/granted on the relevant Home Office forms. Electronic copies of these forms are available on the Home Office website at **www.security.homeoffice.gov.uk/ripa/publication-search/ripa-forms** If an officer has difficulty obtaining the correct form they should contact the Legal Department.

Content of Application

- 5.15 The applicant must ensure that each application contains a **unique reference number** ("URN"). This must be inserted into the box at the top right hand corner of the relevant form. This should include a reference to their department, the year, and the number of the application during that year. Authorising Officers should not authorise any application, which does not contain this.
- 5.16 Applicants must also ensure that they complete all boxes within the forms. If done properly this will ensure compliance with RIPA's requirements. However, to ensure that there is full compliance the details of RIPA's requirements are set out below.

Application for Directed Surveillance

- 5.17 A written application for directed surveillance should include:
- 5.17.1 the reason(s) why the authorisation is necessary in the particular case and the ground(s) on which it is considered necessary pursuant to Section 28(3)

of the Act. As set above the only ground on which the Council can now rely is “*for the purpose of preventing or detecting crime or disorder*”.

- 5.17.2 the reasons why the surveillance is considered proportionate to what it seeks to achieve;
- 5.17.3 the nature of the surveillance;
- 5.17.4 the identities, where known of those to be the subject of the surveillance;
- 5.17.5 an explanation of the information, which it is desired to obtain as a result of the surveillance;
- 5.17.6 the details of any collateral intrusion and why the intrusion is justified;
- 5.17.7 the details of any confidential information that is likely to be obtained as a consequence of the surveillance;
- 5.17.8 the level of authority required (or recommended where that is different) for the surveillance; and
- 5.17.9 a subsequent record of whether authorisation was given or refused, by whom, and the date and time.

Application for the use of CHIS

- 5.18 An application for the use or conduct of a source should include:
 - 5.18.1 the reasons why the authorisation is necessary, and the grounds listed in section 29(3). Again, the only ground upon which the Council can rely is “*for the purpose of preventing or detecting crime where the offence is punishable by a maximum term of at least six months imprisonment*”;
 - 5.18.2 the reasons why the authorisation is considered proportionate to what it seeks to achieve;

- 5.18.3 the purpose for which the source will be tasked or deployed;
- 5.18.4 where a specific investigation or operation is involved, the nature of that investigation or operation;
- 5.18.5 the nature of what the source will be tasked to do;
- 5.18.6 the level of authority required (or recommended where different);
- 5.18.7 the details of any potential collateral intrusion and why the intrusion is justified;
- 5.18.8 the details of any confidential information that is likely to be obtained as a consequence of the authorisation; and
- 5.18.9 a subsequent record of whether authority was given or refused, by whom and the time and date.

Duration Of Authorisations

Directed Surveillance

- 5.19 A written authorisation granted by an Authorising Officer will cease to have effect (unless renewed) at the end of a period of **three months** beginning with the day on which it took effect.

CHIS

- 5.20 A written authorisation will unless renewed cease to have effect at the end of a period of **twelve months** beginning with the day on which it took effect.

Reviews

- 5.21 Regular reviews should be carried out to assess the need for the authorisation to continue. Reviews should take place frequently if the source of surveillance provides confidential information or involves collateral intrusion.
- 5.22 The Authorising Officer must decide how frequently and when the reviews should take place. This should be as frequently as is considered necessary and practicable.
- 5.23 The Authorising Officer must use the appropriate form to complete the review, and the results of the review should be recorded in the central record of authorisations.

Renewals

- 5.24 If at any time before an authorisation ceases to have effect an Authorising Officer considers it necessary for the authorisation to continue for the purpose for which it was given he may renew it for:
 - 5.28.1 3 months (Directed Surveillance)
 - 5.28.2 12 months CHIS
- 5.25 The renewal will take effect at the time at which, or the day on which the authorisation would have ceased to have effect but for the renewal.
- 5.26 An application for renewal of an authorisation should not be made until shortly before the authorisation is due to cease to have effect.
- 5.27 Any person who would be entitled to grant a new authorisation is able to renew an authorisation.
- 5.28 An authorisation can be renewed more than once as long as it continues to meet the criteria for authorisation.
- 5.29 The application for renewal must include:
Directed Surveillance

- Whether this is the first renewal of an authorisation on which the authorisation has been renewed previously;
- Any significant changes to the information included in the initial application;
- The reasons why the authorisation for directed surveillance should continue;
- The content and value to the investigation or operation of the information so far obtained by the surveillance; and
- The results of regular reviews of the investigation or operation.

CHIS

- Whether this is the first renewal or every occasion on which the authorisation has been renewed previously;
- Any significant changes to the information in the original application;
- The reasons why it is necessary to continue to use the source;
- The use made of the source in the period since the grant or, as the case may be, latest renewal of the authorisation;
- The tasks given to the source during that period and the information obtained from the conduct or use of the source; and
- The results of regular reviews of the use of the source.

5.30 As with new applications judicial approval must also be sought after the Authorising Officer gives authorisation.

Cancellations

- 5.31 The Authorising Officer who granted or last renewed the authorisation **must** cancel it if he is satisfied that it no longer meets the criteria under which it was first granted.
- 5.32 The Authorising Officer must complete the relevant form to do so and pass the information to the legal department to be included on the central register.
- 5.33 In addition, when the decision is taken to stop surveillance, an immediate instruction must be given to those involved to stop all surveillance of the subject(s). The date and time when such an instruction was given should be recorded in the central register and on the cancellation form.
- 5.34 There is no requirement for any further details to be recorded when cancelling a directed surveillance authorisation but effective practice suggests that a record should be retained detailing the product obtained from the surveillance and whether or not objectives were achieved.

6. AUTHORISING OFFICERS

- 6.1 The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 SI 2010 No. 521 provides that the Director, Head of Service, Service Managers, or equivalent officer may give authorisations for directed surveillance and CHIS under RIPA.
- 6.2 In light of the infrequent use made of RIPA and CHIS and based on advice given by the OSC, Ribble Valley Borough Council has resolved that it will only have three Authorising Officers who will be the Chief Executive, the Director of Community Services, and the Director of Resources. These Officers will receive regular training to enable them to deal properly with all authorisations.
- 6.3 Moreover, applicants must submit their application to an Authorising Officer, from outside of their department.

7. RECORDS AND CENTRAL REGISTER

- 7.1 The Council's Legal Department will maintain a central record of all authorisations. This will be updated whenever an authorisation is granted, renewed, or cancelled.
- 7.2 The record will be retained for a period of at least **three years** from the end of the authorisation and will contain the following information:
- 7.2.1 the type of authorisation;
 - 7.2.2 the date the authorisation was given;
 - 7.2.3 Name and rank/grade of the authorising officer,
 - 7.2.4 the unique reference number (URN) of the investigation or operation;
 - 7.2.5 the title of the investigation or operation, including a brief description and names of subjects, if known;
 - 7.2.6 details of attendances at the magistrates' court to include the date of attendances at court, the determining magistrate, the decision of the court and the time and date of that decision;
 - 7.2.7 the dates of any reviews;
 - 7.2.8 if the authorisation is renewed, when it was renewed and who authorised the renewal, including the name and rank/grade of the Authorising Officer;
 - 7.2.9 whether the investigation or operation is likely to result in obtaining confidential information as defined in this code of practice;
 - 7.2.10 whether the authorisation was granted by an individual directly involved in the investigation; and
 - 7.2.11 the date the authorisation was cancelled.

- 7.3 In respect of each step in the procedure Authorising Officers **must** retain all original documentation **and must** give to the legal department a copy of the following information:
- 7.3.1 the application, and authorisation together with any supplementary documentation and notification of the approval given by the authorising officer;
 - 7.3.2 a record of the period over which the surveillance has taken place;
 - 7.3.3 the frequency of reviews prescribed by the authorising officer;
 - 7.3.4 a record of the result of each review of the authorisation;
 - 7.3.5 the renewal of an authorisation, given together with the supporting documentation submitted when the renewal was requested;
 - 7.3.6 the date and time when any instruction to cease surveillance was given; and
 - 7.3.7 the date and time when any other instruction was given by the authorising officer.
 - 7.3.8 A copy of the order approving or otherwise the grant or renewal of an authorisation from a Justice of the Peace (JP).
- 7.4 For the avoidance of doubt the information set out above must be passed to the legal department contemporaneously to ensure that the Council's central record can be maintained and that the Council can therefore ensure that all authorisations are reviewed and cancelled in accordance with RIPA.

8. **COMPLAINTS**

- 8.1 Any person who reasonably believes that they have been adversely affected by surveillance activity and/or the use of a CHIS, by or on behalf of the Council may

complain to the Head of Legal and Democratic Services (as Monitoring Officer) who will investigate the complaint.

8.2 They may also complain to:

The Investigatory Powers Tribunal
PO Box 33220
London SW1H 9ZQ

020 7035 3711

9. APPENDICES

1.	Code of Practice on Covert Surveillance - *www.security.homeoffice.gov.uk/ripa/publication-search/ripa-cop/
2.	Code of Practice on Covert Human Intelligence Sources - *www.security.homeoffice.gov.uk/ripa/publication-search/ripa-cop/
3.	Home Office Guidance to local authorities in England and Wales on the judicial approval process for RIPA and the crime threshold for directed surveillance – *www.gov.uk/government/uploads/system/uploads/attachment_data/file/118173/local-authority-england-wales.pdf

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 6

meeting date: 7 NOVEMBER 2017
title: LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

1.1 To seek approval for our Local Council Tax Support (LCTS) scheme for 2018/19.

2 BACKGROUND AND INFORMATION

2.1 You will recall that, as part of the package of welfare reform measures, the Government decided to abolish Council Tax Benefit from 1 April 2013 and replace it with locally determined schemes of council tax support. In doing so the Government reduced the funding available, to local councils to pay for this support, from 100% subsidy to a grant of only 90%. This grant has now been rolled into the main local authority funding and will therefore be further reduced for each subsequent year in line with the reduction applicable to each council.

2.2 The Local Government Finance Bill imposes a duty on billing authorities to make a scheme by **31 January each year** and to consult with major precepting authorities i.e. LCC/Fire and Police authorities and other persons likely to have an interest in the scheme if any significant changes are proposed.

2.3 The scheme adopted by this council matched the previous Council Tax Benefit scheme but with a 12% reduction in entitlement for those of working age. We consulted extensively on this scheme and it was broadly supported.

3 IMPLEMENTATION OF THE SCHEME

3.1 The first bills containing Local Council Tax Support were issued in March 2013.

3.2 Our scheme has been updated by minor amendments each year to maintain the link with Housing Benefit and the previous Council Tax Benefit scheme.

3.3 We currently grant approximately £1.8 million in LCTS to 2,114 claimants, 1,151 who are pensioners and 963 who are working age.

3.4 Our experiences so far have shown that this debt is much harder to collect than other Council Tax liability and we have seen a significant increase in the number of reminders issued and subsequently the number of Council Tax payers that we have had to take recovery action against. However given the sensible approach that was decided by this committee to limit the reduction to reasonable levels I am confident that we will be able to continue to collect the sums due at almost the same rates as other Council Tax.

4 DECIDING OUR SCHEME

4.1 Members need to make a final decision on our scheme for 2018/19 in order to make a recommendation to Full Council on 12 December 2017.

4.2 We are not proposing any significant changes other than Maintaining and Uprating Income disregards, non-dependent deductions, applicable amounts and premiums in line with Housing Benefit as we do each year.

5 RECOMMEND THAT COMMITTEE

- 5.1 Recommend to Full Council the approval of our local council tax support scheme for 2018/19 as set out in the report.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF61-17/ME/AC
25 October 2017

A full copy of our current scheme and proposed draft scheme can be found at:
www.ribblevalley.gov.uk/counciltaxsupport

For further background information please ask for Mark Edmondson

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 7

meeting date: 7 NOVEMBER 2017
title: REVIEW OF FEES AND CHARGES
submitted by: DIRECTOR OF RESOURCES
principal author: TRUDY HOLDERNESS

1 PURPOSE

- 1.1 To seek member approval on proposals to increase this committee's fees and charges with effect from 1 April 2018.
- 1.2 These proposals are the first stage in the review of this committee's budget for the forthcoming 2018/19 financial year.

2 BACKGROUND

- 2.1 The council's latest budget forecast allows for a 2% inflationary increase in the level of income raised from fees and charges. The review aims to increase budgeted income for 2018/19 by this amount as a minimum.
- 2.2 After applying this percentage increase, proposed charges have generally been rounded up or down. This inevitably impacts on the individual percentage rise for each separate charge, particularly when the current charge is low.
- 2.3 This report requests that members consider proposals for the increase in fees and charge for this committee's service. Such charges would be implemented with effect from 1 April 2018 and would operate for the duration of the 2018/19 financial year.

3 ADVICE OF BUDGET WORKING GROUP

- 3.1 In August 2017, the Budget Working Group considered the overall three-year Budget Forecast. In Summary the forecast shows a potential budget deficit for 2018/19 of £774k after taking £250k from general fund balances.
- 3.2 The key messages from budget working group to officers and for Committees to bear in mind when reviewing the fees and charges are:
 - Any charges should look to meet the costs of providing the service being used.
 - As an absolute minimum all fees and charges should be increased by 2%
 - Where possible comparisons should be made to the charges being made by our neighbours in Lancashire – or wider if appropriate.
 - We should thoroughly review our services for areas where we are not charging – but where a charge may be made/appropriate.
 - As part of the review, we should be looking for innovative ways of charging.

4 REVIEW OF THE FEES AND CHARGES

4.1 To enable this committee to make an informed decision on the level of charges for 2018/19 and to be consistent with other committees. A proposed set of fees and charges for implementation from 1 April 2018 is produced for this committee based on 2% increase so that committee can decide on the level of charges it wishes to levy. These are shown at annex1. This annex provides details of:

- the current charge for 2017/18
- an estimate of the level of 2017/18 income raised by each charge (Net of VAT)
- the proposed charges for implementation from 1 April 2018
- an indication of the potential income that may be achieved in 2018/19, should the proposals be agreed (Net of VAT)
- the resulting percentage increase from 2017/18 to 2018/19
- Date that each charge was last increased (They are all reviewed annually, but may not necessarily be increased)

4.2 The indication of potential income which is shown throughout Annex 1 is provided for guidance purposes only and is based on past and current activity levels. No account is taken of any change in service use which may be influenced by a change in charge levels.

4.3 The proposed fees have mainly been calculated based on full cost recovery.

4.4 Work is still underway on forecasting income budget levels for 2018/19 and such budget proposals will be reported back to this committee in January 2018 for approval.

4.5 If you agree the recommended charges in Annex 1, the estimated increase in income would be £6,110, an overall increase 3.34%.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications:

- Resources – Fees and Charges provide a key income source for the Council. Fees and charges also provide a mechanism to target concessions, and also to charge service users directly rather than allowing the financial burden of certain service provision to fall on the council tax.
- Technical, Environmental and Legal – The Local Government Acts of 2000 and 2003 extended authorities' powers to charge for discretionary services.
- Political – none
- Reputation – Substantial increases to charges can generate adverse publicity.
- Equality and Diversity – One of the aims of the fees and charges mechanism on many services is to pass on service concession in order to increase inclusivity.

6 CONCLUSION

- 6.1 Work has been undertaken by financial services, heads of service and budget holders in reviewing the fees and charges operated by this committee. This review has now been completed as part of the budget process, for implementation from 1 April 2018, should the proposals be approved.
- 6.2 The Budget Working Group recommends that all service committees seek to increase their fees and charges overall by 2%. If you agree with the recommended charges, this committee will meet the target required.

7 RECOMMENDATION THAT COMMITTEE

- 7.1 Consider the charges at Annex 1 and approve them for implementation with effect from 1 April 2018.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF68-17/TH/AC
26 October 2017

BACKGROUND PAPERS:

For further information please ask for Trudy Holderness.

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

GARAGES - ESTAT	Ledger Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge	
					£	£	£	%	
Chatburn Road, Clitheroe	Plot: A, B, C, D, E, F, G, H	ESTAT/8830n	VAT Inclusive	01 April 2017	131.00	870	133.70	890	2.06
Fort Street, Read	Plot Numbers: 1, 1A, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25	ESTAT/8830n	VAT Inclusive	01 April 2017	131.00	2,840	133.70	2,900	2.06
Mersey Street, Longridge	Plot Numbers: 1, 2, 3, 4, 5, 6, 7, 8, 8A, 9, 10, 11, 12, 13	ESTAT/8830n	VAT Inclusive	01 April 2017	131.00	1,530	133.70	1,560	2.06
Victoria Street, Longridge	Plot Numbers: 1, 2, 3, 4, 5, 6	ESTAT/8830n	VAT Inclusive	01 April 2017	131.00	660	133.70	670	2.06
Brights Close, Newton	Plot Numbers: N/A	ESTAT/8830n	VAT Inclusive	01 April 2017	197.00	160	201.00	160	2.03
Queensway, Waddington	Plot Numbers: 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31	ESTAT/8835n	VAT Inclusive	01 April 2017	445.00	7,420	453.90	7,570	2.00

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

LOCAL LAND CHARGES - LANDC	Ledger Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
					£	£	£	%
Search Certificate	LANDC/8408z	Non Vatable	01 April 2017	19.90	11,420	20.30	11,650	2.01
Part I Enquiries	LANDC/8408n	VAT Inclusive	01 April 2017	126.70	57,690	129.20	58,830	1.97
Part II Enquiries	LANDC/8408n	VAT Inclusive	01 April 2017	17.30	6,800	26.40	10,380	52.60
Part II (Question 22)	LANDC/8408n	VAT Inclusive	01 April 2017	28.70	4,460	29.30	4,550	2.09
Express Service	LANDC/8408n	VAT Inclusive	01 April 2017	197.70	180	202.00	180	2.18
<i>Additional Questions - Delete this line - See Below</i>	LANDC/8408n	VAT Inclusive	01 April 2017	10.90	190	12.80	220	17.43
<i>Additional Questions</i>	LANDC/8408n	VAT Inclusive	01 April 2017	12.30	70	12.80	70	4.07

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

CIVIC SUITE - CIVST All organisations to be charged without exception		Ledger Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
					£	£	£	£	%
Tea and coffee included if required – food charged extra at cost									
COMMITTEE ROOMS 1 AND 2									
<i>Charity or Recognised Community Organisation</i>	- Session (09.00 - 13.00, 14.00 - 18.00 or 18.00 - 22.00)	CIVST/8520I	Non Vatable	01 April 2017	34.40	0	35.00	0	1.74
	- All Day (09.00 - 18.00)	CIVST/8520I	Non Vatable	01 April 2017	48.90	1,590	60.00	1,950	22.70
COUNCIL CHAMBER									
<i>Charity or Recognised Community Organisation</i>	- Session (09.00 - 13.00, 14.00 - 18.00 or 18.00 - 22.00)	CIVST/8520I	Non Vatable	01 April 2017	76.50	1,550	80.00	1,620	4.58
	- All Day (09.00 - 18.00)	CIVST/8520I	Non Vatable	01 April 2017	113.50	1,060	135.00	1,260	18.94
FOYER AREA ONLY									
<i>Charity or Recognised Community Organisation</i>	- Session (09.00 - 13.00, 14.00 - 18.00 or 18.00 - 22.00)	CIVST/8520I	Non Vatable	01 April 2017	20.00	20	20.00	20	0.00
	- All Day (09.00 - 18.00)	CIVST/8520I	Non Vatable	01 April 2017	29.00	0	35.00	0	20.69
OPTIONAL CHARGE IN ADDITION TO HIRE CHARGE – PRS MUSIC LICENCE UP TO 100 PERSONS - £12.40									
ALL AREAS - COMMERCIAL ORGANISATIONS - 100 % SURCHARGE						0		0	0.00

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

LOCAL LAND CHARGES - LANDC	Ledger Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
				£	£	£	£	%
Search Certificate	LANDC/8408z	Non Vatable	01 April 2017	19.90	11,420	20.30	11,650	2.01
Part I Enquiries	LANDC/8408n	VAT Inclusive	01 April 2017	126.70	57,690	129.20	58,830	1.97
Part II Enquiries	LANDC/8408n	VAT Inclusive	01 April 2017	17.30	6,800	26.40	10,380	52.60
Part II (Question 22)	LANDC/8408n	VAT Inclusive	01 April 2017	28.70	4,460	29.30	4,550	2.09
Express Service	LANDC/8408n	VAT Inclusive	01 April 2017	197.70	180	202.00	180	2.18
<i>Additional Questions - Delete this line - See Below</i>	LANDC/8408n	VAT Inclusive	01 April 2017	10.90	190	12.80	220	17.43
<i>Additional Questions</i>	LANDC/8408n	VAT Inclusive	01 April 2017	12.30	70	12.80	70	4.07

LEGAL SERVICES - LSERV	Ledger Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge	
				£	£	£	%		
Section 106 Agreement Review and Completion	- 20 houses or less	LSERV/8420z	Non Vatable	01 April 2017	381.30	5,090	389.00	5,190	2.02
	- more than 20 houses	LSERV/8402z	Non Vatable	01 April 2017	515.20	650	730.00	920	41.69
Notice of Assignment	- Notice of Assignment	LSERV/8402z	Non Vatable	01 April 2017	16.10	530	16.60	550	3.11

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

Photocopying - Corporate Charges		Detail Code	VAT	Date of Last Change	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19 2% Inflation	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
				£	£	£	£	£	%
Photocopying (Black and White)	- A4 First Page	8227n	VAT Inclusive	01 April 2017	0.30	630	0.40	650	33.33
	- A4 Continuation Sheet	8227n	VAT Inclusive	01 April 2017	0.30		0.40		33.33
	- A1 Plan	8227n	VAT Inclusive	01 April 2016	8.40		8.60		2.38
	- A0 Plan	8227n	VAT Inclusive	01 April 2016	8.50		8.70		2.35
	- A3 Copies	8227n	VAT Inclusive	01 April 2017	0.80		0.90		12.50
	- A2 Copies	8227n	VAT Inclusive	01 April 2016	8.30		8.50		2.41

COUNCIL TAX - CLTAX NATIONAL NON DOMESTIC RATES - NNDRC		Ledger Code	VAT	Charge from 1st April 2016	Charge from 1st April 2017	Budgeted Income Net of VAT for 2017/18	Proposed Charges for 2018/19 2% Inflation	Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
				£	£	£	£	£	%
Issue of Summons (Agreed with Magistrates Court)	CLTAX/8714z		Non Vatable	60.00	60.00	85,970	60.00	85,970	0.00
	NNDRC/8714z		Non Vatable	60.00	60.00	5,260	60.00	5,260	0.00

POLICY AND FINANCE COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2018

	Budgeted Income Net of VAT for 2017/18		Indication of Potential Income Net of VAT for 2018/19	Percentage Increase in Charge
	£		£	%
Total income from fees and charges set by this committee	183,160		189,270	3.34
Overall income generated			6,110	

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 8

meeting date: 7 NOVEMBER 2017
 title: LOCAL TAXATION WRITE OFFS
 submitted by: DIRECTOR OF RESOURCES
 principal author: MARK EDMONDSON

1 PURPOSE

1.1 To obtain Committee's approval to write off certain Business Rate debts.

1.2 Relevance to the Council's ambitions and priorities:

❖ ***Council Ambitions/Community Objectives/Corporate Priorities***

Without the revenue collected from business rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

2 BACKGROUND

2.1 No specific statute exists to give guidance on the circumstances under which debts, in general, can be written off other than the statute of limitations. We only write debts off where all avenues of debt recovery have been fully explored.

Business Rates

2.2 As a matter of law, we are under obligation to take reasonable steps to collect Business Rates debts.

2.3 We do this by various means, including summonses, enforcement agents, bankruptcy, winding up and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt, insolvent or cease trading.

3 CURRENT POSITION

3.1 There are now two cases where a company has been dissolved and therefore we need to write off these debts. Annex 1 shows details of the debts we are seeking approval to write off against the collection fund – these total £2,462.52 business rate debts and £60 costs.

4 FINANCIAL IMPLICATIONS

4.1 The cost of business rate write offs are met in part by central government 50% and in part by local government, i.e. ourselves 40%, the county council 9% and the fire and rescue authority 1%.

4.2 The total bad debts provision for business rates stood at £330,000 at 1 April 2017.

Central Government	50%	165,000
Ribble Valley Borough Council	40%	132,000
Lancashire County Council	9%	29,700
Lancashire Fire & Rescue Authority	1%	3,300
		£330,000

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve writing off £2,462.52 NNDR debts and £60.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF63-17/ME/AC
25 October 2017

Write offs – NNDR

Year	Name		Amount £
DISSOLVED			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2016/17	1000 Miglia Garage Limited	Waterloo Road, Clitheroe BB7 1NS	*1,316.00
2016/17	Bowland IT Group Limited	9 Castlegate, Clitheroe BB7 1AZ	1,206.52
Total			2,522.52

*includes £60 costs

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 9

meeting date: 7 NOVEMBER 2017
title: REVIEW OF FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To recommend to Council the acceptance of the attached financial regulations and contract procedure rules.
- 1.2 Relevance to the Council's ambitions and priorities: This report contributes to the council's ambition to be a well-managed council providing efficient services based on identified customer needs.

2 BACKGROUND

- 2.1 The council's financial regulations and contract procedure rules are key components of the Council's Constitution and Corporate Governance arrangements.
- 2.2 These documents are reviewed on an annual basis and any amendments are reported to committee for approval. It is good practice to keep the financial regulations and contract procedure rules under regular review in order to take account of evolving working practices and changes to law.

3 REVIEW OF FINANCIAL REGULATIONS

- 3.1 Attached at Annex 1 is a revised set of financial regulations covering all aspects of the Council's financial arrangements and activities. They apply to every member and officer of the Council and anyone acting on the Council's behalf.
- 3.2 The main changes and clarifications that have been made to the Financial Regulations in this review are:
 - Clarify what is reported to Policy and Finance Committee with regard to the Collection Fund
 - Clarification around virements and the use of earmarked reserves (Section 6 (4iii))
 - Identification of any supporting funding in relation to requests for a supplementary estimate (Section 6 (5i))
 - For clarity, reiteration of the threshold levels for procurements under £50,000, previously reference was made to the Contract Procedure Rules (Section 7 (1iii))
 - The merging of section 13 (Security and Inventories) and section 14 (Stocks and Stores) to form a single section titled Assets
 - Moving reference to the security of information under Computer Systems (previously under Security and Inventories) (Section 14 (4))
 - Updated information on the transitional arrangements regarding External Auditors (Section 18 introduction)
 - The reintroduced requirement for a formal Capital Strategy under the anticipated new Prudential Code (January 2018) (Section 19 (2iii))
 - Associated amendments to the Glossary
- 3.3 These financial regulations form part of the Council's Constitution and as a consequence will require the additional approval of Full Council.

4 REVIEW OF CONTRACT PROCEDURE RULES

4.1 Attached at Annex 2 are the revised Contract Procedure Rules.

4.2 The main changes and clarifications that have been made to the Contract Procedure Rules in this review are:

- General revisions to ensure gender-neutral references
- Clarification on the calculation of anticipated contract values (CPR6 (6.1a))
- Clarification on the circumstances where award of a contract would be to other than the lowest price quoted, and the requirement to involve the Director of Resources (CPR7 (7.2 and 7.3)).
- Rewording of CPR12 paragraph 12.1b to help improve readability.
- Clarification of circumstances when tenders thought to be late submissions may be accepted (CPR14 (14.3))
- Inclusion of the requirement to comply with the principles of the Prevent Duty (CPR20 (20.1 u))
- Specification of the requirement for a copy of signed contracts and deeds to be retained in the legal section

4.3 These contract procedure rules form part of the Council's Constitution and as a consequence will require the additional approval of Full Council.

5 RISK ASSESSMENT

- Resources – Operating without financial policies and procedures that are fit for purpose exposes the council to very great risks to its resources.
- Technical, Environmental and Legal – The financial regulations form part of the Council's Constitution. Under the requirements of the Local Government Act 1972 Section 151, the Financial Regulations provide a control framework through which the Director of Resources carries out their statutory duty on behalf of the council.
- Political – None
- Reputation – Financial regulations are an important part of the Council's Governance arrangements and will give the public confidence that the Council manages its financial affairs properly.
- Equality and Diversity – Effective financial and governance arrangements will ensure that equality and diversity matters remain a continued focus

6 RECOMMENDED THAT COMMITTEE

6.1 Recommend to Full Council acceptance of the Revised Financial Regulations and Revised Contract Procedure Rules

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF65-17/LO/AC

26 October 2017

BACKGROUND WORKING PAPERS:

For further information please ask for Lawson Oddie, extension 4541

Financial Regulations

October 2017



Ribble Valley
Borough Council

www.ribblevalley.gov.uk

Ribble Valley Borough Council is committed to the delivery of quality services and so needs to be responsive to the changing demands and expectations of its customers.

In support of this aim the Council has a sound financial management framework in place, which is relevant and flexible enough to meet the challenges ahead. For example the changes from the traditional accepted role of local government to one of community leader including the introduction of greater partnership working has a major influence on the delivery of local services. The establishment of Financial Regulations provides the financial controls and procedures necessary to address the modern demands on local government. They also provide clarity about the financial accountabilities of individuals - Members, the Chief Executive (the Head of Paid Service), the Monitoring Officer, the Director of Resources (Section 151 Officer) and other Directors, Heads of Service and staff generally. The Regulations are therefore formally endorsed by the Council as a key part of the Council's Constitution.

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

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

Please address queries or comments regarding the Council's Financial Regulations to the Head of Financial Services.

RIBBLE VALLEY BOROUGH COUNCIL FINANCIAL REGULATIONS

CONTENTS

Section 1: General	3
Section 2: Internal Controls	5
Section 3: Accounting	8
Section 4: Revenue Budget	10
Section 5: Capital Programme	12
Section 6: Budgetary Control	14
Section 7: Procuring and paying for Works, Supplies and Services	19
Section 8: Work carried out for others	22
Section 9: External funding and partnership arrangements	23
Section 10: Income	26
Section 11: Value Added Tax	29
Section 12: Banking and Cheques	31
Section 13: Security and Inventories <u>Assets</u>	33
Section 14: Stocks and Stores	35
Section 14 <u>5</u> : Computer Systems	37 <u>6</u>
Section 15 <u>6</u> : Insurances	38 <u>9</u>
Section 16 <u>7</u> : Risk Management	41 <u>0</u>
Section 17 <u>8</u> : Internal Audit	42 <u>1</u>
Section 18 <u>9</u> : External Audit and Inspection	43 <u>2</u>
Section 19 <u>20</u> : Treasury Management and Leasing	44 <u>3</u>
Section 20 <u>1</u> : Pay and Conditions of Employment	46 <u>5</u>
Section 21 <u>2</u> : Reports to Members	48 <u>7</u>
Glossary	51 <u>0</u>

Section 1: General

WHY ARE THESE REGULATIONS IMPORTANT?

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

The Financial Regulations and their application also form part of the Council's performance framework and an assessment of their effectiveness will contribute to the result of any external assessment of the Council.

(1) Application of Financial Regulations

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

- (i) These Regulations identify the financial responsibilities of the Council, the Head of Paid Service, the Monitoring Officer, the Section 151 Officer and Directors generally. **References to Directors include the Chief Executive.** References to the Director of Resources refer to their role as Section 151 Officer.
- (ii) **References in these Regulations to Directors, including the Director of Resources, also apply to Heads of Service, and other senior staff and shall in every case be considered as referring to authorised persons acting on their behalf (whether authorised or not).** In certain cases as specified in these Regulations, Directors are required to maintain a written record where decision making has been delegated to members of their staff, including seconded and temporary staff, and to supply up-to-date copies to the Director of Resources.
- (iii) These Regulations apply equally to any service carried out by the Council on behalf of the County Council or any other authority, body or person, and to all external agencies and their employees incurring expenditure or receiving income on behalf of the Council. Accordingly, Directors shall ensure that partnership and other arrangements with external parties are not set up to operate in conflict with these Regulations as far as this Council's involvement is concerned.

- (iv) Any action which is an exception to these Regulations may only be approved in exceptional circumstances by the Director of Resources in consultation with the Chairman of the Policy and Finance Committee and a report setting out the reasons for such action shall be submitted to the next meeting of that Committee.
- (v) These Regulations shall apply until such time as they are rescinded, amended or suspended by the Council.

(2) General responsibility

- (i) All Members and staff have a general responsibility for taking reasonable action to provide for the security of any assets under their control, and for ensuring that the use of resources is legal, is properly authorised, provides value for money and achieves best value.
- (ii) Directors are responsible for informing the Director of Resources of any matter liable to materially affect the finances of the Council including negotiations with government departments, before any commitment is incurred or arrangements reached.

(3) Compliance

Directors are responsible for making all staff in their departments aware of the existence and content of these Financial Regulations and any related Financial Procedure notes and for their compliance with them. They must also make an adequate supply of copies available for reference within their departments.

(4) Review

- (i) The Director of Resources shall maintain a continuous review of the Financial Regulations and, except where provided in (ii) below, submit any necessary additions or changes in law or practice to the Policy and Finance Committee for approval by the Full Council. They shall also report to the Chief Executive and/or Policy and Finance Committee where they consider appropriate any breaches of the Financial Regulations.
- (ii) Any financial amounts referred to in these Regulations may be varied by the Director of Resources in line with general price inflation or otherwise as required by statute
- (iii) The Director of Resources may issue from time to time Financial Procedure Notes to support these Regulations. These will prescribe more-detailed financial controls and procedures consistent with these Regulations and such supplementary controls and procedures shall carry the same status as these Regulations.

Section 2: Internal Controls

WHY ARE THESE REGULATIONS IMPORTANT?

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

The Authority has statutory obligations and therefore requires internal controls to identify, meet and monitor compliance with these obligations. Moreover the Council is required to conduct an annual review of the effectiveness of its system of internal control and present an Annual Governance Statement alongside the Annual Statement of Accounts.

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

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

- (1) The Director of Resources has statutory duties in relation to the financial administration and stewardship of the authority. This responsibility cannot be overridden. The statutory duties arise from:
 - (i) Section 151 of the Local Government Act 1972
 - (ii) The Local Government Finance Act 1988
 - (iv) The Local Government and Housing Act 1989
 - (iv) The Accounts and Audit Regulations 2015
 - (v) The Local Government Act 2003.

- (2) The Director of Resources is responsible for:
 - (i) the proper administration of the authority's financial affairs
 - (ii) setting financial management standards and monitoring compliance with them
 - (iii) advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
 - (iv) providing financial information
 - (v) preparing the revenue budget and capital programme
 - (vi) treasury management
 - (vii) reporting on the robustness of estimates made for the purposes of preparing budgets and the adequacy of the proposed financial reserves.

- (3) The Director of Resources shall report to the Full Council and external auditor in fulfilment of their statutory obligations under Section 114 of the Local Government Finance Act 1988 or otherwise if the authority or any of its Officers:
- (i) has made, or is about to make, a decision which involves incurring unlawful or unauthorised expenditure
 - (ii) has taken, or is about to take, an unlawful or unauthorised action which has resulted or would result in a loss or deficiency to the authority
 - (iii) has made or is about to make an unlawful or unauthorised entry in the authority's accounts.
- (4) Directors are responsible for ensuring that:
- (i) Service Committees are advised of the financial implications of all proposals and that these have been previously agreed by the Director of Resources.
 - (ii) contracts are duly signed on behalf of the authority
 - (iii) the approval of the Director of Resources is sought on any matter liable to affect the authority's finances materially, before any commitments are incurred.
- (5) The Director of Resources shall assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective operations, financial stewardship, probity and compliance with laws and regulations.
- (6) Directors shall ensure that:
- (i) managerial control systems operate effectively throughout their departments. These will include the defining of policies, the setting of objectives and plans, the monitoring of financial and other performance, and the taking of appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities and ensuring staff have a clear understanding of the consequences of any lack of control
 - (ii) financial and operational control systems and procedures operate effectively throughout their departments. These will include physical safeguards for assets, segregation of duties, checking and authorisation procedures and information systems
 - (iii) key controls and control objectives for internal control systems are reviewed regularly in order to be confident as to the proper use of resources, achievement of objectives and management of risk.
 - (iv) processes are managed so as to check that established controls are being adhered to and are effective

- (v) existing controls are reviewed in the light of changes affecting the authority and new controls are established and implemented in line with guidance from the Director of Resources.
 - (vi) controls which are no longer necessary, or no longer cost or risk effective, are removed.
 - (vii) where new services or processes are introduced, then adequate controls are put in to place immediately to ensure the proper use of resources, achievement of objectives and management of risk.
- (7) The Director of Resources shall ensure that there is an effective and properly resourced internal audit function.

Section 3: Accounting

WHY ARE THESE REGULATIONS IMPORTANT?

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

- (1) The Director of Resources is responsible:
 - (i) for selecting and applying appropriate accounting policies
 - (ii) for determining accounting procedures and records.
- (2) The Director of Resources shall:
 - (i) make arrangements for the proper administration of the authority's financial affairs
 - (ii) apply accounting policies consistently
 - (iii) maintain proper accounting records
 - (iv) make an annual report to the Policy and Finance Committee on the financial outturn for the previous financial year
 - (v) ensure that the Statement of Accounts for that year is completed, approved by the Accounts and Audit Committee and published within the corporate and statutory timetable and in accordance with relevant Codes of Practice.
- (3) Directors shall ensure:
 - (i) that all the authority's transactions, material commitments, contracts and other essential accounting information are recorded completely, accurately and promptly.
 - (ii) that in the allocation of accounting duties of any kind:

- (a) the duty of providing information, calculating, checking and recording sums due to or from the Council shall be separated as completely as possible from the duty of collecting or disbursing such sums.
- (b) Officers charged with the duty of examining and checking the accounts of cash or stores transactions shall not themselves be engaged in any of those transactions.
- (iii) that any Financial Procedure Notes prescribed by the Director of Resources are fully complied with.
- (iv) that the Director of Resources is supplied with such information as may be requested from time to time for the purpose of the proper administration of the Council's affairs.
- (v) that all returns or claims that request financial information shall be completed in consultation with the Director of Resources, who shall be satisfied as to their correctness before they are submitted.
- (vi) that the Director of Resources is provided with copies of all Government or other circulars, orders, sanctions, approvals and regulations which may have a financial implication.

Section 4: Revenue Budget

WHY ARE THESE REGULATIONS IMPORTANT?

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

Once approved, the revenue budget confers authority on managers to incur expenditure to achieve the aims and objectives of the Council. If expenditure plans cannot be met within the approved budget, then they can only proceed with an approval to divert funds (as provided for in Section 6(4)).

- (1) The Director of Resources shall:
 - (i) recommend to the Policy and Finance Committee appropriate guidelines for preparation of the annual budget and the financial forecast for at least the following two financial years
 - (ii) issue appropriate guidance to Directors and Members and prepare a corporate budget timetable
 - (iii) ensure the approved budget guidelines are complied with so that statutory and other deadlines can be met.
- (2) Directors shall:
 - (i) submit to the Director of Resources estimates in accordance with the budget guidelines and within agreed time scales
 - (ii) ensure that the estimates are prepared having regard to the Council's Corporate Strategy and other corporate aims and objectives
 - (iv) provide any other information the Director of Resources may require.
- (3) The Director of Resources shall report to the Policy and Finance Committee:
 - (i) on the detailed draft revenue estimates, ensuring that the content and format comply with legal requirements and relevant codes of practice
 - (ii) on the robustness of the estimates made for the purposes of calculations and the adequacy of the proposed financial reserves

- (iii) ~~on any significant surplus or deficit arising~~ the position on the Collection Fund ~~with a recommended course of action~~
 - (iv) on the final proposed budget to enable the Policy and Finance Committee to make a recommendation to Full Council on the appropriate levels of contingencies and reserves, and on the levels of Council Tax for the year.
- (4) Subject to (5) below, the approval of a budget for the year by Full Council confers authority to spend in accordance with the budget for that year. Commitments affecting future financial years may only be made where the provisions of Section 6(6) are satisfied. Directors are responsible for coordinating programmes of expenditure and income that will achieve the objectives on which the budget was based.
- (5) Directors shall not enter into any new arrangements or other contractual commitments with long-term revenue consequences without the prior written consent of the Director of Resources. Such arrangements may be defined for this purpose as any lease, contract hire or other contract or series of contracts under which the use of an asset is obtained in exchange for a series of revenue payments which extend beyond the end of the following financial year.
- (6) If a Director wishes to incur expenditure outside the approved budget provision, or anticipates an underoverspend against an approved budget head, the procedures set out in Section 6(4) and (5) shall apply.
- (7) Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

Section 5: Capital Programme

WHY ARE THESE REGULATIONS IMPORTANT?

The revenue budget (Section 4) and the capital programme together express the approved policies and service levels of the Council in financial terms. It is important to ensure that the Council achieves maximum economy, efficiency and effectiveness from the use of its capital resources and directs those resources into the agreed priority areas.

- (3) The Director of Resources shall:
- (i) prepare current estimates of resources available to finance capital expenditure in the current year and over at least the following two financial years
 - (ii) prepare a capital programme for approval annually by the Policy and Finance Committee and Full Council based on the current Council's Corporate Strategy, and other relevant corporate plans and strategies.
- (4) Directors shall:
- (i) submit to the Director of Resources upon request estimates of the cost of capital spending proposals and the estimated amount and timing of any capital receipts, commuted sums and other contributions receivable
 - (ii) ensure that the estimates submitted are prepared having regard to the Council's Corporate Strategy and other corporate aims and objectives described in 3(ii)
 - (iii) provide any other information the Director of Resources may require for the review, monitoring or control of the capital programme.
- (5) In working up any capital scheme, Directors shall have regard to the risk of triggering clawback or breaching restrictive covenants or other contractual conditions in relation to land or otherwise.
- (6) The inclusion of a capital scheme within an approved capital programme shall confer authority to spend only on those schemes in year 1 of ~~the 3-year the~~ capital programme, with any future schemes ~~in years 2 and 3~~ being subject to the annual review of the capital programme. Authority to spend is subject to:
- (i) the provisions of the Council's Contract Procedure Rules
 - (ii) the provisions of (7) below

- (iii) the Director of Resources having first confirmed in writing that sufficient resources are available for the purpose.

- (7) If a Director wishes to incur expenditure outside the approved capital programme provision, then a request must be submitted to the relevant service committee. The service committee must then make recommendation of approval of such in to the capital programme to Policy and Finance Committee

- (8) Directors shall give the Director of Resources early warning of known underspends, overspends and changes to planned resources so that the availability of uncommitted capital resources may be monitored effectively.

- (9) Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

Section 6: Budgetary Control

WHY ARE THESE REGULATIONS IMPORTANT?

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

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

To ensure that the authority as a whole does not over or underspend, each service is required to manage its own expenditure within approved resources and to identify any surplus resources for diversion to other programme areas. A mechanism is provided for switching funds between budget heads, including contingencies and reserves, where required, in order to maintain service levels and achieve policy objectives.

(1) Overall responsibility for budgetary control

The Director of Resources is responsible:

- (i) to the Council for the overall financial control of the revenue budget and capital programme
- (ii) for providing quarterly monitoring reports
- (iii) for subdividing service budgets within the overall budget framework according to Council structure and services, having regard to relevant Codes of Practice
- (iv) for allocating the revenue budget and capital programme wholly among responsible Directors
- (iv) for supplying timely information on receipts and payments on each budget head and capital scheme, sufficiently detailed to enable managers to fulfill their budgetary control responsibilities.

(2) Responsibility for control of individual budgets

Directors are responsible:

- (i) for the revenue budgets and capital programmes allocated to them, for delivering the levels of service on which they were based, and for compliance with their financial obligations
- (ii) for monitoring levels of service and performance within services, as measured by expenditure and income incurred against relevant budget heads and capital programme provision
- (iii) for seeking virements, either to increase or to reduce the provision allocated to particular budget heads or capital schemes, in accordance with (4) below in order to maintain budget provisions in line with the service levels required and

Directors:

- (i) may exercise powers delegated to them to enter into new financial commitments, including commitments relating to recruitment and remuneration of staff, **only where adequate provision has been made** in the revenue budget or capital programme and where the revenue consequences for future financial years are in accordance with (6) below
- (ii) shall provide any additional information the Director of Resources may require.

(3) Variances from budget

The Director of Resources is responsible

- (i) for reporting significant variances to the Policy and Finance Committee where a Director fails to take action under (4) to (6) below
- (ii) for agreeing annually:
 - (a) a list of expenditure proposals for which revenue budget provision had been made in the previous year and for which the particular goods or services had not been supplied before the financial year end.
 - (b) a list of expenditure proposals on capital schemes for which provision had been made in the capital programme for the previous year but which was under or overspent.

(4) Virements between budgets

Subject to appropriate consultation with the Director of Resources, budget allocations may be moved between revenue budget heads (including contingency provisions) for the purpose of maintaining approved service levels, in accordance with the following scheme of virements:

(i) Revenue Budgets

All requests must be approved by the Service Director and also the Director of Resources. Further approval from committees must also be given in accordance with the details shown below

Over £10,000 also by the Service Committee

Over £25,000 also by Policy and Finance Committee

(ii) Capital Budgets

Any request for virement between capital schemes must be approved by the service committee and Policy and Finance Committee.

No virement can take place between a revenue and a capital budget.

(iii) Virement Requests

Unless in circumstances seen as exceptional by the Director of Resources:

- approval will only be given to requests for virements made prior to the commitment of any expenditure. Virements should not be used as a retrospective tool
- virements will not be approved from budgets in respect of direct employee costs
- virements will only be considered from income budgets once the full year income budget has been achieved, or is certain of being achieved (i.e. through written grant approvals)
- virements will not be approved in respect of monies set aside in earmarked reserves.

In making any virement decision, due regard shall be had to any budget implications for future financial years.

(5) Supplementary estimates

(i) Revenue expenditure

Where no provision currently exists in the revenue budget, or where the provision made for an existing budget head is insufficient and a virement is not available under (4) above, then new or additional budget provision may only be established with the approval of the Policy and Finance Committee and in making any such decision, shall have due regard to any budget implications for future financial years.

Any request for a supplementary estimate must only be made by the relevant Service Director and with approval of the Director of Resources, and must first be requested from the service committee, with a reference then to be made to Policy and Finance Committee for approval.

Any identified areas of funding in support of a request for a supplementary estimate must be made clear.

(ii) Capital expenditure

Where no provision currently exists in the capital programme, or where an existing provision is insufficient and a virement is not available under (4) above, then, new or additional provision may only be established for the scheme with the approval of the Policy and Finance Committee, who in making any such decision, shall pay due regard to any implications for the capital programme or revenue budget in future financial years.

Any request for an additional approval must only be made by the relevant Service Director and with approval of the Director of Resources, and must first be requested from the service committee, with a reference then to be made to Policy and Finance Committee for approval

(iii) Partnership Expenditure and External Funding

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

The Director of Resources is empowered to adjust revenue budgets and capital programmes to reflect the gross value of all such arrangements and transactions.

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

(6) Commitments of revenue expenditure affecting future financial years.

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

- (i) Directors may commit expenditure affecting future financial years provided the estimated cost in real terms does not exceed the current year's budget provision and that the written consent of the Director of Resources is obtained.
- (ii) Directors may only commit expenditure on new or extended services with the approval of the relevant Service Committee and Policy and Finance Committee

(7) Delegation

Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

(8) Other matters affecting budgets

Directors are responsible for alerting the Director of Resources of any issues with the potential to affect revenue or capital budgets or resources in the current year or future years, and where significant the Director of Resources shall report such matters to the Policy and Finance Committee.

Section 7: Procuring and paying for Works, Supplies and Services

WHY ARE THESE REGULATIONS IMPORTANT?

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

The Council has a statutory duty to achieve best value, partly through economy and efficiency. There is also a local performance indicator measuring and reporting on the time taken by the Council to pay its creditors. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements.

These Regulations should be read in conjunction with the Council's Contract Procedure Rules and its Procurement Strategy.

(1) Placing Orders for Works, Supplies and Services

- (i) Where, **over the anticipated lifetime of supply**, the estimated value of any works, supplies or services to be received by the Council exceeds £50,000 (excluding VAT), Directors shall invite tenders in accordance with the Contract Procedure Rules
- (ii) Where, over the anticipated lifetime of supply, the estimated value of any works, supplies or services to be received by the Council is below £50,000 (excluding VAT), Directors may at their discretion invite tenders in accordance with the Contract Procedure Rules
- (iii) In all other cases, Directors shall place orders, using the corporate purchasing system only, in accordance with arrangements determined by the Director of Resources and set out in the Contract Procedure Rules. Such arrangements set different thresholds for different levels of control. In accordance with the thresholds listed in the Contract Procedure Rules, a Contract where the estimated value is:
 - a) £5,000 or less may be made without written competitive quotations as long as the Contract is not part of a larger Contract. However, it must still be ensured that the best price is secured and value for money is maintained.
 - b) over £5,000 but not exceeding £20,000 may be made after obtaining at least two written quotations;
 - c) over £20,000 but not exceeding £50,000 may be made after obtaining at least four written quotations;

(2) Other contract terms

Directors shall:

- (i) in consultation with the Director of Resources include in every contract appropriate clauses to cover financial and insurance requirements, and to provide sufficient security for due performance
- (ii) put in place adequate procedures for the effective cost control of all contracts.
- (iii) ensure the full involvement of the Head of Legal and Democratic Services and Procurement Assistant **prior** to commencement of the tender process.

(3) Receipt of Works, Supplies and Services

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

- (i) work done or supplies and services received are as specified
- (ii) quality or workmanship is of the required standard
- (iii) appropriate entries are made in inventory, stock or other records.

(4) Payment for Works, Supplies and Services

- (i) Directors shall make adequate and effective arrangements approved by the Director of Resources for checking and certifying invoices and other requests for payment without undue delay
- (ii) Unless covered by (iii) below or where otherwise approved by the Director of Resources, all payments shall be made by crossed cheque or automated bank transfer drawn on a bank account of the Council. Payments may only be made by direct debit or corporate credit card with the **prior** approval of the Director of Resources.
- (iii) Minor items of expenditure, up to a limit set by the Director of Resources, may be paid under petty cash procedures.

(5) Delegation

Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to ordering and paying for works, goods or services, together with specimen signatures and details of any limitation on the authority delegated to them.

(6) General

- (i) Every Member and Officer engaged in contractual or purchasing decisions on behalf of the Council shall declare to the Head of Legal and Democratic Services any links or personal interests they may have with purchasers, suppliers and contractors, and shall comply with the provisions of the appropriate codes of conduct.
- (ii) Directors shall ensure that as far as is practicable the duties of ordering works, supplies or services, receiving them and certifying payment are not performed by the same Officer.

Section 8: Work carried out for others

WHY ARE THESE REGULATIONS IMPORTANT?

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

- (1) Financial Regulations apply equally to any service carried out by the Council on behalf of the County Council or any other authority, body or person, and Directors shall not set up partnership or other arrangements with external parties to operate in conflict with these Regulations as far as this Council's involvement is concerned.
- (2) Directors shall:
 - (i) properly assess the financial implications of the proposal prior to commitment following consultation with the Director of Resources.
 - (ii) draw up contracts in consultation with the Head of Legal and Democratic Services, having regard to the Council's powers, relevant policies and protocols and in compliance with any insurance or other requirements of the Director of Resources.

Section 9: External funding and partnership arrangements

WHY ARE THESE REGULATIONS IMPORTANT?

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

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

(1) Bidding for external funding

- (i) Directors shall seek external resources only to further the priorities and aims of the Council's Corporate Strategy.
- (ii) Before making a bid for resources which, if successful, would require any financial commitment from the Council, Directors shall ensure that appropriate budgets have been approved or earmarked in accordance with these Regulations
- (iii) In working up bids, Directors shall use appropriate project appraisal processes to assess the viability of the project in terms of resources, staffing and expertise, to identify and assess all potential risks, and to ensure achievement of the required outcomes.
- (iv) Completion of any bidding application must be carried out in consultation with the Director of Resources

(2) Setting up partnerships

- (i) Directors shall agree and accept formally in writing the roles and responsibilities of each of the partners involved in a partnership project before the project commences

- (ii) Where the Council is to be the lead partner, or the accountable body where other funds are involved, the responsibilities of the Council and the obligations of the various partners are to be clearly defined and understood through the involvement of the Director of Resources and the Head of Legal and Democratic Services prior to commencement of the project. The Council will only enter into such arrangements where the council has a direct interest in the partnership.
- (iii) Directors shall consult the Director of Resources on:
 - (a) any financial control, insurance, VAT implications and audit requirements to be incorporated in the partnership arrangements
 - (b) the overall financial implications for the Council
- (iv) Prior to entering into any commitment, the relevant Director shall ensure that any match funding or other financial obligations of the Council are provided for within revenue or capital programmes and that arrangements are made for future years' financial provisions to reflect these obligations. This should include any audit and other consequential fees as appropriate.
- (v) Unless otherwise approved by the Director of Resources in writing, where the Council is to act as accountable body, banking arrangements will be through the Council's main bank account and all transactions will be processed through the Council's financial systems.

(3) Working with partners

- (i) **These Financial Regulations and the Council's Contract Procedure Rules shall apply equally to any orders for works, goods or services which are the responsibility of the Council under the partnership arrangements**
- (ii) The relevant Director shall comply with any key conditions of funding and any statutory requirements
- (iii) Any variation in resources to be contributed by the Council, or in the overall resources of the partnership where the Council is the accountable body, shall be dealt with in the same way as other budget variations as set out in Section 6 (Budgetary Control)
- (iv) The relevant Director shall ensure that any financial control, insurance and audit requirements of the partnership are met
- (v) The relevant Director shall communicate regularly with the other partners throughout the project so that problems are identified and shared to achieve their successful resolution.

(4) Delegation

Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

Section 10: Income

WHY ARE THESE REGULATIONS IMPORTANT?

It is essential that all income due to the Council is identified, collected, receipted and banked promptly. To achieve this it is necessary to put effective income systems in place. It is preferable to obtain income in advance of supplying goods or services as this improves the authority's cash flow and also avoids the time and cost involved in administering debts.

(1) General

Directors shall implement arrangements made by them under this Section only with the approval of the Director of Resources.

(2) Prompt identification of sums due to the Council

Directors shall make adequate and effective arrangements for the prompt identification of all sums due to the Council.

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

- (i) Directors shall make adequate and effective arrangements for recording all sums due in the Council's accounts
- (ii) Accounts for sums due may only be raised on the Council's corporate Sundry Debtors system, unless alternative arrangements have been approved by the Director of Resources.

(4) Collection and receipting of all income

All income received by the Council must be acknowledged by the issue of an official receipt or by another approved method indicating payment has been received.

All money received by an officer on behalf of the Council must be paid to the Council's bank account as the Director of Resources may determine and at intervals taking in to account the security of the premises. No deductions are to be made from such monies and personal cheques are not to be cashed out of monies held on behalf of the Council. Any refunds must be made only through the council's official payments system, unless agreed by the Director of Resources.

Arrangements for opening incoming mail must ensure that any money received is immediately recorded and paid in to the cash office.

The council's cash handling procedures shall be followed by all officers.

Directors shall make adequate and effective arrangements for the collection and receipting of all income and for the security of all cash and other valuables having regard to agreed insurance limits for locked safes.

(5) Control of Tickets and Receipts

Official receipts, tickets, tokens, etc., shall be ordered, controlled and issued only under arrangements approved by the Director of Resources.

(6) Banking of income

The Director of Resources shall make arrangements for the prompt and secure transfer of cash from the Council's offices to the Council's bankers.

(7) Reconciliation of income

Directors shall make adequate and effective arrangements for the sums collected and banked to be reconciled with the records of sums due.

(8) Debt recovery

In all cases Directors shall take prompt and appropriate actions to recover all sums overdue to the Council and ensure that the corporate debt recovery policy is followed.

(9) Writing off sums due

(i) Directors are responsible for recommending the write off of irrecoverable debts to the Director of Resources and for ensuring that the corporate debt write-off policy is followed.

(ii) Where an individual debtor owes the Council no more than £1,000, the Director of Resources may approve the write off of that debt where there is satisfactory evidence that it is irrecoverable. In any other case, the debt may be written off only with the approval of the Policy and Finance Committee.

(10) Reviews of fees and charges

Directors shall, in consultation with the Director of Resources, review all fees and charges at least annually in accordance with guidelines approved by the Policy and Finance Committee. On completion of each review, the relevant schedule of proposed fees and charges shall be presented to the appropriate Service Committee for approval.

(11) Segregation of duties

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

Section 11: Value Added Tax

WHY ARE THESE REGULATIONS IMPORTANT?

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

- (1) The Director of Resources is responsible for the determination of all arrangements for the collection, recording, payment and recovery of VAT.
- (2) The Director of Resources shall:
 - (i) maintain complete and accurate accounting records of all the Council's VAT transactions
 - (ii) submit the Council's VAT return to HM Revenue and Customs monthly in accordance with statutory deadlines
 - (iii) prepare the Council's partial exemption calculation as at the end of each financial year and monitor the Council's partial exemption position quarterly
 - (iv) conduct all negotiations with HM Revenue and Customs in respect of VAT matters affecting the Council
 - (v) provide guidance, advice and training to Council staff on all aspects of VAT as they affect the Council
 - (vi) publish and regularly update appropriate VAT guidance notes on the Council's intranet.

- (3) Directors shall:
- (i) properly account for VAT on all transactions under arrangements determined by the Director of Resources
 - (ii) consult the Director of Resources in all cases where the VAT treatment of any transaction is unclear so that the matter can be reviewed and appropriate treatment determined
 - (iii) consult the Director of Resources in all cases where new projects, schemes or services are proposed, well in advance of commitments being made, so that any impact on the Council's VAT position can be assessed and any necessary action taken to protect the Council's VAT recovery position
 - (iv) co-operate with any VAT inspector and give access at all reasonable times to premises, personnel, documents and assets which they consider necessary for the purposes of their work.
-

Examples of activity with potential VAT implications

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

- a new service
 - a significant extension to an existing service
 - a capital new-build scheme
 - a land or property transaction, including any involving a land exchange
 - a new or extended partnership arrangement
 - a scheme involving third party funding
 - an agency arrangement
 - any scheme where there is consideration in kind
 - a project where the council is to act as accountable body, or project manager
 - a new capital scheme in a service area where a large proportion of income is exempt from VAT (i.e. leisure services)
-

Section 12: Banking and Cheques

WHY ARE THESE REGULATIONS IMPORTANT?

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

(1) Operation of bank accounts

- (i) The Director of Resources is responsible for opening, closing and operating all bank accounts and related facilities in the Council's name
- (ii) All communications with the Council's bankers concerning its bank accounts and any changes in banking arrangements shall be made under arrangements approved by the Director of Resources.
- (iii) No bank accounts shall be opened in any name other than the Council's name, unless approved in writing by the Director of Resources. The signatories on any such approved bank accounts must also be approved by the Director of Resources in writing.

(2) Authorisation of signatories

Only Officers personally mandated by the Director of Resources and approved by the Policy and Finance Committee may sign cheques and other documents transferring funds out of the Council's bank accounts.

(3) Payments from Council bank accounts

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

(4) Custody of cheques

- (i) All cheques and related stationery shall be ordered and controlled by the Director of Resources
- (iii) The safe custody and issue of cheques and related stationery shall be carried out under arrangements made by the Director of Resources.

(5) Banking of income

The Director of Resources shall make arrangements for the prompt and secure transfer of cash from the Council's offices and facilities to the Council's bankers.

(6) Reconciliation

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

Section 13: ~~Security and Inventories~~ Assets

WHY ARE THESE REGULATIONS IMPORTANT?

The authority holds assets in the form of land and buildings, fixed plant, vehicles and machinery, furniture and equipment, software and data, cash and other items of value ~~(eg such as~~ stocks and stores, tickets and vouchers. It is important that assets are used efficiently in service delivery, that they are adequately insured and that there are arrangements for the security of both assets and information required for service operations. Up to date records are a prerequisite for sound asset management. See also Sections ~~14 (Stocks and Stores)~~, ~~145~~ (Computer Systems) and ~~156~~ (Insurances).

1) Proper use of the Council's resources

Resources are to be used solely for the purposes of the authority unless authorised otherwise by the Council, and are to be properly accounted for.

2) Asset register

The Chief Executive is responsible, in consultation with other Directors, for the compilation and maintenance of an asset register covering land and property and other fixed assets

3) Inventories

- (i) Each Director is responsible for maintaining an inventory of moveable assets under procedures determined by the Director of Resources
- (ii) Inventories are to be reviewed at least once each year and an updated copy supplied to the Director of Resources.

4) Security

Directors shall make proper arrangements for:

- (i) the security of all buildings and other assets under their control
- (ii) the safe custody of all documents held as security.

5) Disposal of Assets

The Council has a duty to obtain the best price reasonably obtainable when any assets are disposed of.

The Head of Legal and Democratic Services may approve the disposal of any land and property below the value of £50,000. Approval must be sought from the relevant service committee and Policy and Finance Committee for the disposal of any land and property of £50,000 or above.

The Director of Resources must also be consulted on any proposed method of disposal for any assets in order to ensure that such methods meet the best interests of the Council and would maximise any financial return to the Council.

Each Director is responsible for ensuring that asset disposals are in accordance with these procedures.

~~6) Security of Information~~

~~Directors shall maintain proper security, privacy and use of information held in computers and all other recording systems, including manual systems, under their control and ensure all employees are aware of and comply with the Council's Information Governance Framework and associated policies.~~

(6) Receipt, Control and Custody of Stocks and Stores

Directors shall make adequate and effective arrangements for the custody, care and physical control of all stocks and stores in their departments.

(7) Stocks and Stores Records

(i) In consultation with the Director of Resources, Directors shall maintain adequate records of all issues and other movements of stocks and stores

(ii) Directors shall provide to the Director of Resources each year a stock certificate detailing stocks and stores in hand at 31 March.

(8) Maintenance of stocks

(i) Directors shall maintain stocks at reasonable levels and subject them to a regular independent physical check

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

(9) Disposal of surplus, obsolete or redundant stocks

Directors shall ensure that all stocks and stores no longer required are disposed of economically under arrangements approved by the Director of Resources.

(10) Delegation

Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to sign stock certificates and other related matters on their behalf, together with specimen signatures and details of any limitation on the authority delegated to them.

~~Section 14: Stocks and Stores~~

~~WHY ARE THESE REGULATIONS IMPORTANT?~~

~~The Council holds many different types of stocks and stores. It is important that these assets are safeguarded and used efficiently in service delivery. There therefore need to be adequate arrangements for the receipt, security and issue of stocks and stores and for the disposal of surplus or redundant items.~~

~~(1) Receipt, Control and Custody~~

~~Directors shall make adequate and effective arrangements for the custody, care and physical control of all stocks and stores in their departments.~~

~~(2) Stocks and Stores Records~~

~~(i) In consultation with the Director of Resources, Directors shall maintain adequate records of all issues and other movements of stocks and stores~~

~~(ii) Directors shall provide to the Director of Resources each year a stock certificate detailing stocks and stores in hand at 31 March.~~

~~(3) Maintenance of stocks~~

~~(i) Directors shall maintain stocks at reasonable levels and subject them to a regular independent physical check~~

~~(ii)(i) All discrepancies shall be investigated, pursued to a satisfactory conclusion and removed from the authority's records by making stock adjustments as necessary. Gains and losses resulting from stock adjustments shall only be written off or adjusted in the records under arrangements approved by the Director of Resources.~~

~~(4) Disposal of surplus, obsolete or redundant stocks~~

~~Directors shall ensure that all stocks and stores no longer required are disposed of economically under arrangements approved by the Director of Resources.~~

~~(5) Delegation~~

~~Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to sign stock certificates and other related matters on their behalf, together with specimen signatures and details of any limitation on the authority delegated to them.~~

Section 145: Computer Systems

WHY ARE THESE REGULATIONS IMPORTANT?

A very high reliance is placed on computer systems for all aspects of the Council's business, including financial and management information. Systems therefore need to be fit for purpose, well managed and secure. The information stored must be accurate, the systems and the supporting infrastructures secure, and procedures sound and well administered.

- (1) New computer systems and changes to existing systems shall only be introduced with the approval of the ICT Manager and, for financial systems or those that interact with such systems, with the additional approval of the Director of Resources.
- (2) The Head of Financial Services, together with the ICT Manager shall:
 - (i) ensure that any new or significantly changed system is in accordance with the Council's ICT strategy.
 - (ii) assist in the selection of all new computer systems, manage effectively the technical process of implementation and assist in ensuring that all staff are properly trained in their use.
 - (iii) ensure that the Council's infrastructure, systems and data are secure
 - (iv) make proper arrangements to protect central computer equipment against loss or damage through theft or misuse
 - (v) put in place a documented and tested disaster recovery system and review it regularly
 - (vi) issue mandatory standards and guidelines governing the use of all computer systems and monitor their use to ensure that they are adhered to.
- (3) Directors shall:
 - (i) ensure that computer systems are fit for the purpose of their business function
 - (ii) make staff aware of and ensure that they comply with the Council's ICT standards

- (iii) train all staff in the proper and effective operation of any computer systems they are required to use and ensure that system administrators are appointed, trained and managed
- (iv) restrict user access to systems and data held on computer systems as appropriate
- (v) ensure that processing is genuine, complete, accurate and timely and that an audit trail exists to original documentation
- (vi) ensure that information generated by computer systems is accurate and complete and that it is communicated to appropriate managers on a timely basis
- (vii) put in place appropriate and effective contingency arrangements to maintain services in the event of any potential computer failure
- (viii) register any personal information in accordance with data protection legislation and make staff aware of their responsibilities under the relevant law
- (ix) make proper arrangements to protect departmental computer equipment against loss or damage through theft or misuse
- (x) comply with data protection, computer misuse, software licensing, copyright, design and patent legislation and any other relevant legislation, and in particular ensure that only software that is properly acquired is installed and used on computers.

(4) Security of Information

Directors shall maintain proper security, privacy and use of information held in computers and all other recording systems, including manual systems, under their control and ensure all employees are aware of and comply with the Council's Information Governance Framework and associated policies.

Section 156: Insurances

WHY ARE THESE REGULATIONS IMPORTANT?

The provision of insurance cover is one of the major methods of responding to corporate and service risks identified under the Council's risk management arrangements (see Section 167). Cover can be arranged either externally (with major insurance companies) or through an internal insurance pool. Accurate record keeping and timely provision of information are essential if the Council's insurance cover is to be effective. This Section should be read in conjunction with that relating to Risk Management.

- (1) The Director of Resources is responsible for:
 - (i) effecting all insurance cover on a corporate basis, through external insurance or through internal self-insurance arrangements as considered appropriate
 - (ii) negotiating all claims, in consultation with relevant Directors where necessary.
- (2) Directors shall notify the Director of Resources immediately in writing:
 - (i) of all new risks, properties, vehicles or other assets that require insurance;
 - (ii) of any alterations to such risks or assets affecting existing insurances;
 - (iii) should any of the authority's assets be damaged, lost or stolen;
 - (iv) of any loss, liability, damage or personal injury that may lead to a claim against the authority.

and shall provide any related information or explanation required within time scales determined by the Director of Resources.
- (3) Directors shall ensure that no employee or other person covered by the authority's insurances admits liability (orally or in writing) or makes any offer to pay compensation, because this may prejudice a proper assessment of the Council's liability.
- (4) Directors shall maintain proper records relating to insurances effected by the authority, under arrangements approved by the Director of Resources.
- (5) Directors shall consult the Director of Resources and seek legal advice from the Head of Legal and Democratic Services on the terms of any indemnity that the authority is requested to give.

- (6) Directors shall consult the Director of Resources to determine the minimum level of insurance cover required of any person or body (including all Council contractors) to indemnify the Council or to effect insurance cover in accordance with the Council's requirements.

Section 167: Risk Management

WHY ARE THESE REGULATIONS IMPORTANT?

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

This Section should be read in conjunction with that relating to Insurance (see Section 156), which is just one tool used in the control of organisational risk.

- (1) The Accounts and Audit Committee shall approve and promote the authority's corporate risk management policy and strategy.
- (2) The Director of Resources shall:
 - (i) develop risk management processes and procedures to assist in the identification, assessment, reduction and control of material risks
 - (ii) undertake regular monitoring and review of the corporate and service arrangements for effective risk management.
- (3) Directors are responsible:
 - (i) for risk management within all areas under their control, having regard to appropriate advice from the Director of Resources.
 - (ii) for carrying out regular reviews of risk, risk reduction strategies and the operation of appropriate controls (including business continuity plans) within their departments.
- (4) Directors shall consult the Director of Resources and seek legal advice from the Head of Legal and Democratic Services on the terms of any indemnity that the authority is requested to give.
- (5) Directors shall promptly notify the Director of Resources of all new risks that are material, as they are identified.

Section 178: Internal Audit

WHY ARE THESE REGULATIONS IMPORTANT?

The requirement for an internal audit function for local authorities is implied by section 151 of the Local Government Act 1972, which requires that authorities “make arrangements for the proper administration of their financial affairs”. The Accounts and Audit Regulations 2015 more specifically require that a “relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.

Accordingly, internal audit provides one aspect of an independent and objective assurance in the review of the system of internal control as a contribution to the proper, economic, efficient and effective use of resources. In fulfilling this responsibility the internal audit service comply with best practice as set out in the Public Sector Internal Audit Standards and the associated CIPFA Local Government Application Note

- (1) The Director of Resources shall ensure that the internal audit service is independent in its planning and operation.
- (2) The Director of Resources or their authorised representative shall have authority to enter at all reasonable times any offices, premises or land under the control of the Council and shall have unrestricted access to all records, documents and correspondence relating to any matter under consideration, without limitation.
- (3) All staff shall provide such information and explanations as the Director of Resources considers necessary and shall produce upon demand cash, stores, documents or other property of the Council under their control.
- (4) Directors, Heads of Service and other staff shall immediately notify the internal audit service on behalf of the Director of Resources upon discovery or suspicion of any financial irregularity, whether affecting cash, stores, property, financial records or otherwise. The Director of Resources shall notify the Chief Executive in all significant cases.
- (5) The Council sets out in policy documents its approach to fraud and corruption and to “whistleblowing”.
- (6) The internal audit service has direct access to the Chief Executive, to all levels of management and to elected Members.

Section 189: External Audit and Inspection

WHY ARE THESE REGULATIONS IMPORTANT?

Public Sector Audit Appointments Limited (PSAA) is an independent company limited by guarantee incorporated by the Local Government Association in August 2014.

The Secretary of State for Communities and Local Government delegated statutory functions (from the Audit Commission Act 1998) to PSAA ~~on a transitional basis by way of a letter of delegation issued under powers contained in the Local Audit and Accountability Act 2014.~~

Under these ~~transitional~~ arrangements, the company is ~~currently~~ responsible (where public bodies have opted in for 2018/19 onwards) for appointing auditors to local government, police and local NHS bodies, for setting audit fees and for making arrangements for the certification of housing benefit subsidy claims (up to and including the 2017/18 financial year).

The basic duties of the external auditor are governed by statute.

In fulfilling their responsibilities the external auditor works to a set code of audit practice.

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

- (1) The Director of Resources shall facilitate the coordination of the work of internal and external audit together with ensuring appropriate consideration of external audit reports by management and/or Members.
- (2) Co-ordination of all other inspection and independent review work shall be the responsibility of the relevant Director.
- (3) Directors shall give external auditors and inspectors access at all reasonable times to premises, personnel, documents and assets which they consider necessary for the purposes of their work.

Section 1920: Treasury Management and Leasing

WHY ARE THESE REGULATIONS IMPORTANT?

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

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

(1) General

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

(2) Treasury Management

The Director of Resources shall:

(i) prepare annually a Treasury Management Policy Statement covering all aspects of treasury management for consideration by the Policy and Finance Committee and recommendation to Full Council

(ii) prepare annually a Treasury Management Strategy setting out the Council's strategy for consideration and approval by the Policy and Finance Committee and recommendation to Full Council.

(iii) prepare annually an Investment Strategy for consideration and approval by the Policy and Finance Committee and recommendation to Full Council.

~~(iii)~~(iv) prepare annually (2018/19 onwards) a Capital Strategy for consideration and approval by the Policy and Finance Committee and Full Council.

~~(iv)~~(v) recommend to Full Council before the commencement of each financial year a range of Prudential Indicators, including borrowing limits, to be set for that financial year in accordance with statute and the CIPFA Prudential Code.

~~(v)~~(vi) provide regular treasury management monitoring reports to Policy and Finance Committee

~~(vi)~~(vii) arrange the borrowing and investments of the authority in such a manner as to comply with the CIPFA Code of Practice on Treasury

Management and the authority's Treasury Management Policy Statement
and its annual Strategy

~~(vii)~~(viii) make all investments, borrowings and other financing transactions only in the name of the authority or in the name of nominees approved by Full Council.

(3) Leasing and Similar Arrangements

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

(4) Delegation

The Director of Resources shall maintain in writing a list of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

Section 204: Pay and Conditions of Employment

WHY ARE THESE REGULATIONS IMPORTANT?

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

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

(1) General

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

(2) Deductions from Pay

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

(3) Terms of employment

Directors, in consultation as necessary with the Head of Human Resources, shall promptly notify the Director of Resources of:

- (i) the terms and conditions applying to new contracts of employment
- (ii) any changes or events affecting the salaries, wages or emoluments of the Council's employees
- (iii) all resignations, retirements and terminations of employment.

(4) Provision of Information

Directors shall provide to the Director of Resources:

- (i) all relevant information, including notifications of sickness absence, in an agreed format and within agreed time scales to enable the prompt and accurate payment of all elements of pay
- (ii) notification of the impending departure of any employee involved with the custody of cash or stores.

(5) Members' Allowances

Payments to elected Members of the Council shall be made by the Director of Resources in accordance with the Council's approved scheme.

(6) Delegation

Directors shall notify the Director of Resources in writing of the names of any Officers in their department authorised to act on their behalf in relation to the specific responsibilities set out in this Section, together with specimen signatures and details of any limitation on the authority delegated to them.

Section 2~~1~~2: Reports to Members

WHY ARE THESE REGULATIONS IMPORTANT?

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

- (1) Reports shall only be put before the Council, Committees, or Working Groups if a risk assessment on Resources, Technical, Environmental, Legal, Political, reputational, Equality and Diversity issues for the Council have been considered and presented fairly in the report. Informal advice to Members shall also have regard to any significant financial or legal implications.
- (2) Consultation shall take place as appropriate between the authors of reports, the Director of Resources and any other Directors affected, in good time for any financial, risk management and legal implications to be properly identified.
- (3) Where there are no financial risk management or legal implications or they are negligible, the report shall say so.

Examples of proposals with potential financial implications

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

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

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

- *Anything that affects the budget or capital programme of future years, for example:*
 - *ongoing net cost of a new or improved service*
 - *ongoing net revenue cost of a new capital project*
 - *reduced ongoing effect of service cessation or reduction*
 - *reduced ongoing effect of the sale or disposal of a capital asset*
- *Anything that affects the Council's level of income, for example:*
 - *an increase or reduction in charges*
 - *introduction of a charge for a service currently provided free*
 - *free provision of a service currently provided at a charge*
- *Anything that affects the Council's ability to recover VAT, for example:*
 - *provision of a new exempt or partly exempt service*
 - *a new capital project or existing capital asset to be used for exempt or partly exempt purposes*
 - *transfer of a service or undertaking to another body*
- *Anything that affects the Council's entitlement to government grant, for example:*
 - *action which may result in an increase or reduction of grant entitlement*
- *Anything that enables the Council to attract outside funding from any source, for example:*
 - *a new partnership*
 - *a new third party funding arrangement*
 - *a new agency arrangement*
- *Anything that could potentially expose the Council to legal action, government surcharge or other financial penalty, for example:*
 - *an action which could be subject to legal challenge*
 - *an action which could lead to fines or penalties being imposed on the Council*
- *Any action that may result in the payment of redundancy or other staff severance costs, for example: -*
 - *cessation of a service leading to a surplus of staff*
 - *reduction in a service level leading to a surplus of staff*
 - *externalisation of a service (including where TUPE applies)*

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

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

Glossary

Asset register

A detailed listing of land, buildings, vehicles and major items of plant and equipment (assets). Asset registers are important because they enable an effective assessment of the management of assets to be made through a comprehensive record of attributes. They are also a useful basis for arranging appropriate insurance cover and substantiating insurance claims in the event of fire, theft or other loss.

Budget

A statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and the capital programme and any authorised amendments to them. It does not however include the forward financial forecast, which is for financial planning purposes only.

Budget Book

The publication in which the Council sets out its budget for a particular financial year.

Budgetary control

The continual review of expenditure and income, both revenue and capital, against planned levels of expenditure and income to help ensure that service objectives are achieved and the overall resources of the Council are not over or underspent. This process is aided by the use of budget profiles.

Budget provision

The amount approved by the Council for a particular budget head.

Capital contributions

Sums contributed by external persons and bodies towards the cost of capital schemes to be carried out by the Council. These can derive from planning agreements with developers in the form of S106 agreements but also include sums recovered from or contributed by third parties.

Capital expenditure

This generally relates to expenditure on the acquisition or enhancement of fixed assets which will be of use or benefit to the authority in providing its services for more than one year. It also includes grants to other persons and bodies for spending by them on similar purposes.

Capital programme

The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also provides estimates of the capital resources available to finance the programme and a statement of any under- or over-programming.

Capital receipts

The proceeds from the disposal of land and other assets which are available to finance new capital expenditure. Statute prevents capital receipts being used to finance revenue expenditure.

Capital resources

The resources earmarked either by statute or by the Council to meet the cost of capital expenditure instead of charging the cost directly to revenue. The definition covers borrowing, capital receipts, and grants and contributions from external persons and bodies given for capital purposes. The Council may also contribute revenue resources to the financing of capital expenditure, and for as long as these are included in the capital programme, they are regarded similarly as capital resources.

Capital Strategy

The capital strategy sets out the long term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

CIPFA

The Chartered Institute of Public Finance and Accountancy (CIPFA) is the leading professional body for accountants employed in the public sector. It issues Codes of Practice and other guidance as appropriate on matters which are addressed by these Regulations.

Codes of conduct

The protocols within which Members and Officers will work as set out in parts of the Constitution.

Codes of practice

Guidance issued normally by professional bodies in relation to standards which are not regulated by statute. For example, CIPFA have issued Codes of Practice giving detailed guidance on accounting standards and treasury management.

Collection Fund

The fund into which Council Tax and Business Rates are paid and out of which the precepts of Lancashire County Council, Police and Crime Commissioner for Lancashire, Lancashire Combined Fire Authority, and Ribble Valley Borough and Parish Councils are met. Any surplus or deficit is shared between the various authorities, other than Parish Councils, on the basis of precepted amounts.

Computer systems

Commercially available software which might be acquired for use on Council computers, whether mainframe, local PC or networks. For the purposes of these Regulations, the definition is not intended to cover applications to which such systems might be put.

Contingency provisions

Money set aside in the budget to meet the cost of unforeseen items of expenditure or shortfalls in income and to provide for changes in inflation and interest rates compared with the assumptions on which the rest of the budget was set.

Contract Procedure Rules

The Council's rules relating to the procurement of works, supplies and services as set out in the Constitution. These are supported by Section 7 of these Regulations.

Corporate governance

The system by which local authorities direct and control their functions and relate to their communities.

Corporate Strategy

A statement made by a local authority setting out its long-term aims for the community it serves, the organisational aims of the Council and the main values which underpin its work for the community.

Council Tax

A local tax based on the capital value of residential properties. The level set by an authority for a particular year will be broadly determined by its expenditure on General Fund services less other income, use of Council reserves and government grant.

Council Tax base

A figure calculated annually to represent the number of dwellings over which the Council Tax for the following financial year may be collected. All dwellings within the District are valued by the Valuation Office Agency ~~(an agency of HM Revenues and Customs)~~ and classified into one of eight bands (A to H), each of which is expressed as a proportion ~~above or below the value~~ of Band D. The Council Tax base is the number of dwellings expressed in terms of a Band D average, after making allowance for discounts, premiums and exemptions/losses. An adjustment is made for the estimated collection rate. When the Council sets the level of Council Tax for that year, it is expressed as an amount due from Band D properties.

Creditors

A person or body to whom the Council owes money.

Debtor

A person or body who owes the Council money. The debt may derive from a number of sources such as Council Tax, Business Rates, sundry debtors/rechargeable works or where an account has been rendered for a service provided by the Council.

Earmarked Reserves

See "Reserves"

Estimates

The amounts which are expected to be spent, or received as income, during an accounting period. The term is also used to describe detailed budgets which are being prepared for the following financial year or have been approved for the current year. The “original estimate” for a financial year is that approved as part of the budget prior to the start of that year and the “revised estimate” is an updated revision for that year.

External Audit

An independent examination of the activities and accounts of local authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Fees and charges

Charges made to the public for Council services and facilities.

Financial Regulations

That part of the Council’s Constitution which provides an approved framework for the proper financial management of the authority.

Financial year

The period of twelve months commencing on 1 April.

Forward financial forecast

The estimated revenue budget for the two financial years immediately following the budget year, or the totals of such estimates. The forecast conveys no authority to spend, and is made for financial planning purposes only.

General Fund

The revenue fund of the Council covering day-to-day expenditure and income on services. The net cost on this account is met by Council Tax.

Internal audit

An independent appraisal function for review of the internal control system of an organisation. It objectively examines, evaluates and reports on the adequacy of internal controls as a contribution to the proper, economic, efficient and effective use of resources.

Inventory

A detailed listing of all goods, materials, furniture and equipment in the ownership or use of a particular service, other than those held in stocks and stores records. Inventories are normally maintained in sufficient detail as to description, location, age, value etc. to enable any material loss arising from a fire, theft or other event to be identified and to support any insurance claim.

Investment Strategy

A statement of policies for determining the type, value and length of investments that the Council will use to place its surplus funds and also for determining appropriate third parties with whom these investments will be placed.

Leasing

A method of acquiring the use of capital assets which is similar to renting. Normally this kind of arrangement is only suitable for vehicles, plant and equipment. Ownership of the asset remains with the leasing company and the annual rental is charged directly to the Council's revenue accounts.

Members' Allowances

A scheme of payments to elected Members of the Council in recognition of the duties and responsibilities assumed by them.

Precept

The amount that Councils and certain other public authorities providing services within Ribble Valley require to be paid from the Collection Fund to meet the cost of their services.

Prudential Indicators

The Prudential Indicators are designed to support and record local decision making regarding capital investment. The CIPFA 'Prudential Code for Capital Finance in Local Authorities' requires each local authority to agree and monitor mandatory prudential indicators.

Reserves

A Council's accumulated surplus income in excess of expenditure. Reserves are available at the discretion of the Council to meet items of expenditure in future years, and may be earmarked or held for general purposes. An example of an earmarked reserve is the Capital Reserve Fund.

Revenue

A term used to describe the day-to-day costs of running Council services and income deriving from those services. However, it also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.

Risk

Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted action, event or occurrence.

Risk management

Risk management is the adoption of a planned and systematic approach to the identification, evaluation and management of risk.

Risk Management Policy and Strategy

This is approved by the Accounts and Audit Committee endorsing the commitment of the Council to effective risk management and sets out the responsibility of Members, Directors and all staff for the identification, control and reduction of risk and the containment of loss in all aspects of their activities.

Statement of Accounts

The Council's annual report on its financial position for the year ending 31 March. The report is required to be in a prescribed format and is subject to independent review.

Supplementary estimate

The approval of an increase in the level of a particular budget head, or the establishment of a new budget head, under the procedure laid down in Section 6 of these Regulations. Where an existing budget head is involved, a supplementary estimate would not normally be approved where an appropriate virement was available. Supplementary estimates may only be sanctioned by Members.

Treasury Management

The management of the authority's cash flows, its borrowings and its investments, the management of the associated risks, and the pursuit of the optimum performance or return consistent with those risks. It includes the setting of and monitoring compliance with the Prudential Indicators.

Treasury Management Policy Statement

A statement approved by the Full Council setting out the parameters within which treasury activities are to be managed.

Treasury Management Strategy

The strategy for the treasury management activities to be adopted for a particular financial year as approved by the Policy and Finance Committee and Full Council within the parameters set by the Treasury Management Policy Statement. The strategy needs to be flexible enough to allow the Director of Resources to respond appropriately to changing circumstances during the course of the year to the best advantage of the Council.

Virement

The transfer of budget provision from one budget head to another, under the procedure laid down in Section 6 of these Regulations. Virement decisions apply to revenue expenditure heads, and may on occasions be between expenditure and income, and may include transfers from contingency provisions. However, Virements may not be approved between capital and revenue budget heads. Virements may be approved by Service Directors and the Director of Resources up to an amount specified in the Regulations, after which approval is required by Members.

Write off

The action taken to charge to the Council the amount due from some external party which has been found to be irrecoverable from that party. Whilst the sum remains due to the Council in law, it will no longer be shown as outstanding in the Council's accounts.

Contract Procedure Rules

October 2017



Ribble Valley
Borough Council

www.ribblevalley.gov.uk

Table of Contents

Contract Procedure Rule	Page
CPR1: Interpretation	3
CPR2: Scope and Application	5
CPR3: Responsibilities and Officers' Duties	6
CPR4: Compliance with Contract Procedure Rules and Legislation	7
CPR5: Exemptions from Contract Procedure Rules	8
CPR6: Requirements to Obtain Quotations or Tenders	10
CPR7: Award of Contracts without Tendering – Contracts less than £50,000 or <u>greater than £50,000</u> with Exemptions	12
CPR8: Interests of Officers in Contract Matters	13
CPR9: Approved Lists	14
CPR10: Estimates of Contract Value	15
CPR11: Pre-Tender/Quotation Enquiries	16
CPR12: Competitive Tendering – Contracts over £50,000 (or optionally below £50,000)	17
CPR13: Tender Invitation	18
CPR14: Receipt of Tenders	20
CPR15: Opening of Tenders	21
CPR16: Errors or Discrepancies in Tenders etc.	22
CPR17: Contract Negotiations	23
CPR18: Acceptance of Tenders	24
CPR19: Nominated Sub-Contractors and Suppliers	25
CPR20: Form of Contract	26

Contract Procedure Rules

Contract Procedure Rule	Page
CPR21: Execution of Contracts	28
CPR22: Contract Variation	29
ANNEX 1: EU Procurement Directives – Thresholds and Procedures	30

CPR1: Interpretation

- 1.1 These Contract Procedure Rules are standing orders of the Council (made pursuant to Section 135 of the Local Government Act 1972) with respect to the making of Contracts.
- 1.2 In these Rules, each of the expressions in the left-hand column below shall have the meaning stated against that expression in the right-hand column.

Responsible Officer	any permanent or temporary staff member who is properly authorised to carry out any of the Council's contracts functions. Such persons must keep their relevant Director fully informed of any proposed actions under these Contract Procedure Rules.
Director	is the Chief Executive or a Director
Heads of Service	Includes, for the purposes of these Contract Procedures Rules, all Heads of Service (or, in the absence of the Head of Service, his/her <u>their</u> nominated representative). Such persons must keep their relevant Director fully informed of any proposed actions under these Contract Procedure Rules.
Committee	means a Committee or Sub-Committee of the Council.
Contract	is any agreement between the Council and one or more Providers for the supply of goods or materials for or on behalf of the Council, for the execution of works for or on behalf of the Council, or for the provision of services to the Council or to others on its behalf (including but not limited to the provision of services, wholly or partly, in return for a concession).
CPR	Contract Procedure Rule.

Contract Procedure Rules

EU Contract	is a Contract covered by the EU Public Contracts Directive.
Provider	is any contractor supplying or offering to supply goods, works, or services (including concessions) to the Council and includes any individual, firm, agent, company, partnership, public authority or other organisation.
Section 151 Officer	is the officer with responsibility for the proper administration of the financial affairs of the Council in accordance with Section 151 of the Local Government Act 1972 (currently the Director of Resources) or his/her <u>their</u> Deputy.

- 1.3 References to monetary values in these Contract Procedure Rules **exclude VAT**. The values quoted relate to the total value of a contract **over the full anticipated lifetime of supply**.
- 1.4 Where reference is made in these Contract Procedure Rules to the Director of Resources, in the absence of that Officer, the Head of Financial Services is the authorised substitute. Likewise, in the absence of the Head of Legal and Democratic Services the Council's Solicitor will be the authorised substitute.

CPR2: Scope and Application

- 2.1 These Procedure Rules shall apply to any Contract, with the exceptions listed in CPR 2.2, and also to the nomination of sub-contracts under any such Contract (whether in each case the Council is contracting or nominating on its own behalf or wholly or partly on behalf of others).
- 2.2 These Procedure Rules do not apply to transactions of the following types:
- a) Purchases or sales by auction or at public fairs or markets;
 - b) Contracts for the sale or purchase of land;
 - c) Contracts for the engagement of Counsel, or for the engagement of external Solicitors to represent the Council in specified legal proceedings;
 - d) Contracts with statutory undertaking(s) for work which only they can carry out;
 - e) Contracts of employment;
 - f) Orders placed with such consortia or framework agreements as may be approved by the Director of Resources provided that the council is satisfied that the purchasing arrangements of the consortia or framework agreement in question comply with EC and UK legislation and provide value for money;
 - g) Contracts formalising the funding of particular voluntary sector bodies where the purpose of the contract is to establish the general conditions whereby the body may be funded by the Council.
- 2.3 All employees of the Council and firms/advisors employed to act in any capacity to manage or supervise a Contract must comply with these Procedure Rules and with the Council's Financial Regulations and Directors and each Head of Service must ensure such compliance in the contracting area for which ~~he/she is~~they are responsible. The relevant ~~Service~~ Director must be kept informed by the Head of Service or Other Responsible Officer at all times of any proposed actions under these Contract Procedure Rules.

CPR3: Responsibilities and Officers' Duties

3.1 Responsible Officers shall always:

- (a) seek value for money;
- (b) show no favour or disfavour to any Provider nor discriminate against Providers from other EC states;
- (c) conduct tendering and price testing in accordance with proper practices and the highest standards of propriety;
- (d) do nothing that contravenes EC or domestic law; and
- (e) ensure that adequate Contract files are kept and retained for all Contracts upon which they are engaged, ensuring a copy is also passed to the Procurement Assistant for inclusion on the council's Contracts Register
- (f) Consider any implications under the Transfer of Undertaking (Protection of employment) (TUPE) and obtain advice from the Head of Legal and Democratic Services before proceeding with the production of any Invitation to Tender documentation.

CPR4: Compliance with Contract Procedure Rules and Legislation

- 4.1 Every Contract made by the Council or on its behalf shall comply with the European Community Treaty and all relevant European Union and domestic legislation, these Contract Procedure Rules and the Council's Financial Regulations subject to the following provision.
- 4.2 **Arrangements made to meet the requirements of any present or future domestic legislation or EU Directive shall take precedence over any provision of these Contract Procedure Rules.**

CPR5: Exemptions from Contract Procedure Rules

- 5.1 Exemptions from the requirements of these Contract Procedure Rules **are to be the exception and not the rule**. They must not be granted as a matter of administrative convenience and must be supported by documented and evidenced reasons as to the legitimate need for the exemption to be granted.
- 5.2 When an exemption is sought from tendering or the requirement to obtain written quotations, the relevant Director or Head of Service will need to justify the use of an alternative method of selection so that propriety, value for money and **compliance with EU and domestic legislation** can be demonstrated. It will also include reasons such as:
- (a) that only one Provider is able to carry out the work or service or to supply the goods for technical or artistic reasons or because of exclusive or proprietary rights;
 - (b) that time limits required for tendering cannot be met for reasons of extreme urgency and which (in EU cases) were unforeseen and unattributable to the Council;
 - (c) that additional goods, works or services are required which, **through unforeseen circumstances**, were not included in the original contract and which are either strictly necessary for the completion of the Contract or, for technical or economic reasons, cannot be carried out separately without great inconvenience/additional costs;
 - (d) that goods are required as a partial replacement for or in addition to existing goods or installations and obtaining them from another Provider would result in incompatibility or disproportionate technical difficulties in operation or maintenance.
 - (e) That despite seeking the relevant number of quotations, insufficient quotations have been obtained (see 6.5 below)
- 5.3 The Director or Head of Service must keep a written record justifying any exemption(s) under paragraph (a) to (e) above and seek the **prior** agreement of both the Head of Legal and Democratic Services and the Director of Resources. The Director or Head of Service must then report to the next possible meeting of the relevant Service Committee details of the granting of such exemptions and the reasons.
- 5.4 Exemption (on grounds other than 5.2 (a) to e)) from any of the following provisions of these Procedure Rules may be made only by the direction of the relevant Service Committee where such Service Committee is satisfied that the exemption is justified in special circumstances.

5.5 No exemption may be granted:

- (a) which would result in a breach of European or UK law;
- (b) from CPR 18 unless on grounds of extreme urgency (e.g. during civil emergency) (Acceptance of Tenders); from CPR 20 (Form of Contract); or from CPR 21 (Execution of Contracts).

CPR6: Requirements to Obtain Quotations or Tenders

Contracts not requiring tendering

6.1 The following contracts need not be tendered.

- (a) Contracts valued at £50,000 or less (unless required by EU law). It must be ensured that the contract value used in assessing this is the total value of a contract over the full anticipated lifetime of supply.

PROVIDED that such contracts are effected in compliance with the Council's Financial Regulations and all appropriate internal controls.

Contracts valued at £50,000 or less

6.2 An official order shall be placed immediately using the Council's approved Purchase Ordering System.

6.3 A Contract made under CPR 6.2 where the estimated value is:

- (i) £5,000 or less may be made without written competitive quotations as long as the Contract is not part of a larger Contract. However, it must still be ensured that the best price is secured and value for money is maintained.
- (ii) over £5,000 but not exceeding £20,000 may be made after obtaining **at least** two written quotations;
- (iii) over £20,000 but not exceeding £50,000 may be made after obtaining **at least** four written quotations;

6.4 Under no circumstances should Contracts be broken down in size so as to have the effect of lowering the Contract value or to avoid the requirements for tendering or the need for written quotations. It must be ensured that the contract value used in assessing the above bandings is the total value of a contract **over the full anticipated lifetime of supply.**

6.5 Where the relevant number of quotations has been sought, but fewer quotations have been obtained, the Director or Head of Service may ~~make an~~ seek an exemption from the requirement to obtain the number of quotations specified above with the written agreement of the Head of Legal and Democratic Services and Director of Resources. The Director must then report details of any such exemption to the next possible meeting of the relevant Service Committee (see CPR5 5.3).

6.6 In all cases, except where it is impracticable for reasons of extreme urgency, confirmation of the Provider's terms of business (usually a written quotation) shall be obtained before an order is placed. The placing of an official order on the Council's approved Purchase Ordering System will also ensure the application of the council's own Terms and Conditions to the order.

- 6.7 The Responsible Officer shall keep a written record of the Providers approached, their responses, details of any quotations provided, the subject matter of the quotation, the name of the Provider, the time and date of the quotation and details of the price offered and any other trading terms.

Contracts valued at more than £50,000

- 6.8 All Contracts with an estimated value over £50,000 shall be subject to competitive tender in accordance with CPR 12, unless exempted in accordance with CPR 5 or awarded by way of extension to an initial Contract for works in accordance with CPR 12.1([eb](#)).

CPR7: Award of Contracts without Tendering – Contracts less than £50,000 or greater than £50,000 with Exemptions

- 7.1 No Contract may be awarded unless the expenditure involved has been included in approved revenue or capital estimates. The Responsible Officer shall ensure that evidence of authority to spend, and the budget code to be used, is recorded on the Contract file.
- 7.2 Contracts with a quoted value of £50,000 or less may be awarded on behalf of the Council by the relevant Director to the Provider who offers the lowest price or in exceptional circumstances whose offer is considered by the Director, in consultation with the Director of Resources, to be the most economically advantageous to the Council, provided in both cases the price quoted is within the budgetary limits approved by the Council or by Policy and Finance Committee as a supplementary estimate.
- 7.3 Contracts with a quoted value in excess of £50,000 (where an exemption from Tendering has been granted) may be awarded on behalf of the Council by the relevant Director in consultation with the Chairman of the relevant Service Committee to the Provider who offers the lowest price or in exceptional circumstances whose offer is considered by the Director, in consultation with the Director of Resources, to be the most economically advantageous to the Council provided in both cases the price quoted is within the budgetary limits approved by the Council or by Policy and Finance Committee as a supplementary estimate.
- 7.4 No contract with a quoted value in excess of £50,000 (where an exemption from Tendering has been granted) shall be awarded until the Director of Resources has checked the Provider's financial standing and provided written confirmation that this is satisfactory for the Contract to be undertaken.
- 7.5 Details of all Contract awards shall be forwarded to the Procurement Assistant for inclusion on the Council's Contracts Register as soon as possible after the award and prior to works commencing. Such notification must also include evidence of the authority to enter into the Contract.

CPR8: Interests of Officers in Contract Matters

8.1 Directors, Responsible Officers and any other person (whether or not in the employment of the Council) assisting either of them in connection with any part of the procurement process shall comply with all requirements applicable from time to time of the law and of the Council's Code of Conduct for Employees as regards:

- (a) the declaration of interests (either generally or in relation to a particular procurement matter), and;
- (b) refraining from participation in some or all stages of particular procurement matters.

NB: At the time of adoption of these Rules, the Current provisions are:

- Section 117(1) of the Local Government Act 1972;
- The Council's Code of Conduct for Employees.

CPR9: Approved Lists

- 9.1 This Rule shall apply where, in the opinion of the relevant Director or Head of Service and subject to the approval of Policy and Finance Committee, it is considered appropriate to maintain a list of approved Providers for specific categories of work of a value not exceeding £50,000. The use of online services for shortlisted or approved suppliers is included under this Contract Procedure Rule.
- 9.2 There shall be compiled and maintained lists of Providers in respect of Council contracts. Such lists shall contain the names of all Providers who wish to be included in them and who are approved by the relevant Committee according to written criteria.
- 9.3 With the exception of online services for shortlisted or approved suppliers, the relevant Head of Service shall maintain the approved lists and shall ensure they are reviewed at intervals not exceeding three years.
- 9.4 At least every three years a public notice shall be given in one or more local newspapers and such trade journals as are considered desirable inviting Providers to apply to have their names placed on the approved lists.
- 9.5 The approved list shall indicate for each included Provider the categories of Contract and the value or amounts in respect of those categories for which approval has been given.
- 9.6 The use of Providers on any approved list shall follow the same requirements as those listed under CPR6 with regard to number of quotes to be requested.

CPR10: Estimates of Contract Value

- 10.1 Before inviting tenders or quotations for the execution of any work or for the provision of any goods or services the relevant Head of Service shall keep a written record of the estimate in writing of the likely expense of executing the work, or the provision of goods or services in a suitable manner.
- 10.2 For the purpose of these contract Procedure Rules, the value of a contract is the expected amount of consideration (in money or money's worth) that will be received by the person or organisation that carries out the works or provides the services or supplies, **over the full anticipated lifetime of supply**.
- 10.3 Where some, or all of the contract price is funded by a third party, it must be the gross value of the goods or services that is used in any assessment of contract value.
- 10.4 Estimates of value and methods of valuation must be genuine and not designed to avoid exceeding any threshold contained in these Contract Procedure Rules.
- 10.5 No tender can be accepted where its value is in excess of the Public Procurement Rules (OJEU) threshold. Therefore any Head of Service that estimates a contract value that is **near** to such thresholds **must** undertake a Public Procurement Rules (OJEU) compliant tender exercise.

CPR 11: Pre-Tender/Quotation Enquiries

11.1 Enquiries of Providers may be made before tenders or quotations are invited in order to:

- (a) establish whether the goods, works or services the Council wishes to purchase are available, within what price range and whether they would be the best option for the required outcome;
- (b) better inform the preparation of tender documents, price estimates, specifications and contract documents;
- (c) establish whether particular Providers wish to be invited to tender or quote.

11.2 In making enquiries:

- (a) no information will be disclosed to one Provider which is not then disclosed to all those of which enquiries are made or which are subsequently invited to tender or quote;
- (b) no Provider will be led to believe that the information they offer will necessarily lead to them being invited to tender or quote or be awarded the Contract.

CPR12: Competitive Tendering – Contracts over £50,000 (or optionally below £50,000)

12.1 Subject to 13.3 below, no Contract, the estimated value of which exceeds £50,000 (or below £50,000 if formal tendering is chosen to be undertaken), shall be made unless:

(a) at least 21 days' public notice has been given, stating the nature and purpose of the Contract, inviting tenders, providing web links to electronic versions of all contract documents and stating the last date when tenders will be received, on:

- the council's website and optionally a local newspaper and such trade journals as the relevant Head of Service shall consider desirable; and
- the Crown Commercial Service website Contracts Finder. In the case of those contracts with an estimated value in excess of the Public Procurement Rules (OJEU) threshold, the opportunity must not be published on Contracts Finder until it has first been notified as published in the Official Journal; or

(b) the proposed Contract, being a Contract for the execution of works, forms part of a serial programme of works, the terms of which having been previously settled with the Contractor on the basis of the application of a stated addition or deduction to the rates and prices contained in an initial Contract. Such a contract must have previously been awarded competitively following an invitation to tender in accordance with the provisions of (a) above. Such additions or deductions to the rates and prices are subject to a maximum extension under this Rule not exceeding 100% of the original Contract value or £50,000, whichever is the lower. Due consideration must be given to the potential of breaching any EU thresholds.

CPR13: Tender Invitation

- 13.1 When tenders are invited following public advertisement and hard copy Contract documents are requested, these **must** be sent within five working days of the request being made, provided any specified fee, where applicable, has been paid.
- 13.2 Documents for **all** tender opportunities **must** be made available on the Council's website under the procurement webpages. This will include as a minimum the Invitation to Tender (ITT) document and any separate tender specification.
- 13.3 When tenders are invited for an OJEU Contract, the timescale given to providers to return tenders will be in accordance with the timescales as determined by the EU Public Contracts Directive. Appendix 1 sets out the current timescales.
- 13.4 Reasonable requests for further information relating to the Contract documents will be granted provided the request enables the Council to supply the information not less than six days (or four days in cases of emergency) before the date specified for receipt of completed tenders. Any responses given must be circulated to all potential Providers.
- 13.5 Where a potential Provider considers that an enquiry or response will relate to commercially confidential information relevant only to itself and that it should not be circulated to other Participants, it must specify so together with reasons.
- 13.6 If the relevant Head of Service, together with the Head of Legal and Democratic Services and Head of Financial Services consider that, in the interests of a fair and open competition, it cannot respond to an enquiry on a confidential basis, the relevant Head of Service will notify the potential Provider and treat the enquiry as withdrawn. It will then be for the potential Provider to resubmit the enquiry without the requirement for confidentiality if it requires an answer.
- 13.7 If the relevant Head of Service, together with the Head of Legal and Democratic Services and Head of Financial Services consider that the request for a confidential response is justified, then the relevant Head of Service will provide a response which is not circulated to other potential Providers.
- 13.8 Every invitation to tender will state that a tender will only be considered if it is:
 - (a) addressed to Ribble Valley Borough Council, marked for the attention of the Head of Legal and Democratic Services, Council Offices, Church Walk, Clitheroe BB7 2RA in a plain sealed envelope or package which shall bear the word "**TENDER**" followed by the subject to which it relates, **but shall not bear any name or mark indicating the sender**;

- (b) accompanied by an undertaking which shall become a condition of the Contract that the amount of the tender has not been calculated by agreement or arrangement with any person other than the Council and that the amount of the tender has not been communicated to any person other than the Council (by way of submission of tender documentation) and will not be communicated to any person until after the closing date for the submission of tenders (except for the purposes of obtaining any bond/surety where this is a requirement of the proposed Contract).

13.9 Tenders submitted by facsimile or electronic transmission will **not** be considered.

CPR14: Receipt of Tenders

- 14.1 Envelopes and packages received in accordance with the provision of CPR 13 shall immediately on receipt be consecutively numbered and be placed in the custody of the Head of Legal and Democratic Services until the time appointed for the opening.
- 14.2 Any officer receiving tenders shall indicate on the envelope or package the date and time of its receipt by him/her/them.
- 14.3 Any tender received after the date and time indicated for the receipt of tenders shall not be considered unless in the opinion of the Director of Resources there is clear evidence that the tender was posted through the main council office's letter box or hand delivered at the main council offices before the date for receipt of tenders in which case the relevant Head of Service shall have discretion to admit the tender to opening and consideration. Subject to this exception tenders which are received late shall be retained **unopened** by the Head of Legal and Democratic Services until after the result of the tendering process has been published to tenderers.

CPR 15: Opening of Tenders

- 15.1 All tenders with an estimated value in excess of £50,000 will be opened by the Head of Legal and Democratic Services or his/her/their nominated representative in the presence of the appropriate Committee Chairman or in his/her/their absence the Vice Chairman.
- 15.2 All tenders will be opened at the same time and place and shall be immediately signed and dated by the Officers required to be present in accordance with CPR 15.1 above.
- 15.3 The Head of Legal and Democratic Services or his/her/their nominated representative will, at the time the tenders are opened, record in the tender register;
- (a) the nature of the goods or materials to be supplied or the work to be executed;
 - (b) the name of each Provider by or on whose behalf a tender was submitted together with the consecutive number endorsed on the tender envelope;
 - (c) the amount of each tender;
 - (d) the date and time of the opening of the tender;
 - (e) the names of the persons present at the opening of the tenders.
- 15.4 The relevant Head of Service will keep securely all tenders with the envelopes received, with a copy being provided to the Head of Financial Services. From the date of the award of the Contract, such records must be retained for a period of no less than 6 years for the successful Provider and 1 year for any unsuccessful Providers, or such longer period as may be required by domestic or EU legislation.

CPR16: Errors or Discrepancies in Tenders etc.

- 16.1 Where examination of tenders reveals arithmetical or copying errors present in the documents submitted at the time of tender these shall be corrected by the Responsible Officer and details shall be recorded and maintained on the appropriate Contract file. If the correction has the effect that the tender is no longer the most competitive tender then the next tender in competitive order is to be examined and dealt with in the same way.
- 16.2 Where examination of tenders or checking of a priced bill or specification submitted at the Council's request after tenders have been opened reveals errors or discrepancies (other than arithmetical errors in documents submitted at the time of tender as in CPR 16.1 above) which would affect the total tender figure(s) in an otherwise successful tender, the Provider is to be given details of such errors and discrepancies but no other information and afforded an opportunity of confirming or withdrawing ~~his~~their tender in writing. If the tenderer confirms their total tender figure, then all the rates and prices on which the total tender price was based shall be adjusted (upwards or downwards) by the same percentage so as to correspond with the total tender figure (corrected in accordance with CPR 16.1 above if there was also an error or discrepancy requiring to be dealt with under that CPR).
- 16.3 If the Provider withdraws, the next tender in competitive order is to be examined and dealt with in the same way. Any exception to the procedure outlined above may be authorised only by the appropriate Service Committee after consideration of a report from the Head of Service concerned.

CPR17: Contract Negotiations

- 17.1 Negotiations following the receipt of a Tender shall not apply to any Contract that is governed by EU procurement directives, unless expressly allowed under the EU Procurement Regulations.
- 17.2 The Responsible Officer may negotiate the contract in the manner set out in CPR 17.3 below, subject to approval by the Director of Resources, and provided the terms of the contract remain substantially unaltered. This can only be undertaken where:
- (a) tendering produced no tenders, or inappropriate tenders, for example where the tender figure in an otherwise successful tender exceeds approved or budgeted expenditure, or where the approved or budgeted expenditure has changed since tenders were invited, or
 - (b) tendering was discontinued because of irregular tenders, for example because tenders fail to meet the requirements specified in the Contract documents or offer variations on them or the works, supplies or goods fail to meet the tender specification.
- 17.3 The Responsible Officer shall invite all Providers to amend their tenders, in writing, in such matters (e.g. unit price, delivery, discounts or by removing elements of the specification or bill of quantities) as the Responsible Officer specifies. All negotiations shall be conducted by at least two officers, **one of whom should not be otherwise involved in the contract evaluation or award**. The Responsible Officer shall keep a written record of all negotiations, including notes of all meetings and the names of those people present.
- 17.4 Clarifications of ambiguous Tenders does not constitute post tender negotiations
- 17.5 At the conclusion of the post tender negotiation process, those Providers invited to negotiate will be formally invited to submit a best and final offer under the same procedure as for the receipt and opening of original Tenders or quotations.

CPR18: Acceptance of Tenders

- 18.1 A tender **other than** that which meets the most economically advantageous tender (MEAT) criteria shall not be accepted until the Council or relevant Service Committee have considered and approved a written report from the relevant Head of Service. The MEAT criteria includes the 'Best Price-Quality Ratio' which means price or cost plus other criteria and equates to value for money. The use of Life Cycle Costing must also be ensured in the evaluation of Tenders. The evaluation of such costs must involve the assistance of the Council's Finance Section.
- 18.2 No Contract may be awarded unless the expenditure involved has been included in approved estimates or in capital or revenue accounts or has been otherwise approved by or on behalf of the Council.
- 18.3 The only exception permitted under this Procedure Rule is where works/supplies/services are ordered on grounds of extreme urgency (e.g. responding to a civil emergency). The Responsible Officer should consult with the Director of Resources and appraise him/her/them of the position, so that as soon as practicable arrangements can be made to report the matter to Council or the relevant Service Committee.
- 18.4 No contract with a quoted value in excess of £50,000 shall be awarded until the Director of Resources has checked the Provider's financial standing and provided written confirmation that this is satisfactory for the Contract to be undertaken.
- 18.5 The Responsible Officer shall work with the Procurement Assistant to ensure compliance with OJEU requirements for the publication of Contract Award Notices and provide copies of the Notice(s) to the Head of Legal and Democratic Services and the Director of Resources.
- 18.6 Details of all Contract awards shall be forwarded to the Procurement Assistant for inclusion in the Council's Contracts Register as soon as possible after the award and prior to works commencing. Such notification must also include evidence of the authority to enter into the Contract.

CPR19: Nominated Sub-Contractors and Suppliers

- 19.1 Contract Procedure Rules apply to the nomination of a sub-contractor or nomination of a supplier for carrying out works or services or supplying goods or materials as part of a larger contract. This would generally be due to the specialist nature of the works, goods or services required.
- 19.2 Where the estimated amount of the sub-contracted work to be undertaken by the nominated sub-contractor, or the estimated value of the goods to be supplied by the nominated supplier does not exceed £50,000 then unless in the opinion of the responsible Director there could be grounds for exemption (in which case CPR5 must be followed in full), competitive written quotations shall be sought in accordance with CPR 6.3.
- 19.3 Where the estimated amount of the sub-contracted work to be undertaken by the nominated sub-contractor, or the estimated value of the goods to be supplied by the nominated supplier exceeds £50,000 then unless in the opinion of the responsible Director there could be grounds for exemption (in which case CPR5 must be followed in full), tenders shall be invited in accordance with CPR 12.
- 19.4 Any exemption from these Procedure Rule requirements must comply with CPR 5.

CPR20: Form of Contract

- 20.1 Every Contract exceeding £50,000 in value, or below £50,000 where a formal tendering process has been undertaken and in any other case where the Head of Legal and Democratic Services so decides, shall either be documented using an approved Standard Form of Contract or be in writing in a form approved by the Head of Legal and Democratic Services and shall specify:
- (a) the works or services to be performed and/or the goods or materials to be supplied;
 - (b) the parties to the contract including any guarantor;
 - (c) the price to be paid with a statement of discounts or other appropriate adjustments;
 - (d) the time within which the Contract is to be performed or carried out;
 - (e) that the Provider will not assign the Contract without the written consent of the Council;
 - (f) any appropriate restriction on sub-contracting by the Provider;
 - (g) where appropriate that the Provider will pay liquidated damages or other damages to the Council should the terms of the Contract not be properly carried out, including the method by which such damages will be calculated and the circumstances in which they will be payable;
 - (h) any performance bond or parent company guarantee required and the Responsible Officer shall consult with the Director of Resources and Head of Legal and Democratic Services before including or excluding such a requirement in the tender documents ;
 - (i) that the Provider will adopt safe methods of work and comply with all other requirements of the Health and Safety at Work Act 1974;
 - (j) that the Council may cancel the Contract and recover any loss if the Provider, its employees, agents and sub-providers offer any reward relating to the Contract or commit any offence under the Prevention of Corruption Acts 1889 to 1916 or have given any fee or reward the receipt of which is an offence under section 117(2) of the Local Government Act 1972;
 - (k) that the Provider shall comply with UK Data Protection legislation and indemnify the Council in respect of the use, disclosure or transfer of personal data by the Provider, its employees, agents and sub-Providers.

- (l) that the Provider shall not unlawfully discriminate within the meaning of the Equality Act 2010 or any comparable statutory provision relating to discrimination in employment, and shall ensure that all employees, agents and sub-contractors do not unlawfully discriminate, and shall comply with all relevant codes of practice issued by the Equality and Human Rights Commission, or comparable body and, so far as is practicable, operate an equal opportunities policy which complies with the practical guidance and recommendations contained in such codes of practice.
- (m) that the Provider will indemnify the Council against:
 - any claim which may be made in respect of employers' liability against the Council or the Provider by any work~~er~~~~men~~ employed by the Provider or any sub-contractor in the execution of the work or in the provision of goods and services
 - any claim for bodily injury to, or damage to property of, third parties
 - any claim which may be made under the Health and Safety at Work etc Act 1974 against the Council or the Provider unless such claim is substantially due to the neglect of the Council or any of its Officers.
- (n) that in respect of (m) above, the Provider will be required to produce satisfactory evidence that they are insured against such claims
- (o) that Providers shall hold the Council's interests paramount and strictly avoid conflict with other work or their own corporate interests
- (p) the dispute resolution process to be followed in the event of any dispute
- (q) the amount of notice period to be recognised by both parties in the event of a change to, or termination of, the Contract
- (r) the recovery mechanism to be followed should any sum of money become recoverable from or payable by the Provider.
- (s) the requirements of the Freedom of Information Act and the Local Authorities Data Transparency Code
- (t) that they comply with the requirements of the supply chain requirements under the Modern Slavery Act 2015
- ~~(u) —~~ that the Provider must comply with the principles of the Prevent Duty

CPR21: Execution of Contracts

- 21.1 Contracts with a value of less than £50,000 may be signed by the relevant Director.
- 21.2 Every Contract which exceeds £50,000 in value shall either be signed for and on behalf of the Council by the Chief Executive or Director of Resources or be executed as a deed.
- 21.3 A copy of such signed Contracts or Deeds must be retained by the legal section.

CPR22: Contract Variation After Award

22.1 Where after contract award, by reason of any extra or variation (other than a Contract extension under CPR 12.1(b)) it is apparent that:

- (a) the tender sum is to be exceeded by 10 per cent; or
- (b) a timeframe variation would extend the Contract period by more than three months or by 50 per cent of the original Contract period; or
- (c) if the works, services or goods to be added or deleted from the Contract are substantially different in scope

the relevant Head of Service shall report in writing the same immediately to the Director of Resources and Head of Legal and Democratic Services.

22.2 Should further variations as set out in CPR 22.1 above arise after the Head of Service's initial report, these further variations shall also be reported as set out in CPR 22.1 above.

22.3 Details of all variations shall be recorded in the contract file and shall be reported to the appropriate Service Committee on a regular basis, and also as part of the regular monitoring/budgetary control process ensuring compliance with Financial Regulations.

22.4 In the case of any contracts covered under the EU Regulations, where the Contract Value increases by 50% or more from that at the point of Contract Award, then the tender opportunity must be re-advertised. The reporting requirements at 22.1 and to 22.3 above must also be followed.

ANNEX 1: EU Procurement Directives – Thresholds and Procedures

FOR INFORMATION ONLY NOT FORMING PART OF THE COUNCIL'S ADOPTED CONTRACT PROCEDURE RULES

Any procurements that encompass these regulations must ensure involvement of the Head of Financial Services and Head of Legal and Democratic Services

Purpose

The purpose of the EU procurement rules, underpinned by the Treaty principles, is to open up the public procurement market and to ensure the free movement of supplies, services and works within the EU. In most cases they require competition. The EU rules reflect and reinforce the value for money focus of the Government's procurement policy. This requires that all public procurement must be based on value for money, defined as 'the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought', which should be achieved through competition, unless there are compelling reasons to the contrary.

Current Thresholds (January 2016)

	Value over the full anticipated lifetime of supply £
Supplies and Services	164,176
Light touch regime services (Previously 'Part B' services)	589,148
Works	4,104,394
PIN	589,148
Small lots (Services)	62,842
Small lots (works)	785,530
Utilities (Works)	4,104,394

The value of a contract is the expected amount of consideration (in money or money's worth) that will be received by the person or organisation that carries out the works or provides the services or supplies, **over the full anticipated lifetime of supply**.

Procurement Routes and Time Limits

Open Procedure

This procedure is generally used where the expected number of responses is likely to be manageable. Any organisation expressing an interest in an advertised opportunity is invited to tender and is directed to the online tender pack. This must be completed fully and returned with any requested supporting information by a specified date and time. A panel of officers evaluate responses against pre-set criteria and the highest scoring tenderer is awarded the contract.

Normal Minimum Time Limit	If Urgent	Where Prior Information Notice Published	Normal Minimum Time Limit for Local Government
Minimum time limit for receipt of tenders 35 days	Minimum time limit for receipt of tenders 15 days	Minimum time limit for receipt of tenders 15 days	-

Restricted Procedure

This procedure is generally used if a high level of interest is anticipated. This procedure requires organisations who express an interest to undergo an initial pre-qualification assessment to appraise such things as their economic and financial standing, capability and capacity and compliance with Health and Safety and Equal Opportunities. Normally organisations are sent a pre-qualification questionnaire which must be completed fully and returned by a specified date and time. A panel of officers evaluate responses against pre-set criteria and the most suitable applicants are then invited to tender.

Normal Minimum Time Limit	If Urgent	Where Prior Information Notice Published	Normal Minimum Time Limit for Local Government
Minimum time limit for requests to participate 30 days	Minimum time limit for requests to participate 15 days	Minimum time limit for requests to participate 30 days	Minimum time limit for requests to participate 30 days
Minimum time limit for tenders 30 days	Minimum time limit for tenders 10 days	Minimum time limit for tenders 10 days	Minimum time limit for tenders to be set by agreement with tenderers. In absence of agreement minimum time limit 10 days

Competitive Procedure with Negotiation

Under the Competitive Procedure with Negotiation, any Supplier may request to participate in the exercise. The council makes an initial evaluation of the candidates based upon the grounds of exclusion and the selection criteria published in the contract notice. It may limit the number of suitable candidates to be invited to participate in the procedure. The council then invites its chosen Suppliers to submit an initial tender.

The council will negotiate with tenderers the initial and all subsequent tenders submitted, except for the final tender, to improve their content. The minimum requirements and the award criteria are not subject to negotiation.

Normal Minimum Time Limit	If Urgent	Where Prior Information Notice Published	Normal Minimum Time Limit for Local Government
Minimum time limit for requests to participate 30 days	Minimum time limit for requests to participate 15 days	Minimum time limit for requests to participate 30 days	Minimum time limit for requests to participate 30 days
Minimum time limit for initial tenders 30 days	Minimum time limit for tenders 10 days	Minimum time limit for tenders 10 days	Minimum time limit for tenders to be set by agreement with tenderers. In absence of agreement minimum time limit 10 days

Competitive Dialogue

This is an option that allows for bidders to develop alternative proposals in response to the council's outline requirements. Only when their proposals are developed to sufficient detail are tenderers invited to submit competitive bids. The aims are to increase value by encouraging innovation and to maintain competitive pressure in bidding for complex contracts.

Normal Minimum Time Limit	If Urgent	Where Prior Information Notice Published	Normal Minimum Time Limit for Local Government
Minimum time limit for requests to participate 30 days	-	-	-
No time limits for submission of initial/subsequent tenders	-	-	-

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 10

meeting date: 7 NOVEMBER 2017
 title: CAPITAL PROGRAMME REVIEW AND NEW BIDS
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

- 1.1 To recommend the proposed future five-year capital programme (2018/19 to 2022/23) for this Committee.

2 BACKGROUND

- 2.1 This report will review the schemes that were approved in to the capital programme in February 2017, for the financial years 2018/19 to 2021/22. Also, new bids received from Heads of Service for 2022/23 are presented for consideration. No bids have previously been requested for 2022/23.
- 2.2 In the same manner as previous years, all Heads of Service were asked to submit new capital bids bearing in mind the limited financial resources that are available to finance the capital programme.

3 REVIEW OF THE CAPITAL PROGRAMME 2018/19 TO 2021/22

- 3.1 For this Committee there were originally four schemes approved for the financial years 2018/19 to 2021/22, totalling £91,500. These schemes are shown in Annex 1.
- 3.2 Heads of Service have reviewed these schemes. The review has resulted in the Windows Server Upgrade scheme being recommended for deletion from the 2018/19 programme.
- 3.3 Since the bid was originally submitted the ICT infrastructure that we operate has changed. Under our new infrastructure the licences would require software assurance. This means that instead of being able to make an outright purchase, we will instead need to take up subscription licences (which include software assurance) and would therefore instead incur a revenue cost. A separate report regarding this is included elsewhere on the agenda.
- 3.4 The 2018/19 to 2021/22 approved capital programme for this Committee has been amended to reflect the deleted scheme in 2018/19. The table below provides a summary and the full amended capital programme is shown in Annex 1.

	2018/19 £	2019/20 £	2020/21 £	2021/22 £	TOTAL £
Previously Approved Capital Programme for Policy and Finance Committee	46,500	45,000	0	0	91,500
Windows Server Upgrade – DELETION OF SCHEME	-23,500				-23,500
Amended Capital Programme for Policy and Finance Committee	23,000	45,000	0	0	68,000

4 NEW CAPITAL BIDS FOR 2022/23

4.1 Heads of Service were also asked to put forward new bids for 2022/23. For this Committee five new bids have been submitted for 2022/23, totalling £473,200. Details of the scheme bids are attached to this report at Annex 2, and a summary listing by scheme is also shown at Annex 3.

4.2 Committee should therefore consider the new scheme bids. Members are also asked to put forward any amendments to the bids that they may wish to make at this stage.

4.3 Please note that other committees will be receiving similar reports for the new scheme bids. Bids from all committees will finally be considered alongside each other by the Budget Working Group and Policy and Finance Committee against the limited financial resources that are available to finance the capital programme.

5 APPROVED SCHEMES AND CAPITAL PROGRAMME BIDS FOR 2018/19 TO 2022/23

5.1 The table below provides a summary of the financial impact of the currently approved capital programme schemes and also those bids that have been received from Heads of Service for 2022/23 (subject to approval).

2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	TOTAL £
23,000	45,000	0	0	473,200	541,200

6 FINANCIAL SYSTEMS

6.1 The Head of Financial Services has been made aware on 18 October by the software supplier of our financial systems that the rich client version that we currently use is to be withdrawn from mid-2018 and that we will be forced to move to the web-based version.

6.2 It is disappointing that no prior indication had been given of the impending withdrawal prior to that meeting with our software suppliers, and our frustration has been expressed.

6.3 At the time of writing this report we are unsure of likely costs to be incurred in moving to the new web-version of the system. It seems likely that there will be the need for an additional capital scheme for an upgrade to our financial systems in the 2018/19 financial year. It is possible that an update may be able to be provided at your meeting.

6.4 If information becomes available in time for the current review of the capital programme by the Budget Working Group then it is intended to ensure that the scheme is considered in preparation for your special meeting in February where you will consider the budget and forward capital programme (2018/23).

7 RISK ASSESSMENT

7.1 The approval of this report may have the following implications:

- Resources – The **new bids** that have been submitted for this Committee would require funding of £473,200 from Council resources.
- Technical, Environmental and Legal – None.

- Political – None.
- Reputation – Sound financial planning for known capital commitments safeguards the reputation of the Council.
- Equality and Diversity – Equality and Diversity issues are examined as part of the capital bid appraisal process.

8 CONCLUSION

- 8.1 There are currently three schemes in the capital programme for this Committee for the period 2018/19 to 2021/22, totalling £68,000.
- 8.2 There have been five new capital scheme bids for 2022/23, totalling £473,200.
- 8.3 It is likely that a further scheme will be forthcoming with regard to the financials system, but clarification is awaited.

9 RECOMMENDED THAT COMMITTEE

- 9.1 Consider the proposed five-year capital programme for 2018/19 to 2022/23 above and agree any amendments they wish to make.
- 9.2 Recommend to Policy and Finance Committee a future five-year capital programme for this Committee's services.

SENIOR ACCOUNTANT
PF64-17/AC/AC
23 October 2017

DIRECTOR OF RESOURCES

For further background information please ask for Andrew Cook.
BACKGROUND PAPERS – None

Policy and Finance Committee
Previously Approved Capital Programme and Amended Programme
– 2018/19 to 2021/22

ANNEX 1

POLICY AND FINANCE COMMITTEE	2018/19 £	2019/20 £	2020/21 £	2021/22 £	TOTAL £
Windows Server Upgrade	23,500				23,500
Queensway Garages – Replace roof covering and repairs	23,000				23,000
Re-design of the Corporate Website		30,000			30,000
Corporate Firewall		15,000			15,000
Previously Approved Capital Programme for Policy and Finance Committee	46,500	45,000	0	0	91,500
Windows Server Upgrade – DELETION OF SCHEME	-23,500				-23,500
Amended Capital Programme for Policy and Finance Committee	23,000	45,000	0	0	68,000

Policy and Finance Committee

2022/23 New Bids

BID 1:	Lift Replacement at the Council Offices
Service Area:	Council Offices
Submitted by:	Adrian Harper

Brief Description of the Scheme:

The council offices lift is the only accessible entrance to the council offices. The exact age of the lift itself is unidentified. The gear box that controls the lift is 38 years old so it can be assumed that the lift has been in situ since 1979. The lift is coming to the end of its economic life. In 2013 essential repair works to the lift were undertaken to keep the lift in operation, the total cost of this was £5,170. These works entailed replacement of the lift ropes and repairs to the drive sheave. It is generally thought that a reasonable operating life cycle for a lift would be 20-25 years although this expectation is dependent on usage and the environment in which the lift has been installed. The design life of a lift can and has been extended with routine servicing and by using replacement parts of the correct compatibility. The older a lift becomes sourcing original parts becomes increasingly difficult as they are no longer manufactured. As the legislation changes modifications are required to improve/meet compliance. The current standards in force for new lift installations are the BS EN81 series. To ensure the increased safety of existing lifts BS EN81-80 contains the rules for improvement of existing lift installations. Any existing lift installation should be assessed to this standard to ensure it meets the highest level of safety. The lift at the council offices does not comply with BS EN81-80. However, currently there is no legal obligation to comply.

Revenue Implications:

None.

Timescale for Completion:

April 2022: Out to tender. July 2022: Install new lift.

Any Risks to Completion:

CDM Regulations will be applicable. Health and Safety at Work Act 1974. If the scheme was not carried out eventually the gearbox or brake would fail. If this happened then the cart could fall potentially causing serious injury or even a fatality. The reason for this is because the current lift has (1) No uncontrolled movement protection (No protection against the car over speeding in the up and down direction. This could happen with brake or gearbox failure), AND (2) No unintended movement protection (No protection against the lift moving away from floor level while the doors are open. This could happen with brake or gearbox failure).

Capital Cost:

Cost Element	2022/23 £
Contractors	86,230
Internal Staff Time	1,210
Planning Fees / Building Regulations	900
Other	4,860
Total Capital Cost of Scheme	93,200

Policy and Finance Committee
2022/23 New Bids

BID 2:	Dewhurst Road, Langho – Resurfacing Works
Service Area:	Estates
Submitted by:	Adrian Harper

Brief Description of the Scheme:

The Council are responsible for the maintenance of the majority of Dewhurst Road, Langho. The road is currently in an acceptable condition following minor repairs carried out in March 2017. These repairs provided a low cost, temporary solution but it is envisaged that the condition of the road will continue to deteriorate, affecting its usability and potentially resulting in claims for damage incurred. A quote of £68,500 to undertake the works has been obtained.

Revenue Implications:

Reduced repairs to surface defects (at least once every 2 years), -£500.

Timescale for Completion:

4 Weeks.

Any Risks to Completion:

None.

Capital Cost:

Cost Element	2022/23 £
Contractors	68,500
Total Capital Cost of Scheme	68,500

Policy and Finance Committee

2022/23 New Bids

BID 3:	Brookfoot Footbridge, Ribchester - Replacement of Bridge
Service Area:	Estates
Submitted by:	Adrian Harper

Brief Description of the Scheme:

The Council are responsible for the maintenance of Brookfoot Footbridge in Ribchester. The bridge crosses Stydd Brook before it joins the River Ribble and connects Council owned land to a track leading to an adopted highway.

A large part of the land is currently leased to Ribchester Parish Council and is used as allotments. The remaining grassed area is maintained by Ribble Valley Borough Council. The land on both sides of the brook is susceptible to flooding and the bridge itself is at risk of damage when this occurs. The bridge is inspected by Engineering Services on a 3 monthly basis and whilst it is currently considered to be safe, defects have been identified which will need to continue to be monitored.

It is considered that due to the structural type and condition of the bridge, it would only be feasible to replace rather than repair the structure. It is estimated that the cost of undertaking these works would be £110,000.

Revenue Implications:

None.

Timescale for Completion:

10 Weeks.

Any Risks to Completion:

Any works would require planning permission and the consent of the Environment Agency, as they are responsible for the watercourse that flows below the bridge. Access to the allotments would need to be restricted and if possible, alternative arrangements agreed with the adjacent private landowner, whilst works took place.

Capital Cost:

Cost Element	2022/23 £
Contractors	110,000
Total Capital Cost of Scheme	110,000

Policy and Finance Committee

2022/23 New Bids

BID 4:	Chaigley Road - Higher Road, Longridge - Repairs to Tunnel
Service Area:	Estates
Submitted by:	Adrian Harper

Brief Description of the Scheme:

The Council are responsible for the maintenance of Chaigley Road - Higher Road Tunnel in Longridge. The structure was built as part of the Preston to Longridge Railway Company's line from Tootle Height Quarry in 1839 and is now Grade II listed. It is sited under Chaigley Road and Higher Road, with an opening in the Council owned John Smith's Playing Fields.

The opposing end is located in a privately owned caravan park and is currently blocked up and inaccessible to the general public. Despite being sited under an adopted highway, the structure belongs to Ribble Valley Borough Council. The tunnel is inspected by Engineering Services on a 3 monthly basis and whilst the main tunnel structure is currently considered to be in good condition, defects have been identified on the external retaining wall of the structure which will need to be monitored and would benefit from being repaired/refurbished.

The displaced wall indicates a possible foundation fault and the wall also needs to be re-pointed. It is estimated that this work will cost £21,500.

Revenue Implications:

None.

Timescale for Completion:

10 weeks.

Any Risks to Completion:

None.

Capital Cost:

Cost Element	2022/23 £
Contractors	21,500
Total Capital Cost of Scheme	21,500

Policy and Finance Committee
2022/23 New Bids

BID 5: **ICT Infrastructure Refresh**

Service Area: **IT Services**

Submitted by: **Lawson Oddie**

Brief Description of the Scheme:

Current infrastructure would be 5 years old in 2022/23.

The scheme is based on the projected ICT needs in 5 years, however the actual requirements may be quite different in 5 years when compared to those forecast within this bid - due to the speed of change/development in ICT. The scheme would look to equip the council to meet the actual needs in 2022/23. Possible solutions anticipated are:

1. Replacement of the current infrastructure with a similar solution (based on the 2016/17 capital scheme).
2. Move all server resources into the cloud.
3. Investigate the use of new end user technologies.

Costs are based on £100k server infrastructure, £60k desktop/network hardware and £20k potential price increases to 2022/23.

Revenue Implications:

There may be increased revenue costs to both hardware and software maintenance, such as licensing changes, but it is not possible to quantify this at this stage. The 2016/17 scheme resulted in additional revenue costs for licenses of just less than £4k per annum.

Timescale for Completion:

Over the 12 months within 2022/23.

Any Risks to Completion:

Loss of data, resource shortage, supplier pull-out.

Capital Cost:

Cost Element	2022/23 £
Equipment / Materials	180,000
Total Capital Cost of Scheme	180,000

Policy and Finance Committee
Summary of New Capital Bids for 2022/23

Schemes	2022/23 £
BID 1: Lift Replacement at the Council Offices	93,200
BID 2: Dewhurst Road, Langho – Resurfacing Works	68,500
BID 3: Brookfoot Footbridge, Ribchester – Replacement of Bridge	110,000
BID 4: Chaigley Road – Higher Road, Longridge – Repairs to Tunnel	21,500
BID 5: ICT Infrastructure Refresh	180,000
Total of New Bids for Policy and Finance Committee	473,200

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 11

meeting date: 7 NOVEMBER 2017
title: ICT LICENCES AND SOFTWARE
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To inform members of two areas of additional revenue expenditure with regard to licences following the recent ICT infrastructure installation and also software with migration, and to seek member approval for the proposed funding of the same.

2 BACKGROUND

- 2.1 The capital scheme for the ICT infrastructure refresh was completed at the end of the 2016/17 financial year and various systems have gradually been migrated over to the new infrastructure since.
- 2.2 However, we are now at a position where we have a number of licences that are required to complete the transition. These relate to SQL Server licences with software assurance.
- 2.3 Separately, we require some migration work to new Blackberry Unified Enterprise Management software, which relates to the mail server that supports our Good Technology users.

3 NEW REQUIREMENTS

- 3.1 With regard to the SQL Server licencing, there is currently a capital programme scheme in the 2018/19 financial year which was included a number of years ago, based on the infrastructure that we had in place at that time.
- 3.2 With the old infrastructure we were able to purchase such licences outright, however due to the virtual nature of the environment since installation of the new infrastructure, we are required to take up an annual subscription to licences that carry software assurance (not available to purchase out right).
- 3.3 As a partial result of this, we no longer require the capital scheme in 2018/19 titled 'Windows Server Upgrade' for £23,500. This was to be financed from the ICT Repairs and Renewals Earmarked Reserve. However, the annual subscription for SQL Server licences with software assurance (based on the number required) would create a new revenue liability of £3,970 per annum.
- 3.4 Good for Enterprise is our current mobile email solution. Approximately 18 months ago Good was purchased by Blackberry. Blackberry/Good have now integrated both product sets into one named Blackberry Unified Enterprise Management, ceased developing Good for Enterprise and shortly will not be providing support for Good for Enterprise.
- 3.5 In order to integrate with the supported versions of our email platform (Microsoft Exchange) and remain supported by Good/Blackberry we need to migrate from Good for Enterprise to Blackberry Unified Enterprise Management.

3.6 The cost of this work will be £2,550 and would be a one-off cost to the council. Unfortunately, due to other commitments within the current year's revenue budget we are not able to meet this additional one-off cost from existing budgets.

3 PROPOSED FINANCING

3.1 With regard to the SQL server licences it is requested that a supplementary estimate be approved to the revenue budget of £3,970 per annum.

3.2 As there is some correlation between the removal of the capital scheme for Windows Server Upgrade and the new SQL Server licences with software assurance, it is proposed to finance this new annual revenue cost with a matching annual release of resources from the ICT Repairs and Renewals Earmarked Reserve.

3.2 For the Blackberry Unified Enterprise Management software and migration it is also proposed that this one-off cost is also fully funded by a transfer from the ICT Repairs and Renewals Earmarked Reserve

3.3 At the 31 March 2017 the ICT Repairs and Renewals Earmarked Reserve stood at £171,399 and so there are adequate resources available to fund these items.

5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications

- Resources – the only net additional resources would be for the £2,550 in respect of the Blackberry Unified Enterprise Management software and migration, which is recommended to be funded from the ICT Repairs and Renewals Earmarked Reserve. The other £23,500 was already set to be used to finance the now deleted capital scheme in 2018/19.
- Technical, environmental and legal – no implications identified
- Political – no implications identified
- Reputation – no implications identified
- Equality and Diversity – no implications identified

6 RECOMMENDED THAT COMMITTEE

6.1 Approve a supplementary estimate of £3,970 per annum in respect of the SQL server licences and a one-off supplementary estimate of £2,550 in respect of the Blackberry Unified Enterprise Management software and migration.

6.2 Approve the use of the ICT Repairs and Renewals Earmarked Reserve to support in the introduction of the supplementary estimate in full.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF71-17/LO/AC

27 October 2017

Background papers:

For further information please ask for Lawson Oddie

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No.

meeting date: 7TH NOVEMBER 2017
title: BOUNDARY COMMISSION PARLIAMENTARY BOUNDARY REVIEW –
REVISED PROPOSALS
submitted by: DIRECTOR OF RESOURCES
principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE
OFFICER

1 PURPOSE

- 1.1 As you are aware the Boundary Commission has commenced a review of Parliamentary constituencies within England. The purpose of this report is to update the Council on the revised proposals published on 17 October 2017.
- 1.2 Relevance to the Council's ambitions and priorities:
- Community Objectives – How residents are represented by an MP in Parliament is an important part of the democratic process in the United Kingdom.
 - Corporate Priorities –
 - Other Considerations -

2 BACKGROUND

- 2.1 A Parliamentary boundary review examines the existing constituencies and makes recommendations for any changes that might be needed to make sure constituencies comply with legal requirements. Those legal requirements are intended to keep the number of electors in each constituency broadly equal, whilst also taking into account factors such as local community ties.
- 2.2 For the 2018 Review, the Commission must make its final report and recommendations in September 2018. Those final recommendations will be informed by a series of open consultations with the public, to capture the knowledge and expertise of local people as part of the process of refining the initial proposals.

3 REVISED PROPOSALS FOR THE NORTH WEST

- 3.1 The Boundary Commission have revised the composition of 25 of the 68 constituencies they proposed in September 2016. After careful consideration, they have decided not to make any revisions to the composition of the remaining 43. In some instances, however, they have revised the proposed names for these constituencies. Under the revised proposals, 13 constituencies in the North West would be the same as they are under the existing arrangements.
- 3.2 In Lancashire, the Boundary Commission has reconfigured nine constituencies, one of which also has an alternative name proposed.
- 3.3 Of the 16 existing constituencies currently within Lancashire, three (Chorley, South Ribble, and Ribble Valley) have electorates that are within the permitted range, and many of the remaining constituencies have electorates that are significantly lower than the permitted range.
- 3.4 Although the electorate of the existing Ribble Valley constituency was within the permitted electorate range (75,348), as a result of the loss of two constituencies in the county and of changes made elsewhere, the Boundary Commission suggested that the remainder of the existing Pendle constituency be combined with a number of wards

from the existing Ribble Valley constituency and included them in a Clitheroe and Colne constituency.

Summary of Responses to the Initial Proposals

- 3.5 The initial proposals for Lancashire were supported in full by the Labour Party and accepted by the Liberal Democrat Party. The Conservative Party supported three of the proposed constituencies (Chorley, Blackburn, and Rossendale and Darwen) and submitted counter-proposals for the remaining 11 constituencies. The Green Party did not submit a counter-proposal for any of the 14 constituencies.
- 3.6 In respect of the North Lancashire constituency, the Boundary Commission noted that several respondents commented on the geographical size of the constituency, the lack of community links, and the number of local authorities that were contained within the constituency. The Conservative Party remarked that although the Boundary Commission had indicated in the initial proposals that they had linked the towns Morecambe and Lancaster to avoid the creation of a 'geographically huge constituency that would wrap around the City of Lancaster', by doing so 'the Commission's proposed North Lancashire constituency does exactly this. It is huge being 44% of the area of County of Lancashire.' This view was shared by the Green Party, and also by Terry Lagan, who stated that 'BCE's proposed North Lancashire constituency contains parts of four boroughs and is constructed from parts of four existing constituencies. Such a multiple hybrid constituency strongly indicates a considerable degree of broken ties and insufficient respecting of local government boundaries and the boundaries of existing constituencies', and by Lancaster City Council, who said 'the proposed new North Lancashire constituency is too geographically spread across communities served by four local authorities.'
- 3.7 Other objections to the proposed North Lancashire constituency came from residents in the towns of Carnforth and Silverdale, who also expressed concerns regarding the size of the constituency.
- 3.8 Others, such as the Labour Party, did not share this opinion. In their representation, the Labour Party asserted that 'we do not accept that the acreage of the proposed North Lancashire CC is by itself a significant objection to it. It reflects the fact that this is a sparsely populated area, and that the electorate in the county of Lancashire is unevenly distributed, heavily concentrated in the south and west of the county.' Some residents of areas proposed to be included in the North Lancashire constituency were supportive of the proposals.
- 3.9 In the boroughs of Ribble Valley and Pendle, the Commission noted that there was significant opposition to the initial proposals. In the Ribble Valley constituency they noted the opposition of several parish councils to the initial proposals, for example that of Chatburn Parish Council, Grindleton Parish Council, and Wilpshire Parish Council. A recurrent theme among these representations was the concern that the communities within the existing Ribble Valley constituency would be divided between the North Lancashire, and Clitheroe and Colne constituencies.
- 3.10 As stated by Nigel Evans 'I have studied the submissions made by the people of the Ribble Valley – these vary from members of the public to clerks of Parish Councils. The overarching theme of the comments is that they do not wish to see the Ribble Valley disappear because they share an affiliation and a community spirit with the area. Residents of Clitheroe do not share the same interests and identity as residents of Colne. In the same way, a person living in Gisburn does not consider him or herself to be part of the same area as a person from Silverdale.'
- 3.11 Other comment, expressed concern at being included in such a large constituency (the proposed North Lancashire constituency) with no focal point.

- 3.12 Representations commenting on the proposed Clitheroe and Colne constituency were critical of the shape. These concerns were also shared by residents of the existing Pendle constituency some questioned the ability of an MP to effectively 'represent their local people when the constituency is spread so far along.' Other criticisms included the opposition to the breaking of ties within the constituency.
- 3.13 Some representations opposed the division of Bamber Bridge, noting that, while the Bamber Bridge East ward was included in the proposed Clitheroe and Colne constituency, the Bamber Bridge West ward was proposed to be transferred to the South Ribble constituency. Some respondents proposed the transfer of Bamber Bridge East ward into the South Ribble constituency, as doing so would leave both constituencies still within the permitted electorate range. Others suggested that in addition to the transfer of Bamber Bridge East to South Ribble constituency, that the Walton-le-Dale East ward should be transferred to Clitheroe and Colne.

Summary of the Counter Proposals Put Forward

- 3.14 The Boundary Commission assistant commissioners investigated the counter-proposals that had been put forward. Many counter-proposals for the Ribble Valley constituency, including that of the Conservative Party, suggested that the entirety of the Ribble Valley Borough area should be contained within a single constituency and should be joined with several wards from the Hyndburn Borough (with differing wards from this district proposed to join the constituency in each counter-proposal) in a Ribble Valley and Hyndburn West constituency or Ribble Valley and Accrington West. Several representations from within Ribble Valley Borough supported the proposals of the Conservative Party, but also some representations from within Hyndburn Borough objected to any proposal that included it in a constituency with Ribble Valley.
- 3.15 The assistant commissioners noted the submissions that had objected to the configuration of the proposed Clitheroe and Colne constituency, many of which commented that it was not possible to travel easily across the constituency. In light of representations received the assistant commissioners visited the area. Beginning in Preston town centre, and primarily using the A59 to travel through the constituency, the assistant commissioners observed that many of the towns that lie within the proposed constituency had a similar feel, including Barnoldswick and Colne, which are part of the Pendle local authority area. They also observed that, while it is not possible to traverse the whole constituency on major trunk roads without exiting into the proposed North Lancashire constituency, they did not consider this an issue with alternative routes available around Pendle Hill.
- 3.16 The assistant commissioners did consider that persuasive evidence had been received to unite the Bamber Bridge area in the South Ribble constituency. They noted that the Bamber Bridge East ward can be transferred to the South Ribble constituency (thus uniting the area in a single constituency) without consequent changes being required elsewhere. They recommended this modification be included in the revised proposals.
- 3.17 They also suggested that the proposed Clitheroe and Colne constituency would be more appropriately named Pendle and Ribble Valley due to the constituency containing numerous wards from both local authorities.
- 3.18 The Pendle and Ribble Valley Constituency would be made up of the following wards:

43. Pendle and Ribble Valley CC			73,788
Barrowford	Pendle		3,823
Blacko and Higherford	Pendle		1,424
Boulsworth	Pendle		4,071
Coates	Pendle		3,984
Craven	Pendle		4,073
Earby	Pendle		4,605
Foulridge	Pendle		1,299
Higham and Pendleside	Pendle		1,414
Horsfield	Pendle		3,668
Old Laund Booth	Pendle		1,225
Vivary Bridge	Pendle		4,028
Waterside	Pendle		3,574
Billington and Old Langho	Ribble Valley		2,414
Clayton-le-Dale with Ramsgreave	Ribble Valley		2,082
Edisford and Low Moor	Ribble Valley		2,358
Langho	Ribble Valley		1,890
Littlemoor	Ribble Valley		2,371
Mellor	Ribble Valley		2,228
Primrose	Ribble Valley		2,501

Read and Simonstone	Ribble Valley		2,080
Sabden	Ribble Valley		1,192
Salthill	Ribble Valley		2,308
St. Mary's	Ribble Valley		2,274
Whalley	Ribble Valley		3,078
Wilpshire	Ribble Valley		2,077
Wiswell and Pendleton	Ribble Valley		1,244
Coupe Green & Gregson Lane	South Ribble		3,449
Samlesbury & Walton	South Ribble		3,054

3.19 The North Lancashire Constituency would be made up of the following wards:

Constituency	Ward	Local authority	Electorate
41. North Lancashire CC			71,284
	Carnforth & Millhead	Lancaster	4,446
	Elfel	Lancaster	3,276
	Halton-with-Aughton	Lancaster	1,947
	Kellet	Lancaster	1,639
	Lower Lune Valley	Lancaster	3,525
	Silverdale	Lancaster	1,616
	University & Scotforth Rural	Lancaster	2,065
	Upper Lune Valley	Lancaster	1,878
	Warton	Lancaster	1,604
	Preston Rural East	Preston	3,552
	Preston Rural North	Preston	5,328
	Aighton, Bailey and Chaigley	Ribble Valley	1,134
	Alston and Hothersall	Ribble Valley	2,070
	Bowland, Newton and Staidburn	Ribble Valley	1,074
	Chatburn	Ribble Valley	1,063
	Chipping	Ribble Valley	1,111
	Derby and Thornley	Ribble Valley	2,394
	Dilworth	Ribble Valley	1,986
	Gisburn, Rimington	Ribble Valley	1,083
	Ribchester	Ribble Valley	1,265
	Waddington and West Bradford	Ribble Valley	2,527
	Brock with Cattarall	Wyre	3,058
	Calder	Wyre	1,676
	Garstang	Wyre	5,280
	Great Ecclestone	Wyre	3,073
	Hambleton & Stalmine	Wyre	3,500
	Pilling	Wyre	1,907
	Preesall	Wyre	4,615
	Wyresdale	Wyre	1,592

4 THE COUNCIL'S RESPONSE

4.1 Members of the public (and the Council) can have their say by giving the Commission their views on these revised proposals during the **8-week consultation period**, [via the consultation website](#).

4.2 The Council may wish to:

- Reject the Boundary Commission's revised proposals for Ribble Valley
- Urge the Commission to re-consider the counter proposals previously submitted that keep the Ribble Valley Borough in one parliamentary constituency to be called Ribble Valley. These proposals were:
 - Based upon community interest keeping the new constituency within the borough

- Avoided the new constituency covering more than two local authority areas
- Kept the numbers in the new constituency within the tolerance level of 71,031 and 78,507
- Minimised the amount of change and voter movement from the existing Ribble Valley Parliamentary constituency to the proposed new one.

5 NEXT STAGES

5.1 Stage four – publication of revised proposals

Having considered the evidence presented to them, the Boundary Commission have decided that the evidence is such that it is appropriate to revise their initial proposals in some areas. Therefore, as they are required to do (under the legislation) they published revised proposals for new constituency boundaries in the North West – alongside eight others, one for each of the other regions in England. They are consulting on the revised proposals for the statutory eight-week period, which closes on **11 December 2017**. Unlike the initial consultation period, there is no provision in the legislation for further public hearings, nor is there a repeat of the four-week period for commenting on the representations of others.

5.2 Stage five – final recommendations

Once the consultation on revised proposals has closed on 11 December 2017, the Boundary Commission will consider all the representations received at this stage, and throughout the review, before making final recommendations to the Government. The legislation states that they must do this during September 2018. Further details about what the Government and Parliament must do to implement the recommendations are contained in their Guide which is available on their website.

6 RISK ASSESSMENT

6.1 The approval of this report may have the following implications

- Resources – None identified.
- Technical, Environmental and Legal – None identified.
- Political – None identified.
- Reputation – None identified.
- Equality & Diversity - None identified.

7 DECISION

7.1 Delegate to the Chief Executive, in consultation with the Working Group, any further response to the Commission regarding the Parliamentary boundary review in respect of the Ribble Valley Constituency.

Michelle Haworth
PRINCIPAL POLICY AND
PERFORMANCE OFFICER

Jane Pearson
DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF:

For further information please ask for Michelle Haworth, extension 4421

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 13

meeting date: 7 NOVEMBER 2017
title: CHANGES TO CONCURRENT FUNCTION GRANTS SCHEME
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

1.1 To agree the revision of the concurrent functions grant scheme to include the grant previously awarded separately under the Parish Lengthsman Scheme by Planning and Development Committee.

1.2 Relevance to the Council's ambitions and priorities:

- In accordance with the corporate strategy objective "to protect and enhance the existing environmental quality of our area". This report will provide a means for providing a high quality environment, including safe, clean parks and open spaces.
- In accordance with the sustainable community strategy a key priority is "to maintain, protect and enhance all natural and built features that contribute to the quality of the environment", this report will provide the means for supporting Parish/Town Councils with maintaining and protecting the quality of the environment.

2 BACKGROUND

2.1 The Concurrent Grant Scheme, which was approved a number of years ago by this committee, gives grant assistance for those Parishes and Town Councils who provide services in their areas, which elsewhere are provided by the Borough Council.

2.2 The Council agreed to support Parish and Town Council net revenue expenditure on the following concurrent functions.

- Burial Grounds
- Bus Shelters
- Footpaths
- Footway Lighting
- Litter Collection
- Dog waste bins
- Parks and play areas

2.3 Support was set at a rate of 25% of eligible net revenue expenditure in the previous year subject to the overall cost to the Borough Council not exceeding £20,000p.a.

3 PREVIOUS PARISH LENGTHSMAN SCHEME

3.1 A separate Parish Lengthsman Grant scheme previously operated under Planning and Development Committee and from this financial year this grant has been moved to fall under the Concurrent Function Grant Scheme.

3.2 The award criteria for this grant scheme was less specific, but was to help fund the employment of a Parish Lengthsman and was awarded to a number of parishes. The amounts paid in 2016/17 are shown below, the total budget being £10,000.

Parish	£
Sabden	2,000
Whalley	2,000
Newton	2,000
West Bradford	500
Bolton by Bowland, Gisburn Forest and Sawley	2,000
Gisburn	1,000
Total for all Parishes	9,500

- 3.3 The amalgamation of these two grant schemes has created a single concurrent function grant pot of £30,000 in 2017/18.

Grant Scheme	£
Concurrent Function Grant Scheme	20,000
Parish Lengthsman Scheme	10,000
New Total Concurrent Function Grant Scheme	30,000

- 3.4 In the past, any Parish Lengthsman Grant received by a parish was netted off their expenditure before any calculation of concurrent function grant that they may be eligible to claim.
- 3.5 The scheme was only paid to a selection of parishes based on historic associations with a past Lancashire County Council Parish Lengthsman grant scheme.

4 NEXT STEPS

- 4.1 It is proposed that we now invite applications from all parishes.
- 4.2 Once these have been received we will consider the total available funding request against the total grant pot available (**i.e. including the parish lengthsman grant pot**). A report will then be brought back to this committee regarding recommended allocations and how this may impact on the method in which grants are allocated in the current scheme.
- 4.3 Until we know the full potential impact of merging these two schemes which were previously allocated differently we will be unable to recommend any prescriptive changes.

5 RISK ASSESSMENT

- 5.1 The approval of this report may have the following implications
- Resources – no further resources are proposed other than those already available
 - Technical, environmental and legal – no implications identified
 - Political – no implications identified
 - Reputation - the matter covered links to the Council's ambitions and priorities to protect and enhance the existing environmental quality of our area.

- Equality and Diversity – the scheme is open to all parish and town councils.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Approve the next steps suggested in section 4 of this report.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF70-17/LO/AC
27 October 2017

Background papers:

For further information please ask for Lawson Oddie

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

DECISION

Agenda Item No 14

meeting date: 7 NOVEMBER 2017
title: REFERENCE FROM HEALTH AND HOUSING COMMITTEE – FIRE PROTECTION MEASURES AT THE JOINERS ARMS, 90 WHALLEY ROAD, CLITHEROE
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To consider a reference from Health and Housing Committee with regard to a request for a supplementary estimate of £14,500 for fire protection and extractor fan works at 90 Whalley Road, Clitheroe.

2 BACKGROUND

- 2.1 Service committees manage their services within the budgets agreed at the beginning of the financial year. The budget was approved by Special Policy and Finance Committee on 7 February 2017 and by Full Council on 28 February 2017.
- 2.2 Any revenue or capital expenditure over and above what has already been approved must be agreed by this Committee.

3 INCREASED REVENUE COSTS

- 3.1 Following the sad events at Grenfell Tower, and as this is the first year where the Council has taken back management of 90 Whalley Road (consisting of 7 flats), a fire risk assessment was undertaken on 27 June 2017.
- 3.2 In addition to this work, it was identified that extractor fans are required in 5 of the flats to ensure the newly installed fire detection systems can work efficiently.
- 3.3 The estimated total value of the works is £14,500 and it was suggested at committee that this cost be funded from the Repairs and Maintenance earmarked reserve or the Flexible Homelessness Support Grant.

4 HEALTH AND HOUSING COMMITTEE 19 OCTOBER 2017

- 4.1 Health and Housing Committee considered a report on the fire protection measures at the Joiners Arms and a copy of the report is attached at Annex 1.
- 4.2 At its meeting, Health and Housing Committee resolved that committee:
- *recommend to Policy and Finance Committee approval of a supplementary estimate of £14,500 for the fire protection and extractor fan works at 90 Whalley Road, Clitheroe - the additional budget to be funded from the Repairs and Maintenance earmarked reserve or the Flexible Homelessness Support Grant.*

5 RECOMMENDED THAT COMMITTEE

- 5.1 Consider the request for the supplementary estimate of £14,500 with the full amount to be financed from the Flexible Homelessness Support Grant.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF73-17/LO/AC
30 October 2017

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

DECISION

Agenda Item No. 6

meeting date: THURSDAY, 19 OCTOBER 2017
 title: FIRE PROTECTION MEASURES AT THE JOINERS ARMS, 90 WHALLEY ROAD, CLITHEROE
 submitted by: MARSHAL SCOTT – CHIEF EXECUTIVE
 principal author: RACHAEL STOTT – HOUSING STRATEGY OFFICER

1 PURPOSE

- 1.1 To request approval to fund fire protection measures and extractor fan works at the Council's temporary accommodation, 90 Whalley Road, Clitheroe, from the repairs and maintenance earmarked reserve.
- 1.2 Relevance to the Council's ambitions and priorities:
- Community Objectives – Ensure Council owned accommodation meets all current fire protection guidance.
 - Corporate Priorities - To address housing needs across the borough.
 - Other Considerations – None.

2 BACKGROUND

- 2.1 following the sad events at Grenfell Tower and as this is the first year where the Council has taken back management of 90 Whalley Road (consisting of 7 flats), a fire risk assessment was undertaken on 27 June 2017. A copy of the full risk assessment is available on request from the surveyor's team.
- 2.2 In addition to this work, it was identified that extractor fans are required in 5 of the flats to ensure the newly installed fire detection system can work efficiently.

3 FINANCIAL IMPLICATIONS

- 3.1 Following the risk assessment the surveying team identified the fire protection works that were required. These works were started immediately to reduce any fire safety risks in the building, following approval of an initial virement to facilitate this. The majority of this work is completed.
- 3.2 The total value of the works required is estimated to be £14,500 and it is proposed to finance this through the use of the Repairs and Maintenance earmarked reserve (£30,000 as at 31 March 2017).
- 3.3 Approval of this additional £14,500 budget would be subject to approval by Policy and Finance Committee, if recommended by this Committee.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications
- Resources – The proposal is for work to be fully funded from the Repairs and Maintenance earmarked reserve which is set aside for such purposes.

- Technical, Environmental and Legal – A fire safety assessment has been undertaken and identified the fire safety risks and the necessary compliance work has been addressed ensuring the building meets all fire protection regulations.
- Political – Essential that any fire safety risks within the temporary accommodation are addressed as soon as possible.
- Reputation – All temporary accommodation should meet all fire safety standards.
- Equality & Diversity – None identified.

5 **RECOMMENDED THAT COMMITTEE**

- 5.1 Recommend to Policy and Finance Committee approval of a supplementary estimate of £14,500 for the fire protection and extractor fan works at 90 Whalley Road, Clitheroe - the additional budget to be funded from the Repairs and Maintenance earmarked reserve.

RACHAEL STOTT
HOUSING STRATEGY OFFICER

MARSHAL SCOTT
CHIEF EXECUTIVE

For further information please ask for Rachael Stott, extension 3235.

REF: RS/CMS/H&H/19 OCT 17

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No.

meeting date: 7TH NOVEMBER 2017
title: CORPORATE PEER CHALLENGE UPDATE
submitted by: DIRECTOR OF RESOURCES
principal author: MICHELLE HAWORTH – PRINCIPAL POLICY AND PERFORMANCE OFFICER

1 PURPOSE

1.1 The purpose of this report is to update Committee on the LGA Corporate Peer Challenge.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – The scope of the Peer Challenge can be tailored to reflect local needs. We may, like many other
- Corporate Priorities – authorities, wish the Peer Challenge to look at how
- Other Considerations - well we perform in achieving Corporate Priorities.

2 BACKGROUND

2.1 As part of their 'sector led improvement' support to local government, the Local Government Association (LGA) offers the delivery of a Corporate Peer Challenge. The Peer Challenge is designed to help Councils improve their performance.

2.2 There will be a core component that looks at issues of leadership, governance, corporate capacity and financial resilience. In addition the scope of the Peer Challenge has been agreed with the LGA and was reported to this committee in September 2017.

3 UPDATE

3.1 Since the last meeting of this committee a number of arrangements have been made regarding the Peer Challenge. The dates have now been confirmed as 20th – 22nd November 2017.

3.2 The Peer Challenge is conducted by senior/experienced officers and councillors and supported by an LGA Review Manager. The team has been confirmed as:

- Fiona Marshal – CEX of Maldon DC
- Chris Millar – Councillor from Daventry DC (former Leader)
- Charles Holmes – Head of Community Services from Allerdale BC
- Tracy Darke – Head of Development Services from Warwick DC
- Cindy Lowthian – LGA Review Manager

3.3 A 'Preparation Guidance for Councils' document has been received and considered. Based on this an initial 'Welcome and Scene Setting' session has been organised for 9:00am on the 20th. Several informal feedback sessions have also been organised between the team, the Leader and the Chief Executive. A feedback and Q&A session has been organised for 2:00pm on the 22nd to which Committee Chairmen, Cllr Allan Knox, Cllr Paul Elms, CMT and Heads of Service have been invited.

3.4 A number of interviews and focus groups have been organised at the request of the peer team. The peer team will be split into pairs to facilitate meetings and discussions. Some examples of the member and officer interviews with individuals and focus groups which have already been organised are:

- An interview with the Leader of the Conservatives and an interview with the Leader of the Opposition
 - An interview with the Chief Executive
 - An interview with the Director of Resources and an interview with the Director of Community Services
 - A Focus Group of Committee Chairs
 - A Focus Group of Heads of Service and a Focus Group of Staff
 - An interview with a Trade Union Representative
- 3.5 The peer team will also be reviewing the Council's policies, strategies, and performance. The following documents have been requested and sent off electronically:
- A Position Statement (to be circulated to all individuals involved)
 - The Corporate Strategy
 - Medium Term Financial Strategy
 - Annual Governance Statement
 - Organisation Structure Chart (senior management)
 - Annual Audit Letter
 - Latest Staff Survey Report (2017)
 - Latest Resident Satisfaction Survey Report (2015)
- 3.6 Other arrangements made include:
- Security Badges and Parking passes
 - Room bookings for interviews and committee room 1 to be set up as a base room
 - Box of stationery supplies
 - Provision of sandwiches, tea, coffee and biscuits
- 4 RISK ASSESSMENT
- 4.1 The approval of this report may have the following implications
- Resources - The Council is currently a subscriber to the LGA. The Corporate Peer Challenge is provided by the LGA at no charge. Officer time is required to help organise and support the Peer Challenge. Small cost of lunch and refreshments.
 - Technical, Environmental and Legal – None identified.
 - Political – None identified.
 - Reputation – None identified.
 - Equality & Diversity - None identified.

Michelle Haworth
 PRINCIPAL POLICY AND
 PERFORMANCE OFFICER

Jane Pearson
 DIRECTOR OF RESOURCES

BACKGROUND PAPERS:

REF:

For further information please ask for Michelle Haworth, extension 4421

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 16

meeting date: 7 NOVEMBER 2017
title: BUDGET 2017: BUSINESS RATE RELIEF SCHEMES UPDATE
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

- 1.1 To update members of the progress made regarding the Business Rate relief schemes announced by the Chancellor in his budget on Wednesday 16 March 2017.

2 BACKGROUND

- 2.1 Business Rates are periodically revalued to take into account changes to business activity across the country. The latest revaluation came into effect on 1 April 2017.
- 2.2 The purpose of the revaluation is to ensure that business contribute their fair share of tax in different parts of the country and sectors of business activity.
- 2.3 In the run up to the March budget a number of groups made representations to the Government about the impact that the revaluation would have, in particular on those seeing the greatest increases in their rates payable.

3 MARCH 2017 BUDGET ANNOUNCEMENT

- 3.1 In his budget the Chancellor announced that he had listened to the representations made by the various bodies and had decided to provide additional relief to those businesses who had been most impacted by the revaluation.
- 3.2 Additional Relief would be made available in three instances:

- Small Businesses

As a result of the revaluation some small businesses, who currently receive Small Business Rate Relief (SBRR) or Rural Rate Relief (RRR) would experience significant increases in the amount of rates payable if as a result of the revaluation they no longer qualified for SBRR or RRR. Therefore the Chancellor announced that Local Authorities would be able to grant discretionary rates relief in such cases to ensure that those businesses losing SBRR or RRR would experience an increase in rates payable of no more than £600 per year or the matching cap on increases for small properties in the transitional relief scheme, whichever is greater. Detailed guidance was only issued in late May 2017 and we required a software update to implement the scheme which was not made available until late August 2017.

- Pubs

Pubs with a rateable value of below £100,000 will receive a £1,000 discount on their bill.

- Discretionary Relief Scheme

The Chancellor announced that he would make £300 million available to local authorities to support those businesses that face the steepest increases as a result of the revaluation. It will cover four years from 2017/18 as follows:

£175m in 2017/18

£85m in 2018/19
£35m in 2019/20
£5m in 2020/21

A consultation paper was published on 9 March 2017 about how this scheme will be implemented along with the proposed distribution of the £300 million. NB Ribble Valley Borough Council's allocation is £179,000 i.e. £104,000 in 2017/18, £51,000 in 2018/19, £21,000 in 2019/20 and £3,000 in 2020/12.

4 IMPLEMENTATION OF THE SCHEME

- 4.1 You recommended at your meeting on 28 March 2017 to delegate to the Director of Resources to devise and implement the new relief schemes to prevent any delay in their introduction.
- 4.2 However the announcement of the General Election on 8 June 2017 resulted in a delay in any detailed guidance from Government that was originally expected in order to progress development of these new reliefs.
- 4.3 Final clarification regarding the discretionary scheme was not forthcoming until the end of July and we subsequently designed a scheme that benefits the most ratepayers and maximises the amount of relief granted.

5 LATEST POSITION

- 5.1 We identified that 13 businesses would benefit from the **Supporting Small Business Scheme** and have granted relief totalling £14,485.63 automatically to those businesses.
- 5.2 We estimated that 53 businesses would benefit from the **Pub Relief Scheme** and have written to each ratepayer inviting them to apply for the relief. We have currently granted relief totalling £30,246.58 to 32 businesses that have applied and will continue to chase up applications from the remaining businesses.
- 5.3 We estimated that 64 businesses would benefit from our **local discretionary relief scheme** and again wrote to each ratepayer inviting them to apply for the relief. We have currently granted relief totalling £59,248.08 to 32 businesses that have applied and will continue to chase up applications from the remaining businesses.
- 5.4 We are pleased to inform members that we successfully implemented all three relief schemes before the Government deadline of 4 October 2017.

6 FINANCIAL IMPLICATIONS

- 6.1 The additional relief schemes for small businesses and pubs will not have a financial impact on this Council as the Government will compensate local authorities by a Section 31 grant for the additional relief granted.
- 6.2 We will continue to monitor the amount of relief granted in relation to our local discretionary scheme to ensure that we maximise the amount of relief given to local businesses without exceeding the grant allocated by central government.

7 CONCLUSION

- 7.1 Members note the report.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF58-17/ME/AC

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 17

meeting date: 7 NOVEMBER 2017
title: COUNCIL TAX BASE 2018/19
submitted by: DIRECTOR OF RESOURCES
principal author: JANE PEARSON

1 PURPOSE

1.1 To inform members of the council tax base for 2018/19

2 BACKGROUND

2.1 The council tax base is set each year between 1 December and 31 January and is an important calculation which sets out the number of dwellings to which council tax is chargeable in an area or part of an area.

2.2 To calculate the tax base for an area, the number of dwellings in each council tax band is adjusted to take account of any discounts, premiums or exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. These are then multiplied by the authority's estimated collection rate for the year.

2.3 The tax base is used for the purposes of calculating the band d council tax for the billing authority and also major precepting authorities and parish councils.

3 LOCAL GOVERNMENT FINANCE ACT 2012

3.1 The *Local Government Finance Act 2012* allowed changes to the discounts on council tax for second homes and empty properties. From 1 April 2013, second homes may be charged 100% of their normal rate of council tax, instead of the previous maximum of 90%. "Unoccupied and substantially unfurnished" properties are subject to a discount of anything between 0% and 100% of their council tax, at the discretion of the billing authority. Properties undergoing "major repair work" or "structural alteration", which are vacant, can be subject to a discount of any amount between 0% and 100%, for a maximum of 12 months.

3.2 The full 50% discount must be retained on a second home where the liable person is required as part of his/her employment to live in job-related accommodation.

3.3 From 1 April 2013, local authorities can also set an 'empty homes premium' for long-term empty properties. Properties which have been unoccupied and substantially unfurnished for over two years may be charged up to 150% of the normal liability.

3.4 In 2013/14, i.e. the first year of the new changes, the Council agreed to leave the rates of our current discounts/exemptions unchanged.

3.5 From 2014/15 however the Council, after detailed consideration, implemented the following change:

- For long term empty properties (empty from 6 months up to 2 years) remove the current 50% discount i.e. owners are liable for the full 100% council tax due

3.6 There are no proposals to change our current discounts for 2018/19.

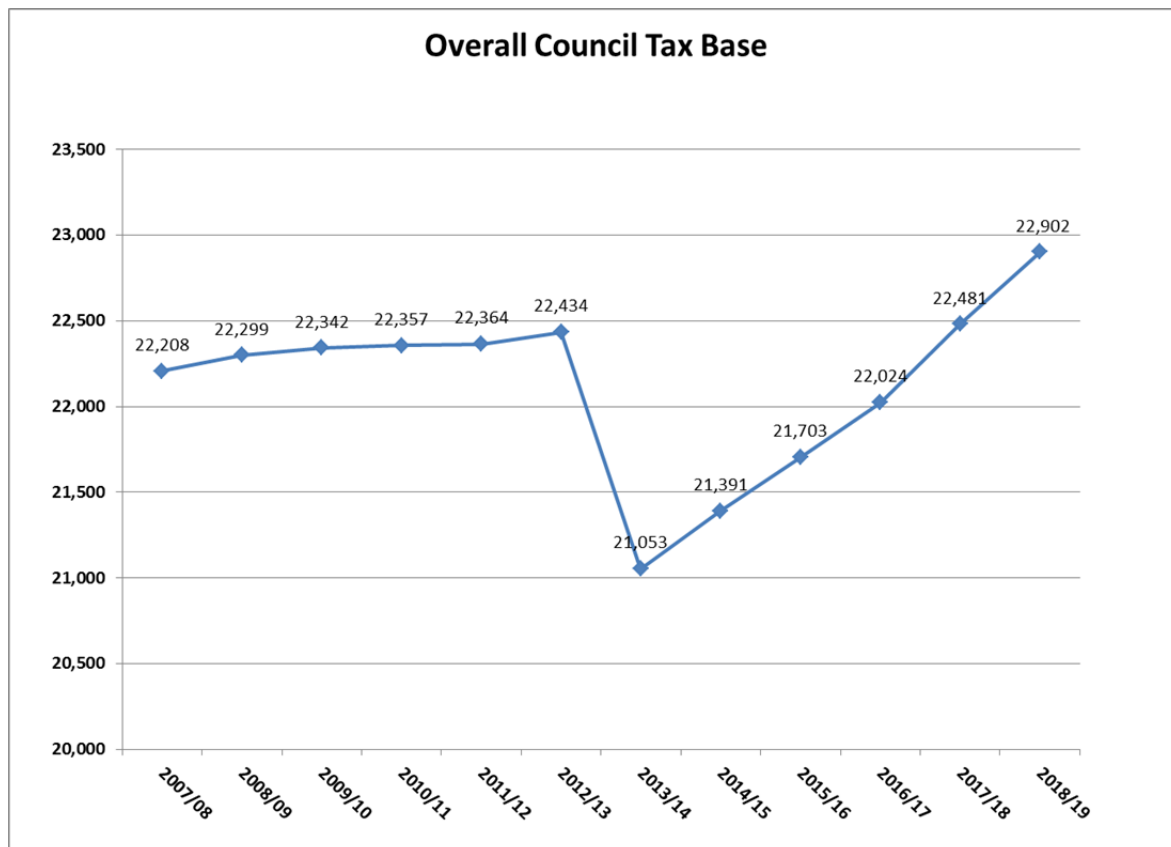
4 COUNCIL TAX BASE 2018/19

4.1 Our calculation has now been carried out across all of our parishes and has resulted in an overall tax base for 2018/19 of 22,902 which is an increase of 1.9% on the tax base for 2017/18 of 22,481.

4.2 Our overall tax base is shown by parish in Annex 1.

5 MOVEMENT IN OUR TAX BASE SINCE 2007/08

5.1 .The following graph shows the movement in our overall tax base by year since 2007/08.



5.2 Our tax base rose steadily for the period 2007/08 to 2012/13. In 2013/14 local council tax support schemes (LCTS) were determined which replaced the national council tax benefit scheme. The impact of new local council tax support is that the amount awarded now appears as a discount against the claimant's council tax bill. As discounts impact on the council's tax base this meant overall our tax base fell significantly in 2013/14 as a direct result of the implementation of our scheme.. Overall our tax base fell by 1,486.

5.3 From 2013/14 you can see our tax base has increased significantly by 1.5%– 2% each year.

5.4 Annex 2 shows the % change each year by parish since 2013/14 when LCTS was introduced.

6 CONCLUSION

6.1 Our council tax base has increased steadily over the period 2007/18 to 2013/14 however since then we have averaged increases of 1.5% to 2% each year.

DIRECTOR OF RESOURCES
PF56-17/JP/AC

	2018/19 taxbase	2017/18 taxbase	difference
Aighton, Bailey & Chaigley	446	438	8
Balderstone	197	197	0
Barrow	449	402	47
Bashall Eaves, Great Mitton & Little Mitton	205	202	3
Billington & Langho	2,124	2,072	52
Bolton by Bowland, Gisburn Forest & Sawley	488	489	-1
Bowland Forest (High)	70	75	-5
Bowland Forest (Low)	79	81	-2
Bowland with Leagram	86	84	2
Chatburn	380	378	2
Chipping	488	488	0
Clayton le Dale	510	509	1
Clitheroe	5,225	5,097	128
Dinckley	44	44	0
Downham	48	49	-1
Dutton	105	107	-2
Gisburn	211	197	14
Grindleton	360	353	7
Horton	47	46	1
Hothersall	73	75	-2
Longridge	2,772	2,719	53
Mearley	8	8	0
Mellor	1,000	1,000	0
Newsholme	20	20	0
Newton	146	144	2
Osbaldeston	111	110	1
Paythorne	43	44	-1
Pendleton	106	110	-4
Ramsgreave	280	281	-1
Read	564	555	9
Ribchester	661	655	6
Rimington & Middop	239	236	3
Sabden	524	520	4
Salesbury	193	193	0
Simonstone	497	497	0
Slaidburn & Easington	150	152	-2
Thornley with Wheatley	167	166	1
Twiston	35	37	-2
Waddington	456	455	1
West Bradford	362	359	3
Whalley	1,627	1,543	84
Wilpshire	1,078	1,072	6
Wiswell	183	177	6
Worston	45	45	0
	22,902	22,481	421

% CHANGE IN COUNCIL TAX BASE BY PARISH 2013/14 TO 2018/19

ANNEX 2

	2013/14	2014/15	% change	2015/16	% change	2016/17	% change	2017/18	% change	2018/19	% change	% change since 2013/14
Aighton, Bailey & Chaigley	427	431	0.9%	440	2.1%	443	0.7%	438	-1.1%	446	1.8%	4.4%
Balderstone	194	195	0.5%	192	-1.5%	193	0.5%	197	2.1%	197	0.0%	1.5%
Barrow				352		353	0.3%	402	13.9%	449	11.7%	** see below
Bashall Eaves, Great Mitton & Little Mitton	196	198	1.0%	197	-0.5%	202	2.5%	202	0.0%	205	1.5%	4.6%
Billington & Langho	1,973	1,994	1.1%	1,993	-0.1%	2,032	2.0%	2,072	2.0%	2,124	2.5%	7.7%
Bolton by Bowland, Gisburn Forest & Sawley	464	478	3.0%	473	-1.0%	477	0.8%	489	2.5%	488	-0.2%	5.2%
Bowland Forest (High)	59	67	13.6%	67	0.0%	73	9.0%	75	2.7%	70	-6.7%	18.6%
Bowland Forest (Low)	80	82	2.5%	83	1.2%	77	-7.2%	81	5.2%	79	-2.5%	-1.3%
Bowland with Leagram	80	82	2.5%	82	0.0%	83	1.2%	84	1.2%	86	2.4%	7.5%
Chatburn	361	363	0.6%	367	1.1%	374	1.9%	378	1.1%	380	0.5%	5.3%
Chipping	466	472	1.3%	483	2.3%	481	-0.4%	488	1.5%	488	0.0%	4.7%
Clayton le Dale	497	498	0.2%	499	0.2%	495	-0.8%	509	2.8%	510	0.2%	2.6%
Clitheroe	4,584	4,649	1.4%	4,797	3.2%	4,961	3.4%	5,097	2.7%	5,225	2.5%	14.0%
Dinckley	41	46	12.2%	45	-2.2%	44	-2.2%	44	0.0%	44	0.0%	7.3%
Downham	48	52	8.3%	51	-1.9%	49	-3.9%	49	0.0%	48	-2.0%	0.0%
Dutton	106	106	0.0%	105	-0.9%	104	-1.0%	107	2.9%	105	-1.9%	-0.9%
Gisburn	190	191	0.5%	194	1.6%	197	1.5%	197	0.0%	211	7.1%	11.1%
Grindleton	343	342	-0.3%	355	3.8%	345	-2.8%	353	2.3%	360	2.0%	5.0%
Horton	43	48	11.6%	44	-8.3%	46	4.5%	46	0.0%	47	2.2%	9.3%
Hothersall	71	75	5.6%	72	-4.0%	73	1.4%	75	2.7%	73	-2.7%	2.8%
Longridge	2,526	2,584	2.3%	2,622	1.5%	2,657	1.3%	2,719	2.3%	2,772	1.9%	9.7%
Mearley	7	8	14.3%	8	0.0%	8	0.0%	8	0.0%	8	0.0%	14.3%
Mellor	982	995	1.3%	986	-0.9%	991	0.5%	1,000	0.9%	1,000	0.0%	1.8%
Newsholme	19	19	0.0%	20	5.3%	20	0.0%	20	0.0%	20	0.0%	5.3%
Newton	143	143	0.0%	145	1.4%	145	0.0%	144	-0.7%	146	1.4%	2.1%
Osbaldeston	104	106	1.9%	106	0.0%	110	3.8%	110	0.0%	111	0.9%	6.7%
Paythorne	41	42	2.4%	43	2.4%	44	2.3%	44	0.0%	43	-2.3%	4.9%
Pendleton	103	105	1.9%	103	-1.9%	106	2.9%	110	3.8%	106	-3.6%	2.9%
Ramsgreave	266	267	0.4%	266	-0.4%	281	5.6%	281	0.0%	280	-0.4%	5.3%
Read	542	537	-0.9%	547	1.9%	552	0.9%	555	0.5%	564	1.6%	4.1%
Ribchester	631	641	1.6%	651	1.6%	650	-0.2%	655	0.8%	661	0.9%	4.8%
Rimington & Middop	216	217	0.5%	216	-0.5%	221	2.3%	236	6.8%	239	1.3%	10.6%
Sabden	468	508	8.5%	516	1.6%	515	-0.2%	520	1.0%	524	0.8%	12.0%
Salesbury	170	174	2.4%	171	-1.7%	186	8.8%	193	3.8%	193	0.0%	13.5%
Simonstone	485	490	1.0%	493	0.6%	490	-0.6%	497	1.4%	497	0.0%	2.5%
Slaidburn & Easington	143	151	5.6%	147	-2.6%	154	4.8%	152	-1.3%	150	-1.3%	4.9%
Thornley with Wheatley	165	161	-2.4%	160	-0.6%	160	0.0%	166	3.8%	167	0.6%	1.2%
Twiston	34	34	0.0%	37	8.8%	37	0.0%	37	0.0%	35	-5.4%	2.9%
Waddington	427	438	2.6%	447	2.1%	455	1.8%	455	0.0%	456	0.2%	6.8%
West Bradford	350	355	1.4%	356	0.3%	360	1.1%	359	-0.3%	362	0.8%	3.4%
Whalley	1,408	1,423	1.1%	1,474	3.6%	1,496	1.5%	1,543	3.1%	1,627	5.4%	15.6%
Wilpshire	1,072	1,070	-0.2%	1,076	0.6%	1,065	-1.0%	1,072	0.7%	1,078	0.6%	0.6%
Wiswell	485	513	5.8%	179	-65.1%	176	-1.7%	177	0.6%	183	3.4%	** 23.2%
Worston	43	41	-4.7%	43	4.9%	43	0.0%	45	4.7%	45	0.0%	4.7%
Total	21,053	21,391	1.6%	21,703	1.5%	22,024	1.5%	22,481	2.1%	22,902	1.9%	8.8%

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY & FINANCE COMMITTEE

INFORMATION

Agenda Item No 18

18meeting date: 7 NOVEMBER 2017
title: TREASURY MANAGEMENT MONITORING
submitted by: DIRECTOR OF RESOURCES
principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To provide you with a monitoring report on our treasury management activities for period 1 April 2017 to 30 September 2017.

1.2 Relevance to the Council's ambitions and priorities:

- In accordance with the corporate strategy priority -“to ensure a well-managed Council, by maintaining critical financial management and controls.” This report provides members with information regarding the treasury management activities for the period.

1.3 You have previously approved a treasury management policy in accordance with CIPFA's code of practice on treasury management for Local Authorities.

1.4 In accordance with this policy committee should receive a quarterly monitoring report on the Council's treasury management operations.

2 BACKGROUND

2.1 Events in recent years have raised the profile of the treasury management function and highlighted the potential serious risks involved.

2.2 The Council borrows any money it requires to fund its capital spending plans from the Public Works Loan Board. They make funds available for long loan periods at interest rates just below market rates and lend to Government and Public bodies. The Council rarely borrows to fund its revenue activities and is much more likely at any point in time to have surplus funds to invest.

2.3 On a daily basis we assess our cash flow position. To do this we estimate the funds we expect to receive e.g. council tax payments, grants and fees, and deduct any known payments we expect to make e.g. precepts, creditors and salaries.

2.4 On most days the Council is in a position where it has surplus funds available to invest.

2.5 How we invest these surplus funds is governed by the Council's Treasury Management policies and practices agreed and reported to Policy and Finance Committee and ultimately Full Council.

2.6 The main points being:

The Council maintains a list of organisations it will lend its surplus funds to, which is regularly reviewed. The current list is shown in section 7 of this report.

The Council has maximum limits for each bank or building society of £1.75m. The limit for the Debt Management Office (DMO), where the Government guarantees investments, is currently £5m and the limit for other Local Authorities, Police and Crime

Commissioners, Fire and Rescue Services and Transport Authorities is £2.5m per institution

The safety of our investments is paramount and not the requirement to maximise returns.

Our policy has been to only lend to major British Banks and Building Societies relying on the assumption that the Government would be unlikely to allow a major bank/building society to fail.

3 PUBLIC WORKS LOAN BOARD

3.1 Nationally, bank base interest rates remain at an historic low of 0.25%.

3.2 This low interest rate has had no immediate effect on the interest payable on the Council's long-term loan debt from Public Works Loan Board (PWLB), which is all at fixed interest rates. However, it has resulted in a continued low level of income from our temporary investments.

3.3 From 1 November 2012, the Government reduced by 20 basis points (0.20%) the interest rates on loans from PWLB. The reduction was to be applicable for those councils that provide 'improved information and transparency' on 'borrowing and associated capital spending plans'.

3.4 There are two types of loan according to interest rate are available from the board:

- Fixed rate loans, on which the rate of interest is fixed for the life of the loan and interest is payable at half-yearly intervals;
- Variable rate loans, on which the rate of interest is variable at one, three or six monthly intervals. The interval is at the choice of the borrower but once chosen remains the same for the life of the loan.

3.5 For each of the two types of loan according to interest rates, there are three types of loans by method of repayment or amortisation

- Annuity or Equal Repayments (ER): fixed half-yearly payment to include principal and interest; or
- Equal instalments of Principal (EIP): equal half-yearly instalments of principal together with interest on the balance outstanding at the time; or
- Maturity: half yearly payments of interest only with a single repayment of principal at the end of the term.

3.6 As mentioned in paragraph 3.2 all our PWLB debt is at fixed interest rates, examples of the current PWLB fixed rate loans are shown in the table below.

<i>PWLB - Interest rates</i>						
	Standard New Loan Rates			Certainty Rates		
<i>Period (Years)</i>	EIP	Annuity	Maturity	EIP	Annuity	Maturity
Over 9.5 not over 10	1.80 %	1.80 %	2.37 %	1.60 %	1.60 %	2.17 %
Over 24.5 not over 25	2.61 %	2.67 %	2.99 %	2.41 %	2.47 %	2.79 %

3.7 The discount is being provided largely in return for the government's request for local authorities to voluntarily provide information on their three year plans for borrowing, capital spend, debt financing and also a commentary on the main capital priorities to be financed over the period. By receiving this information the government will be better able to build more robust forecasts of public expenditure.

3.8 The returns are requested on an annual basis and must be completed in order to qualify for the certainty discount rate. A return has been submitted for Ribble Valley Borough Council and we are now listed as an eligible council on the PWLB website.

4 BORROWING REQUIREMENTS

4.1 The movement on the Council's external borrowing can be summarised as follows.

	PWLB £000	Other £000	Total £000
External Debt at 1 April 2017	170	7	177
Transactions - New Loans	0	0	0
- Repayments*	-18	0	- 18
External debt at 30 September 2017	152	7	159

* Collected by direct debit on 2 October 2017

4.2 No temporary loans were taken out either in the period April to September 2017 or in the same period in 2016.

4.3 The half yearly instalment of interest due on the council's external debt has reduced from £4,949 due on 30 September 2016 to £4,121 due on 30 September 2017.

5 TEMPORARY INVESTMENTS

5.1 In accordance with the treasury management policy, surplus funds are temporarily invested via the money market at the best rate of interest available with the minimisation of risk to the capital sum.

5.2 The average interest we received on all external investments for the period 1 April 2017 to 30 September was 0.17%

5.3 The movement in the Council's external investments are shown in Annex 1 and can be summarised as follows:

	Banks/Building Societies £000	Other Local Authorities £000	Total £000
Monies Invested at 1 April 2017	4,370	4,000	8,370
Transactions - New Investments	37,160	13,480	50,640
- Repayment of Investments	-36,225	-11,780	-48,005
Monies Invested as at 30 September 2017	5,305	5,700	11,005

5.4 The following investments were held as at 30 September 2017.

Date Invested	Nos.	Borrower	Notice	Rate %	£'000	£'000
8 Aug 17	20	Bank of Scotland	Fixed 18 Oct 17	0.200	500	
4 Sep 17	43	Bank of Scotland	Fixed 19 Oct 17	0.150	600	
						1,100
29 Aug 17	104	Lloyds Bank Plc	Fixed 19 Oct 17	0.150	750	
						750
13 Sept 17	54	Coventry BS	Fixed 22 Nov 17	0.120	475	
13 Sept 17	116	Coventry BS	Fixed 22 Nov 17	0.120	390	
25 Sept 17	119	Coventry BS	Fixed 22 Nov 17	0.120	500	
						1,365
8 Aug 17	90	Barclays Bank Plc	Fixed 18 Oct 17	0.166	1,750	
						1,750
28 Sept 17	127	HSBC Bank Plc	Fixed 9 Oct 17	0.100	180	
29 Sept 17	128	HSBC Bank Plc	Fixed 13 Oct 17	0.090	160	
						340
28 Jul 17	81	Merthyr Tydfil CBC	Fixed 27 Oct 17	0.150	1500	
						1,500
15 Aug 17	96	Midlothian Council	Fixed 18 Oct 17	0.130	1,500	
						1,500
31 Aug 17	109	Stockport Met BC	Fixed 30 Oct 17	0.160	1,200	
						1,200
28 Sept 17	126	Bedford BC	Fixed 22 Nov 17	0.300	1,500	
						1,500
Total Investments as at 30 September 2017						11,005

5.4 The total interest received on the Council's external investments during the period was £7,183 compared with £13,079 in the previous year. There shows the impact on interest following the fall in base rate to 0.25%.

6 PRUDENTIAL INDICATORS

6.1 The Prudential Code for Capital Finance in Local Authorities (the Code) initially came into effect from 1 April 2004. It regulates the Council's ability to undertake new capital investment.

6.2 It was revised to take account of the implications of the implementation of the International Financial Reporting Standard (IFRS).

6.3 In accordance with this Code the Council agreed to monitor four prudential indicators as follows. This committee approved these in March 2017.

- Upper limits on variable rate exposure. This indicator identifies a maximum limit for variable interest rates based upon the debt provision net of investments.

- Upper limits on fixed rate exposure. Similar to the previous indicators, this covers a maximum limit on fixed interest rates
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.
- Total principal funds invested for a period longer than 364 days. These limits are set to reduce the need for early sale of an investment and are based on the availability of investments after each year-end

6.4 The limits set on interest rate exposures for 2017/18 were as follows:

	Upper Limit £000	Current Actual £000
Maximum Principal Sums Borrowed >364 days	6,976	177
Limits on Fixed Interest Rates	6,976	177
Limits on Variable Interest Rates	1,395	0

6.5 The upper and lower limits for the maturity structure of its borrowings for 2017/18 were as follows:

	Upper Limit %	Lower Limit %	Current Actual %
Under 12 months	20	0	12.922
12 Months and Within 24 Months	20	0	5.867
24 Months and Within 5 Years	40	0	17.600
5 Years and Within 10 Years	30	0	28.334
10 Years and Above	90	0	35.278

- 6.6 The total principal funds invested for a period longer than 364 days was set at nil. This indicator is in place to ensure that the council is aware of the cash-flow implications of investing for periods of longer than 364 days. In lending surplus funds, the council must ensure that it can't be put in a position where it would be forced to realise any of its investments before their maturity. If this were to be the case, the council could find itself with a financial loss.
- 6.7 No investments (excluding our shareholding in the Local Government Bonds Agency (Local Capital Finance Company Ltd) have been made in the period for longer than 364 days.
- 6.8 Since the Prudential Code was last updated in 2011, the landscape for public service delivery has changed significantly following the sustained period of reduced public spending and the developing localism agenda.
- 6.9 A new code is expected to be published in January 2018, and will reflect the increasing diversity in the sector and provide for streamlined reporting and indicators to encourage better understanding of local circumstances and improve decision making.

- 6.10 Key developments proposed for this new version of the Code include the introduction of more contextual reporting through the requirement to produce a Capital Strategy along with streamlined indicators.
- 6.11 The introduction of a capital strategy allows individual local authorities to give greater weight to local circumstances and explain their approach to borrowing and investment.
- 6.12 A report will be brought to a future meeting once the new Code has been released, and the Prudential Indicators that will be approved by Full Council at their meeting on 6 March 2018 (for 2018/19 financial year) will be based on the new Code.

7 LOCAL GOVERNMENT BONDS AGENCY

- 7.1 The Local Government Bonds Agency is a freestanding independent body owned by the local government sector that will raise money efficiently on the capital markets at regular intervals to on-lend to participating local authorities.
- 7.2 Participating authorities are those local authorities that have invested in the setting up of the Agency or have invested risk capital to capitalise the Agency and fund it through its early years of operations. The agency has been incorporated with the name Local Capital Finance Ltd.
- 7.3 The Agency will offer a viable alternative source of capital funding to councils, other than the Public Works Loans Board (PWLB). Historically we have used the PWLB for our long term borrowing. The Local Government Bonds Agency will be able to offer loans at better or at least equivalent rates to the PWLB and tailor packages to meet the particular needs of participating authorities.
- 7.4 Ribble Valley Borough Council has invested £10,000 in the agency. The Agency is owned by those local authorities that invested in its establishment and those that invest in its capitalisation during its first ten years of operations. Such authorities will become shareholders in the Agency and therefore we, as other authorities, will have our say in the way it is run.
- 7.5 The contribution that we have invested will be returned to us after 10 years of successful operations of the agency, together with interest which will be earned at commercial rates.

8 APPROVED ORGANISATIONS

- 8.1 Principally, Fitch credit ratings are used as an indication of the probability of organisations defaulting on our investments and are defined in Annex 2. They only show an indication of the current credit position. They are being monitored on a regular basis and any significant changes will be reported to this committee. In addition, we monitor and consider the ratings given by rating agents S&P Global Ratings (previously Standard and Poor), and Moody's together with the Fitch ratings prior to investing any monies on a day-to-day basis. The full list of ratings for our approved institutions is shown at Annex 3, and is a snapshot as at 5 October 2017.
- 8.2 It has previously been approved that investments with Building Societies be limited to the top 8 building societies based on their total assets. However West Bromwich and Newcastle Building Societies have had their Fitch Rating withdrawn so have been removed from the approved list leaving the top 6 building societies based on their total assets.

Name	Current Ranking Aug 2017	Fitch Rating		
		Full Transaction Review Date	Long Term	Short Term
Nationwide	1	07/02/17	A+	F1
Yorkshire	2	08/05/17	A-	F1
Coventry	3	08/05/17	A	F1
Skipton	4	08/05/17	A-	F2
Leeds	5	08/05/17	A-	F1
Principality	6	08/05/17	BBB	F2

No change to ratings

- 8.3 The banks we use are reviewed annually as part of the Treasury Management Practices to take into account their Fitch IBCA long-term and short-term credit rating. The current ratings are as follows:

Name	Fitch's Full Transaction Review Date	Long Term	Short Term
Santander UK Plc	07.02.17	A	F1
Barclays Bank Plc	28.09.17	A	F1
Bank of Scotland Plc	07.02.17	A+	F1
Co-operative Bank (The)*	04.09.17	B-	B2
HSBC Bank Plc	28.09.17	AA-	F1+
Lloyds Bank Plc	07.02.17	A+	F1
National Westminster Bank Plc	29.09.17	BBB+	F2
Royal Bank of Scotland Plc (The)	29.09.17	BBB+	F2

* Changed since last reported

- 8.4 In addition to the building societies and banks we use for investments, also approved for use is other Local Authorities and the United Kingdom Debt Management Office, where the Government guarantees investments.

9 RECENT EVENTS

- 9.1 The Governor of the Bank of England has given a clear indication that interest rates could rise as early as November. The next opportunity for a change in rates being at the monetary policy committee meeting on 2 November.

- 9.2 The reasons behind this decision is that overall lending to UK consumers had come down markedly since the financial crisis. However there is still a risk in consumer debt, credit card debt and personal loans, which is in danger from rapid growth, partly from banks "not being as disciplined as they should have been" in their underwriting standards and pricing of this debt.

- 9.3 Another reason is that there is currently higher inflation and low unemployment. A raise in interest rates would make borrowing more expensive, thus curbing consumer spending and inflation.

9.4 However it is recognised that any raise would need to be a modest one due to slow economic growth. October figures from the Office for national Statistics showed the economy growing at just 1.8% a year, a slower pace than previously estimated.

10 EXPOSURE TO RISK

10.1 It is imperative that we continue to protect the council's principal sums invested in order to minimise its exposure to risks.

10.2 To ensure our exposure is limited as far as possible, we have continued with the following measures:

Daily early morning meetings to discuss the latest position

- Lending arrangements
- A review of the Markets
- A review of our current investments and whether we consider they are still safe.
- Institution Ratings

Authorisation prior to investments with either the Director of Resources or the Head of Financial Services

Keep Leader/Chief Executive informed

Look to arrange new secure options for investments.

11 CONCLUSION

11.1 It is essential to minimise the risk to the principal sums that are invested. Through the careful investment of sums in line with the council's strategy the level of risk in our investments has been kept to a minimum.

11.2 Bank base interest rates are likely to increase from the current 0.25%. But they will remain at low levels. The amount of income received from investing surplus cash balances will therefore continue to be low, with a slight increase towards the end of the financial year.

11.3 Due to the continued uncertainty in the global economy, a prudent approach continues to be followed in the investment of any surplus cash balances on a day to day basis.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF60-17/TH/AC
24 October 2017

For further information please ask for Trudy Holderness.

Background papers:

BBC Business News
Office for National Statistics

**POLICY AND FINANCE COMMITTEE
TEMPORARY INVESTMENT ACTIVITY – 2017/18**

ANNEX 1

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
Investments Brought Forward @ 1 April 2017									
17-Mar-17	98	Lloyds Bank Plc	750,000	0.2000%	21-Apr-17	-750,000	-143.84	A+	F1
					Debtor		61.64	-	-
17-Mar-17	192	Lloyds Bank Plc	1,000,000	0.2000%	21-Apr-17	-1,000,000	-191.78	A+	F1
					Debtor		82.19	-	-
31-Jan-17	202	Dumfries & Galloway Council	1,000,000	0.3000%	28-Apr-17		-715.07	-	-
				0.2000%	30-May-17	-1,000,000	-175.34	-	-
					Debtor		493.15	-	-
31-Jan-17	203	Stockport Met BC	1,500,000	0.2300%	10-Apr-17	-1,500,000	-652.19	-	-
					Debtor		567.12	-	-
30-Jan-17	204	Dumfries & Galloway Council	1,500,000	0.2600%	19-Apr-17		-844.11	-	-
					22-May-17	-1,500,000	-271.23	-	-
					Debtor		651.78	-	-
01-Mar-17	221	Coventry BS	350,000	0.2100%	21-Apr-17		-102.70	A	F1
				0.1800%	15-May-17	-350,000	-41.42	-	-
					Debtor		62.42	-	-
13-Mar-17	225	Coventry BS	1,000,000	0.2100%	22-Apr-17	-1,000,000	-224.38	A	F1
					Debtor		109.32	-	-

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
27-Mar-17	234	Coventry BS	400,000	0.1900%	13-Apr-17		-35.40	A	F1
				0.1800%	27-Apr-17	-400,000	-27.62	-	-
					Debtor		10.41	-	-
29-Mar-17	236	HSBC	170,000	0.1000%	13-Apr-17	-170,000	-6.99	AA-	F1+
					Debtor		1.40	-	-
31-Mar-17	237	Bank of Scotland	700,000	0.1100%	21-Apr-17	-700,000	-44.30	A	F1
					Debtor		2.11	-	-
Monies Invested @ 1 April 2017			8,370,000			-8,370,000	-1,434.83		
Investments Made April to September 2017									
April'17		-							
03-Apr-17	1	HSBC	240,000	0.1000%	10-Apr-17	-240,000	-4.60	AA-	F1+
06-Apr-17	2	HSBC	110,000	0.1000%	13-Apr-17	-110,000	-2.11	AA-	F1+
10-Apr-17	3	HSBC	110,000	0.1000%	12-Apr-17	-110,000	-0.60	AA-	F1+
10-Apr-17	4	HSBC	400,000	0.1000%	13-Apr-17	-400,000	-3.29	AA-	F1+
10-Apr-17	5	HSBC	210,000	0.1000%	18-Apr-17	-210,000	-4.60	AA-	F1+
10-Apr-17	6	HSBC	110,000	0.1000%	19-Apr-17	-110,000	-2.71	AA-	F1+
10-Apr-17	7	Bank Of Scotland	360,000	0.1100%	27-Apr-17	-360,000	-18.44	A+	F1
11-Apr-17	8	HSBC	60,000	0.1000%	18-Apr-17	-60,000	-1.15	AA-	F1+
12-Apr-17	9	HSBC	175,000	0.1000%	18-Apr-17	-175,000	-2.88	AA-	F1+
13-Apr-17	10	HSBC	170,000	0.1000%	24-Apr-17	-170,000	-5.12	AA-	F1+
18-Apr-17	11	HSBC	200,000	0.1000%	19-Apr-17	-200,000	-0.55	AA-	F1+
18-Apr-17	12	HSBC	175,000	0.1000%	27-Apr-17	-175,000	-4.32	AA-	F1+
18-Apr-17	13	Bank Of Scotland	Rolled over	0.1200%	19-May-17	-	-54.53	A+	F1

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
19-May-17	13	Bank Of Scotland	535,000	0.1200%	19-Jun-17	-535,000	-54.53	A+	F1
19-Apr-17	14	HSBC	340,000	0.1000%	20-Apr-17	-340,000	-0.93	AA-	F1+
20-Apr-17	15	HSBC	385,000	0.1000%	21-Apr-17	-385,000	-1.05	AA-	F1+
21-Apr-17	16	HSBC	100,000	0.1000%	24-Apr-17	-100,000	-0.82	AA-	F1+
21-Apr-17	17	HSBC	280,000	0.1000%	08-May-17	-280,000	-13.04	AA-	F1+
24-Apr-17	18	HSBC	160,000	0.1000%	25-Apr-17	-160,000	-0.44	AA-	F1+
25-Apr-17	19	HSBC	130,000	0.1000%	26-Apr-17	-130,000	-0.36	AA-	F1+
25-Apr-17	20	Bank Of Scotland	Rolled over	0.1200%	30-May-17	-	-57.53	A+	F1
30-May-17	20	Bank Of Scotland	Rolled over	0.1000%	05-Jun-17	-	-8.22	A+	F1
05-Jun-17	20	Bank Of Scotland	Rolled over	0.1000%	12-Jun-17	-	-9.59	A+	F1
12-Jun-17	20	Bank Of Scotland	Rolled over	0.1500%	08-Aug-17	-	-117.12	A+	F1
08-Aug-17	20	Bank Of Scotland	500,000	0.2000%	Investment Still Held	-	-147.95	A+	F1
26-Apr-17	21	HSBC	100,000	0.1000%	27-Apr-17	-100,000	-0.27	AA-	F1+
26-Apr-17	22	HSBC	130,000	0.1000%	15-May-17	-130,000	-6.77	AA-	F1+
27-Apr-17	23	HSBC	240,000	0.1000%	28-Apr-17	-240,000	-0.66	AA-	F1+
28-Apr-17	24	Coventry BS	1,000,000	0.2000%	30-May-17	-1,000,000	-175.34	A	F1
28-Apr-17	25	HSBC	170,000	0.1000%	02-May-17	-170,000	-1.86	AA-	F1+
			6,390,000			-5,890,000	-701.38		
May'17									
02-May-17	26	HSBC	360,000	0.1000%	15-May-17	-360,000	-12.82	AA-	F1+
02-May-17	27	Thurrock Council	2,000,000	0.2000%	04-Jul-17	-2,000,000	-690.41	-	-
04-May-17	28	HSBC	170,000	0.1000%	15-May-17	-170,000	-5.12	AA-	F1+
05-May-17	29	HSBC	100,000	0.1000%	08-May-17	-100,000	-0.82	AA-	F1+
08-May-17	30	Coventry BS	Rolled over	0.1400%	30-May-17	-	-32.91	A	F1
30-May-17	30	Coventry BS	390,000	0.1500%	04-Jul-17	-390,000	-56.10	A	F1
10-May-17	31	HSBC	120,000	0.1000%	19-May-17	-120,000	-2.96	AA-	F1+
12-May-17	32	HSBC	100,000	0.1000%	15-May-17	-100,000	-0.82	AA-	F1+

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
15-May-17	33	HSBC	830,000	0.1000%	16-May-17	-830,000	-2.27	AA-	F1+
16-May-17	34	Lloyds Bank Plc	Rolled over	0.1100%	12-Jun-17	-	-56.96	A+	F1
12-Jun-17	34	Lloyds Bank Plc	700,000	0.1400%	07-Aug-17	-700,000	-150.36	A+	F1
16-May-17	35	HSBC	200,000	0.1000%	22-May-17	-200,000	-3.29	AA-	F1+
17-May-17	36	HSBC	100,000	0.1000%	19-May-17	-100,000	-0.55	AA-	F1+
18-May-17	37	HSBC	380,000	0.1000%	19-May-17	-380,000	-1.04	AA-	F1+
19-May-17	38	Lloyds Bank Plc	625,000	0.1200%	19-Jun-17	-625,000	-63.70	A+	F1
22-May-17	39	HSBC	500,000	0.1000%	30-May-17	-500,000	-10.96	AA-	F1+
24-May-17	40	HSBC	140,000	0.1000%	30-May-17	-140,000	-2.30	AA-	F1+
26-May-17	41	HSBC	80,000	0.1000%	30-May-17	-80,000	-0.88	AA-	F1+
30-May-17	42	HSBC	120,000	0.1000%	22-Jun-17	-120,000	-7.56	AA-	F1+
31-May-17	43	Bank Of Scotland	Rolled over	0.1500%	10-Jul-17	-	-98.63	A+	F1
10-Jul-17	43	Bank Of Scotland	Rolled over	0.1700%	04-Sep-17	-	-156.49	A+	F1
04-Sep-17	43	Bank Of Scotland	600,000	0.1500%	Investment Still Held	-	-66.58	A+	F1
31-May-17	44	PCCC - West Yorkshire	1,000,000	0.1600%	04-Jul-17	-1,000,000	-149.04	-	-
31-May-17	45	Dumfries & Galloway Council	1,500,000	0.1800%	19-Jul-17	-1,500,000	-362.47	-	-
			10,015,000			-9,415,000	-1,935.04		
June'17									
01-Jun-17	46	HSBC	120,000	0.1000%	26-Jun-17	-120,000	-8.22	AA-	F1+
02-Jun-17	47	HSBC	240,000	0.1000%	05-Jun-17	-240,000	-1.97	AA-	F1+
05-Jun-17	48	HSBC	240,000	0.1000%	12-Jun-17	-240,000	-4.60	AA-	F1+
07-Jun-17	49	HSBC	200,000	0.1000%	12-Jun-17	-200,000	-2.74	AA-	F1+
09-Jun-17	50	HSBC	630,000	0.1000%	12-Jun-17	-630,000	-5.18	AA-	F1+
12-Jun-17	51	HSBC	240,000	0.1000%	03-Jul-17	-240,000	-13.81	AA-	F1+
14-Jun-17	52	HSBC	70,000	0.1000%	19-Jun-17	-70,000	-0.96	AA-	F1+
15-Jun-17	53	HSBC	270,000	0.1000%	19-Jun-17	-270,000	-2.96	AA-	F1+
19-Jun-17	54	Coventry BS	Rolled over	0.1900%	08-Aug-17	-	-123.63	A	F1
08-Aug-17	54	Coventry BS	Rolled over	0.1200%	13-Sep-17	-	-56.22	A	F1

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
13-Sep-17	54	Coventry BS	475,000	0.1200%	Investment Still Held	-	-28.11	A	F1
20-Jun-17	55	HSBC	110,000	0.1000%	26-Jun-17	-110,000	-1.81	AA-	F1+
22-Jun-17	56	HSBC	90,000	0.1000%	04-Jul-17	-90,000	-2.96	AA-	F1+
26-Jun-17	57	HSBC	200,000	0.1000%	10-Jul-17	-200,000	-7.67	AA-	F1+
28-Jun-17	58	Coventry BS	Rolled over	0.1800%	08-Aug-17	-	-101.10	A	F1
08-Aug-17	58	Coventry BS	500,000	0.1200%	13-Sep-17	-500,000	-59.18	A	F1
28-Jun-17	59	HSBC	400,000	0.1000%	14-Jul-17	-400,000	-17.53	AA-	F1+
29-Jun-17	60	HSBC	100,000	0.1000%	30-Jun-17	-100,000	-0.27	AA-	F1+
30-Jun-17	61	Eastleigh BC	2,000,000	0.1400%	08-Aug-17	-2,000,000	-299.18	-	-
30-Jun-17	62	Barnsley MBC	1,280,000	0.1400%	21-Aug-17	-1,280,000	-255.30	-	-
			7,165,000			-6,690,000	-993.40		
July'17									
03-Jul-17	63	HSBC	600,000	0.1000%	10-Jul-17	-600,000	-11.51	AA-	F1+
05-Jul-17	64	HSBC	100,000	0.1000%	10-Jul-17	-100,000	-1.37	AA-	F1+
07-Jul-17	65	HSBC	80,000	0.1000%	21-Jul-17	-80,000	-3.07	AA-	F1+
10-Jul-17	66	HSBC	340,000	0.1000%	17-Jul-17	-340,000	-6.52	AA-	F1+
11-Jul-17	67	HSBC	80,000	0.1000%	17-Jul-17	-80,000	-1.32	AA-	F1+
13-Jul-17	68	HSBC	125,000	0.1000%	14-Jul-17	-125,000	-0.34	AA-	F1+
14-Jul-17	69	HSBC	330,000	0.1000%	19-Jul-17	-330,000	-4.52	AA-	F1+
14-Jul-17	70	HSBC	150,000	0.1000%	24-Jul-17	-150,000	-4.11	AA-	F1+
17-Jul-17	71	HSBC	940,000	0.1000%	19-Jul-17	-940,000	-5.15	AA-	F1+
18-Jul-17	72	HSBC	80,000	0.1000%	21-Jul-17	-80,000	-0.66	AA-	F1+
19-Jul-17	73	Lloyds Bank Plc	1,000,000	0.1800%	19-Sep-17	-1,000,000	-305.76	A+	F1
19-Jul-17	74	HSBC	800,000	0.1000%	28-Jul-17	-800,000	-19.73	AA-	F1+
20-Jul-17	75	HSBC	60,000	0.1000%	28-Jul-17	-60,000	-1.32	AA-	F1+
21-Jul-17	76	HSBC	70,000	0.1000%	14-Aug-17	-70,000	-4.60	AA-	F1+
24-Jul-17	77	HSBC	100,000	0.1000%	14-Aug-17	-100,000	-5.75	AA-	F1+
25-Jul-17	78	Coventry BS	450,000	0.0900%	13-Sep-17	-450,000	-55.48	A	F1
26-Jul-17	79	HSBC	80,000	0.1000%	14-Aug-17	-80,000	-4.16	AA-	F1+
27-Jul-17	80	HSBC	115,000	0.1000%	28-Jul-17	-115,000	-0.32	AA-	F1+
28-Jul-17	81	Merthyr Tydfil CBC	1,500,000	0.1500%	Investment Still Held	-	-400.68	-	-

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
28-Jul-17	82	HSBC	340,000	0.1000%	31-Jul-17	-340,000	-2.79	AA-	F1+
31-Jul-17	83	HSBC	100,000	0.1000%	07-Aug-17	-100,000	-1.92	AA-	F1+
31-Jul-17	84	HSBC	100,000	0.1000%	22-Aug-17	-100,000	-6.03	AA-	F1+
31-Jul-17	85	HSBC	100,000	0.1000%	04-Sep-17	-100,000	-9.59	AA-	F1+
31-Jul-17	86	DMO	3,000,000	0.1000%	08-Aug-17	-3,000,000	-65.75	AAA	-
			10,640,000			-9,140,000	-922.45		
Aug'17									
01-Aug-17	87	HSBC	165,000	0.10000%	07-Aug-17	-165,000	-2.71	AA-	F1+
03-Aug-17	88	HSBC	80,000	0.10000%	08-Aug-17	-80,000	-1.10	AA-	F1+
07-Aug-17	89	HSBC	500,000	0.10000%	08-Aug-17	-500,000	-1.37	AA-	F1+
08-Aug-17	90	Barclays Bank plc	1,750,000	0.16600%	Investment Still Held	-	-429.78	A	F1
08-Aug-17	91	HSBC	400,000	0.10000%	15-Aug-17	-400,000	-7.67	AA-	F1+
09-Aug-17	92	HSBC	100,000	0.10000%	15-Aug-17	-100,000	-1.64	AA-	F1+
10-Aug-17	93	HSBC	130,000	0.10000%	15-Aug-17	-130,000	-1.78	AA-	F1+
11-Aug-17	94	HSBC	370,000	0.10000%	15-Aug-17	-370,000	-4.05	AA-	F1+
14-Aug-17	95	HSBC	260,000	0.10000%	15-Aug-17	-260,000	-0.71	AA-	F1+
15-Aug-17	96	Midlothian Council	1,500,000	0.13000%	Investment Still Held	-	-251.10	-	-
15-Aug-17	97	HSBC	90,000	0.10000%	18-Aug-17	-90,000	-0.74	AA-	F1+
16-Aug-17	98	HSBC	160,000	0.10000%	21-Aug-17	-160,000	-2.19	AA-	F1+
16-Aug-17	99	HSBC	160,000	0.10000%	11-Sep-17	-160,000	-11.40	AA-	F1+
17-Aug-17	100	HSBC	90,000	0.10000%	21-Aug-17	-90,000	-0.99	AA-	F1+
18-Aug-17	101	HSBC	90,000	0.10000%	21-Aug-17	-90,000	-0.74	AA-	F1+
21-Aug-17	102	HSBC	560,000	0.10000%	31-Aug-17	-560,000	-15.34	AA-	F1+
24-Aug-17	103	HSBC	90,000	0.10000%	31-Aug-17	-90,000	-1.73	AA-	F1+
29-Aug-17	104	HSBC	750,000	0.15000%	Investment Still Held	-	-101.71	A+	F1
29-Aug-17	105	HSBC	50,000	0.10000%	30-Aug-17	-50,000	-0.14	AA-	F1+
30-Aug-17	106	HSBC	190,000	0.10000%	31-Aug-17	-190,000	-0.52	AA-	F1+
31-Aug-17	107	DMO	2,000,000	0.10000%	13-Sep-17	-2,000,000	-71.23	AAA	
31-Aug-17	108	HSBC	650,000	0.10000%	04-Sep-17	-650,000	-7.12	A+	F1
31-Aug-17	109	Stockport MBC	1,200,000	0.16000%	Investment Still Held	-	-163.07	-	-
			11,335,000			-6,135,000	-1,078.83		

DATE INVESTED	TEMPORARY INVESTMENT NUMBER	BORROWER	AMOUNT INVESTED £	INTEREST RATE %	DATE REPAID	PRINCIPAL REPAID £	INTEREST RECEIVED / DUE £	FITCH RATING AT	
								LONG-TERM	SHORT-TERM
Sept'17									
01-Sep-17	110	HSBC	180,000	0.1000%	04-Sep-17	-180,000	-1.48	AA-	F1+
04-Sep-17	111	HSBC	400,000	0.1000%	13-Sep-17	-400,000	-9.86	AA-	F1+
06-Sep-17	112	HSBC	120,000	0.1000%	13-Sep-17	-120,000	-2.30	AA-	F1+
07-Sep-17	113	HSBC	120,000	0.1000%	13-Sep-17	-120,000	-1.97	AA-	F1+
08-Sep-17	114	HSBC	70,000	0.1000%	13-Sep-17	-70,000	-0.96	AA-	F1+
11-Sep-17	115	HSBC	110,000	0.1000%	13-Sep-17	-110,000	-0.60	AA-	F1+
13-Sep-17	116	Coventry BS	390,000	0.1200%	Investment Still Held	-	-23.08	A	F1
15-Sep-17	117	HSBC	100,000	0.1000%	18-Sep-17	-100,000	-0.82	AA-	F1+
15-Sep-17	118	HSBC	150,000	0.1000%	22-Sep-17	-150,000	-2.88	AA-	F1+
15-Sep-17	119	Coventry BS	Rolled over	0.0900%	25-Sep-17	-	-12.33	A	F1
25-Sep-17	119	Coventry BS	500,000	0.1200%	Investment Still Held	-	-9.86	A	F1
18-Sep-17	120	HSBC	115,000	0.1000%	19-Sep-17	-115,000	-0.32	AA-	F1+
19-Sep-17	121	HSBC	280,000	0.1000%	25-Sep-17	-280,000	-4.60	AA-	F1+
21-Sep-17	122	HSBC	90,000	0.0900%	28-Sep-17	-90,000	-1.55	AA-	F1+
22-Sep-17	123	HSBC	180,000	0.0900%	28-Sep-17	-180,000	-2.66	AA-	F1+
25-Sep-17	124	HSBC	300,000	0.1000%	28-Sep-17	-300,000	-2.47	AA-	F1+
27-Sep-17	125	HSBC	150,000	0.1000%	28-Sep-17	-150,000	-0.41	AA-	F1+
28-Sep-17	126	Bedford MDC	1,500,000	0.3000%	Investment Still Held	-	-36.99		
28-Sep-17	127	HSBC	180,000	0.1000%	Investment Still Held	-	-1.48	AA-	F1+
29-Sep-17	128	HSBC	160,000	0.0900%	Investment Still Held	-	-0.79	AA-	F1+
			5,095,000			-2,365,000	-117.41		
2017/18 Investments April 2017 - September 2017			50,640,000			-39,635,000	-5,748.51		
Total Investments 2017/18 (Including Brought Forward from 2016/17)			59,010,000			-48,005,000	-7,183.34		

POLICY AND FINANCE COMMITTEE

Fitch Rating Definitions	
International Long-Term Credit Ratings	
Long-term credit rating can be used as a benchmark measure of probability of default.	
AAA	Highest credit quality. 'AAA' denotes the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality. 'AA' ratings denote expectation of low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than in the case for higher ratings.
BBB	Moderate default risk. 'BBB' National Ratings denote a moderate default risk relative to other issuers or obligations in the same country. However, changes in circumstances or economic conditions are more likely to affect the capacity for timely repayment than is the case for financial commitments denoted by a higher rated category
International Short-Term Credit ratings	
Short-term rating has a time horizon of less than 13 months for most obligations and thus places greater emphasis on the liquidity necessary to meet financial commitments	
F1	Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
F3	Fair credit quality. The capacity for timely payment of financial commitments is adequate; however, near term adverse changes could result in a reduction to non-investment grade.
B	Indicates an uncertain capacity for timely payment of financial commitments relative to other issuers or obligations in the same country. Such capacity is highly susceptible to near-term adverse changes in financial and economic conditions.

**POLICY AND FINANCE COMMITTEE
FULL RATING LIST OF APPROVED INSTITUTIONS AS AT 5 AUGUST 2017**

	S&P Global Ratings			Moody's			Fitch			Notes	
	Long Term	Short Term	Outlook	Long Term	Short Term	Outlook	Full Review Date	Long Term	Short Term		Outlook
Building Societies											
Nationwide	A	A-1	Negative	Aa3	P-1	Stable	07/02/17	A+	F1	Stable	£1m Min
Yorkshire	-	-	-	A3	P-1	Stable	08/05/17	A-	F1	Stable	
Coventry	-	-	-	A2	P-1	Stable	08/05/17	A	F1	Stable	Sterling Brokers
Skipton	-	-	-	Baa1	P-2	Stable	08/05/17	A-	F1	Stable	
Leeds	-	-	-	A3	P-2	Stable	08/05/17	A-	F1	Stable	
Principality	-	-	-	Baa2	P-2	Stable	08/02/17	BBB+	F2	Stable	No Contact
Banks											
Santander UK Plc.	A	A-1	Negative	Aa3	P-1	Stable	07/02/17	A	F1	Stable	
Barclays Bank Plc.	A-	A-2	Negative	A1	P-1	Negative	13/12/16	A	F1	Stable	
Bank of Scotland Plc.	A	A-1	Negative	A1	P-1	Rating Under Review	07/05/17	A+	F1	Stable	
Co-operative Bank (The)	-	-	-	Caa2	NP	Rating Under Review	30/08/17	BBB	F2	Stable	£1m min
HSBC Bank Plc.	AA-	A-1+	Negative	Aa2	P-1	Negative	13/12/16	AA-	F1+	Stable	
Lloyds Bank Plc.	A	A-1	Negative	A1	P-1	Rating Under Review	07/05/17	A+	F1	Stable	£250k min
National Westminster Bank Plc.	BBB+	A-2	Stable	A2	P-1	Stable	07/02/17	BBB+	F2	Stable	Current a/c required
Royal Bank of Scotland Plc.	BBB-	A-2	Stable	A2	P-2	Stable	07/02/17	BBB+	F2	Stable	Current a/c required

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 19

meeting date: 7 NOVEMBER 2017
 title: REVENUES AND BENEFITS GENERAL REPORT
 submitted by: DIRECTOR OF RESOURCES
 principal author: MARK EDMONDSON

1 PURPOSE

1.1 To inform committee of debts outstanding for business rates, council tax and sundry debtors. Also to update committee on benefits performance, including benefits fraud investigations, prosecutions and sanctions.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

2 NATIONAL NON-DOMESTIC RATES (NNDR)

2.1 The following is a collection statement to 25 October 2017:

	£000	£000	2017/18 %	2016/17 %
Balance Outstanding 1 April 2017		486		
NNDR amounts due	19,278			
Plus costs	2			
Transitional surcharge	669			
Write ons	38			
	19,987			
Less				
- Transitional relief	-684			
- Exemptions	-287			
- Charity, Rural, Community Amateur Sports Clubs Relief	-1,113			
- Small Business Rate Relief	-2,880			
- Retail, Reoccupation, New Build, Discretionary Transitional Relief, and Flood Relief	-98			
- Interest Due	0			
- Write Offs	-79			
	-5,141	14,846		
Total amount to recover		15,332		
Less cash received to 25 October 2017		-9,243	60.3	60.7
Amount Outstanding		6,089	39.7	39.3

NB The figures included in the table include not only those charges for 2017/18 but also those relating to previous years, but we are required to report to the Department of Communities and Local Government (DCLG) our in year collection rate. This figure is published and is used to compare our performance with other local authorities. On this measure our current in year collection rate at 30 September 2017 is 58.70% compared with 58.38% at 30 September 2016.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 25 October 2017:

	£000	£000	2017/18 %	2016/17 %
Balance Outstanding 1 April 2017		812		
Council Tax amounts due	43,186			
Plus costs	49			
Transitional relief	1			
Write ons	1			
	43,237			
Less - Exemptions	-519			
- Discounts	-3,726			
- Disabled banding reduction	-45			
- Council Tax Benefit	14			
- Local Council Tax Support	-1,792			
- Write offs	-7			
	-6,075	37,162		
Total amount to recover		37,974		
Less cash received to 25 October 2017		-22,592	59.5	59.5
Amount Outstanding		15,382	40.5	40.5

NB The figures included in the table include not only those charges for 2017/18 but also those relating to previous years, but we are required to report our in year collection rate to the DCLG. This figure is published by them and is used to compare our performance against other local authorities. On this measure our current in year collection rate at 30 September 2017 is 58.99% compared to 58.68% at 30 September 2016.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 23 October 2017 is:

	£000	£000
Amount Outstanding 1 April 2017		825
Invoices Raised	2,036	
Plus costs	1	
		2,037
Less write offs		1
Total amount to recover		2,861
Less cash received to 23 October 2017		2,304
Amount outstanding		557

Aged Debtors	000s	%
< 30 days	64	11
30 - 59 days	20	4
60 - 89 days	22	4
90 - 119 days	5	1
120 - 149 days	8	1
150+ days	438	79
	557	100

5 HOUSING BENEFIT AND COUNCIL TAX SUPPORT PERFORMANCE

- 5.1 The main indicator for Housing Benefit and Council Tax Support performance is known as Right Time. The benefit section also report on Local Performance Indicators that have been set within the department for benefit fraud and overpayments.
- 5.2 The Department for Work and Pensions does not require Local Authorities (LA's) to report on any other Performance Measures but encourages them to monitor their own performance locally.
- 5.3 We obviously consider it very important to monitor overpayment data.

Housing Benefit Right Time Indicator 2017/2018

The right time indicator measures the time taken to process HB/CTS new claims and change events; this includes changes in circumstances, interventions, fraud referrals and prints generated by the benefit department.

Target for year	Actual Performance 1 July 2017 – 30 September 2017	Average Performance
10 days	6.12 days	20 days per IRRV

New claims performance

Target for year	Actual Performance 1 July 2017 – 30 September 2017	Top grade 4 for all LA's 2007/08
23 days	14.49 days	Under 30 days

6 HOUSING BENEFIT OVERPAYMENTS

- 6.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. Performance for the period 1 July 2017 - 30 September 2017:

Performance Measure	%
The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB overpayments deemed recoverable during that period.	110.53
The amount of Housing Benefit (HB) overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year plus amount of HB overpayments identified during the period.	16.83
The amount of Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year, plus amount of HB overpayments identified during the period.	0.25

7 CONCLUSION

- 7.1 Note the continuing progress that we make in collecting these debts, and the performance of our Housing Benefit Section remains satisfactory.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF55-17/ME/AC
20 October 2017

For further information please ask for Mark Edmondson.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No 20

meeting date: 7 NOVEMBER 2017
 title: REVENUE MONITORING 2017/18
 submitted by: DIRECTOR OF RESOURCES
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To let you know the position for the first six months of this year's revenue budget as far as this committee is concerned.

1.2 Relevance to the Council's ambitions and priorities:

- ❖ Community Objectives – none identified.
- ❖ Corporate Priorities – to continue to be a well-managed Council providing efficient services based on identified customer need and meets the objective within this priority, of maintain critical financial management controls, ensuring the authority provide council tax payers with value for money.
- ❖ Other Considerations – none identified.

2 FINANCIAL INFORMATION

2.1 Shown below, by cost centre, is a comparison between actual expenditure and the original estimate for the period. You will see an overall overspend of £207,984 on the net cost of services. After allowing for estimated transfers to and from earmarked reserves this overspend is reduced to £203,177.

2.2 This overspend position is due to the payment of Flood Resilience Grants to households affected by Storms Desmond and Eva. We will be making a claim for the reimbursement of these grants from DCLG, via Lancashire County Council. With full reimbursement of these grants, the position would reduce the overspend to £20,833 before movements from earmarked reserves.

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the period	Actual including Commitments to the end of the period	Variance	
		£	£	£	£	
COMPR	Computer Services	0	107,808	118,804	10,996	R
LICSE	Licensing	24,980	-44,156	-52,042	-7,886	R
LANDC	Land Charges	17,260	-29,341	-28,066	1,275	G
FGSUB	Grants & Subscriptions – P & F	160,560	125,895	125,402	-493	G
PARGR	Parish Council Grants	0	13,648	15,433	1,785	G
CEXEC	Chief Executives Department	0	460,494	451,189	-9,305	R
CLTAX	Council Tax	340,780	36,424	105,650	69,226	R
NNDRC	National Non Domestic Rates	36,200	7,612	-20,803	-28,415	R
CORPM	Corporate Management	326,260	0	0	0	G
EMERG	Community Safety	59,570	2,877	2,148	-729	G

Cost Centre	Cost Centre Name	Net Budget for the full year	Net Budget to the end of the period	Actual including Commitments to the end of the period	Variance	
		£	£	£	£	
FLDRB	Flood Grants – Businesses	0	0	38,232	38,232	R
FLDRH	Flood Grants - Householders	0	0	148,919	148,919	R
DISTC	District Elections	0	0	3,725	3,725	A
ELADM	Election Administration	43,320	0	0	0	G
ELECT	Register of Electors	91,530	32,129	23,821	-8,308	R
ESTAT	Estates	54,960	-19,788	-19,183	605	G
CIVCF	Civic Functions	58,870	30,526	27,840	-2,686	A
COSDM	Cost of Democracy	445,800	122,166	113,144	-9,022	R
FSERV	Financial Services	0	301,200	305,721	4,521	A
LUNCH	Luncheon Clubs	15,070	0	1,530	1,530	G
CIVST	Civic Suite	0	21,418	16,556	-4,862	A
CLOFF	Council Offices	0	113,731	112,464	-1,267	G
FMISC	Policy & Finance Miscellaneous	-54,740	26,956	26,409	-547	G
PERFM	Performance Reward Grants	55,010	0	0	0	G
SUPDF	Superannuation Deficiency Paym'ts	97,920	49,191	47,716	-1,475	G
LSERV	Legal Services	0	162,383	162,825	442	G
OMDEV	Organisation & Member Development	0	168,951	172,224	3,273	A
CSERV	Corporate Services	180,470	21,098	18,018	-3,080	A
CONTC	Contact Centre	0	78,856	74,144	-4,712	A
REVUE	Revenues & Benefits	0	234,946	226,068	-8,878	R
MRDVA	Market Redevelopment Area	0	0	15,120	15,120	R
Total net cost of services		1,953,820	2,025,024	2,233,008	207,984	

Items added to / (taken from) balances and reserves						
FNBAL H230	Election Reserve Fund	22,540	0	-3,725	-3,725	
FNBAL H269	Asset Revaluation Reserve	2,030	0	0	0	
FNBAL H326	Performance Reward Grant	-53,500	-13,648	-15,433	-1,785	
FNBAL H337	Equipment Reserve	-120	0	0	0	
FNBAL H362	Individual Electoral Registration Reserve	-1,300	-712	-9	703	
FNBAL F719	Vat Shelter Reserve	158,000	0	0	0	
Net Balances and reserves		127,650	-14,360	-19,167	-4,807	

Net Expenditure	2,081,500	2,010,664	2,213,840	203,177
------------------------	------------------	------------------	------------------	----------------

- 2.2 The variations between budget and actuals have been split into groups of red, amber and green variance. The red variances highlight specific areas of high concern, for which budget holders are required to have an action plan. Amber variances are potential areas of high concern and green variances are areas that currently do not present any significant concern.

Key to Variance shading	
Variance of more than £5,000 (Red)	R
Variance between £2,000 and £4,999 (Amber)	A
Variance less than £2,000 (Green)	G

- 2.3 We have then extracted the main variations for the items included in the red shaded cost centres and shown them with the budget holder's comments and agreed action plans, in Annex 1.
- 2.4 The main variations for items included in the amber shaded cost centres are shown with budget holders' comments at Annex 2.
- 2.5 In summary the main areas variance which are unlikely to rectify themselves by the end of the financial year are summarised below. Please note favourable variances are denoted by figures with a minus symbol

Description	Variance to end of Sept'2017 £
ELECT - Register of Electors Grant funding received to cover additional costs of Individual Electoral Registration in 2017/18. Announcement made July 2017	-10,975
OMDEV – Organisation & Member Development The government has introduced an apprentice Levy where employees have a bill in excess of £3 million they are required to pay an apprentice levy at 0.5% of here yearly pay bill payable to HM revenues & customs via the PAYE process. This contribution will be topped up by the government and will be used by us to pay for apprentice and other staff training.	5,981
NNDRC – National Non Domestic Rates Professional fees incurred acting on behalf of Ribble Valley in a dispute regarding business rates.	11,641

Description	Variance to end of Sept'2017 £
NNDRC – National Non Domestic Rates A rateable value finder has been employed on a commission basis to identified missing rateable values which may have the potential of additional revenue income.	5,750
NNDRC – National Non Domestic Rates In June 2017 a compensation payment was received by us to cover professional fees and other costs incurred in a dispute regarding business rates.	-26,782
MRDVA – Market Redevelopment Area Professional fees incurred on redevelopment of market scheme. Costs to be recovered from developer. If no development this would be a cost to be funded by the council.	15,120

3 CONCLUSION

- 3.1 The comparison between actual and budgeted expenditure shows an overall overspend of £207,984 on the net cost of services. After allowing for estimated transfers to and from earmarked reserves this overspend is reduced to £203,177.
- 3.2 This overspend position is due to the payment of Flood Resilience Grants to households and businesses affected by Storms Desmond and Eva. We will be making a claim for the reimbursement of these grants from DCLG, via Lancashire County Council. With full reimbursement of these grants, the position would reduce the overspend to £20,833 before movements in earmarked reserves.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

BACKGROUND WORKING PAPERS

Policy & Finance budget monitoring working papers

PF57-17/TH/AC

24 October 2017

POLICY & FINANCE COMMITTEE

RED VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant	
FLDRB/4672	Flood Resilience Grants - Businesses / Grants	0	0	38,232	38,232	R	Grant funded remedial work still ongoing on properties affected by the 2015 floods.	
FLDRH/4676	Flood Resilience Grants - Households / Grants to individuals	0	0	148,919	148,919	R		
MRDVA/3085	Market Redevelopment Area / Consultants	0	0	15,120	15,120	R	Professional fees incurred on redevelopment of market scheme. The intention is to recover these from the developer when the scheme progresses to the development stage.	Cost to be recovered from developer, If no development this would be a cost to be funded by the council.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant	
COMPR/2968	Computer Services/ Enterprise Agreements	3,810	3,810	13,623	9,813	R	Annual charge for operating licences for all PC's, Tablets and Laptops to be recharged to sections based on number and type of license.	To review the allocation of the annual licence cost.
FSERV/0100	Financial Services / Salaries	449,380	224,780	230,517	5,737	R	There has been a lower level of staff turnover experienced to date than that budgeted for.	Budget to be reviewed when revised estimates are produced.
CEEXEC/0100	Chief Executives Department / Salaries	781,410	390,860	384,190	-6,670	R	The variance is as a result of vacant posts including Pest Control Officer (P/T), Cemetery Officer and building Surveyor.	Budget to be reviewed when revised estimates are produced.
LSERV/0100	Legal Services / Salaries	253,670	126,886	132,125	5,239	R	There has been a lower level of staff turnover experienced to date than that budgeted for.	Budget to be reviewed when revised estimates are produced.
ELECT/8050z	Register of Electors / IER Grant	0	0	-10,975	-10,975	R	Grant funding received to cover the additional cost of IER incurred in 2017/18.	Budget to be reviewed when revised estimates are produced.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
OMDEV/1024	Organisation & Member Development / Apprenticeship Levy	0	0	5,981	5,981	R The Government has introduced an apprenticeship levy, where employers with a pay bill in excess of £3 million are required to pay an apprenticeship levy at 0.5% of their yearly pay bill payable to HM Revenue and Customs via the PAYE process. The variance represents the amount paid to date. This contribution will be topped up by the government and will be used by us to pay for apprentice and other staff training.	These funds that have been set aside in the government pot will be spent on staff training over future months.
CLTAX/8649z	Council Tax / Storm Eva S31 Grant	0	0	70,269	70,269	R Provision for a section 31 grant from Department of Communities and Local Government made in 2016/17 accounts brought forward to 2017/18. The purpose of the grant is to cover the cost of council tax discounts given to households as a result of Storm Eva.	No action proposed, funding should be received once the scheme is closed.

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance	Reason for Variance	Action Plan as agreed between the Budget Holder and Accountant
NNDRC/3165	National Non Domestic Rate / Rateable Value Finder	0	0	5,750	5,750	R A rateable value finding service has been employed on a commission basis to identify missing rateable values which may have the potential of additional revenue income.	Budget to be reviewed when revised estimates are produced.
NNDRC/3090	National Non Domestic Rate / Legal	0	0	11,641	11,641	R Professional fees incurred acting on Ribble Valley's behalf in a dispute regarding business rates. Compensation has been made in respect of these and past year costs.	Budget to be reviewed when revised estimates are produced.
NNDRC/8569z	National Non Domestic Rate/Compensation	0	0	-26,782	-26,782	R Compensation payment received in June in respect of professional fees incurred in dispute over business rates. (see above)	Budget to be reviewed when revised estimates are produced.
NNDRC/8720z	National Non Domestic Rate / Enterprise Zone	0	0	-19,530	-19,530	R The income relates to retained business rates for 2016/17 that fall within the Enterprise Zone. It is payable to Lancashire County Council (LCC).	Invoice currently awaited from LCC.

POLICY & FINANCE COMMITTEE

AMBER VARIANCES

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
DISTC/2972	District Elections / Polling Station - Equipment & Materials	0	0	3,725	3,725	A	Purchase of new polling booths, funded from an earmarked reserve.
COSDM/3033	Cost of Democracy / Basic Allowance	151,950	76,004	71,419	-4,585	A	The budget includes an annual increase in the basic members allowance based on the increase in national minimum wage from the previous October, rather than being based on the national salary increase of Local Government staff (wef. April 2016). The increase allowed for in the budget was larger than the national salary increase of Local Government staff.
LANDC/8408	Land Charges / Search Fee	-80,800	-40,416	-37,949	2,467	A	Fall in number of search requests
LICSE/8437u	Licensing / Premises	-59,120	-35,490	-40,464	-4,974	A	Increase in number of licenses renewed in period
CIVST/2402	Civic Suite / Repair & Maintenance - Buildings	11,780	5,892	3,523	-2,369	A	A 2017/18 capital scheme has been approved to upgrade the civic suite and replace seating, which has resulted in less repairs to the building

Ledger Code	Ledger Code Name	Budget for the Full Year	Budget to the end of the period	Actual including Commitments to the end of the period	Variance		Reason for Variance
CLOFF/2432	Council Offices / Electricity	23,160	11,582	14,150	2,568	A	Since a new meter was fitted the usage of electricity has been considerably higher than previously recorded with the old meter. The new meter was tested in 2016/17 and found to be correct. However due to testing taking place after estimates were prepared, the estimated cost for 2017/18 has been based on the old meter readings.
OMDEV/2981	Organisation & Member Development / Postages	970	4,245	234	-4,011	A	Delay in being invoiced, last invoice was for period ending 31st August
REVUE/0100	Revenues & Benefits / Salaries	373,810	186,978	183,461	-3,517	A	The variance is due to staff turnover, within cashiers, revenues & benefit sections
NNDRC/2809	National Non Domestic Rates / Non Recurring purchase of equipment	0	0	2,550	2,550	A	The variance is due to an order being placed for changes to software needed for changes to Business Rates bills. To be grant funded
COMPR/0100	Computer Services / Salaries	137,350	68,700	71,545	2,845	A	There has been a lower level of staff turnover experienced to date than that budgeted for.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 21

meeting date: 7 NOVEMBER 2017
 title: OVERALL REVENUE MONITORING 2017/18
 submitted by: DIRECTOR OF RESOURCES
 principal author: LAWSON ODDIE

1 PURPOSE

1.1 To consider the position on the revenue budget for the current financial year up to the end of September.

2 ORIGINAL BUDGET 2017/18

2.1 The original budget agreed for the current year is set out below.

	Original Estimate 2017/18 £
Committee Net Requirements	6,995,600
Capital Charges Adjustment	-744,380
Committee Expenditure After Adjustments	6,251,220
Other Items - Interest Payable	7,830
- Interest on balances	-15,660
- New Homes Bonus	-1,576,964
- Transition Grant	-20,345
- Rural Areas Delivery Grants – Additional Funding	-86,603
- Retained Business Rates Income	-447,824
- Renewable Energy Business Rates	-29,091
- Section 31 Grant for Business Rates	-591,197
- 10% of Retained Levy – Payable to LCC under Pooling	50,080
- Share of Business Rates Deficit on Collection Fund	-45,368
Expenditure After Other Items	3,496,078
Less Added to/(taken from) Earmarked Reserves	
Elections	22,540
Building Control Fee Earning	5,490
Performance Reward Grant	-53,500
IER Reserve	-1,300
Community Safety	-13,520
Equipment Reserve	-120

	Original Estimate 2017/18 £
Revaluation Reserve	2,060
Government Housing Grants Reserve	-130
Planning Reserve	-42,900
Post LSVT Pensions Reserve	-36,512
VAT Shelter	158,000
New Homes Bonus Reserve	783,885
Vehicle Renewals Reserve	46,000
Business Rates Volatility Reserve	787,886
Taken From Revenue Balances	-250,000
Net Expenditure	4,903,957

3 COMMENTS

3.1 Accountants are currently preparing the revised estimates for the current financial year. Regular budget monitoring is undertaken on a monthly basis. In addition committees are currently receiving monitoring reports in the current cycle.

3.2 Looking at three of the largest elements within our budget - employee costs, fees and charges and interest. The position at the end of September on these was as follows:

3.3 *Employees*

Position at end of September:

	£
Budget to the end of September	2,685,081
Actual to the end of September	2,703,545
Difference as at the end of September	18,464

Annex 1 shows the main variances by individual cost centre. However, the reasons for the larger variances are summarised below:

- CEXEC: Chief Executive's Department (£-7,027) – The variance is as a result of vacant posts, including Pest Control Officer (part time), Cemetery Officer and Building Surveyor.
- COMMD: Community Services Department (£13,981) – The staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover within the department and to date this turnover has not materialised. This variance may correct itself as the year progresses.
- FSERV: Financial Services (£6,569) – The staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover within the department and to date this turnover has not materialised. This variance may correct itself as the year progresses.

- LSERV: Legal Services (£5,428) – The staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover within the department and to date this turnover has not materialised. This variance may correct itself as the year progresses.
- RCOLL: Refuse Collection (£14,736) – There has been an increased usage of agency staff on the service due to staff sickness. Furthermore, the staffing budget allows for staff turnover within the full financial year of 4%. To date there has been a low level of turnover.
- RPOOL: Ribblesdale Pool (£-8,058) – As reflected in the variances on Fees and Charges, there are vacancies in swimming teachers (1 full time and 1 part time post) resulting in the underspend shown. There is also a vacant apprentice lifeguard post. Some of the variance from these items has been partly offset by increased overtime cover.

3.4 Fees and Charges

Position at end of September:

	£
Budget to the end of September	-1,372,776
Actual to the end of September	-1,427,321
Difference as at the end of September	-54,545

Again, Annex 2 shows the main differences and the reasons for the larger variances are summarised below:

- BCFEE: Building Control Fee Earning (-£6,599) – Income as at the half year point is above the average of that received in past years. This position may change as the year progresses.
- LICSE: Licensing (-£5,330) – There has been an increase in number of licenses renewed in period
- PLANG: Planning Control and Enforcement (£24,512) – Income as at the half year point is below the average of that received in past years. This position may change as the year progresses.
- RCOLL: Refuse Collection (-£6,015) – There has been an increase in the level of take up of the bin hire scheme. Income from the scheme is already double that allowed for in the budget. There has also been increased income from household special collections due to increased demand.
- RPOOL: Ribblesdale Pool (£60,590) – There has been a fall in income from swimming lessons due to vacancies in swimming teachers (1 full time and 1 part time post). Admissions income for adults and juniors is also down.
- TRREF: Trade Refuse (-£113,476) – Trade Waste contracts have been invoiced for the full year. There is a chance that some of these contracts may be cancelled as the year progresses, which will bring down the variance shown. The budget has been increased over recent years as we have seen an influx of customers since another operator in the area went out of business.
- VARIOUS: Car Parks (-£14,368) – This is largely due to increased usage at the Market, Lowergate, Dunsop Bridge and Edisford car parks.

3.5 **Interest**

Position at end of September:

	£
Budget to the end of September	-7,850
Actual to the end of September	-5,227
Difference as at the end of September	2,623

At this stage it is difficult to predict how our final interest figure will be in comparison to our budget for the year.

4 SUMMARY

4.1 In summary, the position is as follows:

	£ 000
Employees	18,464
Income	-54,545
Interest	2,623
Total Net Savings/Underspend/Extra Income	-33,458

5 CONCLUSION

5.1 Overall, the variances to the end of September are favourable, with a net saving/additional income of £33,458, based on the areas included within this report.

5.2 The main reasons for the variance are the increased income on Trade Refuse, partly offset by lower income levels at Ribblesdale Pool and on Planning Fees.

5.3 The variances on Employees are largely compensating. However, the variance on Swimming Teachers has impacted on the income levels as highlighted above.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

PF72-17/LO/AC
27 October 2017

BACKGROUND PAPERS: None

For further information please ask for Lawson Oddie.

ANNEX 1

Employees – April to September 2017

Cost Centre	Cost Centre Name	Original Estimate to end September 2017	Actual to end September 2017	Variance
ARTDV	Art Development	6,876	5,969	-907
BCSAP	Building Control SAP Fees	72	38	-34
CEXEC	Chief Executives Department	425,973	418,946	-7,027
CIVCF	Civic Functions	6,108	3,980	-2,128
CIVST	Civic Suite	4,608	4,311	-297
CLMKT	Clitheroe Market	762	1,082	320
CLOFF	Council Offices	22,763	21,010	-1,753
COMMD	Community Services Department	480,607	494,588	13,981
COMPR	Computer Services	74,202	77,317	3,115
CONTC	Contact Centre	70,444	69,585	-859
COSDM	Cost of Democracy	1,678	1,806	128
CPADM	Car Park Administration - Off Street	20,482	20,727	245
DNHAM	Downham Toilets	132	120	-12
ELECT	Register of Electors	168	1,999	1,831
EXREF	Exercise Referral Scheme	18,767	18,951	184
FMISC	Policy & Finance Miscellaneous	0	42	42
FSERV	Financial Services	246,354	252,923	6,569
HSASS	Housing Associations	0	855	855
JARMS	Joiners Arms	7,964	4,566	-3,398
LSERV	Legal Services	139,732	145,160	5,428
OMDEV	Organisation & Member Development	135,590	135,577	-13
PAPER	Waste Paper and Card Collection	40,864	39,644	-1,220
PCADM	Public Conveniences Administration	3,022	1,676	-1,346
PKADM	Grounds Maintenance	104,066	107,766	3,700
PLATG	Platform Gallery and Visitor Information	33,628	33,181	-447
RCOLL	Refuse Collection	296,733	311,469	14,736
REVUE	Revenues & Benefits	203,100	198,841	-4,259
RPOOL	Ribblesdale Pool	147,370	139,312	-8,058

ANNEX 1**Employees – April to September 2017**

Cost Centre	Cost Centre Name	Original Estimate to end September 2017	Actual to end September 2017	Variance
SDEPO	Salthill Depot	11,062	9,689	-1,373
STCLE	Street Cleansing	65,464	65,754	290
SUPDF	Superannuation Deficiency Payments	3,186	3,188	2
TFRST	Waste Transfer Station	12,247	9,835	-2,412
UPACT	Up and Active Service	23,090	26,352	3,262
VEHCL	Vehicle Workshop	23,690	25,946	2,256
WKSAD	Works Administration	54,277	51,340	-2,937
		2,685,081	2,703,545	18,464

ANNEX 2**Fees and Charges – April to September 2017**

Cost Centre	Cost Centre Name	Original Estimate to end September 2017	Actual to end September 2017	Variance
BCFEE	Building Control Fee Earning	-92,315	-98,914	-6,599
BCNON	Building Control Non Fee Earning	-660	-608	52
BCSAP	Building Control SAP Fees	-2,622	-1,390	1,232
CIVST	Civic Suite	-2,164	-3,098	-934
CLCEM	Clitheroe Cemetery	-21,830	-17,692	4,138
CLMKT	Clitheroe Market	-107,264	-111,993	-4,729
COMMD	Community Services Department	-318	-377	-59
DOGWD	Dog Warden & Pest Control	-9,610	-7,162	2,448
DRAIN	Private Drains	-752	-482	270
EALLW	Edisford All Weather Pitch	-9,470	-10,829	-1,359
EDPIC	Edisford Picnic Area	-653	-500	153
ENVHT	Environmental Health Services	-21,836	-19,146	2,690
EXREF	Exercise Referral Scheme	-2,448	-2,412	36
FSERV	Financial Services	-570	-569	1
IMPGR	Improvement Grants	-3,234	-1,176	2,058
LANDC	Land Charges	-40,416	-37,949	2,467
LICSE	Licensing	-59,801	-65,131	-5,330
LSERV	Legal Services	-510	-1,361	-851
MCAFE	Museum Cafe	-3,765	-4,822	-1,057
PLANG	Planning Control & Enforcement	-294,262	-269,750	24,512
RCOLL	Refuse Collection	-13,716	-19,731	-6,015
RPOOL	Ribblesdale Pool	-207,974	-147,384	60,590
RVPRK	Ribble Valley Parks	-2,969	-2,298	671
SDEPO	Salthill Depot	-390	-367	23
SIGNS	Street Nameplates & Signs	-262	-546	-284
SPODV	Sports Development	-106	0	106
TRREF	Trade Refuse	-247,570	-361,046	-113,476

ANNEX 2

Fees and Charges – April to September 2017

Cost Centre	Cost Centre Name	Original Estimate to end September 2017	Actual to end September 2017	Variance
UPACT	Up and Active Service	-23,618	-24,549	-931
VARIOUS	Car Parks	-201,671	-216,039	-14,368
		-1,372,776	-1,427,321	-54,545

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 22

meeting date: 7 NOVEMBER 2017
title: CAPITAL MONITORING 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To provide this Committee with information relating to the progress of the approved capital programme for the period to the end of September 2017.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified.
- Corporate Priorities – to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other considerations – none identified.

2 BACKGROUND

2.1 Five schemes, totalling £127,250, were approved by the Policy and Finance Committee and Full Council at their respective meetings in February 2017.

2.2 There have been several amendments to the 2017/18 original estimate capital programme:

- The budgets on four schemes in the 2016/17 capital programme, totalling £167,450, were confirmed as still required by this Committee but unlikely to be spent in the 2016/17 financial year, as at 2016/17 revised estimate stage. These budgets were moved into the 2017/18 capital programme budget, following approval by this Committee in January 2017.
- One scheme in the 2016/17 capital programme was not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on this scheme, £6,650, is known as slippage. This slippage has been transferred into the 2017/18 capital programme budget.
- One scheme, Economic Development Initiatives totalling £100,000, has been transferred to the newly created Economic Development Committee, because the nature of the scheme is in line with the new Committee's objectives.
- Additional budget of £1,350 was approved by this Committee in September 2017 to finance additional costs on the ICT Infrastructure Refresh scheme.

2.3 As a result of the above, the total approved budget for this Committee's capital programme of nine schemes is £202,700. This is shown at Annex 1.

3 CAPITAL MONITORING 2017/18

3.1 The table overleaf summarises this Committee's capital programme budget, expenditure to date and variances, as at the end of September 2017. Annex 1 shows the full capital programme by scheme. Annex 2 shows scheme details, financial information and budget holder comments to date for each scheme.

BUDGET						EXPENDITURE	
Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme Transferred to Economic Development Committee £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
127,250	167,450	6,650	-100,000	1,350	202,700	8,000	-194,700

3.2 At the end of September 2017 £8,000 had been spent or committed. This is only 3.9% of the annual capital programme budget for this Committee.

3.3 The ICT Infrastructure Refresh scheme is complete.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Council Offices Re-roofing (-£7,910) and Council Offices Replacement Windows and Rooflights (-£4,540):** The final retention payment for the combined contract will be paid by the end of October 2017.
- **Council chamber - tables and seating renewal scheme (-£11,250):** Following discussion with potential suppliers the tables and seating renewal scheme and civic suite upgrade scheme are now being procured separately. Tables and seating samples are currently being assessed. The plan is to place an order by the end of November 2017, after the preferred tables and seating have been specified and quotes have been obtained from suppliers, so the scheme is completed within the financial year.
- **Civic suite upgrade (-£45,000):** Following discussion with potential suppliers the civic suite upgrade scheme and tables and seating renewal scheme are now being procured separately. A preferred supplier will be selected for the Civic Suite upgrade scheme following receipt of quotes, with the aim of completing the scheme within the financial year.
- **Replacement server for Revenues and Benefits (-£13,500):** The scheme implementation and procurement plan will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.
- **Printing section equipment upgrade (-£12,500):** Procurement is in progress for both the printing equipment and the design system upgrade elements of the scheme. At this stage, it is hoped to complete the scheme in-year, subject to successful trial-use of the proposed design system upgrade solution.
- **New Council telephone system (-£45,000):** Officers met with a potential supplier in September and are currently awaiting technical feedback on the system requirements. Following this, a detailed specification will be produced and quotes obtained. The implementation timescale will be clearer at detailed specification stage. Given this, completion within the current financial year cannot be estimated with any certainty at this stage.
- **Clitheroe Townscape Scheme (-£55,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

4 CONCLUSION

- 4.1 At the end of September 2017 £8,000 had been spent or committed. This is only 3.9% of the annual capital programme for this Committee.
- 4.2 The ICT Infrastructure Refresh scheme is complete.
- 4.3 The Clitheroe Townscape scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.
- 4.4 Of the other seven schemes, it is estimated, at this stage, that six schemes may be completed in-year and there is uncertainty over whether one of the schemes will be completed in-year.

SENIOR ACCOUNTANT
PF66-17/AC/AC
26 October 2017

DIRECTOR OF RESOURCES

For further background information please ask for Andrew Cook.

BACKGROUND PAPERS – None

Policy and Finance Committee – Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Scheme Transferred to Economic Development Committee £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	0	7,910	0	-7,910
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	0	4,540	0	-4,540
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	0	55,000	0	-55,000
ECDVI	Economic Development Initiatives	0	100,000	0	-100,000	0	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	0	13,500	0	-13,500
PSEQP	Printing section equipment upgrade	12,500	0	0	0	0	12,500	0	-12,500
CSEAT	Council chamber – Tables and Seating renewal scheme	11,250	0	0	0	0	11,250	0	-11,250
PHONE	New Council telephone system	45,000	0	0	0	0	45,000	0	-45,000
CSUPG	Civic suite upgrade	45,000	0	0	0	0	45,000	0	-45,000
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	0	1,350	8,000	8,000	0
Total Policy and Finance Committee		127,250	167,450	6,650	-100,000	1,350	202,700	8,000	-194,700

Policy and Finance Committee Individual Scheme Details

OROOF - Council Offices Re-roofing (retention)

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description of the Scheme:

The aim of this scheme was to re-slate the Church Walk Council Offices roof. Work was completed within budget in 2016/17 and only the contract retention payment remains outstanding on this scheme, £7,910. The payment is due in May 2017, twelve months after the main contract work was completed, so £7,910 of the scheme budget had to be moved to 2017/18.

Revenue Implications:

Existing service – no change.

Timescale for Completion:

April 2015: Tender and undertake programme of works.

June 2015: Commencement of works.

August 2015: Completion.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	7,910		
Total Approved Budget 2017/18	7,910	0	-7,910
Actual Expenditure 2016/17	3,169		
Actual Expenditure 2015/16	152,739		
ANTICIPATED TOTAL SCHEME COST	163,818		

Progress - Budget Holder Comments

September 2017: The final retention payment for the combined contract will be paid by the end of October 2017.

July 2017: Awaiting the combined contract retention invoice from the contractor, before payment is made. The invoice has been requested.

December 2016: Work has now been completed within budget on the combined Council Offices Re-roofing and Council Offices Windows and Rooflights schemes. Only the 5% contract retention payments remain outstanding. These payments, totalling £12,450, are due in May 2017, twelve months after the

**Policy and Finance Committee
Individual Scheme Details**

main contract work was completed. Thus, financial completion of the schemes can only take place in 2017/18 and it is recommended that £12,450 of the combined schemes budget is moved to 2017/18.

September 2016: No change from July 2016 comments – All work is complete, so awaiting final 5% retention payment in May 2017, twelve months after the main contract work completion.

July 2016: All work is now completed on the combined Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. The remaining budgets on each scheme are for the 5% contract retention payment, due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the scheme can only take place in 2017/18, so the remaining budget will be moved into 2017/18 at Revised Estimate stage. The combined scheme will be completed within budget.

May 2016: The work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes is complete. There is minor outstanding work to be completed internally on the link corridor frames/cladding. In addition, there is 5% contract retention for 12 months.

March 2016: The majority of the work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes was complete by year-end. Minor work outstanding at year-end related to link corridor roofing and windows. In addition, there is 5% contract retention for 12 months. Slippage of the 2015/16 underspend on these schemes is requested to fund the minor work outstanding and the retention payment.

January 2016: Work is currently in progress on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. It is expected to be completed by the year-end, weather permitting.

September/October 2015: The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

July/August 2015: The Council Offices - Re-roofing scheme and Council Offices - Replacement Windows and Rooflights scheme have been combined together in one contract. The contract has been put out to tender. The preferred contractor will be chosen, following tender evaluation, by September 2015. The timing of the works is to be confirmed with the preferred contractor when the contract is awarded. At this point in time, scheme completion is expected within 2015/16. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

Policy and Finance Committee Individual Scheme Details

WINDW – Council Offices Replacement Windows and Rooflights (retention)

Service Area: Council Offices
Head of Service: Adrian Harper

Brief Description of the Scheme:

The aim of this scheme was to replace the remaining original timber framed windows and roof lights in the Church Walk Council Offices. Work was completed within budget in 2016/17 and only the contract retention payment remains outstanding on this scheme, £4,540. The payment is due in May 2017, twelve months after the main contract work was completed, so £4,540 of the scheme budget had to be moved to 2017/18.

Revenue Implications:

£500 savings per year.

Timescale for Completion:

April 2015: Specify and Tender.

June 2015: Commencement of works.

August 2015: Completion.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	4,540		
Total Approved Budget 2017/18	4,540	0	-4,540
Actual Expenditure 2016/17	1,357		
Actual Expenditure 2015/16	86,157		
ANTICIPATED TOTAL SCHEME COST	92,054		

Progress - Budget Holder Comments

September 2017: The final retention payment for the combined contract will be paid by the end of October 2017.

July 2017: Awaiting the combined contract retention invoice from the contractor, before payment is made. The invoice has been requested.

**Policy and Finance Committee
Individual Scheme Details**

December 2016: Work has now been completed within budget on the combined Council Offices Re-roofing and Council Offices Windows and Rooflights schemes. Only the 5% contract retention payments remain outstanding. These payments, totalling £12,450, are due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the schemes can only take place in 2017/18 and it is recommended that £12,450 of the combined schemes budget is moved to 2017/18.

September 2016: No change from July 2016 comments – All work is complete, so awaiting final 5% retention payment in May 2017, twelve months after the main contract work completion.

July 2016: All work is now completed on the combined Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. The remaining budgets on each scheme are for the 5% contract retention payment, due in May 2017, twelve months after the main contract work was completed. Thus, financial completion of the scheme can only take place in 2017/18, so the remaining budget will be moved into 2017/18 at Revised Estimate stage. The combined scheme will be completed within budget.

May 2016: The work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes is complete. There is minor outstanding work to be completed internally on the link corridor frames/cladding. In addition, there is 5% contract retention for 12 months.

March 2016: The majority of the work on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes was complete by year-end. Minor work outstanding at year-end related to link corridor roofing and windows. In addition, there is 5% contract retention for 12 months. Slippage of the 2015/16 underspend on these schemes is requested to fund the minor work outstanding and the retention payment.

January 2016: Work is currently in progress on the combined contract for the Council Offices - Re-roofing and Council Offices Windows and Rooflights schemes. It is expected to be completed by the year-end, weather permitting.

September/October 2015: The preferred contractor has been chosen for the combined Re-roofing and Replacement Windows and Roof Lights contract. The contract will be signed in October 2015. Provisional contract sums are within the combined budget of £256,400. Work will begin in autumn 2015 and is currently planned for completion in March 2016. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

July/August 2015: The Council Offices - Re-roofing scheme and Council Offices - Replacement Windows and Rooflights scheme have been combined together in one contract. The contract has been put out to tender. The preferred contractor will be chosen, following tender evaluation, by September 2015. The timing of the works is to be confirmed with the preferred contractor when the contract is awarded. At this point in time, scheme completion is expected within 2015/16. Expenditure to date relates to professional staff time input, building regulations fees and building surveys.

Policy and Finance Committee Individual Scheme Details

TNSCP - Clitheroe Townscape Scheme

Service Area: Regeneration

Head of Service: Colin Hirst and Adrian Harper

Brief Description of the Scheme:

The Clitheroe Townscape Scheme was initially approved to combine £55,000 from Ribble Valley Borough Council and £60,000 from Lancashire County Council (LCC) to undertake enhanced town centre improvements to include elements of the frontage of buildings, the highway and features of the public realm. Following discussions with LCC it was confirmed that LCC would only commit their £60,000 funding effectively to core maintenance work, with an expectation that Ribble Valley's capital spend would be additional funding also to be spent on core maintenance. Enhanced town centre improvements were the main focus of this scheme for Ribble Valley and as such it was not seen as appropriate for Ribble Valley's funding to be used in this way. Consequently, the £60,000 LCC funding was no longer available for this scheme.

On 7 June 2016 this Committee resolved that a report should be brought to a future meeting of this Committee setting out how the remaining budget of £55,000 could be utilised for this scheme. In the meantime, plans have been developed and consultation undertaken on the Clitheroe Market re-development, which will have an impact on the Clitheroe townscape. Consequently, the Clitheroe Townscape Scheme is in abeyance, awaiting further consideration in relation to the wider Clitheroe Market re-development, and the £55,000 scheme budget has been moved from 2016/17 to 2017/18. Updated plans for the scheme budget will be reported to members at a future Policy and Finance Committee meeting.

Revenue Implications:

None.

Timescale for Completion:

Anticipated design work: April 2015.

Anticipated start on site: May 2015.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Original Estimate 2017/18	0		
Budget Moved from 2016/17	55,000		
Total Approved Budget 2017/18	55,000	0	-55,000
Actual Expenditure 2016/17	0		
Actual Expenditure 2015/16	0		
ANTICIPATED TOTAL SCHEME COST	55,000		

Policy and Finance Committee Individual Scheme Details

Progress - Budget Holder Comments

September 2017: No change - The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

July 2017: No change from December 2016 - The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

December 2016: The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme, so there is no further progress on plans to spend the budget at this stage and there is expected to be no expenditure on the scheme in 2016/17. A report will be brought to a future meeting of this Committee when plans are drawn up. It is recommended that the revised estimate is reduced to nil and the £55,000 budget is moved to 2017/18.

September/October 2016: No change from July 2016 comments - The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

July 2016: There is no further progress on plans to spend the £55k budget at this stage. The scheme is in abeyance awaiting further consideration in relation to the wider Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.

May/June 2016: £55k slippage has been approved by Policy and Finance Committee, which is the non-LCC funded budget for this scheme. Policy and Finance Committee resolved that officers should take a report to a future meeting to suggest plans for use of the remaining £55k budget.

March 2016: Following in-year discussions with LCC it was confirmed that LCC would only commit the £60k funding effectively to core maintenance work, with an expectation that Ribble Valley's capital spend would be additional funding also to be spent on core maintenance. Enhanced town centre improvements were the main focus of this scheme for Ribble Valley and as such it was not seen as appropriate for Ribble Valley's funding to be used in this way. Consequently, it is proposed that this scheme is reduced, following confirmation by LCC that the £60k funding is no longer available, and that officers consider what enhancement works could be achieved by the remaining budget in 2016/17.

January 2016: The scheme is on hold whilst we seek to establish whether Lancashire County Council's funding contribution will support expenditure on enhanced town centre improvements, which is the aim of the scheme, rather than core maintenance work. If a way forward is not agreed with the County Council before year-end, the scheme budget will be moved into 2016/17 as slippage. There will be a need to re-assess the scheme if agreement is not reached on enhanced improvements.

September 2015: The series of options worked up for this scheme, in conjunction with Lancashire County Council, are being considered and further discussions are taking place with the County Council on the way forward. At this stage, it is expected that work will be completed in the 2015/16 financial year.

July 2015: A series of options have been worked up for this scheme, in conjunction with Lancashire County Council. These options will be considered and a way forward then agreed. At this stage, it is expected that work will be completed in the 2015/16 financial year.

Policy and Finance Committee Individual Scheme Details

RBSVR - Replacement server for Revenues and Benefits

Service Area: Revenues and Benefits

Submitted by: Mark Edmondson

Brief Description of the Scheme:

This scheme allows for the future replacement of the current SUN M3000 server which hosts the Council's Revenues and Benefits system. In 2017, the current server would be over 5 years old.

Revenue Implications:

Reduced yearly support and maintenance costs of approximately £1,000 per annum.

Timescale for Completion:

During 2017/18.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Total Approved Budget 2017/18	13,500	0	-13,500
ANTICIPATED TOTAL SCHEME COST	13,500		

Progress – Budget Holder Comments:

September 2017: The scheme implementation and procurement plan will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.

July 2017: The scheme implementation and procurement plan has not started yet. It will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.

Policy and Finance Committee Individual Scheme Details

PSEQP - Printing section equipment upgrade

Service Area: Organisation and Member Development

Submitted by: Michelle Smith

Brief Description of the Scheme:

To replace three items of printing equipment which are over 10 years old, namely: a Booklet Maker, Collator and Guillotine. These items are used collectively to produce a wide range of printed materials both internally and externally, eg. publicity and information notices, brochures and booklets relating to council services, forms and documents, Agenda papers, event tickets etc. Recently we have experienced problems with the reliability of the Booklet Maker and the Collator and the Guillotine was unsafe to use and is now broken.

In addition, upgrade the design system to an Apple platform using an I-Mac with associated software upgrade to Adobe Creative Cloud software suite, and appropriate back-up storage hardware. The Apple platform is a more versatile and comprehensive product for design and graphic work and would offer the opportunity for enhanced integration with the recently launched I-Pad scheme.

Revenue Implications:

Apple platform upgrade will increase revenue costs by approximately £500 per annum.

Timescale for Completion:

During 2017/18.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Total Approved Budget 2017/18	12,500	0	-12,500
ANTICIPATED TOTAL SCHEME COST	12,500		

Progress – Budget Holder Comments:

September 2017: Procurement is in progress for both the printing equipment and the design system upgrade elements of the scheme. At this stage, it is hoped to complete the scheme in-year, subject to successful trial-use of the proposed design system upgrade solution.

July/August 2017: Quotes have been received from suppliers in late August for the printing equipment element of the scheme. The best quote will be selected and purchase can be completed in-year. There is no detailed progress to date on the design system upgrade element of the scheme. There have been initial discussions with ICT but this element of the scheme may take longer to implement.

Policy and Finance Committee Individual Scheme Details

CSEAT - Council chamber – Tables and Seating renewal scheme

Service Area: Civic Suite

Submitted by: Adrian Harper

Brief Description of the Scheme:

The chairs are over 25 years old and have been repaired on a number of occasions. However the quality of these repairs is being increasingly compromised or made more difficult by the condition of the timber around the repairs. In order to prevent the use of the furniture becoming hazardous to the user it is proposed that the chairs are replaced. The particular model of chair is obsolete and therefore individual chairs cannot be replaced. There are 45 chairs in total, 3 of which have become hazardous to use, cannot be further repaired and therefore been removed, including the chairman's seat. This scheme also includes the purchase of tables.

Revenue Implications:

Reduced repairs costs of approximately £150 per annum.

Timescale for Completion:

May 2017: Contact potential suppliers and request samples.

July 2017: Consultation with CMT regarding design / material options.

September 2017: Obtain firm quotations and place order.

November 2017: Receive delivery of new furniture, recycle redundant chairs.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Total Approved Budget 2017/18	11,250	0	-11,250
ANTICIPATED TOTAL SCHEME COST	11,250		

Progress – Budget Holder Comments:

September 2017: Following discussion with potential suppliers the tables and seating renewal scheme and civic suite upgrade scheme are now being procured separately. Tables and seating samples are currently being assessed. The plan is to place an order by the end of November 2017, after the preferred tables and seating have been specified and quotes have been obtained from suppliers, so the scheme is completed within the financial year.

**Policy and Finance Committee
Individual Scheme Details**

July 2017: The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered and a preferred layout has been confirmed. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.

Policy and Finance Committee Individual Scheme Details

PHONE - New Council telephone system

Service Area: Organisation and Member Development

Submitted by: Michelle Smith

Brief Description of the Scheme:

A new telephone system is required for the Council, as follows:

- The current Phillips system is now 10 years old and the manufacturers have indicated that it will be unsupported from 2016 onwards, which will create issues in respect of ongoing repair and maintenance.
- There have been several system failures recently. In addition, it has been difficult to get repairs done promptly and adequately when these failures have occurred. This has had a negative impact on the smooth running of Council departments.

The capital scheme may involve:

- A new system (including main switchboard).
- Servers and updated handsets hardware to run the system on.
- Technical/consultant input to help spec the detail of the system and assist with the procurement process.

Revenue Implications:

To be confirmed.

Timescale for Completion:

Start technical assessment and procurement with aim of implementing the new system as soon as possible in 2017/18.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Total Approved Budget 2017/18	45,000	0	-45,000
ANTICIPATED TOTAL SCHEME COST	45,000		

Progress – Budget Holder Comments:

September 2017: Officers met with a potential supplier in September and are currently awaiting technical feedback on the system requirements. Following this, a detailed specification will be produced and quotes obtained. The implementation timescale will be clearer at detailed specification stage. Given this, completion within the current financial year cannot be estimated with any certainty at this stage.

**Policy and Finance Committee
Individual Scheme Details**

July/August 2017: Officers are meeting with a potential supplier in September to discuss the options available for a new telephone system. It is hoped that this will provide the information to work up the detailed specification for the scheme. The detailed specification will provide the basis for what we will ask suppliers to quote for and may possibly also lead to some new ways of working. Given this, completion within the current financial year cannot be estimated with any certainty at this stage. The implementation timescale will be clearer at detailed specification stage.

Policy and Finance Committee Individual Scheme Details

CSUPG - Civic suite upgrade

Service Area: Civic Suite

Submitted by: Adrian Harper

Brief Description of the Scheme:

1. Audio, lighting and CCTV:

The audio system is dated and ineffective for members not sat at the top table or for those in the public gallery. The lighting is original and ineffective. The proposal is to install a wireless delegate PA system. This to include individual wireless microphones for all members. The proposal for the lighting is to replace all lighting within the suite, the meeting rooms and the gallery with LED units and upgrade the existing CCTV system for the public gallery.

2. Projector and screen:

The projector is only approximately 7 years old but is outdated and there have been issues recently with reliability and quality. The proposal is to replace the projector with a HD projector together with a new wider 16:10 wall screen.

Revenue Implications:

None – existing service continues.

Timescale for Completion:

May 2017: Contact potential suppliers and request samples and specifications.

July 2017: Consultation with CMT regarding options.

September 2017: Obtain firm quotations and place orders.

November 2017: Commence upgrading works.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Total Approved Budget 2017/18	45,000	0	-45,000
ANTICIPATED TOTAL SCHEME COST	45,000		

Progress – Budget Holder Comments:

September 2017: Following discussion with potential suppliers the civic suite upgrade scheme and tables and seating renewal scheme are now being procured separately. A preferred supplier will be selected for the Civic Suite upgrade scheme following receipt of quotes, with the aim of completing the scheme within the financial year.

**Policy and Finance Committee
Individual Scheme Details**

July 2017: The Civic suite upgrade scheme (which relates to audio, lighting, CCTV, projector and screen equipment) and the Council chamber seating renewal scheme (which relates to new seating and tables) are being implemented in tandem, as the technology elements of the upgrade scheme do have an impact on the type and layout of tables and seating in the Council chamber. Different layouts for the seating and tables have been considered and a preferred layout has been confirmed. Officers are meeting with a potential supplier of audio equipment in September. Following this, the detailed procurement can begin for both schemes. At this stage, the aim is to complete both schemes by the end of the financial year.

Policy and Finance Committee Individual Scheme Details

ITSAN – ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)

Service Area: ICT
Head of Service: Lawson Oddie

Brief Description of the Scheme:

The scheme allows for the future corporately coordinated update of ICT equipment, including desktop and network with better business continuity resilience and improved data storage to meet increased use of ICT software functionality and to also potentially allow for more flexible working practices. The solutions are the implementation of:

1. Central storage area network that will allow for the consolidation of data storage, more resilient server infrastructure and a move towards high availability of server resources.
2. Investigate the use of G-Cloud or other cloud based services to enhance the Authority's disaster/business continuity procedures.
3. Replace ageing network infrastructure (network switches etc).

Revenue Implications:

This would be very difficult to quantify, as future technology available over time would likely offer different efficiencies than the technology available today.

Timescale for Completion:

It would be envisaged that the scheme would be completed within the year, however there is always the option for the scheme to be phased over a couple of years, as there are discrete elements of the scheme that are not reliant on each other to be operational.

Capital Cost:

	£	Actual Expenditure and Commitments as at end of September 2017 £	Variance as at end of September 2017 £
Original Estimate 2017/18	0		
Slippage from 2016/17	6,650		
Additional Approval 2017/18	1,350		
Total Approved Budget 2017/18	8,000	8,000	0
Actual Expenditure 2016/17	93,354		
ANTICIPATED TOTAL SCHEME COST	101,354		

**Policy and Finance Committee
Individual Scheme Details****Progress - Budget Holder Comments**

September 2017: Scheme complete – Additional budget of £1,350 was approved by Policy and Finance Committee in September 2017, to fund the minor overspend. The additional budget was financed from the ICT repairs and renewals earmarked reserve.

July 2017: Scheme complete - The IT consultant input was provided in early 2017/18 and the final £8,000 was paid in May 2017. Given the slippage request of £6,650, this scheme has overspent by £1,350, which is just over 1% of the total scheme budget of £100,000 and is due to a small number of unforeseen peripheral items required as part of the scheme. The additional budget required can be financed from the ICT repairs and renewals earmarked reserve.

March 2017: The IT consultant input required to complete the infrastructure refresh could not be scheduled in until early 2017/18. Slippage of £6,650 into 2017/18 is requested to help fund the IT consultant expenditure required. The IT consultant input cost in 2017/18 is £8,000. Given the slippage request of £6,650, then this scheme will overspend by £1,350 in 2017/18. This is just over 1% of the total scheme budget and is due to a small number of unforeseen peripheral items required as part of the scheme.

December 2016: No expenditure to date on the ICT Infrastructure Refresh scheme. The aim is to complete the scheme by the end of the financial year, dependent on the detailed project plan timings agreed with the preferred supplier.

September/October 2016: Tender documents have been advertised in October 2016 and the preferred contractor will be selected before the end of November 2016. At this stage, the aim is to complete the scheme by the end of the financial year because the refresh work is expected to take up to three months to complete. However, the actual timeline for scheme implementation is dependent on the project plan timings agreed with the preferred contractor at tender award stage.

July 2016: No spend to date in-year. The estimated timeline is for the work to be put out to tender, bids received and the preferred contractor selected by late Autumn 2016. This would allow the scheme to be completed by March 2017, as the refresh work is expected to take up to three months to complete. Tender documentation is currently being finalised.

May 2016: The work will be put out to tender, as the budget is greater than £50k.

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

INFORMATION

Agenda Item No 23

meeting date: 7 NOVEMBER 2017
title: OVERALL CAPITAL MONITORING 2017/18
submitted by: DIRECTOR OF RESOURCES
principal author: ANDREW COOK

1 PURPOSE

1.1 To provide members with information relating to the progress of the Council's approved capital programme for the period to the end of September 2017.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives - none identified.
- Corporate Priorities - to continue to be a well-managed council, providing efficient services based on identified customer need.
- Other considerations - none identified.

2 BACKGROUND

2.1 In total, sixteen new schemes, totalling £921,970, were approved for inclusion in the overall capital programme original estimate budget by the Policy and Finance Committee and Full Council at their respective meetings in February 2017.

2.2 In addition, the following amendments have been made to the capital programme in-year:

- The 2016/17 capital programme budgets for five schemes, totalling £342,450, were moved from 2016/17 to the 2017/18 capital programme, following assessment of the progress on those schemes when the 2016/17 revised capital programme budget was set in January 2017.
- There were seven 2016/17 capital schemes that were not completed by 31 March 2017 and had unspent budget available at that date. The total unspent balance on these schemes, £270,640, is known as slippage. This slippage has been transferred into the 2017/18 capital programme budget.
- One scheme, totalling £100,000, has been transferred from the Policy and Finance Committee to the new Economic Development Committee, because the nature of the scheme is in line with the Economic Development Committee's objectives.
- One new scheme with a budget of £26,670 was approved to be added to the 2017/18 capital programme in June 2017.
- Additional budgets of £14,840 across four existing schemes were approved by Policy and Finance Committee in September 2017.

2.3 Consequently, the total approved budget for the 2017/18 overall capital programme of twenty seven schemes is £1,576,570.

3 CAPITAL MONITORING 2017/18

3.1 The table below summarises the overall capital programme by committee, showing the total approved budget, actual expenditure and variances to the end of September 2017. Annex 1 shows the full programme by scheme, including budget, expenditure and variances to the end of September 2017.

Committee	BUDGET						EXPENDITURE	
	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
Community Services	447,610	0	23,600	0	3,240	474,450	326,762	-147,688
Planning and Development	0	0	30,200	0	0	30,200	0	-30,200
Policy and Finance	127,250	167,450	6,650	-100,000	1,350	202,700	8,000	-194,700
Health and Housing	347,110	175,000	210,190	0	36,920	769,220	152,212	-617,008
Economic Development	0	0	0	100,000	0	100,000	0	-100,000
OVERALL TOTAL	921,970	342,450	270,640	0	41,510	1,576,570	486,974	-1,089,596

3.2 At the end of September 2017 £486,974 had been spent or committed. This is 30.9% of the overall capital programme for 2017/18.

3.3 Four schemes have been completed already. Based on estimates of progress on each scheme at this stage, fifteen of the remaining twenty three schemes are aiming to be completed in-year.

3.4 The main reasons for the underspend on the full year budget to date are:

- **Play Area Improvements 2017/18 (-£37,954):** Post summer holidays refurbishment work is now in progress. This work will be completed and then further improvement work will be undertaken within the remaining budget from November 2017 onwards. Further works may also be required later in-year if regular playground assessment checks or insurance condition surveys identify any further improvement work. Some budget will be kept unallocated until March 2018 to ensure any currently unforeseen work can be funded.
- **Off-Street Car Parks – Update of Payment Systems (-£16,340):** The scheme budget has been increased to £16,340, after approval of the additional £1,790 budget at Policy and Finance Committee on 12 September 2017. The work will be planned for completion in-year.
- **Castle Museum – Refurbishment of Windows (-£53,002):** Work is on-going and will be completed in-year.

- **Renewal of Sections of Floor to Residual Waste Transfer Station (-£19,500):** A contractor has been selected for the work required. The work will be planned in at a convenient time later in the financial year, when there is less green waste transfer, to allow the waste transfer station to continue to operate as effectively as possible whilst the work is undertaken.
- **Ribblesdale Pool Improvement Work (-£11,877):** The main contract value was finalised in May 2017. The 2017/18 spend and commitments to date includes the commitment for the contract retention payment, which is due to be paid in March 2018. There is unlikely to be any further spend on this scheme in 2017/18.
- **Introduction of Planning Portal Link to the Planning Application System and Planning System Update scheme (-£30,200):** The progress of the scheme has been reviewed by ICT, including an update from the software supplier. Full Planning Portal integration is waiting for ICT and the software supplier to finish the integration of the current planning system and the National Land and Property Gazetteer and the software supplier has said it will be 12 months before the whole M3 planning system will be migrated over to Assure. Some partial migration could take place in the interim to take advantage of some of the new functionality offered.

Given this, the scheme will not be fully implemented within this financial year, but ICT and the Head of Planning have agreed to proceed with partial migration to Assure once the Planning Portal integration work has been completed.

- **Clitheroe Townscape Scheme (-£55,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme. A report will be brought to a future meeting of this Committee when plans are drawn up.
- **Replacement server for Revenues and Benefits (-£13,500):** The scheme implementation and procurement plan will be worked up between Revenues section and ICT. At this stage, the aim is to complete the scheme by the end of the financial year.
- **Printing section equipment upgrade (-£12,500):** Procurement is in progress for both the printing equipment and the design system upgrade elements of the scheme. At this stage, it is hoped to complete the scheme in-year, subject to successful trial-use of the proposed design system upgrade solution.
- **Council chamber - tables and seating renewal scheme (-£11,250):** Tables and seating samples are currently being assessed. The plan is to place an order by the end of November 2017, after the preferred tables and seating have been specified and quotes have been obtained from suppliers, so the scheme is completed within the financial year.
- **New Council telephone system (-£45,000):** Officers met with a potential supplier in September and are currently awaiting technical feedback on the system requirements. Following this, a detailed specification will be produced and quotes obtained. The implementation timescale will be clearer at detailed specification stage. Given this, completion within the current financial year cannot be estimated with any certainty at this stage.
- **Civic suite upgrade (-£45,000):** A preferred supplier will be selected for the Civic Suite upgrade scheme following receipt of quotes, with the aim of completing the scheme within the financial year.
- **Clitheroe Market Improvements (-£175,000):** The scheme is on hold, awaiting the final plans for the Clitheroe Market Development scheme.

- **Disabled Facilities Grants (-£370,987):** Committed expenditure at the end of September 2017 was £96,253, based on six schemes approved prior to this financial year and twelve schemes approved so far in 2017/18. There are a further fourteen applications awaiting approval and seven applications working towards approval following recommendation referrals received from Occupational Therapists. All these schemes can be funded from the remaining 2017/18 budget.

Further applications are expected in-year and we have seen an increase in referrals now that Lancashire County Council have appointed additional Occupational Therapists, but the budget may not be fully committed in-year, based on the level of applications received to date against the level of funding received from DCLG this year and the high level of slippage carried forward from 2016/17.

More applications will be received if we get confirmation that the Council's new "DFG adaptations grants" and "provision to allow a discretionary grant above the current DFG maximum" proposed schemes meet the regulations for use of Disabled Facilities Grants monies.

- **Landlord/Tenant Grants (-£59,620):** One scheme for £15,900 has been completed, but there is a lower level of commitments against budget than expected because a previously proposed scheme is not currently able to go ahead. Housing officers are now encouraging new applications for schemes in-year and one further application has been approved in October 2017.
- **Affordable Warmth – Capital Grants (-£11,398):** Additional Affordable Warmth funding of £10,251 has been received from Lancashire County Council in-year and this makes up the bulk of the underspend at the end of September 2017. Housing officers will publicise the availability of these grants to residents of the borough.
- **Economic Development Initiatives (-£100,000):** At this stage, development opportunities to bring forward land for employment are being reviewed and will be reported to the Economic Development Committee. It is anticipated that this capital scheme be considered to help support any emerging initiatives that arise as a result of that report.

4 AFFORDABLE WARMTH – CAPITAL GRANTS 2017/18 FUNDING BID

- 4.1 Lancashire County Council have confirmed to Housing officers that the Council can bid for up to £21,684 of further Affordable Warmth – Capital Grants funding in 2017/18. This funding is ring-fenced for use on affordable warmth capital grants only. A bid is currently being prepared. We will report to the next Committee meeting on whether the bid has been successful or not. If it is successful, the additional funding will be added to the Affordable Warmth – Capital Grants scheme budget.

5 CONCLUSION

- 5.1 At the end of September 2017 £486,974 had been spent or committed. This is 30.9% of the overall capital programme for 2017/18.
- 5.2 Four schemes have been completed already. Based on estimates of progress on each scheme at this stage, fifteen of the remaining twenty three schemes are aiming to be completed in-year.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF67-17AC/AC
26 October 2017

67-17pf

Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
Community Committee									
PLAYR	Play Area Improvements 2017/18	40,000	0	0	0	0	40,000	2,046	-37,954
CPPAY	Off-Street Car Parks – Update of Payment Systems	14,550	0	0	0	1,790	16,340	0	-16,340
CMWIN	Castle Museum – Refurbishment of Windows	62,560	0	0	0	0	62,560	9,558	-53,002
TSFLR	Renewal of Sections of Floor to Residual Waste Transfer Station	19,500	0	0	0	0	19,500	0	-19,500
RVJJK	Replacement of Twin-bodied Refuse Collection Vehicle (VU59 JJK)	218,000	0	0	0	0	218,000	216,626	-1,374
WCOJV	Replacement of Works Vehicle (PO54 COJ)	23,500	0	0	0	0	23,500	20,953	-2,547
GVSWO	Replacement of Mower (Kubota) PN09 SWO	15,500	0	0	0	1,450	16,950	16,949	-1
SCGMW	Replacement of Scag Mower 4x4 (rvbc016) and Scag Mower (rvbc014)	13,000	0	0	0	0	13,000	11,976	-1,024
GVLSY + GVTZG	Replacement Pick-up Vehicles (Ford Ranger S/C 4WD x 2) - PK07 LSY and PK07 TZG	41,000	0	0	0	0	41,000	40,421	-579
RPIMP	Ribblesdale Pool Improvement Work	0	0	16,820	0	0	16,820	4,943	-11,877
PLAYQ	Play Area Improvements 2016/17	0	0	6,780	0	0	6,780	3,290	-3,490
	Total Community Committee	447,610	0	23,600	0	3,240	474,450	326,762	-147,688

Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
Planning and Development Committee									
PLANN	Introduction of Planning Portal Link to the Planning Application System and Planning System Update	0	0	30,200	0	0	30,200	0	-30,200
	Total Planning and Development Committee	0	0	30,200	0	0	30,200	0	-30,200
Policy and Finance Committee									
OROOF	Council Offices – Re-roofing (retention)	0	7,910	0	0	0	7,910	0	-7,910
WINDW	Council Offices – Replacement Windows and Rooflights (retention)	0	4,540	0	0	0	4,540	0	-4,540
TNSCP	Clitheroe Townscape Scheme	0	55,000	0	0	0	55,000	0	-55,000
ECDVI	Economic Development Initiatives	0	100,000	0	-100,000	0	0	0	0
RBSVR	Replacement server for Revenues and Benefits	13,500	0	0	0	0	13,500	0	-13,500
PSEQP	Printing section equipment upgrade	12,500	0	0	0	0	12,500	0	-12,500
CSEAT	Council chamber – Tables and Seating renewal scheme	11,250	0	0	0	0	11,250	0	-11,250
PHONE	New Council telephone system	45,000	0	0	0	0	45,000	0	-45,000
CSUPG	Civic suite upgrade	45,000	0	0	0	0	45,000	0	-45,000
ITSAN	ICT Infrastructure Refresh (Storage Area Network (SAN) and Network and Server Replacement)	0	0	6,650	0	1,350	8,000	8,000	0
	Total Policy and Finance Committee	127,250	167,450	6,650	-100,000	1,350	202,700	8,000	-194,700

Overall Capital Programme 2017/18

Cost Centre	Scheme	Original Estimate 2017/18 £	Budget Moved from 2016/17 £	Slippage from 2016/17 £	Budget Transferred between Committees in 2017/18 £	Additional Approvals 2017/18 £	Total Approved Budget 2017/18 £	Actual Expenditure including commitments as at end of September 2017 £	Variance as at end of September 2017 £
Health and Housing Committee									
CMIMP	Clitheroe Market Improvements	0	175,000	0	0	0	175,000	0	-175,000
DISCP	Disabled Facilities Grants	297,110	0	170,130	0	0	467,240	96,253	-370,987
LANGR	Landlord/Tenant Grants	50,000	0	25,520	0	0	75,520	15,900	-59,620
CWARM	Affordable Warmth – Capital Grants	0	0	14,540	0	10,250	24,790	13,392	-11,398
PURAP	Remaining Share of Alma Place Property	0	0	0	0	26,670	26,670	26,667	-3
	Total Health and Housing Committee	347,110	175,000	210,190	0	36,920	769,220	152,212	-617,008
Economic Development Committee									
ECDVI	Economic Development Initiatives	0	0	0	100,000	0	100,000	0	-100,000
	Total Economic Development Committee	0	0	0	100,000	0	100,000	0	-100,000
OVERALL CAPITAL PROGRAMME 2017/18 TOTAL		921,970	342,450	270,640	0	41,510	1,576,570	486,974	-1,089,596

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 17 AUGUST 2017

Present: Cllrs: K Hind (Chair), A Brown, T Hill, Hirst, A Knox and J Rogerson, Chief Executive, Director of Resources, Director of Community Services, Head of Financial Services.

1 Apologies

Cllr: Elms

2 Minutes of meeting held on 12 July 2017

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

3 Overall Revenue Monitoring 2017/18

3.1 The Head of Financial Services took members through a report on overall revenue monitoring for the first 4 months of 2017/18. The report covered the main areas of employee costs, fees and charges, and interest.

3.2 Overall, the variances for the period up to the end of July were favourable, with a net saving/additional income of £62,670 based on the areas covered in the report.

3.3 The main reasons for the variance were increased income from planning fees and trade waste, partly offset by a fall in income at Ribblesdale Pool.

4 Budget Forecast 2018/19 to 2020/21

4.1 The Director of Resources took members through an update report on the budget forecast. The report provided details about Public Sector Pay and Price Inflation, Local Government Funding, Council Tax and the Additions Made to the Base Budget.

4.2 There was a discussion on the impact of Waste Management on the budget and the forthcoming Community Services Committee meeting.

4.3 Based on the assumptions made and the additions to the base budget regarding Waste management, Planning Fee Income and the new Director of Planning and Economic Development, reductions to expenditure were forecast to be needed of:

Reductions in expenditure required in order to achieve a balanced budget	
	£'000
2018/19	774
2019/20	956
2020/21	1,139

4.4 The next steps in the budget process were explained and advice was also sought regarding increases in fees and charges

- We should not be subsidising the services that are provided. Any charges should look to meet the costs of providing the services being used.
- As an **absolute minimum** all fees and charges should be increased by 2%.
- Where possible comparisons should be made to the charges being made by our neighbours in Lancashire – or wider if appropriate.

- We should thoroughly review our services for areas where we are not charging – but where a charge may be made/be appropriate.
- As part of the review, we should be looking at innovative ways of charging

4.4 With regard to capital bids it was agreed that new bids be sought for the 2022/23 financial year and that any bids be dealt with in the same manner as in previous years.

5 Any Other Business

5.1 There were no additional items of business.

6 Date and Time of Next Meeting

6.1 The next meeting was agreed as Wednesday 27 September 2017 at 4pm in Committee Room 1.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 27 SEPTEMBER 2017

Present: Cllrs: K Hind (Chair), A Brown, A Knox and J Rogerson, Chief Executive, Director of Resources, Director of Community Services, Head of Financial Services.

1 Apologies

Cllr: P Elms, T Hill and S Hirst

2 Minutes of meeting held on 17 August 2017

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

2.2 The Director of Resources gave an update on the latest position on the three new business rates relief schemes (Small Businesses; Pubs; Discretionary Relief Scheme). The Government were keen to know where local authorities were up to in implementing their new schemes. For this council, we had been waiting for the release of the new software to allow us to implement the scheme. The latest position was:

- Small Businesses – 15 auto adjusted
- Pubs – 50 invited to apply (25 completed applications had been returned)
- Discretionary Relief Scheme – 57 invited to apply (18 completed applications had been returned)

3 Consultation on Local Government Finance Settlement 2018/19

3.1 The above consultation was referred to by the Director of Resources. The Government were consulting on

- Their intended approach to the third year of the multi-year settlement
- Treatment of New Homes Bonus
- Council Tax Referendum Principles
- Tariffs and Top Ups adjustments following Business Rate Revaluation
- Mayoral Combined Authority Receipts
- Managing the effect of transferring fire functions from County Councils to police and Crime Commissioners

3.2 A full copy of the consultation was provided for members within the agenda pack and it was agreed that a suggested response to the consultation would be brought back to the next meeting of Budget Working Group. The closing date for the consultation was 26 October 2017.

3.3 There was a discussion on the proposals regarding 'New Homes Bonus and Planning Effectively'

3.4 Reference was also made to the proposal that 'shire district councils would be allowed increases of less than 2% or up to and including £5, whichever is higher' as part of the referendum principles.

3.5 The reference to parishes and the setting of their precepts was also discussed in the context of referendum principles within the consultation paper.

4 Business Rates Pooling 2018/19 - Update

4.1 The Director of Resources took members through a report updating them on the latest position with regard to the Lancashire Business Rates Pool.

- 4.2 It was explained that the pool had operated very well to date; however, there were complications currently as Burnley Borough Council were looking to re-join the business rates pool, having previously left in 2017/18.
- 4.3 The process regarding the pool and its members was explained with regard to 2018/19 together with the risks in respect of the pooling arrangements should there be agreement amongst the existing pool members to allow Burnley Borough Council to join a re-formed Lancashire Business Rates Pool.
- 4.4 There was a discussion around the risks and issues in respect of the Government's invitation for new pilots for pools under the 100% retention of business rates. The recommendation from the Lancashire pool member CFOs to their Leaders would be that such a venture would not warrant the risk, and with no benefit above the financial position that the Lancashire Business Rates Pool was already in.

5 New Homes Bonus

- 5.1 Members were asked to consider the potential to use an increased level of New Homes Bonus in support of the revenue budget in future years.
- 5.2 The current position on the use of New Homes Bonus in the support of both revenue and capital was provided and it was explained that the Government were currently consulting on proposals to introduce an adjustment for homes built following appeal and also the potential of a change in the 0.4% baseline.
- 5.3 Varying annual amounts had already been earmarked for capital purposes (along with other resources), but there was a fixed annual level of £793,079 New Homes Bonus used to finance the revenue budget in the latest forecast.
- 5.4 The implications of a change in the 0.4% threshold on the New Homes Bonus received were explained within the report.
- 5.5 The report showed a potential surplus of New Homes Bonus above that already earmarked over the next three years of £935,684. It was suggested that if this was split evenly over the next three years then potentially an extra £311,895 could be used annually in addition to the existing commitment of £793,079. This would still leave a buffer of £1.8m in earmarked reserves from past years unused New Homes Bonus should forecasts on future housebuilding be incorrect.
- 5.6 Members supported the recommendation that £1,104,974 per annum of New Homes Bonus should be used in future years (2018/19 onwards) in support of the revenue budget. However, concerns were expressed should the level of funding be withdrawn by the Government in future years.

6 Any Other Business

- 6.1 There were no additional items of business.

7 Date and Time of Next Meeting

- 7.1 Future meetings were agreed as:
- Wednesday 18 October 2017 at 4pm in Committee Room 1 (apologies from Cllr Rogerson)
 - Thursday 23 November 2017 at 4pm in Committee Room 1

MINUTES OF COMMUNICATIONS WORKING GROUP 29 AUGUST 2017 – 4.00pm

PRESENT:

Cllr Ken Hind	Michelle Smith
Cllr Sue Hind	Lawson Oddie
Cllr Graham Geldard	Mark Beveridge
Cllr Ged Mirfin	Colin Hirst
	Tom Pridmore

APOLOGIES

Received from Cllr Allan Knox and Theresa Sanderson

PURPOSE OF THE WORKING GROUP

- To examine and make recommendations to Policy & Finance Committee on the current policies relating to promotion and public relations of the Council including written press, radio, television, the website, and social & digital media.

SOCIAL MEDIA AND WEBSITE

Lawson had prepared a report on the types of social media used by the Council and the accounts run by various service areas. The report outlined the automatic postings and regular postings of the accounts and retweets carried out from other profiles. It was highlighted that the Council must be cautious about who they 'follow' as this could be seen as endorsement. 'Hits' can sometimes be a better indication of interest than 'followers'.

It was acknowledged that there could be increased use of YouTube and Instagram.

A further report had been prepared regarding the corporate website. The landing page of the website includes 8 icons which change according to demand and searches plus 'Latest News' and promotions. There was potential for increased use of on-line forms and mobile phone access has increased dramatically.

There was a view from Members that although the main website is a good deliverer of information it is not interesting to look at and could do with something visual to make it 'demand to be read'. Something that tells people what RV is about. There should also be links on the front page to Twitter, Facebook and the other RV accounts – eg Tourism. The visitribblevalley website is very successful. Lawson explained that the current layout was driven by making the user experience as smooth as possible, and was reflected in the SOCITM rating (Society of IT Managers).

Members felt that the 3 main streams of the website should be

- To attract businesses
- Hospitality / tourism
- Delivery of information to residents

IMPROVEMENTS

The improvements outlined in Lawson's report regarding social media should be implemented as soon as possible. The website should also show RV as a brand and include images of Pendle Hill and the Trough of Bowland as well as prominent links to Twitter, Facebook, YouTube, and the other RV accounts including Tourism and Wedding Heaven.

CONFERENCE ON FOOD AT HOLMES MILL

The Leader has been asked to open this event on 6 September 2017. A promotional stall has been offered to RVBC for tourism and economic development. This is an event that should be promoted and celebrated on the RV website.

TRAILS – TOURIST / HERITAGE / FOOD

Tom Pridmore is working on a trail for tourism / heritage that will hopefully be included in the report on tourism to the Economic Development committee in September.

A relaunch of the Food trail needs further consideration before anything is done.

ECONOMIC DEVELOPMENT

The promotion of RV to encourage new businesses is imperative. At the moment we very much rely on others doing the promotion.

ACTION:

- Lawson – improvements as outlined in his social media report.
- Tom – to work on a Tourism/Heritage Trail
- Colin – look at how to promote RV to businesses

DATE OF NEXT MEETING

The next meeting was arranged for 4.00pm on Tuesday 26 September 2017 in the meeting room, Level D of the Council Offices.

The meeting closed at 5.10pm

MINUTES OF COMMUNICATIONS WORKING GROUP 26 SEPTEMBER 2017 – 5.00pm

PRESENT:

Cllr Ken Hind	Michelle Smith
Cllr Sue Hind	Lawson Oddie
Cllr Ged Mirfin	Theresa Sanderson
	Colin Hirst
	Tom Pridmore
	Stuart Haworth

APOLOGIES

Received from Cllr Graham Geldard and Mark Beveridge

PURPOSE OF THE WORKING GROUP

- To examine and make recommendations to Policy & Finance Committee on the current policies relating to promotion and public relations of the Council including written press, radio, television, the website, and social & digital media.

UPDATE ON ACTIONS TAKEN ON SOCIAL MEDIA AND WEBSITE

Following a meeting between the Leader, Chief Executive, Lawson and Stuart Haworth it was agreed that as the corporate website is essentially information based a separate promotional website should be created with links to our other websites.

Lawson and the IT team had also made progress on the following actions

- Educating staff on social media – staff meetings and Heads of Service meeting plus individual meeting with Heads of Service
- Promotion of facts and figures – quirky anecdotal facts + facts about services
- Promote services linked in to National Days – social media calendar with details of national awareness days/weeks
- Raise profile of council meetings and public participation
- A day with RVBC – covered by #OurDay – 21 November
- Monthly features – promoting the activities of services areas as a regular rotating feature
- Follow a job role for a day
- National #OurDay – identifying an A – Z of possible services to include. Interest from #OurDay will inform promotion of services in future social media activity
- Use social media to educate and inform residents – regular meetings IT/Theresa/Contact centre to identify themes of services that the public are making contact about. Help direct the public to the right agency/correct service. Work with partners in respect of retweeting.
- 'following' – further review of organisations that we follow
- Promote photo competition
- Provide links to corporate social media on all literature etc
- Spread good news about staff events/achievements – consent required for this
- Encourage staff to suggest tweets/posts
- Run campaigns
- Get more imagery from events and services to use on social media

Lawson reported that Followers on both twitter and facebook had increased since the last meeting.

Check Standing Orders about councillors tweeting in meetings.

Councillors should be encouraged to look at what has been tweeted by the Council and re-tweet so that the message is widened as far as possible. Councillors may need some training on using social media – **Michelle Smith / Stuart Haworth to investigate courses** . It was however, pointed out that promotion and political issues should be kept completely separate.

UPDATE ON TOM'S REPORT TO ECONOMIC DEVELOPMENT COMMITTEE

Tom's draft Tourism Destination Management Plan had been approved by committee to go out to consultation.

Committee had also resolved to ask Tom to do a Heritage Trail. Tom had prepared a basic paper that outlined the tasks to be completed in order to do this including an audit of 'heritage gems'; identifying which have potential for tourism growth; hosting meetings of key potential partners; and launch. This would be progressed early in the new year.

Ken reported that both Stonyhurst College and Browsholme Hall would both be interested.

The idea of something more than just a 'paper' trail was also discussed – walking; car; coach and app. For example there may be potential to develop an 'app'.

RIBBLE VALLEY PR CAMPAIGN

Theresa reported that the PR campaign would be largely based on the organisational aims contained in the Corporate Strategy that had recently been approved by Policy & Finance committee.

The campaign would need a slogan to represent RVBC's new vision. She asked for ideas and it was suggested this should be opened up to councillors and staff to make suggestions.

There was a lot of customer satisfaction in RV so it is about building on the good work that is already happening and maintaining that satisfaction in the face of funding cuts. The Borough's profile in relation to economic development needs to be raised in order to create a sustainable borough.

Main action points include

- Target audiences
- Tactics and channels to be used
- Timescales
- Evaluation

It was felt that work on this should start straight away with the aim of a big launch in January 2018. There are newsworthy activities to use that are already on-going.

The Leader suggested a timescale for different bits

- Promotional website – February 2018
- Heritage trail – Spring 2018
- Events calendar

Theresa is currently working on a short promotional film that should be available to show (perhaps unfinished) by the next meeting.

PROMOTIONAL WEBSITE

Stuart circulated copies of examples of other authority websites along with one that he had put together as an idea for RV. He also gave a demo of this on-line for the group to see. Stuart had based it on Live/Work/Play theme following the meeting with the Leader, Chief

Executive and Lawson with rotating banners. It needs to be the 'shop window' that is user friendly and looks good with links to 'real' information on the corporate website. We need to decide what this website is trying to achieve and needs a strapline/vision/branding. Cllr Mirfin remarked that 'Brand RV' is missing. It needs to say that RV is in Lancashire as there is nothing that obviously tells people where RV is in the country.

It was agreed that Theresa/Alice would work on a branding exercise/logo and what we are looking to achieve but the material and what we wanted the site to achieve would drive the process. Michelle warned that this may have cost implications that would need committee approval.

ACTION:

- Lawson – continue with improvements as outlined update report.
- Stuart/Michelle – investigate training for councillors on social media
- Tom – to work on a Tourism/Heritage Trail
- Colin – look at how to promote RV to businesses
- Theresa – involve councillors and staff in 'new slogan' for PR campaign and work on a scoping exercise

DATE OF NEXT MEETING

The next meeting was arranged for 4.00pm on Thursday 26 October 2017 in the meeting room, Level D of the Council Offices.

The meeting closed at 6.25pm