



COUNCIL MEETING

Wednesday, 20th November, 2013

8.00 pm

Town Hall, Watford

Please note the start time of this meeting

Publication date: 12 November 2013

CONTACT

If you require further information or you would like a copy of this agenda in another format, e.g. large print, please contact Pat Thornton on 01923 27832 or by email –

legalanddemocratic@watford.gov.uk .

Welcome to this meeting. We hope you find these notes useful.

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12 November 2013

Councillor

You are hereby summoned to attend a meeting of the Council of the Borough of Watford to be held on Wednesday, 20th November, 2013 starting at 8.00 pm at the Town Hall, Watford to take into consideration and determine upon the following subjects, namely: -

1. **APOLOGIES FOR ABSENCE**
2. **DISCLOSURE OF INTERESTS**
3. **MINUTES**

The minutes of the meeting held on 24 July 2013 to be submitted and signed. *(All minutes are published on the Council's website.)*

4. **OFFICIAL ANNOUNCEMENTS**
5. **MAYOR'S REPORT** (Pages 1 - 6)
Report of the Elected Mayor
6. **QUESTIONS BY MEMBERS OF THE COUNCIL UNDER COUNCIL PROCEDURE RULE 10.0**
7. **QUESTIONS BY MEMBERS OF THE PUBLIC UNDER COUNCIL PROCEDURE RULE 11.0**
8. **PETITIONS PRESENTED UNDER COUNCIL PROCEDURE RULE 12.0**
9. **BUSINESS ESPECIALLY BROUGHT FORWARD BY THE CHAIRMAN OR THE HEAD OF PAID SERVICE WHICH IN THE OPINION OF THE CHAIRMAN SHOULD BE CONSIDERED AS A MATTER OF URGENCY.**
10. **MOTIONS SUBMITTED UNDER COUNCIL PROCEDURE RULE 13.0**
 - (1) The following motion is being moved by Councillor Jeffree and seconded by Councillor Sharpe

"Council

Welcomes the recent Herts County scrutiny of 20mph speed limits and the public consultation on a revised draft Speed Management Strategy

Notes that adoption of the revised draft speed management strategy would align county policy with current Government guidance on local speed limits.

Reaffirms its belief that implementation of a town-wide speed limit of 20mph on all

non-major residential roads, combined with a public information campaign would have an immediate and beneficial impact on accidents and fatalities in Watford.

Resolves

1. That the Mayor should invite Hertfordshire County Council to work with Watford Borough Council on the feasibility, consultation, planning and implementation of 20mph limits on all residential roads in Watford, excluding major roads.

2. That Hertfordshire County Council be informed of this motion as part of Watford's response to the consultation."

(2) The following motion is being moved by Councillor Turmaine and seconded by Councillor Connal.

"Motion to support the introduction of standardised packaging for tobacco products

This council notes that:

More than 200,000 children under the age of 16 take up smoking every year, around 570 every single day. Half of lifetime smokers will die from the habit and the proportion of smokers (adults and children) is higher in vulnerable groups. Smoking kills 100,000 people every year, the equivalent of nearly two full Airbus A320 planes every day.

The last Labour government implemented a very successful set of anti-smoking policies, including the banning of smoking in pubs, the ending of sports sponsorship, billboard advertising and raising the legal age at which people may purchase tobacco products. The result of this was that the proportion of children who smoked fell by half and adults by 25%.

Since 2010, fewer people are successfully quitting smoking and fewer people are making use of the NHS Stopping Smoking services.

Evidence is clear that among both children and adults, standardised, unbranded packaging makes tobacco products less attractive and will reduce smoking rates. The current government's approach has been to implement precisely what the tobacco lobby wants – a delay to 'wait and see what happens in Australia' (which has passed standardised packaging law). Waiting for the results of the implementation of the policy in Australia will mean that 500,000 under 16 year olds in the UK will have taken up smoking.

This council resolves to:

Write to the Secretary of State for Health to add its support to the drive to introduce standardised packaging.

Write to Watford's MP to do the same."

11. REVIEW OF THE STATEMENT OF LICENSING POLICY (Pages 7 - 78)

Report of the Licensing Committee - 22 October 2013

12. FINANCIAL PROCEDURE RULES (Pages 79 - 150)

Report of the Head of Democracy & Governance

13. NEW WATFORD MARKET UPDATE

Report of Cabinet 11 November 2013 – **to follow**

A handwritten signature in black ink, appearing to read 'Manny Lewis'. The signature is written in a cursive style with a large, stylized 'L' at the end.

Manny Lewis, Managing Director

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Mayor's Report – November 2013

Here is my report on information, news and updates relating to the town and my activities as Elected Mayor.

Family friendly town centre

Creating a family friendly town centre has always been and will remain a top priority - and we're really starting to get there.

Purple Flag recognition for town centre

I was pleased to hear that the town centre continues to be recognised as a good destination for a fun and safe night out, with the attainment of a Purple Flag award for the second year running. In order to achieve Purple Flag status, we had to demonstrate that Watford is excellent at managing the evening and night-time economy; that we are welcoming to everyone, provide a good mix of venues and offer safe ways for visitors to travel home. In our renewal application we talked about our taxi-marshals, our PubWatch scheme (which promotes responsible retailing), our trained door staff and complete CCTV coverage.

Charter Place redevelopment

My aspirations for having a much improved Charter Place move a step closer, with Intu having now submitted its plans for the £100 million redevelopment. These include new shops, restaurants, a cinema and another leisure outlet too, such as an ice rink or bowling alley. There will also be a new public square in order to host an events programme, such as street theatre and music shows. This should keep people choosing Watford as the place to come and spend their money. Construction is expected to start during 2015, with the aim of it opening in 2017.

New market plans progress

As a market town, I believe Watford should have a market that we can all be proud of, and want to use regularly. Plans for our new market have now been submitted. It will be situated just off the Parade, with a high street entrance at the side of the TJ Hughes building by the flyover. Members will not be surprised to hear that we have gone for the best option possible: a two storey market, with stalls spilling out onto The Parade – open at least five days a week.

We expect to have obtained planning permission before Christmas, and the market will be open for business by next Summer. We have selected Town & Country Markets to manage the market for us; the company has as a strong track record, operating 16 markets across the country. They have led major redevelopments including at Old Spitalfields market, which they also operate, and are working at Shepherds Bush market.

Parade improvements

Our investment in the top of the town continues, with The Parade works well underway, on time and within budget. Over half of the new paving has now been laid, and when you compare before and after photos it is clear to see such a vast

improvement has been made already. Once the trees are planted in early spring, it will look even better. The pond is currently being drained - we have carefully removed the fish and they are now being stored in holding tanks by pond specialists Aquajoy.

Improving this part of town doesn't just finish when the works are completed in Spring. We'll be running anti-littering campaigns, and doing whatever we can to try to tackle the chewing gum problem. This will include stepping up enforcement – chewing gum is after all litter and those caught can be given a fixed penalty notice. We are also looking at ways we can try to reduce the volume of pigeons. While we have little means of stopping them coming to salvage food from the bins, we can educate people to stop actively feeding them.

We'll also be putting money into the budget to run events and specialist markets. There will be more space than before, so we'll have more flexibility about what can be put on. I'd like to see an events space that can showcase local talent – be it dance troops, bands or performers.

Parks & Open spaces

Grand Union Canal tow path improvements

Last month I attended the official gathering of all the partners involved in the Grand Union Canal Towpath Partnership Project. Our investment has enabled the complete resurfacing of the towpath from Cassiobury Park right down to Hunton Bridge. It is now much easier for anyone wanting to walk, cycle or run. The Grade II listed Lady Capel bridge has also been restored. Volunteers from the Waterway Recovery Group cleared debris from the 200 year old bridge and carefully re-pointed the brickwork, then repainted it using specialist white paint, which I am told took some 287 hours to do, as it required three coats of paint!

Green Flag

We continue to invest in our parks, and have once again retained our three Green Flag Awards. It is the fifth year that Woodside and Cheslyn have been awarded their flags and the seventh year for Cassiobury Park. It is thanks to our parks team, who work tirelessly to keep our open spaces looking fantastic, and I am certain that under Veolia's care, the high standard will continue.

Gas Holder site

I'm really pleased that the Gas Holder site down by Bushey Arches is finally coming down. It's been something I've been pushing for ever since becoming Mayor as it's such an eyesore – it has finally made it to the top of National Grid's priority list and will be dismantled imminently. I am looking forward to attending the official demolition event later this month.

Jobs and the economy

More jobs for Watford

There are pockets of good jobs news happening across the town; just this week we heard Wickes has signed on dotted line to have its new HQ in Watford, bringing 250 new jobs to the town and Kodak will bring 150 jobs to Croxley Business Park. The new Homesense store that recently opened on Century Retail Park created 42 new jobs, and there are some 360 plus new job opportunities at the new Morrisons store in West Watford.

Employment figures looking positive

The latest employment figures for Watford are reassuringly positive. We continue to have lower unemployment than the national average and fewer people on job seekers allowance. This tallies with what we're seeing through our economic development work here in the Town Hall. There is no room for complacency and I keep my eye on all the key statistics.

Encouraging town centre business

We have recently created the Watford Town Centre Partnership, which is a group of businesses and organisations from Watford, who have come together to help determine the future of the town centre. They will explore ways to improve the marketing of the town to increase footfall and investigate ways to decrease vacancy rates. They will also look at how to maximise the benefits from the major investments currently taking place including The Parade improvements, the new Watford Market, the Charter Place redevelopment and the rejuvenation of the Lower High Street.

Council events

Fireworks display – another success!

Our annual fireworks display was another triumphant success. It was an important one for us, because it was the first to take place since we outsourced to Veolia. So it was really reassuring to hear both council officers and Veolia staff agreeing that it all went very smoothly and that they had work well together as a team.

Members will recall that when we first became aware of our cuts in government grant, much discussion centred around whether it was still appropriate to host a free fireworks display for residents. We came to the conclusion that events like this one, as well as our other free events: Watford Live and Imagine Watford festivals, put Watford on the map for the right reasons. Even more importantly, they are part of the foundation stones of community spirit, part of why we are "proud of Watford".

Fireworks night presents us with a great opportunity to raise money for charity too, and the town centre businesses are bound to feel a positive knock-on effect, as many people will decide to make a night of it and go out for a meal post the event. I

firmly believe that it's precisely when times are tough we need to be able to still have fun together and that's exactly what we did

Audentior Awards 2013

In Watford we are blessed by having so many people that willing give up their time to help others and supporting their local community – that was why I introduced the Audentior awards 10 years ago, as a way to show our appreciation. Last month we held our annual event, which I was pleased to see many members attended. Winners included Owen Parry, who's involved with Shopmobility, Elizabeth Timmons a former midwife who is devoted to the Peace Hospice and Barbara Sargent, a volunteer at Watford Swimming Club for over 35 years. Please can I urge members to always be on a look out for those other unsung heroes out there that deserve our thanks, and to put them forward for a nomination next year.

Remembrance service

Along with the Chairman, I led the civic wreath laying ceremony at the newly restored Peace Memorial in front of the Town Hall on Sunday 10 November. We were joined by representatives of many local organisations, in remembrance of those who suffered as a result of war or conflict. All were welcome to the events and I thank those members that encouraged others to attend to remember those who fought to make our world the safer place it is today.

Engaging the community

Independent Living schemes visits (formerly sheltered schemes)

With so many projects underway to improve the town, it is important that I talk to residents about what is going on and listen to their opinions. I have recently visited a number of sheltered housing schemes to do just that, and the residents have used the opportunity to give me their feedback on what it is like for older people living in Watford.

Schools visits

Last month I was invited to run an assembly for sixth formers at Westfield Community Technology College as part of European Local Democracy Week. The students were all very interested and keen to understand better how local democracy in our country works. I hope that as a result some of them may be inspired to pursue a career in politics or local government.

Church services

For some months now I have been visiting the many churches in our town for Sunday services, again as another opportunity to engage with local residents and hear their views. I also recently met with the congregation of West Watford Free Church to hear about what they are doing. They are a very happy group of people who also run Café West, the community café in west Watford. They were one of the groups that applied to the council's Small Grant Fund, which enabled them to purchase and install new hot water boiler, to help them cater for their increasing number of customers.

Speaking out on night time lighting

Last month the County Council agreed to our request to have an early review of its night time lighting policy, two years after it was introduced. The council participated in the review, and I sent in my own submission on the subject. There seems to have been a mixed reaction to the lights being switched off at midnight here in Watford. It is clear that it is the fear of crime that is the issue, as thankfully there doesn't appear to be any evidence to show that the lights being off has led to an actual increase in crime. However, I believe that as we are the most urban town in the county and have a very vibrant night life and a resident population still active after midnight, 1am would be a more appropriate time for a switch off. I also asked for there to be some local flexibility over which streets may be lit versus those that are not.

Other county council consultations

I would encourage members to have their say in some other consultations the County Council is currently running. It's reviewing its library services, with a view to making them more modern and appealing to a wider audience and they are doing a consultation on speed management, part of which will look at the introduction of a 20mph speed limit for Watford, which members here unanimously backed last year. They are also reviewing children's centres and all the senior citizen provision currently run by Age UK

A fit, active community

New equipment at central leisure centre

We are committed to offering first rate leisure services to residents. Central leisure centre has recently undergone a £200,000 refurbishment, and has had all its gym equipment upgraded. Our centre in Woodside will have a similar revamp in the new year.

Getting Watford fitter

I recently met with a fitness 'guru' that has ideas on how to get Watford residents more fit and active. It reminded me that there are lots of activities taking place in community centres, leisure clubs and outdoor spaces in Watford that anyone can take part in. Many are low cost, or in some cases free, in order to help local residents have an active lifestyle. Concessions are offered to the over 55s on swimming and many other activities at leisure facilities and local community centres. Watford Football in the Community team also offers a programme called Extra Time for the over 60s, offering a variety of activities from carpet bowls, Tai Chi, dance, technology courses and more. Members wishing more information should contact HertsHelp on 0300 123 4044.

Olympic Legacy Games Event

I really enjoyed attending Olympic Legacy Games event last month. Over 600 Watford primary schoolchildren joined the day of activities at Woodside leisure centre, designed to deliver the sporting legacy promised by London 2012. The children had a motivational mass warm-up with GB Olympic swimmer and sports personality Steve Parry, they divided into smaller groups to enjoy a variety of sports, activities and team building challenges to inspire them to lead a healthy lifestyle. I went along to show my support and join in the fun and games.

Efficient & effective, well run council

Tackling fraud

We continue to prioritise tackling those individuals or organisations who behave fraudulently, costing the council money or depriving others from valued services. In a joint investigation with Three Rivers, we have recently allocated a Watford property that had been sitting unoccupied to somebody who was in genuine need of social housing. Following another investigation, a landlord of three Houses in Multiple Occupation (HMOs) has been successfully prosecuted for a range of offences, which were causing a serious risk of death or injury from faulty fire precautions. In another, a local man was successfully prosecuted for falsely claiming Housing Benefit.

Members should encourage their residents to report a fraud in confidence using the council's freephone fraud hotline on tel: 0800 459 9200.

REPORT TO COUNCIL – 20 November 2013

REPORT OF LICENSING COMMITTEE (LICENSING ACT 2003) – 22 October 2013

Licensing Committee (Licensing Act 2003) met on 22 October 2013. The minutes are published on the Council's website.

The following Members were present at the meeting:

Present: Councillor J Brown (Chair)

Councillor Jeffree (Vice-Chair)

Councillors I Brown, J Connal, K Crout, G Derbyshire, J Dhindsa, K Hastrick, H Lynch, M Meerabux, M Mills, G Saffery, D Scudder, L Scudder and M Turmaine

Also present: Councillors Bell and Khan

The following was a recommendation to Council:

5. REVIEW OF STATEMENT OF LICENSING POLICY

The Committee received a report of the Head of Community and Customer Services setting out the proposed changes to the Council's Statement of Licensing Policy following consultation.

The Licensing Manager introduced the report. He drew the Committee's attention to a number of corrections which needed to be made to the report. He referred to paragraph 3.14 which should read "The proposal in the draft policy LP4 to define three SLAs was on the basis that there was not any evidence from local residents". He noted that on Page 9 the date of full Council should read 20 November 2013. On Page 22, paragraph 6 should read "Where relevant representations against the sale of alcohol after 10 pm have been received...". *Post meeting note – these changes have now been reflected in the Statement of Licensing Policy.*

The Licensing Manager highlighted the key changes to the Policy. The Policy was the result of the consultation which had been taking place. He noted that it would last for five years although it could be reviewed earlier if required. He explained that the technical changes were set out in paragraph 1.2. The Policy recognised that an Early Morning Restriction Order (EMRO) may be a tool that the Council wished to consider in the future although the latest crime figures suggested it was not required at present. The Policy introduced four Sensitive Licensing Areas in the majority of St Albans Road, as well as parts of Whippendell Road, Queens Road and Market Street. This was not a cumulative impact policy but when applications were received in the areas the Licensing Authority would consider making representations. This was quite a flexible policy and representations would not necessarily be made for every application. The policy would not apply to existing premises unless they applied to change their licence.

Councillor Turmaine asked how the Sensitive Licensing Areas policy would be monitored. The Licensing Manager responded that an annual report of the Licensing Act 2003 was brought to the Licensing Committee each Spring and information about Sensitive Licensing Areas would be included from 2015.

Councillor Turmaine referred to the policy about petrol-filling stations and asked whether data would be available. The Licensing Manager said that if an application came before a Sub-Committee sales and footfall data would be made available. He confirmed in response to Councillor Jeffree that the intensity of use was the relevant consideration.

In response to a further question from Councillor Turmaine, the Licensing Manager suggested that there may have been an error in paragraph 3.20 of the report, the last sentence should probably read "and a smaller number in Queens Road or elsewhere".

Councillor I Brown referred to the policy on EMROs and asked whether any had been introduced. The Chair reported that she had spoken to a councillor from Hartlepool who said that late-night operators had funds available to oppose any local authority which introduced an EMRO. The only appeal against it was a judicial review which could be very expensive. The Licensing Manager was aware that a number of authorities had considered it, but none had been introduced.

Councillor Khan referred to paragraph 3.18 of the report which cautioned against the introduction of a Designated Public Places Order (DPPO) on St Albans Road. As a ward councillor and local resident, he had met with the Police and it was his understanding that a DPPO could be introduced. He was in favour of such a scheme in this area. There had been a number of unpleasant incidents involving street drinkers. The Chair responded that it had been considered but if the DPPO applied to St Albans Road, the result would be to disperse the street drinkers into nearby residential streets. If the DPPO covered all the residential streets in the area, it would be too difficult to police. The Environmental Health and Licensing Section Head reported that the Police wished to address the issues directly themselves. Councillor Khan said he would speak to the Environmental Health and Licensing Section Head and the Police outside the meeting. He felt that ward councillors should be involved in all the discussions. The Licensing Manager noted that it was the Council who introduced DPPOs and underlined the other tools available to the Police. The Environment Health and Licensing Section Head apologised that he had been given the wrong impression and had not been informed of developments.

Councillor Bell advised that he supported the Sensitive Licensing Areas policy. He asked whether the policy would be applied in the same way across the four areas. The Licensing Manager referred to policy LP4 and noted that it was different from the previous cumulative impact policy which only applied to off-licences in Whippendell Road. He explained how the policy would work in practice. Councillor Bell noted that it was important for ward councillors and residents to pass on information about antisocial behaviour and other problems.

Councillor Bell referred to the review of licensing that was recommended by the Local Government Association. The Licensing Manager advised that this review concentrated on bureaucratic functions under national legislation. The Council had to take the Regulators' Code into account to ensure that unnecessary burdens were not being placed on business.

Councillor Meerabux referred to the new measures being brought in by the Home Office to replace Antisocial Behaviour Orders. He asked what the impact would be. The Licensing Manager explained that the Antisocial Behaviour Bill was going through

Parliament and that different tools would be available to tackle antisocial behaviour. It was not possible, at this stage, to comment on the impact they would have.

Following a question from Councillor Dhindsa, the Licensing Manager explained that the definitions of premises were set out in LP1 whereas LP2 described how the Council would deal with certain types of applications.

Councillor Khan asked about the relationship between the Licensing regime and the Planning regime. He questioned how the permitted hours of opening for premises under planning law could be checked. The Licensing Manager explained that the Local Planning Authority was a statutory consultee and was advised of every application. It was for them to decide whether to make representations about applications.

RESOLVED –

that the Licensing Committee recommends to the Council, acting as the Licensing Authority for the Borough of Watford, that it adopts the amended Statement of Licensing Policy set out at appendix 1.

A copy of the report to Licensing Committee (Licensing Act 2003) is attached.

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PART A

Report to: Licensing Committee (Licensing Act 2003)
Date of meeting: 22 October 2013
Report of: Head of Community and Customer Services
Title: Review of Licensing Act 2003 Statement of Licensing Policy

1.0 SUMMARY

1.1 At its meeting in March 2013, the Licensing Committee agreed to consult on some amendments to the Statement of Licensing Policy (SLP).

1.2 A number of changes to the policy were proposed of which the most significant were:

- (1) recognising the introduction of the Live Music Act 2012
- (2) recognising that some forms of entertainment which were previously licensable no longer need to be after June 2013¹
- (3) clarifying our policy on licensing alcohol sales at petrol-filling garages
- (4) acknowledging that we may consider the need for an Early Morning Restriction Order in the town centre at some future date
- (5) clarifying that “café bars” and “other entertainment venues” can be considered exceptions to policy LP3
- (6) impose additional requirements on premises granted licences to sell alcohol within the town centre
- (7) replacing the cumulative impact policy for off-licences in Whippendell Road with Sensitive Licensing Areas in four specific areas of the Borough
- (8) recognising that a cumulative impact policy may be an option for the future
- (9) recognising changes made to the temporary event notice system and the new role for Environmental Health Officers
- (10) enhancements to protect children from harm
- (11) a move to more pro-active licensing inspections
- (12) clarification on the scheme of delegation under the Licensing Act
- (13) acknowledgement of the future role to be played by the Police and Crime Commissioner for Hertfordshire and the Director of Public Health in Hertfordshire.

2.0 RECOMMENDATIONS

2.1 That the Licensing Committee recommends to the Council, acting as the Licensing

¹ See [Licensing Act 2003 \(Description of Entertainments\) \(Amendment\) Regulations 2013](#)

Authority for the Borough of Watford, that it adopts the amended Statement of Licensing Policy set out at appendix 1.

Contact Officer:

For further information on this report please contact: Jeffrey Leib (Licensing Manager) on telephone extension: 8429 and email jeffrey.leib@watford.gov.uk

Report approved by: Alan Gough, Head of Community and Customer Services

3.0 DETAILED PROPOSAL

3.1 The rationale for amending the SLP was set out in the report to the Licensing Committee on 18 March 2013.

3.2 The final proposed version of the new policy is printed at appendix 1. A table describing the amendments is produced at appendix 2.

3.3 Consultation

Our consultation was conducted between 21 March 2013 and 30 September 2013, during which time we consulted:

- (1) by email with more than 150 local community organisations and residents' associations;
- (2) wrote to more than 310 licensed premises;
- (3) wrote to individual premises (commercial and domestic) around the proposed Sensitive Licensing Areas (SLAs);
- (4) councillors for the wards where the SLAs are proposed and
- (5) the statutory responsible authorities.

We placed details on our website and a public advertisement, and issued a press release which was published in the Watford Observer on 25 March 2013.

3.4 No specific responses were received from the responsible authorities. Points of clarification were discussed with the police in particular, who are otherwise content with the policy as it is published.

3.5 Two written responses were received in relation to the policy generally, which are summarised below:

- (1) the Central Town Residents' Association and Neighbourhood Watford Group 57 asked whether a reference to policy LP2 on page 18 of the draft should refer to policy LP3;
- (2) a restaurant asked whether the Council could act on noise from adjoining licensed premises who are disturbing patrons using its pavement café area.

3.6 Thirty responses were received to the consultation on introducing Sensitive Licensing

Areas, and these are spelt out more fully at paragraph 3.14 below.

3.7 Early Morning Restriction Order (EMRO) Policy LP3

The draft policy referred to reviewing crime, disorder and nuisance within the LP3 area in September 2013 as part of the process to consider introducing an EMRO.

Partnership work with the town centre Pubwatch scheme on projects such as Purple Flag, Best Bar None and the Pubwatch action plan has shown positive results with an approximate 8% drop in violent crime within C1A beat (effectively the town centre) between 1 May and 31 July 2013 compared to the same period of 2012. Theft from the person has been reduced from 373 offences to just 68 offences during the same periods, largely due to the introduction of Scan-net. Whilst there may not currently be a pressing need for an EMRO², policy LP3 has been reworded to note that it remains a tool to be used in the future if necessary.

3.8 Tackling violent crime continues to be a strategic priority across Hertfordshire and for Safer Watford, our local community safety partnership. Since 2008 the violent crime and alcohol-related statistics for the town centre have remained unacceptably high. Although the Home Office classification of “violent crime” also includes those crimes not necessarily considered as violent by the public – such as causing harassment, alarm or distress to another without any physical injury resulting – over half of such crimes take place within the LP3 policy area. Much of this takes place between 1 am and 3 am.

3.9 Watford also has unacceptable levels of violent crime compared to other Hertfordshire towns, at 81.6 crimes per 1000 head of population during the 2012-13 financial year. Information from the Accident & Emergency department at Watford General Hospital also shows the majority of alcohol-related presentations arise from town centre locations.

3.10 The Local Authority Alcohol Profiles (published by Public Health England, August 2012) show that Watford compares unfavourably to other English local authorities in terms of alcohol-related violent crime and alcohol-related crime.

3.11 On the basis of these statistics officers recommend that the cumulative impact policy in LP3 should be retained for the present.

3.12 Paragraph 6 of LP3 has been strengthened. When applicants wish to show they should be an exception to policy LP3 (which restricts alcohol sales in the town centre), they may need to demonstrate that they have an effective dispersal management plan in place and an electronic identification entry system in addition to the existing requirements of installing CCTV and having use of a Pubwatch radio.

3.13 The list of measures in the town centre to combat alcohol-related crime has been updated, as well as recognising some of the good work that is currently taking place.

3.14 Sensitive Licensing Area Policy LP4

The proposal in the draft policy LP4 to define three SLAs was on the basis that there was any evidence from local residents, businesses or the statutory authorities to

² See for example the Watford Observer at http://www.watfordobserver.co.uk/news/10671932.Watford_booze_ban_on_ice_as_town_centre_improves_says_chief_inspector/.

justify policies being applied in a much stricter fashion within those areas. A specific consultation exercise has been conducted with residents, businesses and councillors for the proposed areas.

- 3.15 During the consultation period a dossier detailing alcohol-related anti-social behaviour in and around St Albans Road – which was not one of the original areas - was received from one of the safer neighbourhood team police officers.
- 3.16 A further consultation exercise with Members was conducted in relation to St Albans Road between Leavesden Road and the A41, where there are 30 licensed premises (eight restaurants; five late-night take-aways; four pubs; seventeen off-licences and even more in several of the roads directly connecting to St Albans Road).
- 3.17 The police report details about fifty alcohol-related and anti-social behaviour incidents in the area between Leavesden Road and the A41 over a four-month period from 3 April 2013. It points out that there are a large number of licensed premises throughout the 1.5 mile length of one the main thoroughfares in the Borough, which consists of over 400 business and residential premises. Many of the incidents involved street drinking with the implication that they had obtained alcohol from nearby licensed premises.
- 3.18 Although the police report recommends the introduction of a Designated Public Places Order to give police powers to require individuals to stop drinking alcohol on St Albans Road, officers and the Chair of the Licensing Committee have concluded that many of the reported incidents were caused by individuals who are being dealt with using other powers and mechanisms, and a DPPO on its own would likely disperse street drinking to adjoining residential areas.
- 3.19 Thirty responses were received in total and officers believe those responses are sufficient to justify introducing the SLAs. Those responses are shown in a tabulated manner at appendix 3.
- 3.20 Of the thirty responses, 26 respondents supported the introduction of the SLAs, with a number of supporting arguments given which broadly concern the impact of alcohol-licensed premises on low level crime, anti-social behaviour and nuisance. Twenty-eight respondents agreed that the SLAs will help to address those issues, and twenty-four thought that the size of the proposed SLA areas was right. Sixteen respondents accepted that the SLA would be more suitable than the current cumulative impact policy in Whippendell Road, although their written replies – albeit broadly in favour – may not directly correlate with that. Twenty-two respondents are local residents, four are local businesses (some of whom are also residents) and one a local charity, and six Members replied. Approximately half of the respondents live or work in Whippendell Road, half in Market Street and a smaller number in Market Street or elsewhere.
- 3.21 The impact of the SLAs will become apparent where applications are made for alcohol and/or late-night refreshments within those four areas. Officers acting on behalf of the licensing authority will consider whether to make representations in light of the community's concerns even if there are no other representations in order to (a) ensure that appropriate conditions (drawn from the pool of model conditions) are placed on the licence or (b) that applications are considered by a licensing sub-committee.

- 3.22 The Committee should take note that policy LP4 will not automatically lead officers to make representations on every occasion. As an example, an application has just been made to sell alcohol by a café in Whippendell Road. Appropriate conditions had been volunteered by the applicant during negotiations with the licensing authority and the application had not been opposed by ward councillors, and so it was not felt appropriate to make representations on that occasion.
- 3.23 Officers are not aware of any other licensing authority that has a similar policy to LP4. The evidence from the consultation exercise will be used to justify the policy in appeals where the policy is an issue. To ensure the evidence is relevant and up-to-date officers would suggest the consultation is repeated every two years.
- 3.24 None of these proposed changes are retrospective and would not apply to existing licences; they would only be applicable to applications for new licences or when varying existing licences.
- 3.25 As a result of the consultation, the Committee is asked to recommend that the Council – in its capacity as the licensing authority - adopts the revised policy.

4.0 **IMPLICATIONS**

4.1 **Financial**

- 4.1.1 The Director of Finance comments that there are no financial implications associated with this review.

4.2 **Legal Issues** (Monitoring Officer)

- 4.2.1 The Head of Democracy and Governance comments that the SLP is not only important in setting out the licensing authority's approach to the Licensing Act, but it must also be applied by the magistrates' courts on appeal unless they have good reason to depart from it otherwise. The Committee must be satisfied that the SLP is not irrational, beyond the legal powers of the Committee, or so unreasonable that no other reasonable licensing authority would have adopted it.

4.3 **Equalities**

- 4.3.1 An Equalities Impact Assessment has been conducted. As the licensing process is regulated by statute and regulation, any negative effects would have to be addressed by Parliament. However, the council can ensure that:

- (a) licence conditions are not imposed that have a negative impact on an equality group
- (b) information and awareness about the licensing scheme is made available (commensurate with the information provided by the council for other regimes, eg planning permissions)
- (c) steps are put into place to accommodate people from equality groups who might wish to put forward their representations to licensing sub-committees

(and this equally applies to any member of the public who wishes to address a Council or committee meetings

(d) officers follow the published enforcement policy which itself has been the subject of an equalities impact assessment

4.4 **Potential Risks**

Potential Risk	Likelihood	Impact	Overall score
Policy departed from by court on appeal	1	4	4
Legal challenge arising from failure to properly adopt the policy	2	3	6
Legal challenge from failure to properly consult	1	3	3
Policy is unreasonable, irrational, discriminatory etc	1	3	3

Appendices

- Appendix 1 – Revised statement of licensing policy 2013 – 2018
- Appendix 2 – Table of amendments to policy
- Appendix 3 – Consultation responses

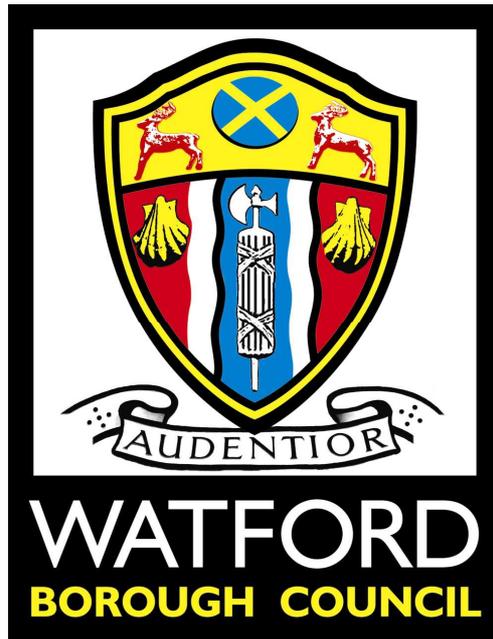
Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

Local Government Association Best Practise Framework for the Review of Licensing Policy Statements (October 2012)

File Reference

- Licensing policy review 2013



**LICENSING ACT 2003
STATEMENT OF LICENSING POLICY**

NOVEMBER 2013

Comments are invited on this document to:

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PROLOGUE

Watford Borough Council is the licensing authority under the Licensing Act 2003, and are required to publish and keep under review a policy setting out our approach to our responsibilities under the Act.

It is intended that this policy will be used by a wide range of people within the Borough – from organisations who need authorisations under the Act; residents and others who may be affected by their activities, and by the statutory bodies with responsibilities under the Act.

This policy is in force from 20 November 2013 until 19 November 2018, unless revised beforehand. We hope that organisations and individuals will use it before making licence applications, and that residents and statutory bodies will use it when responding to licensing applications or existing licensed activities.

In drawing up the policy, we have consulted with:

- Local residents and their representatives
- Local community, cultural and entertainment organisations
- Holders of various licences for premises in the Borough who will be affected by it
- Hertfordshire Constabulary
- Hertfordshire Fire & Rescue Service
- Hertfordshire Trading Standards
- Hertfordshire Local Safeguarding Childrens' Board
- Watford Community Safety Partnership
- One Watford

Our consultation was conducted between 21 March 2013 and 30 September 2013, during which time we wrote to:

- over 150 local community organisations and residents' associations;
- more than 310 licensed premises;
- individual premises in writing around the proposed Sensitive Licensing Areas (SLAs);
- councillors for the wards where the SLAs are proposed and
- the statutory responsible authorities.

We placed details on our website and a public advertisement, and issued a press release which was published in the Watford Observer on 25 March 2013.

It was approved by the full Council – the Licensing Authority – on 20 November 2013.

Our licensing committee will consider each Spring how the policy has operated, and whether any changes to it are needed.

The Borough of Watford

Watford Borough Council is situated in the county of Hertfordshire, which contains ten district councils in total. The council area has a population of 86,000 (ONS mid-year population estimate, August 2010) making it one of the smallest in the county in terms of population and one of the most densely populated in the country.

Watford Borough was granted a Royal Charter in 1922. Traditionally a market town, it has developed into an attractive sub-regional shopping centre and important centre for cultural and recreational facilities. Watford has a catchment area population of approximately 500,000 within a travel time of 20 minutes from the town centre (CACI Ltd 2001).

Situated in the south west of Hertfordshire, Watford has several locational advantages due to its excellent communication links. The M1 motorway, with direct links to the town centre, and the London to Glasgow railway pass through the Borough. London Euston can be reached in 20 minutes, while the nearby M25 motorway has enhanced road access to the major airports at Heathrow, Gatwick, Stansted and Luton.

Watford has major A-road links to adjoining areas and is also connected to the underground rail network with the Metropolitan Line terminus adjacent to Cassiobury Park. A branch line railway serves St. Albans Abbey. By 2016 the London Underground is expected to be connected to Watford Junction mainline railway station via the Croxley Rail Link, providing additional stations in West Watford.

Watford Borough covers an area of 2,142 hectares (8.3 sq. miles). Watford is a major town in the region. It is a sub-regional shopping destination, centered around the Intu Shopping Centre in the town centre, and has one of the most vibrant night-time economies in Hertfordshire. It was traditionally a centre for the printing industry and now boasts the headquarters of a number of nationally known firms. Unemployment figures are well below Great Britain's average. However there are pockets of deprivation, characterised by a high concentration of minority ethnic groups, single parent families, low income households and a high incidence of long term health problems.

Potential operators should however refer to the District Plan and the emerging Local Development Framework (through our Development Control Team or on our website at www.watford.gov.uk) for details about the local planning authority's approach to granting planning permission for developments where such activities may take place.

Further information about the Borough is contained in the Community Plan 2006 – 2026, which can be obtained from the Council's offices or at <http://www.watford.gov.uk/ccm/content/strategic-services/equalities/eia-community-plan.en>

INTRODUCTION

We recognise that the four objectives of the Licensing Act – prevention of crime and disorder; public safety; prevention of nuisance; and child protection – are paramount.

Our vision is to create a safe and family-friendly environment within the Borough, particularly within the town centre. Whilst we recognise that each application must be considered on its individual merits and must be granted in the absence of any relevant representations, policies will be implemented to achieve our overall aims.

In September 2008 we launched a 24-hour strategy for the town centre (available on request), to take us to 2012. Following public consultation, we began to tackle some key issues which are now being addressed. In January 2009 we launched our Cultural Study to remodel the town centre – particularly The Parade – to act as a stimulating focal point for culture and heritage within the borough. This aims to bring cultural, physical, economic and social improvements to the town.

This approach took us to being awarded Purple Flag accreditation from the Association of Town Centre Managers in September 2012 for our management with our partners of our town centre night-time economy.

Where we have discretion because relevant representations have been made about licensing applications, we may also take into account the following factors to fulfil our vision:

- (1) what contribution the application can make to creating a family-friendly town centre, specifically in terms of offer to a wide-range of customers; family-friendly policies and facilities; operating hours; and pricing;
- (2) entertainment aimed at over-25 year olds;
- (3) links with other activities in the town, to encourage day-time users to stay in the evening;
- (4) provision of a full food menu and not only alcohol;
- (5) the controlled and safe sale of alcohol;
- (6) transport/dispersal provision, particularly during periods when public transport is unavailable;
- (7) style and type of venue. The licensing authority wants to attract only high-quality operators who can provide a family-friendly environment, characterised by a range of activities and offers that would appeal to families of all backgrounds. A family-friendly environment may (but need not) be characterised by:
 - a range of alcoholic and soft drinks suitable for all ages;
 - a food menu catering for different tastes and needs, available throughout the duration of the premises' operating times;

- facilities suitable for assisting customers with young children, such as high-chairs and baby-changing facilities, and facilities for family groups such as suitably laid-out seating/table areas;
- a range of activities or entertainment that appeals to a range of age groups, whether provided at the same time or at separate times.

(8) involvement in local community events and organisations

(9) commitment to involvement in community safety partnership initiatives.

(10) use of street pavement licences for outdoor table areas.

Promoting and celebrating Watford's diverse cultures

We are keen to promote the artistic and cultural life of the town, and licensing will be approached with a view to encouraging new and innovative forms of public entertainment that are consistent with the licensing objectives and this aim.

We encourage greater live music, dance, theatre and other forms of entertainment for the wider cultural benefit of the community. We note that the Live Music Act 2012 already exempts live and recorded music from the need for a licence in specific circumstances and that certain elements of "regulated entertainment" defined in schedule 1 to the Licensing Act has also been deregulated¹.

For those activities that will still require licensing, we will seek to strike a balance between the potential for limited neighbourhood disturbance and the benefits of cultural activities and we will not allow the views of vocal minorities to predominate over the general interests of the community.

We will as far as possible avoid measures that deter live music, dance, theatre and entertainment, for example by imposing conditions that have indirect costs of a disproportionate nature.

We are aware of the community value of a broad range of cultural entertainments, particularly live music, theatre and dancing. We want to encourage them for the benefit of all. We have issued a premises licence for the town centre for the use of community and other groups, and enquiries should be addressed to our Arts & Events team at community@watford.gov.uk.

¹ [The Licensing Act 2003 \(Descriptions of Entertainment\) \(Amendment\) Order 2013](#)

GENERAL CONSIDERATIONS

Licensing law is not a mechanism for the general control of anti-social behaviour by individuals once they are beyond the direct control of the licence-holder. However, as a matter of policy, we expect every holder of a licence, certificate or permission to be responsible for minimising the impact of their activities and anti-social behaviour by their patrons within the immediate vicinity of their premises and will require licence holders to demonstrate that they have taken appropriate action.

We will consider every application, on its own merits. We will have regard to the guidance issued by the Secretary of State under section 182 of the Licensing Act (available from www.culture.gov.uk). Where it is necessary to depart from the guidance – either in this policy or at any other time – we will give clear and cogent reasons for doing so.

We will consult with relevant stakeholders on the operation of this policy where appropriate, in advance of an annual report each Spring to our Licensing Committee on the operation of the Act. We will also take advantage of other forum, such as Pubwatch and Door Supervisor liaison meetings.

PRE-APPLICATION CONSIDERATIONS

Our experience in administering the licensing regime since 2005 shows us that many disputes start from poor communication – for example, the Act doesn't always allow applicants to fully explain their proposals, leading residents to misunderstand what is being proposed. In that case, formal representations are made and licensing hearings held to simply clarify what is being proposed.

We would strongly encourage applicants to hold pre-application discussions with us, other relevant statutory bodies and local residents or businesses before submitting all but the most straight-forward applications.

Applicants should note that all applications are detailed on a weekly email bulletin, which is published on our website. Applications for the grant and variation of premises licences and club premises certificates are also circulated by letter to the fifteen nearest properties to the premises affected by the application, to ensure those potentially affected are aware of the application. Applicants are requested to submit a copy of their public notice to our officers after it has been published in a local newspaper.

Licensing is about the regulation of licensed premises, qualifying members' clubs and temporary events. We may only impose conditions on premises licences and club premises certificates in one of two circumstances:

- (1) where the applicant volunteers them as part of their operating schedule; or
- (2) on receipt of relevant representations from potentially affected parties, or from responsible authorities .

We have produced a separate document containing pools of model conditions for premises licences and club premises certificates. Applicants are under no compulsion to use these when preparing their operating schedules, but doing so may reduce the likelihood of representations being made about the application. Should relevant representations be received, we will (unless policy LP2 is involved) use those pools of conditions to address the concerns raised before we consider whether to refuse an application.

Terms and conditions attached to premises licences or club premises certificates in these circumstances will be reasonable, proportionate, and relevant and will be focused on matters within the control of the individual licence-holders and others granted relevant permissions. Conditions will be tailored to the style and characteristics of the individual premises. These matters will centre on the premises and places being used for licensable activities and in the vicinity of those premises or places.

Our officers will draft appropriate conditions for premises licence and club registration certificates from the information supplied in operating schedules accompanying premises licence and club premises certificate applications.

We recognise that we have no statutory power to place conditions where a temporary event notice has been given and no objections have been received from the police or Environmental Health, but urge premises users to take note of the guidance in this policy in appropriate circumstances.

Where no representations have been received, we must grant the authorisation in the terms sought.

**POLICY LP1
PREMISES DEFINITIONS**

For the purposes of policy LP2 and LP3, we define licensed premises as set out below:

Premises	Use
Restaurants	The sale of food and drink for consumption on the premises with full waiter service and/or full food menu throughout the trading period, and which typically has only incidental background music. Alcohol sales do not predominant over activities. It may occasionally include the provision of other licensable activities such as recorded or amplified music and limited facilities for the provision of dancing.
Public houses, wine bars or other drinking establishments	Primarily for the sale of alcohol and food for consumption on the premises, and which may include the provision of other licensable activities. Will include a "drinking up period" between the last sale of alcohol and the closing time of the premises.
Café-bars	The sale of food and or light refreshments, and where alcohol sales are not a predominant feature of the premises
Hotel bars	The sale of alcohol and/or food, either to hotel residents or to non-residents
Night-clubs	Primarily for the provision of licensable activities at night (typically including music and dancing), where alcohol sales are a strong feature
Off-licences	The sale of alcohol for consumption away from the premises
Pavement licences	The sale of alcohol and/or food on the highway outside of other premises licensed for such activities
Qualifying clubs	Qualify for a club premises certificate under the Licensing Act 2003
Take-aways	The provision of late night refreshment (hot food and drink) between 11 pm and 5 am for consumption away from the premises
Other entertainment venues	The sale of alcohol and provision of late night refreshment (hot food and drink) is either absent or only ancillary to other licensable activities

**POLICY LP2
LOCATION AND OPERATION OF PREMISES**

1. The table below sets out our approach to licensing premises when we have received relevant representations to a licensing application, notwithstanding that each application will be considered on its merits:

Premises type	Town centre (see also policy LP3)	Leisure or shopping area	Residential area
Café-bars	Will generally be granted according to the application		
Hotel bars	Will generally be allowed alcohol sales and late night refreshment to residents 24-hours a day and to non-residents on the same basis as restaurants (see below)		
Night-clubs (including lap-dancing clubs)	Will generally be allowed licensable activities to 1 am only and until 10.30 pm on Sunday (other than for special occasions)	Will generally be allowed licensable activities to 1 am only (other than for special occasions)	Will generally be allowed licensable activities to midnight only (other than for special occasions)
Off-licences	Will generally be allowed alcohol sales to 8 pm only	Will generally be allowed alcohol sales in accordance with the normal opening hours of the shop	Will generally be allowed alcohol sales in accordance with the normal opening hours of the shop
Other entertainment venues not listed	Will generally be granted for the hours and activities requested		May be limited to midnight
Pavement licences*	Will generally be allowed alcohol sales to 10 pm only	Will generally be granted according to the application	Will not generally be granted for alcohol sales in residential areas outside pubs, but will if outside restaurants and café-bars
Public houses, wine bars and other drinking establishments	Will generally be allowed alcohol sales to midnight only, and until	Will be allowed alcohol sales to midnight only (other than for special occasions).	

* We have published separate policies about pavement and about sex entertainment venue licences, which are available on our website and from our licensing team.

	10.30 pm on Sunday (other than for special occasions).	
Qualifying clubs	Will generally be granted for the hours and activities requested	
Restaurants	Will generally be allowed licensable activities to 2 am only (other than for special occasions)	Will generally be allowed alcohol sales to midnight only (other than for special occasions)
Take-aways	Will generally be allowed late-night refreshment sales to 1 am only (other than for special occasions)	Will generally be allowed late-night refreshment sales to 1 am only (other than for special occasions)

2. Where alcohol is sold for consumption on the premises, our policy will be to generally grant an additional 60 minutes between the end of any sales of alcohol and the closing time of the premises (which we refer to as the “terminal hour”).
3. Where we have considered representations for licences that do not involve alcohol sales, we reserve the right to set a final hour for licensable activities and for the closing time of the premises (the “terminal hour”).

Justification for LP2

We recognise that flexible licensing hours for alcohol sales can help to reduce concentrations of customers from leaving premises simultaneously, and to reduce conflict at late-night take-aways and taxi ranks. At the same time, we recognise that taxis/private hire vehicles (and private vehicles) are effectively the only form of post-midnight transport in the Borough.

We are adopting this policy with the Government’s recommendations at paragraph 13.42 of the statutory guidance in mind. This states that the Government acknowledges different licensing approaches may be appropriate for promoting the licensing objectives in different areas, and licensing authorities – in consultation with others – are best placed to make those decisions subject to the over-riding principle that opening hours must be not pre-determined without giving individual consideration to the merits of each application.

This justifies a more restrictive approach in residential areas when relevant representations have been made. A more restrictive approach for take-aways within the LP3 area is justified to reduce conflict late at night, and for off-licences to reduce the availability of alcohol being drunk on the streets (“pre-loading”) during the evening.

PETROL FILLING STATIONS

Section 176 of the Licensing Act prohibits alcohol sales from premises that are used primarily as, or are part of premises that are primarily used, as garages for one or more of the retailing of petrol or derv; or the sale and maintenance of vehicles.

If premises that are primarily used as a garage are granted a licence, that licence is “of no effect” and alcohol may not be lawfully sold.

It follows that we must be satisfied whether or not any premises are used primarily as a garage before we grant a licence for it. This is not to restrict the granting of a licence in such cases but for all parties to be clear as to whether the licence is an effective one or not. This policy is intended to be applied flexibly, as we are aware many pubs and restaurants have car parks attached where customers may drink alcohol and then drive away, and that customers will also drive to supermarkets for example to buy alcohol, many of which also have car parks.

Policy LP2A

1. In determining applications for garages, we require applicants to demonstrate that their premises are not primarily used as a garage. Such evidence must be based on sales and footfall data over the previous two years to show that petrol and derv sales, and vehicle maintenance and sales, are not the premises’ main feature to show the intensity of use. Where such information is not available (because for example the premises have only just started trading), we will consider imposing a condition requiring this information to be provided to the licensing authority on a regular basis for the following two years to ensure the premises are not primarily a garage.
2. Where insufficient evidence exists to establish primary use, we will decide whether or not grant a licence and deal with any subsequent issues using our enforcement powers in conjunction with other responsible authorities.
2. Where relevant representations have been made and a premises licence is granted in these circumstances, we shall treat it as an off-licence for the purposes of policy LP2 and grant hours accordingly.

Justification for LP2A

Paragraph 5.22 of the statutory guidance issued under the Act makes it clear that we must decide whether or not any premises is used primarily as a garage. We are aware that different licensing authorities take a number of different approaches to this question. This approach allows us to obtain the necessary information for us to reach that decision.

CIRCUSES

It is clear that authority is needed under the Licensing Act should a circus sell alcohol or provide late night refreshment.

The position is less clear in terms of regulated entertainment, and we are aware of extremes in approaches by licensing authorities across the country. The incidental music to a circus performance is not licensable, clowns may not necessarily be playing a dramatic role qualifying as a theatrical performance, trapeze artistes are not engaged in indoor sports and film performances are rarely included. We are also conscious of the Government's proposal to exempt such entertainment from the Licensing Act in the future.

Policy LP2B

1. It is our policy that circuses do not require authorisations under the Licensing Act 2003 for regulated entertainment, unless a significant proportion of the performance amounts to regulated entertainment. This policy is intended to be applied flexibly.

Justification for LP2B

It is our experience that circuses are low risk, pose no significant risk to the licensing objectives, add value to the cultural activities of the town, and are regulated by other means including compliance with the Health and Safety at Work etc Act 1974.

POLICY LP3 CREATING A FAMILY FRIENDLY TOWN CENTRE

This policy applies in these parts of the town centre:

- Albert Road South
- Charter Place
- Church Street
- Clarendon Road, between The Parade and Beechen Grove
- George Street
- High Street (between The Parade and Beechen Grove)
- King Street, between High Street and Exchange Road
- Market Street, between High Street and Exchange Road
- New Street
- Wellstones
- Queens Road between High Street and Beechen Grove
- The Parade

Our starting point is to seek a reduction in crime and disorder, consistent with our statutory duty under the Licensing Act and under section 17 of the Crime and Disorder Act 1998 (as amended), and an improvement in local amenity through the reduction in alcohol-related anti-social behaviour.

We have adopted a special policy for this part of the town centre, which is intended to be strictly applied. We want to encourage more restaurants, cafes, food establishments and venues offering entertainment licensable activities and would positively encourage applications for those type of premises whilst discouraging alcohol-led premises. Whether there is a need or not for further premises of a particular type, in accordance with the Secretary of State's guidance at paragraph 13.18, will not be a consideration.

This policy does not apply where an application to review a premises licence or club premises certificate has been made (Secretary of State's guidance, paragraph 13.36).

We have identified this area as one where it may be appropriate to introduce an Early Morning Restriction Order under the Police Reform and Social Responsibility Act 2011 should it become necessary in the future. Joint working with the town centre Pubwatch scheme on its action plan, the Purple Flag initiative and Best Bar None has seen a reduction in violent crime and theft from the person and we look forward to continuing this successful partnership working.

Policy LP3

1. When we have received relevant representations about an application for a pub, night-club or bar (as defined in policy LP1) in this part of the town centre, our starting point will be to refuse the application.
2. Where relevant representations about an application for a restaurant, café-bar, other entertainment venue, café or premises providing other non-alcohol licensable

activities (as defined in policy LP1) are received, our starting point will be to grant the application subject to conditions to address those representations.

3. Where exceptions can be shown and we have received relevant representations, variations to extend the hours of alcohol-led premises will not generally be allowed until the premises have been operating for at least 12 months without having an adverse impact on the licensing objectives.
4. Where relevant representations have been received, we will consider granting applications which limit the hours of operation to those set out in policy LP2 unless the exceptions to LP3 can be shown.
5. Where relevant representations have been received and exceptions can be shown for applications for public houses and night-clubs, we will consider whether to require waiter/table service for alcohol sales between 9 pm and the final time for the sale of alcohol.
6. Where relevant representations have been received against the sale of alcohol after 10 pm and exceptions can be shown, we will consider whether premises shall be required to demonstrate they have an effective dispersal management plan in place; to install a closed-circuit television system that meets the reasonable requirements of Hertfordshire Constabulary; installing an electronic identification entry system; and to have use of a Pubwatch radio.
7. Where relevant representations have been received in relation to applications for late-night refreshment premises that provides a delivery service, we shall consider imposing a condition that those deliveries are only made to a fixed physical address.

Exceptions to LP3

1. Exceptions will not be made on the grounds that:
 - (1) the building design is of a high standard; we would expect all applicants will want to ensure the highest design standards possible;
 - (2) that the applicant is of good character. It is a legal requirement that premises selling alcohol must be under the management of a designated premises supervisor, who must themselves hold a personal licence to sell alcohol;
 - (3) the premises are small. Even small premises can contribute to crime, disorder and nuisance.
2. We will consider whether to grant an application, even when relevant representations have been received, if the application:
 - (1) contributes to the family-friendly development of the town centre; or
 - (2) effects a real reduction in capacity of alcohol sales; or

(3) replaces vertical drinking establishments with seated consumption and waiter service.

3. In any case where an applicant wishes an exception to be considered, the responsibility is with them to show why it should be considered and not on our licensing committee to show why an exception should be made.

Justification for LP3

Tackling violent crime continues to be a strategic priority across Hertfordshire and for Safer Watford, our local community safety partnership. Since 2008 the violent crime and alcohol-related statistics for the town centre have remained unacceptably high. Although the Home Office classification of “violent crime” also includes those crimes not necessarily considered as violent by the public – such as causing harassment, alarm or distress to another without any physical injury resulting – over half of such crimes take place within the LP3 policy area. Much of this takes place between 1 am and 3 am.

Watford also has unacceptable levels of violent crime compared to other Hertfordshire towns, at 81.6 crimes per 1000 head of population during the 2012-13 financial year. Information from the Accident & Emergency department at Watford General Hospital also shows the majority of alcohol-related presentations arise from town centre locations.

The Local Authority Alcohol Profiles (Public Health England, August 2012) show that Watford compares unfavourably to other English local authorities in terms of alcohol-related violent crime and alcohol-related crime.

With our partners we have introduced a number of measures to help prevent more people becoming victims of crime:

- Additional policing resources at times of peak volumes (with an impact on policing at other times of the week)
- Town centre CCTV and requiring town centre premises to install CCTV
- Employing Council and police licensing enforcement officers
- Establishing door supervisor liaison arrangements
- Playing an active part in the town centre Pubwatch scheme (which includes a radio network linked to the CCTV control)
- Establishing a night-time economy focus group
- Implementing a late-night taxi marshal scheme
- A data-sharing scheme to record the number of alcohol-related injuries treated at Watford General Hospital
- Increasing the number of licensed taxis
- Encouraging the installation of electronic identification checking systems at the entrances to licensed premises
- Specific police operations such as Operations Carbine and Chanson and use of police powers such as dispersal orders under section 27 of the Violent Crime Reduction Act 2009
- Police conducting random weapons and drugs searches at the entrances to premises, with the consent and co-operation of premises' managers

This has included positive and significant measures with the licensed trade and others including:

- Achieving and maintaining Purple Flag status for the LP3 area and aspirations to develop that further
- Improving The Parade during 2013 – 2014 to allow an ambitious programme of cultural events to take place from mid-2014
- A safety poster campaign by the police working closely with West Herts College and a town centre night-club
- Organising Best Bar None (in 2013 – 2014) for a third year
- Supporting the Watford Street Angels and God After Dark project

Working with local residents and the police, we have successfully demonstrated to the courts on more than ten occasions since 2001 the impact that more alcohol-licensed premises has on community safety in the Borough. However, we recognise that the correct approach is to work with and not to penalise good operators and to review the licences of poor operators. We have granted applications when it has been right to do so.

We are satisfied, on receipt of numerous representations from the police and the Watford Town Centre Residents' Association, that the level of violent crime, anti-social behaviour and nuisance caused by people visiting pubs and bars in the area defined in policy LP3 undermines the crime prevention, public safety and prevention of nuisance objectives. This policy accords with the Secretary of State's guidance at paragraph 13.33 to consider the contribution to cumulative impact made by different types of premises within the area.

POLICY LP4 SENSITIVE LICENSING AREAS

We have identified four Sensitive Licensing Areas within the Borough. These are areas where we are particularly likely to make representations ourselves suggesting additional conditions to reduce any impact on the licensing objectives to address concerns about:

- (1) availability of stronger-strength alcohol to street drinkers leading to anti-social behaviour in the immediate vicinity of the premises
- (2) alcohol and/or late-night refreshment being available at times that are significantly different from other premises in that area likely to have an adverse impact on the licensing objectives
- (3) litter and other nuisances from a concentration of late-night take-aways

The Sensitive Licensing Areas are:

- (1) Whippendell Road, between its junction with Cassio Road and Hagden Lane
- (2) Queens Road, between Derby Road and Loates Lane
- (3) Market Street between Exchange Road and Merton Road/Cassio Road; and
- (4) St Albans Road between the A41 and Leavesden Road.

We may add to these areas where evidence of the problems identified above exist. We may consider the introduction of a cumulative impact policy within those areas should any of the licensing objectives begin to be adversely affected.

Policy LP4

1. Where an application for alcohol sales or late-night refreshment has been received in a Sensitive Licensing Area, the licensing authority will consider making representations and will strictly apply policies LP6, LP7, L8 and LP9 in relation to those premises.
2. Where additional representations have been made by other parties, our strict starting point in these areas will be to consider whether conditions will be appropriate to address those concerns or whether a refusal is justified on the basis that the licensing objectives would be undermined.

Justification for LP4

The Sensitive Licensing Areas are a mix of commercial and residential properties in densely built-up areas. Each has a relatively high number of licensed premises (7 in Whippendell Road; 9 in Queens Road; and 9 in Market Street and 30 in St Albans Road – eight restaurants; five late-night take-aways; four pubs; and seventeen off-licences with several more on roads directly connecting to St Albans Road). Although the concentration of premises has caused considerable concern in terms of the three issues identified above leading to licence reviews or significant levels of representations against

licence applications, levels of recorded crime, disorder, anti-social behaviour and nuisance are not significantly different from other parts of the Borough.

We carried out a consultation in August and September 2013. Of thirty responses (all of whom were local residents or businesses), twenty-six respondents supported the introduction of the SLAs. Twenty-eight respondents agreed that the SLAs will help to address the licensing objectives, and twenty-four thought that the size of the proposed SLA areas was right.

PLANNING PERMISSION

The use of any licensed premises or places is subject to planning controls. There are several differences between licensing and planning control. The most significant is that planning is concerned with how land is used and its impact on the surrounding amenity, whilst licensing concentrates on protecting public safety in its widest sense.

New occupiers are not normally required to obtain planning permission unless there is a material difference in the use of the premises, before use of it begins. Material changes by existing operators may also require additional planning permission, and advice should be sought from the planning authority.

To avoid the risk of the planning authority raising representations against a proposed licensing application, applications are advised to ensure they have the correct planning consents in place before making a licensing application.

Policy LP5

1. Where representations have been made by the Local Planning Authority on grounds that the application will undermine the licensing objectives unless planning permission has been obtained, and we resolve to grant a premises licence or club premises certificate, it shall be subject to a condition that it will be of no effect until the appropriate planning permission has been granted by the Local Planning Authority.

Exceptions to LP5

1. Exceptions to this policy may be considered where, for example, the applicant has simultaneously applied for a licence and planning permission.

Justification for LP5

The Secretary of State's guidance at paragraph 13.55 reinforces the view that planning and licensing are separate regulatory regimes and that licence applications may be made before a planning application. However, in the light of experience, whilst wishing to ensure the independence of the two regimes we also wish to see consistency between the two.

LICENSING AND OTHER LEGISLATION

Operators of licensed premises will have to comply with planning, environmental health, health and safety at work, fire safety and building control legislation when opening or adapting premises licences.

We will seek to avoid confusion or duplication by not imposing licensing conditions that are required under other legislation, except where they can be exceptionally justified to promote the licensing objectives.

TEMPORARY EVENTS

Most temporary events will not present any problems – for example, a temporary event notice may be needed to allow a special occasion in a pub or restaurant to be celebrated, or for wine to be sold at a parent-teacher association dinner.

In other circumstances, there may be slightly more risks involved. In these cases, we recommend that organisers consider the following points.

It would be helpful for organisers to give at least three months' notice to hold all but the smallest events, to allow us to help plan their events safely. Any longer period than this may mean that organisers do not have all the details available at the time of submitting the notice, and any lesser time means that planning may be rushed and haphazard. The law states that at least ten working days notice must be given (or five working days in the case of "late" notices) but the less time that is given will increase the likelihood of the police objecting.

Our Safety Advisory Group, consisting of the emergency services and other statutory agencies such as the highways authority, advise and co-ordinate planning for public events in the borough, whether or not a premises licence or a temporary event notice is needed. Event organisers are encouraged to use the Safety Advisory Group as part of their event planning process and may find it useful to refer to the Watford Event Guide. Contact can be made through our Community Services team on 01923 226400 or email community@watford.gov.uk.

Conditions may be added to a temporary event notice for existing licensed premises if representations have been made by the police or Environmental Health. Event organisers should be aware that an event cannot take place if an objection is made to a "late" temporary event notice, whereas objections to "standard" temporary event notices will usually result in the notice being considered by a licensing sub-committee.

Temporary event notices within the LP3 policy area that are objected to by the police or Environmental Health will be considered on their own merits by a licensing sub-committee, unless all parties agree a hearing is not necessary.

When organising any small-scale event (whether or not requiring a temporary event notice), organisers are recommended to consider:

- the fire alarm in the premises – how does it work? Has it been tested and maintained? Are all staff aware of how to raise the alarm in an emergency?
- fire extinguishers – are the correct number and type available? Have they been serviced within the last year?
- is emergency lighting needed and is it suitable for the purpose? Has it been tested and maintained?
- have any crime prevention measures been considered – for example, are steps taken to regularly bank large amounts of cash during the event, or to keep it in a

secure location? Are there a suitable number of stewards or door supervisors available?

- have nearby occupiers been considered – have you notified neighbours of the event and provided a contact telephone number?
- have you considered noise-reduction measures (such as keeping windows and doors shut or turning noise down late at night)? Have you considered how visitors will arrive and leave the event?
- have you considered whether you need to make any provision for First Aid should anyone need it, and the means for calling the emergency services?

Organisers of temporary events should be aware that although a licence or authorisation may not be needed under the Licensing Act, other legislation might apply. This can include:

- Health and Safety at Work etc Act 1974
- Fire Precautions Act 1971
- Environmental Protection Act 1990.
- Anti-Social Behaviour Act 2003.

The licensing authority's licensing enforcement officer and the police have powers to enter premises where temporary event notices are in force to ensure the crime prevention objective is not being undermined.

Organisers of large, occasional events that do require a premises licence (as opposed to the temporary event notice provisions) are advised to have regard to the following documents in preparing their operating schedules:

- The Event Safety Guide – A guide to health, safety and welfare at music and similar events (HSE 1999) (“The Purple Book”) ISBN 0 7176 2453 6
- Managing Crowds Safely (HSE 2000) ISBN 0 7176 1834 X
- 5 Steps to Risk Assessment: Case Studies (HSE 1998) ISBN 07176 15804
- The Guide to Safety at Sports Grounds (The Stationery Office, 1997) (“The Green Guide”) ISBN 0 11 300095 2
- Safety Guidance for Street Arts, Carnival, Processions and Large Scale Performances published by the Independent Street Arts Network, copies of which may be obtained through www.streetartsnetwork.org/pages/publications

DESIGNATED PREMISES SUPERVISORS

We strongly believe in the value of working in partnership with the police, other agencies and designated premises supervisors to promote the licensing objectives that may be associated with licensed premises.

Designated premises supervisors (and the holders of premises licences or club premises supervisors) for any other premises may be invited to a meeting where the police or licensing authority feel it is appropriate – for example, where there has been a prior history of the premises being run badly, or following a licence review or enforcement action.

We do not expect the premises supervisor to be physically present at the premises at all times it is open. However, we expect the premises supervisor to be able to exercise sufficient management control over the premises and for the responsible authorities to be able to contact them easily in the event of problems at the premises. We would also expect premises supervisors to give specific written authorisation to their staff who are authorised to sell alcohol on their behalf in accordance with paragraphs 10.28 – 10.33 of the Secretary of State's guidance.

THE LICENSING OBJECTIVES PREVENTION OF CRIME AND DISORDER

We strongly recommend that before submitting applications involving premises licences or club registration certificates, you should discuss crime prevention procedures with the police, and consider inviting a police crime reduction officer or a licensing authority officer to conduct a crime prevention audit.

Not only does this demonstrate your commitment to reducing crime and disorder within Watford, but would also reduce the likelihood of the police making representations on those grounds.

We strongly encourage all premises licence holders to play an active role in local schemes such as Pubwatch, in order to share information and exchange best practise with other venues and the responsible authorities under the Act. Not adopting this co-operative approach could lead to adverse representations being made to licensing applications from the responsible authorities.

Policy LP6

1. Where relevant representations have been made, we shall either consider the report of a crime prevention assessment where voluntarily produced as part of the operating schedule, or consider whether to require one to be conducted and the recommendations implemented as conditional on the grant of a licence or certificate.
2. Where relevant representations have been made, we will particularly consider the following:
 - (1) the ability of the person in charge of the premises to monitor the premises at all times it is open for licensable activities, particularly the sale of alcohol for consumption on the premises;
 - (2) the training given to staff in crime prevention measures and licensing law appropriate to those premises;
 - (3) physical security features installed in the premises. This may include matters such as the position of cash registers, where alcohol is stored in 'off-licences', the standard of CCTV that is installed, the use of toughened drinking glasses in pubs and clubs and secure storage of waste materials; or the use of electronic scanning equipment on entry;
 - (4) the employment of licensed door supervisors. We recommend that at least one male and one female door supervisor is employed where the venue has a policy of searching customers; and consideration given to industry standards in terms of ratio of doorstaff;
 - (5) management attitudes and practices, such as the willingness to stagger trading hours with nearby competing businesses to avoid all of their patrons subsequently competing for the limited public transport late at night, their willingness to limit sales

of bottled alcohol for immediate consumption, and the use of responsible pricing promotions;

(6) any other such measures as may be appropriate, such as participation in a local Pubwatch or Shopwatch scheme, 'music wind—down policies', restrictions on 'happy hours';

(7) use of plastic or polycarbonate glasses either as a matter of routine or during particular times of high risk;

(8) the measures employed to prevent the consumption or supply of illegal drugs, including any search procedures and entry policies;

(9) where premises are subject to age-restrictions, the procedures in place to conduct age verification checks;

(10) the likelihood of any anti-social behaviour, violence, public order or policing problem if the licence is granted.

Justification for LP6

We are under a statutory duty under the Licensing Act to promote the prevention of crime and disorder, and have a duty under the Crime and Disorder Act 1998 to seek a reduction in crime and disorder throughout the Borough.

PUBLIC SAFETY

We are aware that applicants are legally responsible for complying with a range of legislation relating to public safety, such as the Health and Safety at Work Act 1974, the Regulatory Reform (Fire Safety) Order 2005 and conducting suitable and sufficient risk assessments of their activities under both.

A failure to comply with these provisions could lead to representations being submitted by the statutory responsible authorities, particularly the Health and Safety at Work enforcing authority or Hertfordshire Fire & Rescue Service.

Applicants are advised to seek appropriate advice on public safety matters either before opening or making variations to licensed premises.

We want to ensure the safety of everyone on licensed premises. In some cases, setting an occupancy limit for premises may be an important factor in promoting public safety where other legislation, such as the Regulatory Reform (Fire Safety) Order, is not sufficient.

Policy LP7

1. Where a relevant representation relating to occupancy limits and its impact on public safety is received, we will consider setting an occupancy limit for nightclubs and other premises where regulated entertainment is to be provided. In doing so we will consider:
 - (1) advice from Hertfordshire Fire & Rescue Service to ensure any occupancy limit we set does not exceed that which would be considered acceptable for fire safety purposes;
 - (2) the design and layout of the premises;
 - (3) the nature of the premises, event or licensable activities being provided, including known busy times, special events or promotions;
 - (4) the provision or removal of temporary structures such as staging or furniture;
 - (5) the number of staff available to supervise customers both ordinarily and in emergencies, and the training they are to be given;
 - (6) the customer profile;
 - (7) the applicant's crowd management strategies and policies.
2. We will not consider imposing conditions that duplicate, enhance or 'gold-plate' existing health and safety requirements except in the following circumstances:
 - (1) where relevant representations have been received that a specific hazard has not been addressed by a suitable and sufficient risk assessment;

(2) where relevant representations have been received, to require equipment of a particular standard to be provided, and maintained and checked on the premises at specified intervals. We would not however require possession or production of specific certificates relating to such equipment where this is already covered by other legislation.

3. Other relevant factors we may take into account and which may not be adequately addressed by other legislation could include:

- (1) access by emergency services;
- (2) facilities for disabled people, particularly in an emergency;
- (3) prior notification to the emergency services of special events;
- (4) lighting levels;
- (5) staffing levels, including the numbers of licensed door supervisors;
- (6) seating arrangements;
- (7) special effects such as pyrotechnics, imitation firearms, lasers, real flame, strobe lighting, etc;
- (8) temporary electrical installations;
- (9) safety checks (before, during and after regulated entertainment);
- (10) First Aid facilities for members of the public.

Justification for LP7

Applicants are under a duty to comply with Health and Safety at Work and associated legislation. In some cases, where other legislation does not adequately address risks posed from licensable activities, we shall address those risks through the premises licence or club premises certificate.

PREVENTION OF PUBLIC NUISANCE

We are determined to protect the amenity of residents and businesses in the vicinity of licensed premises. For these purposes 'vicinity' is taken to mean the immediate area around licensed premises where the individual's residence or business is likely to be directly affected by disorder and disturbance occurring or potentially occurring on those premises or immediately outside.

The statutory guidance issued by the Secretary of State makes clear that 'nuisance' has the broad definition retained at common law. When deciding whether something is a nuisance, consideration must be given to the following:

- it is a persons' basic right to peacefully enjoy their property, but there is no right to total silence
- trivia cannot be taken into account when determining nuisance
- isolated acts, unless extreme, cannot be considered a nuisance. The problem must normally be continuous and regularly occurring
- the person complained of needs to substantially affect the enjoyment of comfortable living, that is it must interfere with a person's use, enjoyment or rights connected with their land. In the case of noise complaints the loss of a good night's sleep would be sufficient to meet these criteria. There would however have to be consideration for
 - the time the noise occurs
 - the area and
 - any precautions taken to minimise the disturbance.
- nuisance can only be established in law if there is material interference with comfort from normal standards. It does not give protection to abnormally sensitive people. The problems of noise or smell must therefore be considerable.
- neighbourhood character needs to be taken into account. What might be a nuisance in a residential area may not be so in the town centre and vice-versa.

POLICY LP8

1. In considering all licence applications where appropriate representations have been received, we will consider any necessary measures to deal with the potential for nuisance and/or anti-social behaviour having regard to all the circumstances of the application including

(1) the steps taken or proposed to be taken by the applicant to prevent noise and vibration escaping from the premises, including music; noise from ventilation equipment, and human voices. Such measures may include the installation of

soundproofing, air conditioning, acoustic lobbies, keeping external windows and doors closed and sound limitation devices;

(2) the steps taken or proposed to be taken by the applicant to prevent disturbance by customers arriving at or leaving the premises. This will be of greater importance between 10 pm and 7 am than at other times of the day;

(3) the steps taken or proposed to be taken by the applicant to prevent queuing (either by pedestrian or vehicular traffic). If some queuing is inevitable then queues should be diverted away from neighbouring premises or be otherwise managed to prevent disturbance or obstruction;

(4) the steps taken or proposed to be taken by the applicant to ensure staff leave the premises quietly;

(5) the steps taken to identify food and drink packaging from the premises in questions and the steps to reduce litter as far as is reasonably practicable (particularly from off-licences and late night refreshment establishments);

(6) the arrangements made or proposed for parking by patrons, and the effect of parking by patrons on local residents;

(7) whether there is sufficient provision for public transport (including taxis and private hire vehicles) for patrons;

(8) whether licensed taxis or private hire vehicles are likely to disturb local residents;

(9) the installation of any special measures where licensed premises are or are proposed to be located near sensitive premises such as nursing homes, hospitals, hospices or places of worship;

(10) the use of gardens and other open-air areas, including those used for smoking;

(11) delivery and collection areas and times;

(12) the siting of external lighting, including security lighting that is installed inappropriately;

(13) whether the premises would lead to increased refuse storage or disposal problems, or additional litter (including flyposters, smoking materials or illegal placards) in the vicinity of the premises;

(14) the history of previous nuisance complaints proved against the premises, particularly where statutory notices have been served on the present licence-holders.

PROTECTION OF CHILDREN FROM HARM

Other than the sale of alcohol, we wish to encourage licensable activities that are suitable for people of all ages, including children.

We strongly encourage applicants to give full details of proposed adult entertainment on their application forms to allow the responsible authorities to assess the merits of the proposal. Policy LP9 is intended to be strictly applied.

Alcohol sales to those under 18

We expect applicants for the sale of alcohol to adopt an acceptable age verification scheme in order to comply with the Licensing Act 2003 (Mandatory Licensing Conditions) Order 2010. We would expect applicants to adopt as a minimum a "Challenge 21" scheme, and that the only accepted identification to be a passport, driving licence or Proof of Age Scheme (PASS) card. We would expect premises licence holders and/or designated premises supervisors to have an appropriate training scheme in place for their staff.

Remote alcohol sales

Where alcohol is sold remotely such as via the internet or telephone ordering, age verification should take place both when the sale takes place (that is, when it is ordered), and when it is delivered to ensure both the buyer and the recipient are over the age of 18.

Policy LP9

1. Where we receive relevant representations, we may impose conditions to restrict entry by children under 18:
 - (1) to all or part of the licensed premises;
 - (2) at certain times of the day;
 - (3) when certain licensable activities are taking place; or
 - (4) by children under specific ages unless accompanied by an adult.
2. Where we receive relevant representations we may impose conditions relating to the advertising or external display of licensable activities that may be harmful to children.
3. We will particularly take into account where:
 - (1) significant authorised gambling taking place such as gaming machines or poker games (taking note that under-18s and alcohol are generally prohibited from most licensed gambling premises anyway)
 - (2) there is a history or likelihood of under-age sales or consumption of alcohol

- (3) activities or entertainment (whether licensed under the 2003 Act or not) or a clearly adult or sexual nature
 - (4) criminality at the premises likely to harm children
 - (5) licensable activities are taking place during times when children under 16 may be expected to attending compulsory full-time education
 - (6) other hazards to children that are not sufficiently controlled
 - (7) events or activities are specifically targeted at those under 18 without appropriate safeguarding measures being proposed (eg running youth discos without a sufficient dispersal plan to ensure young people can leave the premises and get home safely)
4. Where we receive representations that an application does not appear to have sufficient safeguards to prevent the sale and/or delivery of alcohol to people under 18, we will impose appropriate conditions (modified if necessary) from our pool of model conditions.

Film exhibitions

We would expect operating schedules for the display of films to include a stipulation that children will be restricted from viewing age-restricted films certified by the British Board of Film Classification (BBFC) in line with the mandatory condition under the Licensing Act for showing films to children under 18.

Where it is proposed to show films that are not classified by the BBFC (such as at amateur film festivals), our officers will determine the classifications in accordance with the current guidelines published by the BBFC.

Policy LP10

1. We will only consider substituting a classification by the BBFC for one of our determination in the light of exceptionally strong representations that the BBFC classification provides insufficient protection for children. Those making representations in this respect will be expected to provide compelling reasons as to which other classification should be substituted in place of the BBFC's.
2. We will determine the classifications of films that have not been classified by the BBFC, in line with the BBFC's current guidelines.

Justification for LP10

The BBFC are the acknowledged experts with the experience and expertise who have been entrusted by the Government to classify films for viewing by all sections of society. As such, we should not lightly over-turn its decisions, and we have not had previous cause to do so under either the Licensing Act or its predecessor Cinemas Act 1985.

REPRESENTATIONS ABOUT APPLICATIONS

Representations may be made by people who live, or are involved in a business, within the Borough of Watford about an application for a new licence/certificate, a variation to an existing licence/certificate or when a licence/certificate is reviewed. Representations may be positively in support of an application, or may oppose an application.

Representations may also be made by organisations representing such bodies, such as residents' associations or chambers of commerce. Organisations such as churches, schools or hospitals may also make representations.

Ward councillors may represent 'interested parties' in their role as a representative of the community, make representations either in their own right, or may make representations as a member of the licensing authority about any relevant application, but may not sit on the committee dealing with that particular application.

We shall not generally make representations ourselves where other responsible authorities have done so. We shall generally only make representations where we have evidence that is not in the possession of anyone else; where an application conflicts with our statement of licensing policy; or in order to improve upon conditions that might be offered in an operating schedule and which has not been resolved through negotiation.

We recommend that representations should:

- (1) be made in writing (a legal requirement)
- (2) indicate the name and address of the person or organisation making the representation
- (3) indicate the premises to which the representation relates
- (4) indicate the proximity of the premises to the person making the representation
- (5) clearly set out the ground for making the representation.

Representations can only be considered if they are concerned with one of the four licensing objectives:

- (1) crime prevention;
- (2) public safety;
- (3) prevention of nuisance;
- (4) prevention of harm to children.

In accordance with statutory regulations, we will forward copies of representations to the applicants in order that they may respond. Representations which are not previously withdrawn are included in reports that are considered by councillors at hearings and are published on our website.

In some exceptional and isolated cases, we may consider that an interested party has a genuine and well-founded fear of intimidation from divulging their name and/or address to the applicant. We will consider an alternative approach in these circumstances providing we are satisfied that the circumstances justify such an action and the representations or concerns are not frivolous or vexatious.

Policy LP11

1. Where a person has made a valid representations or a valid application for a licence to be reviewed, we will where practicable attempt to arrange a voluntary mediation meeting to address, clarify and try to resolve issues of concern.
3. We may reject representations if it appears the representations are frivolous (lacking in seriousness) or vexatious (made repeatedly on the same or similar grounds). Where a representation is not accepted because it is frivolous or vexatious, we will give reasons why that is the case in writing. In such cases, our officers will make the determination, giving interested parties the benefit of the doubt where appropriate.
3. Decisions as to whether representations are irrelevant, frivolous or vexatious must be made objectively and not on the basis of any political judgement. Accordingly, our officers will make the decisions on whether representations or applications for licence reviews should be referred to the licensing committee or sub-committees, giving the maker of the representation the benefit of the doubt. Where representations are rejected, the person making that representation will be given a written reason as to why that is the case. A report will be made to the licensing committee indicating only the general grounds of the representation and the reason it was rejected.

COMPLAINTS AGAINST LICENSED PREMISES

We will investigate complaints against any licensed premises, including in conjunction with other responsible authorities where appropriate. In the first instance, we encourage complaints to be raised directly with the licence-holder or business concerned.

Policy LP12

1. Where a person has made a valid representations or a valid application for a licence to be reviewed, we will where practicable attempt to arrange a voluntary mediation meeting to address, clarify and try to resolve issues of concern.
2. This process will not override the right of any person to ask that the licensing committee consider their valid representations or an application for a licence review, or for any licence holder to decline to participate in a mediation meeting.

LICENCE REVIEWS

It is important to recognise that the promotion of the licensing objectives relies heavily on a partnership between licence holders, authorised persons, local residents or businesses and responsible authorities in pursuit of common aims. It is therefore equally important that reviews are not used to drive a wedge between these groups in a way that would undermine the benefits of co-operation. Responsible authorities are encouraged to give an early warning of concerns about problems identified at the premises concerned and of the need for improvement although it is recognised this is not always practicable or desirable. It is expected that a failure to respond to such warnings would lead to a decision to request a review.

Policy LP13

1. We can only review a licence where it is alleged that the licensing objectives are not being kept. An application for a licence review is an acknowledgment that existing systems have broken down. We view particularly seriously applications for the review of any premises licence where it involves the:
 - (1) use of licensed premises for the sale or distribution of illegal drugs and the laundering of the proceeds of drugs crimes;
 - (2) use of licensed premises for the sale or distribution of illegal firearms;
 - (3) evasion of copyright in respect of pirated films and music;
 - (4) underage purchase or consumption of alcohol;
 - (5) use of licensed premises for prostitution or the sale of unlawful pornography;
 - (6) use of licensed premises for unlawful gaming;
 - (7) use of licensed premises as a base for organised criminal activity;
 - (8) use of licensed premises for the organisation of racist, homophobic or sexual abuse or attacks;
 - (9) use of licensed premises for the sale of smuggled tobacco or goods;
 - (10) the use of licensed premises for the sale of stolen goods;
 - (11) where the police are frequently called to attend to incidents of disorder;
 - (12) prolonged and/or repeated instances of public nuisance and/or anti-social behaviour;
 - (13) where serious risks to public safety have been identified and the management is unable or unwilling to correct those;

- (14) where serious risks to children have been identified;
 - (15) continuous breaches or contraventions of licence conditions;
 - (16) not operating the premises according to the agreed operating schedule.
2. Representations made by another department which is a responsible authority will be treated by the licensing authority in precisely the same way that they would treat representations made by any other body or individual. In every case, an evidentiary basis for the allegations made will need to be laid before the licensing authority.
 3. We would not expect a responsible authority which is also alleging criminal conduct on the part of a licence holder, (such as allowing underage sales of alcohol), to first exhaust the relevant legal powers at their disposal before making an application for a review.
 4. Where a review follows convictions or the failure of a prosecution in the criminal courts, it is not for the licensing committee to attempt to go behind the finding of the courts, which it will treat as a matter of undisputed evidence before it.
 5. It is envisaged that the responsible authorities will use the review procedures effectively to deter unlawful activities and crime. Where reviews arise and the licensing authority determines that the crime prevention objective is being undermined through the premises being used to further crimes, it is expected that revocation of the licence – even in the first instance - could be seriously considered.
 6. We will expect that any party making an application for a licence to be reviewed will prove the facts that they are relying on to support their allegations on the balance of probabilities, that is, that it is more likely than not that the circumstances being complained of did actually occur. Because of the potentially serious consequences to a licence holder following a licence review, mere anecdotal or hearsay evidence will not be sufficient.
 7. In considering our response to an application for a review, we will adopt the approach set out at appendix 1.

ENFORCEMENT AND COMPLIANCE POLICY

We no longer conduct regular pre-programmed premises inspections. We will instead conduct inspections where there are concerns about the ability of the designated premises supervisor or premises licence holder to promote the licensing objectives or to meet the conditions on their permission.

Enforcement

We have a long-established licensing enforcement policy based around the principles of consistency, transparency and proportionality set out in the Government's Enforcement Concordat and the statutory Regulators' Compliance Code, which also takes into account the Attorney-General's Guidelines to Crown Prosecutors for bringing prosecutions.

Our licensing enforcement policy proposes that a graduated response is taken where offences against licensing legislation are found or where licence conditions have been contravened. An isolated and minor offence may be dealt with purely by way of a written warning whilst more serious offences which have either been committed over a period of time or which jeopardise public safety may result in a referral for prosecution.

We continue to work actively with other responsible authorities in enforcing licensing legislation. We share information about licence-holders and licensed premises under the Crime and Disorder Act 1998, and expect to be closely consulted when any enforcement action may be required. We have signed the Hertfordshire Licensing Enforcement Protocol in conjunction with the other responsible authorities within the county.

THE LICENSING COMMITTEE

Our licensing committee will consist of fifteen Councillors that will sit at least once annually.

The chair of the licensing committee shall be elected at the annual meeting of the Licensing Authority in May. The chair of the licensing sub-committees shall be elected at the meeting of the sub-committee.

We will ensure that members and officers are appropriately trained to carry out their duties under the Licensing Act. In accordance with the Council's Constitution, no councillor shall sit on any licensing committee unless they have received appropriate training.

Scheme of delegation

Sub-committees of three councillors will sit to consider applications where valid representations have been received. Where a sub-committee does not have all three members present, it may only meet with the approval of the chair of the licensing committee in consultation with the Head of Legal and Property Services.

Applications referred to sub-committees will be accompanied with a report prepared by our officers. This will include recommendations relating to the operating schedule, representations, the Licensing Act and other legislation, statutory guidance, national and local policy, good practise, or recommended conditions that could be considered to alleviate any concerns raised in the representations.

The licensing committee will also sit to determine general licensing policies not associated with the Licensing Act 2003, such as those policies under taxi and private hire vehicle legislation.

The licensing committee and its sub-committees will also sit to determine matters arising under the Gambling Act 2005.

The full Licensing Committee will hear and consider any representations relating to a proposed Early Morning Restriction Order, and will make its recommendation to the Council acting as the Licensing Authority. A specific protocol will be approved and published for this purpose in advance of the committee hearing should this be necessary.

Our licensing officers will deal with all other licence applications where either no representations have been received, or where representations have been received and it is agreed by the parties that a hearing is not necessary. Officers will also

1. make representations on its behalf in appropriate cases. It will normally be clear that there is a separation of roles between officers who make representations and those who process the application
2. review and certify unclassified films in accordance with policy LP10, with the power to refer applications to a licensing sub-committee in cases of doubt.

3. consult with the responsible authorities they think are relevant to application for minor variations to premises licences and club premises certificates. They will also consult with the chair of the Licensing Committee before deciding whether to allow or refuse the application
4. suspend a premises licence or club premises certificate under sections 55A(1) or 92A(1) of the Act for non-payment of annual fees, and to specify the date (with at least two working days' notice) on which this takes effect
5. impose existing conditions from a premises licence or club premises certificate on a temporary event notice where all parties agree under section 106A of the Act that a hearing is not necessary.

Role of councillors

Local councillors play an important role in their local communities. They can act on behalf of people who might be affected by licence applications. Local councillors with a prejudicial interest in an application may attend sub-committee or committee meetings to make representations, answer questions or give evidence (providing other parties may also do so). Councillors must however withdraw from the meeting immediately afterwards and on no account play a part in the decision-making process.

The licensing sub-committee will also refer to the licensing committee any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it.

This does not apply to applications made by the Council itself for licences or permissions under the Act. In those circumstances, it is unlikely that councillors would have a prejudicial interest in the matter before them, as defined in the Model Code of Conduct for Councillors issued under the Local Government Act 2000.

Committee decisions

The licensing committee will refer to the licensing authority any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it.

Every determination of a licensing decision by the licensing committee or a licensing sub-committee shall be accompanied with clear, cogent reasons for the decision. A summary of the decision shall be posted on the licensing authority's website as soon as possible after the decision has been confirmed, where it will form part of the statutory licensing register required to be kept by the licensing authority.

RELATIONSHIP TO OTHER POLICIES AND LEGISLATION

1. Although the four objectives are the only matters that the licensing authority may take into account when making licensing decisions, as a public body the licensing authority is also required:
 - (1) Under the Crime and Disorder Act 1998 to have due regard of the crime and disorder implications of any of its decisions, including the adoption of this policy;
 - (2) To implement the Licensing Act in a manner consistent with the Human Rights Act 1998 by giving due consideration to the rights contained in the European Convention on Human Rights and Fundamental Freedoms;
 - (3) To implement the Licensing Policy in a manner consistent with its equality scheme under the Race Relations (Amendment) Act 2000).
2. This policy also integrates with other Council policies and strategies such as:
 - (1) Corporate Plan 2009 – 2014
 - (2) Watford Community Plan 2006 – 2026
 - (3) 24-hour strategy for the town centre 2008
 - (4) Local Development Framework Core Strategy (Family Friendly Town Centre)
 - (5) Safer Watford Community Safety Plan
3. During the life of this policy the licensing authority is also likely to work closely with the Police and Crime Commissioner for Hertfordshire, and the county's Director of Public Health. Reducing alcohol-related harm is a feature of the Hertfordshire Joint Strategic Needs Assessment (see <http://atlas.hertslis.org/IAS/hwb/priorities/alcohol.html>).

APPENDIX 1

Licence review guidelines

The Licensing Committee and sub-committees when holding licence review guidelines to maintain a degree of consistency and transparency in decision-making will apply the guidelines below. The Committee reserves the right to amend and republish these guidelines in the light of operational experience.

	Aggravating factors	Mitigating factors
Prevention of crime and disorder	<ul style="list-style-type: none"> • Failure to heed police advice • Encouraging or inciting criminal behaviour associated with licensed premises • Serious injury results • Previous track record 	<ul style="list-style-type: none"> • Minor breach of condition not justifying a prosecution • Confidence in management ability to rectify defects • Previous track record • Voluntary proposal/acceptance of additional condition
Prevention of public nuisance	<ul style="list-style-type: none"> • Noise late at night in breach of condition • Previous warnings ignored • Long and prolonged disturbance • Excessive nuisance during unsocial hours (relating to locality and activity concerned) 	<ul style="list-style-type: none"> • Noise limiting device installed • Licence-holder apologised to those disturbed by nuisance • Hotline complaints telephone available • Short-term disturbance • Undertaking/commitment not to repeat activity leading to disturbance • Willingness to attend mediation • Voluntary acceptance/proposal of additional conditions
Public safety	<ul style="list-style-type: none"> • Death or serious injury occurred • Substantial risk in view of a responsible authority to public safety involved • Previous warnings ignored • Review arose out of wilful/deliberate disregard of licence conditions 	<ul style="list-style-type: none"> • Minor or technical breach of licence condition • Confidence in management to rectify defects • Confidence in management to avoid repetition of incident • Voluntary acceptance/proposal of additional condition

	Aggravating factors	Mitigating factors
Protection of children from harm	<ul style="list-style-type: none"> • Age of children • Previous warnings ignored • Children exposed to physical harm/danger as opposed to other threats • Activity arose during normal school hours • Deliberate or wilful exploitation of children • Large number of children affected • Children not allowed on premises as part of operating schedule 	<ul style="list-style-type: none"> • Conduct occurred with consent of person with parental responsibility for child • Short duration of event • No physical harm • Short-term disturbance • Undertaking/commitment not to repeat activity • Voluntary acceptance/proposal of additional conditions • Children permitted on the premises as part of operating schedule • Not involving under-age exposure to alcohol
Following enforcement action by responsible authorities	<ul style="list-style-type: none"> • Penalty imposed by court • Previous warnings ignored • Offender previously convicted or cautioned for same or similar offence • Offences over prolonged periods of time • Offences resulted in significant danger or nuisance • Offences as a result of deliberate actions or reckless disregard of licensing requirements • Offence likely to be repeated 	<ul style="list-style-type: none"> • Compensation paid by offender or agreement towards mediation • Voluntary acceptance/proposal of additional conditions • Offence disposed of by way of simple caution or penalty notice for disorder (“fixed penalty notice”) • First offence or warning • Single offence • No danger to the public or nuisance • Offences merely administrative in nature • Offence unlikely to be repeated
POSSIBLE OUTCOMES		
<ol style="list-style-type: none"> (1) To take no action (2) To issue a written warning (3) To modify the conditions of a premises licence or club premises certificate, including the addition of new conditions or deletion of old conditions (4) To exclude a licensable activity or qualifying club activity from the scope of the premises licence or club premises certificate (5) To remove the designated premises supervisor from the licence (6) To suspend the licence for a period not exceeding three months (7) To revoke the premises licence or withdraw the club premises certificate 		

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APPENDIX 2

Page	Description of change
3	Confirmation that the policy will now last for five years until 2018, and a description of the consultation exercise that was undertaken.
3	Changing the annual report to the Licensing Committee from each January to each Spring.
4	Updating the details and description of the Borough.
5	Amending the SLP to acknowledge the award of Purple Flag status for the town centre.
6	Amended to recognise the introduction of the Live Music Act 2012 and that “regulated entertainment” has been deregulated even further.
7	When the Act was first implemented, officers established a Licensing Consultative Group of local licensees, statutory bodies and residents’ groups to keep the SLP under review. Although this was replaced in 2011 by an open annual meeting, officers instead will use existing consultation structures and report on the Act’s operation to the Licensing Committee each Spring.
7	The term “interested parties” has been deleted from the Act and has been deleted from the SLP.
8	Make it clear that conditions, when added following relevant representations, will be tailored to the style and characteristics of the individual premises in question.
12	The reference to paragraph 13.41 of the <u>previous</u> statutory guidance, which refers to providing choice and flexibility for consumers whilst balancing the rights of local residents to peace and quiet, has been replaced with a reference to paragraph 13.42 of the <u>current</u> guidance that different licensing approaches may be required for different areas, that licensing authorities – in consultation with others – are best placed to make those decisions, providing that opening hours must not be pre-determined without each case being considered on its own merits.
13	Amend policy LP2A to state the aim of the policy is for all parties to be clear as to whether a licence granted for a petrol filling station is effective or not.
13	Strengthen paragraph 1 of policy LP2A to show that evidence of how intensively a petrol filling station is used will be required before a licence can be granted.

13	Inserts a new paragraph 2 into policy LP2A.
14	Amends the SLP to reflect the Government's proposals to abolish the need for circuses to obtain licences for regulated entertainment.
15	Included a new paragraph to recognise the future potential of an Early Morning Restriction Order in the town centre.
15	Include café-bars and other entertainment venues as the types of premises within policy LP3 which will be considered as an exception to the general policy, and where the starting point will be to grant applications subject to conditions if representations have been made.
16	Paragraph 6 has been strengthened. When applicants wish to show they should be an exception to policy LP3 (which restricts alcohol sales in the town centre), they may need to demonstrate that they have an effective dispersal management plan in place and an electronic identification entry system in addition to the existing requirements of installing CCTV and having use of a Pubwatch radio.
17	The crime and disorder statistics for the town centre covered by policy LP3 has been updated, and reference is also made for the first time to statistics of alcohol-related injuries provided by Watford General Hospital.
17	The list of measures in the town centre to combat alcohol-related crime has been updated.
18	Updated the number of times the Council has successfully defended appeals involving the SLP before the magistrates' courts.
18	Introduces the new policy LP4 of Sensitive Licensing Areas, together with a justification for doing so
21	A number of changes to the temporary event notice scheme are set out here: that "late" notices of five working days can now be given; that Environmental Health as well as the police are now consulted once notices are received; and that conditions from a pre-existing premises licence or club premises certificate can be added to temporary event notices following police or Environmental Health representations.
21	Include a reference to Environmental Health being able to object to a temporary event notice.
21	The SLP confirms that licensing sub-committees will consider the individual merits of a TEN should the police or Environmental Health object to a temporary event notice within the town centre (LP3 area).

22	Reference to a licensing enforcement officer visiting many events held under a TEN has been deleted.
23	The current policy recommends that where an applicant for a personal licence has a current criminal conviction, they should first discuss their application with both licensing authority and police licensing officers. This has been deleted to bring the policy in line with the established statutory process which is for the licensing authority to advise the police where applicants have relevant criminal convictions and for the police to decide whether those convictions are likely to undermine the crime prevention objective.
23	A recommendation that a joint interview with the police is conducted when the police are minded to object to the transfer of a designated premises supervisor (on the grounds that the crime prevention objective may be undermined) has been deleted.
24	A new paragraph has been inserted setting out the authority's expectations of the responsibilities of designated premises supervisors.
25	References to Off-Watch schemes have been deleted.
30	Two new paragraphs have been added setting out the licensing authority's expectations in relation to age verification procedures for selling alcohol to under 18s, and for internet or telephone sales.
31	Policy LP9 has been amended so that appropriate conditions will be added following representations that an application does not adequately address age verification sufficiently.
31	The licensing authority has a long-standing power to restrict films viewed at public screenings. This is delegated to officers and policy LP10 codifies the existing position, making it clear that they will apply the same guidelines that the British Board of Film Classification would apply.
32	The first paragraph has been revised to reflect that anyone within the Borough who may have an interest in an application may now make representations, and not just "interested parties" (which have now been abolished). The chapter heading and the first paragraph have also been amended to make clear that representations can be either for or against applications.
38	A new paragraph has been added setting out the circumstances in which the licensing authority is likely to make representations in its own right in one of three particular situations.
34	A paragraph has been deleted which stated the licensing authority cannot start reviews of licences itself, as the Police Reform and

	Social Responsibility Act 2011 now allows that to happen.
34	Policy LP14, which set out how licensed premises were inspected on a proactive risk-based approach, has been deleted as a change in the way we now conduct monitoring of premises means that we target high risk premises that give rise to complaints or concerns. Regular proactive night time operations are still undertaken in the town centre.
38	The scheme of delegation from the licensing authority has been amended so that the full Licensing Committee will consider evidence relating to an Early Morning Restriction Order if necessary and make recommendations to the full Council.
38	The scheme of delegation also sets out the specific powers delegated to officers which are not explicit in the Act.
40	The role of the Police and Crime Commissioner, and of the Director of Public Health, are acknowledged.

**Responses to Consultation on Watford Borough Council's
Draft Statement of Licensing Policy**

Please tick all boxes which apply and attach continuation sheets as necessary

1) Have you read the draft Licensing Policy? It is available at http://www.watford.gov.uk/ccm/content/ehl/licensing/licensing-act-policy-refresh.en
<input checked="" type="checkbox"/> Yes 19 <input checked="" type="checkbox"/> No 4 Not known 3
2) Do you agree with the introduction of a Sensitive Licensing Area policy for these specific areas?
<input checked="" type="checkbox"/> Yes 26 <input type="checkbox"/> No <input type="checkbox"/> Don't know
Please give reasons for your answer
<ul style="list-style-type: none"> • "Watford is a beautiful place and if we don't pull the reins in now it will quickly become another one of those towns in London known for anti social behaviour" • "Far too many premises already sell alcohol" • "There has been problems with anti social behaviour in the past" • "Having moved to Whippendell recently have witnessed the negative impact of alcohol sales and need for restrictions for the benefit of all" • "There is a drunks/drugs centre at the top of the road and from there it is a short walk to the nearest alcohol outlet" • "Too much litter and noise from drinks" • "Litter, empty beer cans/bottles, etc., all over the place. Crime" • "This will help cut down 'week-end' trouble in Watford town centre and the streets nearby" • "Drinkers leading to anti social behaviour" • "A place of residence should be quiet. The female only gym on Queen Street is disturbing the whole neighbourhood" • "Anti social behaviour, increased crime, polluting rubbish. I live in this area & Queensgate Development has been broken into several times, rubbish left in our residence, fearful" • "So bad environment be less"

- “Public nuisance/crime/ anti social behaviour is very disturbing at any time and especially late night/early morning hours in a residential area and should be prevented”
- “Nuisance, noise, pollution and behaviour from street drinking”
- “The areas identified are in effect gateways to the town centre and as such suffer from antisocial behaviour issues fuelled by the availability of cheaper alcohol late into the evening”
- “We don’t need any more pubs and late night fast food joints in the neighbourhood”
- “There has been a history of alcohol related issues in this predominantly residential area for eg: noise nuisance, damage to vehicles and property and adverse effects on residents peace and quiet. The introduction of a new policy with strict restrictions is very welcome.”
- “Lots of antisocial behaviour outside our property”
- “There are too many small retail outlets selling alcohol in this area. We have the New Hope Trust and a drink/drugs clinic none of their work is encouraged by ease of alcohol purchase here”
- “Given the size of these areas, and the fact that there is much residential property, there are too many establishments selling alcohol. Its availability late into the evening encourages street drinking, leading to anti-social behaviour and causing nuisance to residents in the immediate area, which spills into adjoining streets. There is also litter from places selling other refreshments late in the evening”.
- “The Queens Road area is becoming a hang out for aggressive drunks and beggars. We have witnessed a number of fights and arguments between drunk men in the daytime near the underpass on Queens Road. Walking to the Harlequin Centre is an unpleasant experience and I do not allow my 11 year old to do so on her own because of the drunks and dossers that collect there. Also my 18 year old has said that any under 18 year old can buy anything they like from the off license on the Broadway. There is already a ghetto of unemployed alcoholics living in the area, due to the presence of New Hope Trust and anything that stops drink related antisocial behaviour must be encouraged- for example, our builder saw a drunk man with a loaded crossbow going into Alpha Court on Grosvenor Road only last week. There is also a problem with litter-with empty cans and bottles being thrown on the floor-e.g. two cider bottles in the churchyard yesterday and numerous empty cans and bottles in the gardens at the end of Gladstone Road. Ideally all alcoholics would be banned from drinking in public places and also moved out of the area-Queens Road is a disgrace and no one will want to invest in it whilst we have this problem on our doorsteps”.
- “There is a need to address concerns about licensing hours and availability due to the number of reported incidents in the locality of Queens Road. This includes threatening behaviour towards shop keepers and gathering of drinkers in the area of Queens Rd at the Derby road end outside the YMCA shop., The area attracting drinkers due to availability of alcohol”.

- “There are already far too many places selling cheap alcohol in Queens Road, and the hours already commence too early, and finish too late because of poorly conceived Government legislation restricting the scope of the Borough’s Licensing authorities to prevent nuisance and ASB. Any extension to the number of outlets or their opening hours in Queens Road can only exacerbate this unwelcome and Family unfriendly anti-social activity.

For example, nuisance is caused to mothers with infants having taken their older children to school, and shopping in Queens Road in the morning with alcohol beggars bothering them for the price of their first can of the day. Any earlier opening time would cause the mothers to be bothered in this way actually taking their impressionable children to school.

Cheap uncontrolled alcohol supply in cans and spirit bottles at extended hours causes nuisance by encouraging “pre-loaders” and “post – loaders” consuming alcohol in the street before and after going to the pub, completely without any form of control. This causes bursts of late night rowdiness, often in large peer groups, drunken loud behaviour along the streets late at night, and the jettisoning of rubbish and alcohol containers and other consumable detritus, into people’s gardens and also the disgusting practice of urinating into them. Further, there is a measure of violence and criminal damage occurring as a result. This must certainly be prevented from expanding any further, and heavily discouraged and restricted in scope at the source of alcohol supply in Queens Road”.

- “There are some examples which I have relayed to the Police with respect to anti-social drinking within the St Albans Road area from Leavesden Road to Leggatts Wood rise. This is a result of first hand experience as I live in the area and also a ward councillor of part of the area.

The result of the street drinking and the behaviour of certain known street drinkers has resulted in some local residents having fear walking past him as he often asks for money as they walk past, if they refuse the response is profanity. This resulted in people fearing abuse and nuisance caused by them.

I support the introduction of a sensitive licensing area. I have local residents complain about the litter caused by the street drinkers, for example between the service road between Oakdene Road and St. Albans Road/Longspring.

One of the individuals, who is a known street drinker has also begun to sleep rough in Brixton Road. Again this is public nuisance as this is also associated with urinating and excreting faeces. I have local resident stating: “The anti-social behaviour has got worse. I returned home from work the other day to what was clearly a homeless man urinating in the street. Homeless persons sleep in the car park at on the left as you enter Brixton Road. It is a complete embarrassment and I actually dread friends and family coming over in case they see any of this”

- “The street drinker is often seen drinking on the bench outside Christchurch, Bruce Grove and the bench outside Longspring-the impact of this is that it has encouraged

other people to join him and their behaviour can be appalling at times. This has resulted in a group of people drinking within the area and outside the church-which runs many family run community events, including a mother and toddler group. I believe this will help in protecting children from harm associated with this anti-social behaviour.

I have witnessed street drinkers urinating in the street and this again is something which is a nuisance.

There are a number of off-licences in the St. Albans Road area as well as shops which have late night licences, including the Esso petrol station which has a 24 hour licence”

- “I am in favour of including Queens Road in a Sensitive Licensing policy area for the following reasons:

The Broadway currently has 6 retail outlets selling alcohol which collectively provides customers with access to purchase from 8am to 10pm. There are an additional 2 alcohol selling outlets at the St Johns road end of Queens Road. The current licensee works closely with police and the council to maintain certain standards to prevent alcohol related ASB, i.e., no sale of single cans, not selling to street drinkers, etc. This working relationship is not to be underestimated or indeed the licensing hours which residents and ward councillors have worked hard to restrict. Any new additional similar outlets will undoubtedly have a negative impact on what is a residential area. Any policy which serves to restrict any further outlets trading in the area would be of benefit to the community.

The police currently work extremely hard to manage the issues of street drinking and ASB. Any further outlets would put additional pressure on resources which is not viable given the road’s proximity to the High Street where a heavy police presence is required.

Alcohol selling retail outlets tend to be open for extended hours. These late hours invariably affect residents with noise and litter disruption. Replacing a traditional 9-5 shop with another alcohol selling shop will again affect the “status quo” and why this policy would prevent this.

There is a high volume of alcohol selling shops already in the road. In order to attract new visitors to the area and support existing traders it is essential to provide an eclectic mix of retailers in the area. There is a strong link between derelict area and crime and so it is essential to provide an environment that will attract all different types of businesses to enhance the area’s economy and wellbeing”.

- “ I have already made my opinion clear regarding the numbers of retail sites offering alcohol in Queens Road, when I sent my letter against the Queens Road late trading hours application.

This attitude applies to virtually every area within the borough, there are only so many sites required in any one of them. There should be a similar overall restriction not just in the three areas selected, and the question is not just where or at what time one can buy alcohol, but how strictly it is monitored and enforced by the Borough’ officers and licensing panel, the Police and most importantly the Courts on

appeal.

As a former retailer of Consumer products (not food or alcohol) I well appreciate the retailers desire to make profit in any way possible and if that includes moving high cost and highly tax goods then many will find ways to “bend” the rules. The fact that it is available in multiple places anywhere causes irrational and greedy retailers to bend the rules and more importantly the Law to their own advantage.

I would sight the blatant lack of transparency and detail in the recent Queens Road retailers application, where he supplied only half the truth by omitting the more difficult and more relevant details against his argument and thus skewed the details of his application in his favour.

That could almost be translated as criminal misrepresentation.

However more importantly, in my now possibly out of date interpretation of the law, the manner and delivery of the Licensing panels ruling left too many opportunities for the new application.

I fear to repeat my own experience of 15 years as a licensing Magistrate including Chairman of the Licensing Panel: there was and there has always been a co relationship between alcohol and crime, one might generalise by stating one fuels the other and versa versa.

The general public’s present attitude to alcohol and it’s availability is quite understandable, as they see the results of excess drinking at the base level of rowdiness, bad behaviour, the “mess” caused and lack of respect for others property at grass roots, so to speak.

I understand the coalition government is currently reviewing the problems of alcohol misuse at national level, therefore I belive the last thing Watford Borough should consider is the setting up of these “areas”.

- “Many times food and alcohol related litter is left in front of our house or on top of our bin at night time. At late night once a drunk person was trying to open our door. The exhaust machines used by Pepe’s and Taj make a lot of noise”.

3) Do you agree with the reasons for Sensitive Licensing Area policies in these areas?

Yes 24

No

Don’t know 1

Blank 1

Please provide reasons or other evidence to explain your answer

- “Litter is a problem we also have had graffiti, theft, drug dealing on our property and

there was a sexual assault outside our flat”

- “ I would like to think it would reduce anti social behaviour. There are several outlets in Queens Road where you can purchase alcohol bottle, store, spar, Londis and the Polish shop. are so many outlets really required? These places lead to people drinking on the benches outside Queensgate flats facing Derby Road. They get rowdy & urinate against the wall”
- “These are mixed residential/commercial areas, so residents deserve protection from the adverse effects of late night alcohol sales and late night refreshment”
- “ The people causing the problem rarely live in the neighbourhood in which they are causing the disturbance. They don’t take into consideration the local residents so anyway of preventing this disturbance should be beneficial”
- “It will be safe aswel”
- “Extend it if possible but keep the shops in the area they belong- A High street”
- “Waste of Police time, waste of sleep time/ unable to sleep”
- “I agree with the sensitive licensing area. It will help to stop trouble in the town centre”.
- “See empty cans everywhere”
- “Street drunks hang around areas where they can buy cheap booze”.
- “Street drinkers in particular in and around Whippendell Road do cause misery for all and impact on community relations”.
- “There is built up residential area with a significant amount of takeaways causing litter, noise and pollution”
- “People drinking in street”
- “There are over a dozen takeaway just on Whippendell Rd creating nuisance and litter. How many more do we need?”
- “Absolutely- about time!! It will help residents feel somewhat secure.”
- “Common sense”
- “As stated above, but also because being close to the town centre, means that residents in these areas are already impacted by the after-effects of people drinking in town, without it being exacerbated by alcohol being readily available in the immediate vicinity. As a local resident, living near Queens Road, I have witnessed and suffered from anti social behaviour”.
- “Restricting and limiting the hours of operation will surely create less litter, less noise and less drunk related crimes but I think restrictions should start from 10.00PM”

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4) Do you agree that the introduction of Sensitive Licensing Areas will help in promoting the licensing objectives (prevention of crime and disorder; prevention of public nuisance; protection of children from harm; and public safety)?

- Yes 28
- No
- Don't know 1

Please give reasons for your answer

- "There are still several outlets in the area selling alcohol so I don't know how big an impact it will make"
- "Any new policy to help residents live a more peaceful life is always welcome. The support of the council or any other organisations involved is what the residents need"
- "Less pubs and places where you can buy alcohol late will hopefully reduce anti-social behaviour, therefore making it safe to walk home late without fearing for your life"
- "Restricting the availability of alcohol in these areas will reduce their attractiveness to town centre visitors and street drinkers, so should reduce levels of ASB"
- "Take away the ability to buy alcohol – no street drinking"
- "But it needs to be strictly policed, local residents should be alerted to any changes or applications to any premises selling food or drink. The number of premises in each area allowed to sell alcohol should be limited".
- "So it will protect children to stay away from crime"
- "The crime rate has gone up in Queens Street, Lord Street and Loates lane. People could park their cars without thief, now constant break-ins"
- "This will prevent nuisance, night fight"
- "I live in Marlborough Road and can hear the 'shouting' and foul language late at night"
- "Cut down availability of alcohol in area. Should drink in pubs and ref not in street".
- "This generates a bad influence on children in this area".
- "Would also like this proposal applied to current licensing agreements those when violated".
- "Late night anti social behaviour and litter all need limiting"

- “There is too much nuisance in Whippendell Rd at night especially at Fri night and Sat night and way too many takeaway packets and kebabs and food dumped on our streets encouraging rodents and foxes”.
- “We have had to call the police repeated times- this adds costs to our taxes”
- “If there is a control on the availability of alcohol and also late night refreshments, I think it can help to counter some of the problems, and lead to the achievement of the objectives. It would be good to look to improving the areas, and increasing the diversity of commercial usage, and enhance the residential habitations”.
- “Although we also need more active policing to stop alcoholics from installing themselves in public places”.
- “The introduction of an SLA would give the committee a chance to review licence applications in the light of current circumstances at the time. It will enable the factors mentioned to be analysed and taken into consideration with regard to the licensing objectives. Importantly it will help reduce any growth in demand competition leading to low prices It would act a control factor to enable the licensing objectives to be fulfilled”.

5) Do you agree with the size of the proposed Sensitive Licensing Areas?

- Yes 24
- No 2
- Don't know 4

Please give reasons for your answer and offer a description of where the area should cover if you disagree

- “Queens Road especially seems a dodgy road. There are several late-night fast food take away places- we really don't need anymore-besides we should be promoting healthy eating. The pub at the end of the Queens Road/ Loates Lane which has changed hands several times is now closed down seemed to attract unsavoury characters. Something really needs to be done to improve this street and encourage local traders bakers/florist perhaps certainly not a pub or another chicken joint”.
- “Yes the areas concerned are those where the licensed premises are”.
- “I hope it covers the entirety of Whippendale Road and the side roads”.
- “In my local area it should cover “The Beadway” Queens Road, Loates lane, Duke Street and Ean Street. Plus Southevon road and Cross Street. As Duke Street is

regularly used as a pedestrian route by late night noisy people who have been out drinking“.

- “It should cover Queens Street, Lord Street and Loates lane“
- “I think should be no licensing for small shops as for large shops like ASDA or so
- I would like to see Marlborough Road included in this area. Also it will make people think about what they are doing“
- “I believe this is an important start but should be expanded further at a later date“
- “Although unsure why the area cannot be expanded to all across Watford excluding the town centre. Otherwise could damage the perceptions and house prices within each area“.
- “This is the hey area of concern“
- “The residential area should be kept quiet, safe and clean for our kids. You dont even want to walk at night because of anti social behaviour“.
- “Could be extended“
- “These areas need fewer (far fewer) licensed outlets and more control“
- “These seem to be the areas outside of the town centre itself, with a high-density of licensed premises“.
- “Unsure that this will be large enough“.
- “Whilst this is a start, consideration could be given to restricting the number of licences to sell alcohol (Cumulative impact zone) in each area could be a possibility for the future unless reported incidents cease“.

6) We are considering whether the Sensitive Licensing Area in Whippendell Road should replace our current Cumulative Impact Zone. Which policy do you think would be more suitable for Whippendell Road?

Sensitive Licensing Area 16

Cumulative Impact Zone 6

Please give reasons for your answer

- “If I understand this correctly the SLA is more strict than the current CIZ. If this is implemented hopefully we will not have to review it in 5 years time. Any application will be automatically declined“. SLA
- “I think the three areas identified have similar physical, retail and residential

characters and similar levels of ASB so should be treated in a consistent way". SLA

- "More "in depth" policy" - SLA
- "Don't know as it is not my local area so I am not aware of the current issues".
- "I don't live live on Whippendale Road so my opinion does not count".-SLA
- "Alcohol is problem for this and this is leading to fights in nights"-SLA
- "People will know that this area is covered by the sensitive licensing area and will think about getting into trouble. It will also help the Police". -SLA
- "Litter is considerable. Consumption of food on roads especially late at night (Durban Rd West) and drinking on road with associated noise"- CIZ
- "Unsure- favour both, i.e., increased licensing restrictions and enforcement of no drinking in the area. Remains a constant problem".
- "More suitable for local needs"- SLA
- "We need to be sensitive in our decisions and choices as to what effect they may cause those around us". -SLA
- "Better to refuse the application altogether-too many alcohol selling establishments in proximity already" -CIZ
- "Whichever gives the best regulation. My wife and I enjoy a drink and the majority of which is not purchased locally"
- "I think the policy is more specific, and it gives greater control in dealing with licensing applications.- SLA"
- "Unsure of the issues in that area".
- "Both"
- This offers tighter control over alcohol licenses.

7) Please state your name

If you wish your name to be withheld from the public report, please tick this box

8) Are you a ... ?

- local resident -22
- local business 4
- Councillor 4

- Premises Licence/Club Premises Certificate holder
- responsible authority
- Personal Licence holder
- other – if so please state – 1 (registered charity)

9) In which area do you live or work?

- Whippendell Road - 11
- Queens Road - 10
- Market Street – 2
- Other – 2

How to respond

We would welcome written comments on the proposed amendments or the policy generally to the address below or by email to licensing@watford.gov.uk by 20 September 2013.

If completing this questionnaire online, you may save it on your computer and submit it by e-mail. If you have been sent this questionnaire by post, please submit it using the pre-paid envelope enclosed.

Your name (unless withheld) and any comments will be included in a public report to be considered by the Licensing Committee on 22 October 2013, after which the revised policy will be considered by Full Council on 20 November 2013.

Licensing Team
Watford Borough Council
Town Hall
Watford
WD17 3EX

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Report to: Council
Date of meeting: 20 November 2013
Report of: Head of Democracy and Governance
Title: Financial Procedure Rules

1.0 SUMMARY

- 1.1 The Financial Procedure Rules are an important part of the Council's Constitution and provide the framework and financial policies for how the Council manages its financial affairs. The current Rules have not been updated or reviewed for over five years.
- 1.2 The Shared Director of Finance as the Council's Chief Finance Officer is required to maintain and update the rules. The Head of Finance Shared Services has reviewed the Rules and attached at Appendix 1 are proposed updated Rules for inclusion in the Constitution.

2.0 RECOMMENDATIONS

- 2.1 That the Financial Procedure Rules in Appendix 1 are approved for inclusion in the Constitution

Contact Officer:

For further information on this report please contact: Carol Chen Head of Democracy and Governance
telephone extension: 8350 email: carol.chen@watford.gov.uk

Report approved by: Managing Director

3.0 DETAILED PROPOSAL

- 3.1 Attached as appendix 1 are the proposed updated Financial Procedure Rules for inclusion in the Constitution. The current Rules have not been updated for over five years. The opportunity has been taken to harmonise the content and format of the Rules with Three Rivers District Council.
- 3.2 The Rules are organised around four themes –
A Financial Management and Planning
B Risk Management
C Financial Systems and Procedures

D External Arrangements

3.3 The Shared Director of Finance will, from time to time, issue advice, guidance and accounting instructions to underpin these Rules, ensure compliance with specific statutory provisions and reinforce best practice. Members, officers, and others acting on behalf of the Council are required to comply with the Rules and such advice and guidance.

3.4 It is intended, should Council approve these updated Rules for appropriate training to be given to officers to ensure they are aware of their obligations and a copy of the Rules will be made available on the Council's intranet.

4.0 **IMPLICATIONS**

4.1 **Financial**

4.1.1 The Shared Director of Finance comments that the Financial Procedure Rules govern how the Council manages its financial affairs.

4.2 **Legal Issues** (Monitoring Officer)

4.2.1 The Head of Democracy and Governance comments that the Financial Procedure Rules form an important part of the Constitution. Each Council is legally required to have a set of Rules governing how it manages its financial policies and affairs.

4.3 **Equalities**

The Rules are an update of the existing Rules and there are no implications

4.4 **Potential Risks**

Potential Risk	Likelihood	Impact	Overall score
The updated Rules are not approved	1	3	3
Those risks scoring 9 or above are considered significant and will need specific attention in project management. They will also be added to the service's Risk Register.			

Appendices

Appendix 1 Financial Procedure Rules

Background Papers

No papers were used in the preparation of this report

File Reference

None

FINANCIAL PROCEDURE RULES

Introduction

- 1.1 Under The Local Government Act 2000 the Council has adopted the Mayor and Cabinet form of governance.
- 1.2 To conduct its business efficiently, the Council needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is the establishment of Financial Procedure Rules that set out the financial policies of the Council. As a Council we are committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.
- 1.3 These Financial Procedure Rules provide clarity about the financial accountabilities of individuals – Executive members, the Head of Paid Service, the Monitoring Officer, the Chief Finance Officer and Chief Officers.
- 1.4 The Council's governance structure is laid down in its constitution, which sets out how the Council operates, how decisions are made and the procedures that are followed.

Financial Procedure Rules

- 2.1 The following pages set out how we intend to interpret these Financial Procedure Rules. Both Members and Chief Officers may have delegated powers and functions mentioned in this document.
- 2.2 Each section of the financial procedures follows the format set out below:
 - **why is this important?**
this sets the context for the financial procedures and accountability
 - **key controls**
this explains the key internal controls that set the framework for ensuring Financial Procedure Rules are operating effectively
 - **responsibilities of the Chief Finance Officer**
 - **responsibilities of Chief Officers.**

Status of Financial Procedure Rules

- 2.3** Financial Procedure Rules provide the framework for managing the Council's financial affairs. They apply to all services, every member and officer of the Council and anyone acting on its behalf.
- 2.4** The Rules identify the financial responsibilities of the Council, Executive, Neighbourhood Forums, Council Committees and Overview and Scrutiny members, Chief Officers, the Head of Paid Service (Managing Director), the Monitoring Officer (Head of Democracy and Governance) and the Chief Finance Officer (Shared Director of Finance). Executive members and Chief Officers should maintain a written record where decision making has been delegated to members of their staff, including seconded staff. Where decisions have been delegated or devolved to other responsible officers, references to the Chief Officer in the Rules should be read as referring to them.
- 2.5** All members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.
- 2.6** The Council's detailed financial procedures, setting out how the Rules will be implemented, are contained in separate guidance and do not form part of the Constitution.
- 2.7** The Chief Finance Officer is responsible for issuing advice, guidance and accounting instructions to underpin the Financial Procedure Rules that members, officers and others acting on behalf of the Council are required to follow.

Financial Roles and Responsibilities

Introduction

- 3.1** The roles and responsibilities of Members and Officers are set out in the Council's Constitution. The purpose of Financial Procedure Rules is to provide an overview of the respective roles and responsibilities of Members and Officers within the Council. Specific financial responsibilities are set out in more detail throughout the subsequent sections.

The Council

- 3.2** The Council is responsible for adopting the Council's Constitution and Members' Code of Conduct and for approving the policy framework and budget within which the Executive operates. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control. The framework is set out in its constitution. The Council is also responsible for monitoring compliance with the agreed policy and related Executive decisions.
- 3.3** The Council is responsible for approving procedures for recording and reporting decisions taken. This includes those key decisions delegated by and decisions taken by the Council, the Mayor, the Executive and standing committees. These delegations and details of who has responsibility for which decisions are set out in the Constitution.

The Mayor and Executive

- 3.4** The Executive is responsible for proposing the policy framework and budget to the Council, and for discharging Executive functions in accordance with the policy framework and budget.
- 3.5** Executive decisions can be delegated to a committee of the Executive, an individual Executive member, an officer or a joint committee.
- 3.6** The Executive is responsible for establishing protocols to ensure that individual Executive members consult with relevant officers before taking a decision within his or her delegated authority. In doing so, the individual member must take account of legal and financial liabilities and risk management issues that may arise from the decision.

Committees

Overview and Scrutiny Committee

- 3.7** Overview and Scrutiny Committees are responsible for scrutinising Executive decisions before or after they have been implemented and for holding the Executive to account. Overview and Scrutiny Committees are also responsible for making recommendations on future policy options and for reviewing the general policy and service delivery of the Council. They have right of access to all the information they consider necessary and can consult directly with internal and external auditors.

Standards Committee

- 3.8** The Standards Committee is established by the Council and is responsible for promoting and maintaining high standards of conduct amongst Councillors. In particular, it is responsible for advising the Council on the adoption and revision of the Members' Code of Conduct, and for monitoring the operation of the Code.

Standing Committees

- 3.9** All functions that are not Executive functions are exercised through relevant Standing Committees under powers delegated by the Council. The Council has appointed the following Committees: Audit, Functions, Development Control, Licensing.

Neighbourhood Forums

- 3.10** Twelve Neighbourhood Forums have been established across the Borough. Their purpose is to consider issues of local concern and to report on them to the Executive.

The Statutory Officers

Head of Paid Service (Managing Director)

- 3.11** The Head of Paid Service is responsible for the corporate and overall strategic management of the Council as a whole. He/she must report to and provide information for the Executive, the Council, the Overview and Scrutiny Committee and other committees. He/she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Head of Paid Service is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the Council's decisions (see below).

Monitoring Officer (Head of Democracy and Governance)

- 3.12** The Monitoring Officer is responsible for promoting and maintaining high standards of conduct and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or

maladministration to the Council and/or to the Executive, and for ensuring that procedures for recording and reporting key decisions are operating effectively.

- 3.13** The Monitoring Officer must ensure that Executive decisions and the reasons for them are made public. He/she must also ensure that Council members are aware of decisions made by the Executive and of those made by officers who have delegated Executive responsibility.
- 3.14** The Monitoring Officer is responsible for advising all Councillors and officers about who has authority to take a particular decision.
- 3.15** The Monitoring Officer is responsible for advising the Executive and Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- 3.16** The Monitoring Officer (together with the Chief Finance Officer) is responsible for advising the Executive and Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:
- initiating a new policy
 - committing expenditure in future years to above the budget level
 - transfers above virement limits
 - causing the total expenditure financed from Council tax, grants and corporately held reserves to increase.
- 3.17** The Monitoring Officer is responsible for maintaining an up-to-date constitution.

Chief Finance Officer (Shared Director of Finance)

- 3.18** The Shared Director of Finance, as the Council's Chief Finance Officer, has statutory duties in relation to the financial administration and stewardship of the Council. This statutory responsibility cannot be overridden. The statutory duties arise from:
- Section 151 of the Local Government Act 1972
 - The Local Government Finance Act 1988
 - The Local Government and Housing Act 1989
 - The Accounts and Audit Regulations 1996 (as amended)
- 3.19** The Chief Finance Officer is responsible for:
- the proper administration of the Council's financial affairs
 - setting and monitoring compliance with financial management standards, advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
 - providing financial information
 - preparing the revenue budget and capital programme
 - treasury management.

- 3.20** Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to the Council, Executive and external auditor if the Council or one of its officers:
- has made, or is about to make, a decision which involves incurring unlawful expenditure
 - has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the Council
 - is about to make an unlawful entry in the Council's accounts

Section 114 of the 1988 Act also requires:

- the Chief Finance Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally
- the Council to provide the Chief Finance Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.

Chief Officers

- 3.21** Chief Officers are individually responsible for the proper financial management of resources allocated to their services through the budget process and for the identification of and accounting for income which falls due within their area. This includes control of staff and the security, custody and control of all other resources including plant, buildings, material, cash, stores and equipment.
- 3.22** Chief Officers shall ensure that their staff receive sufficient training to enable them to be aware of and comply with the requirements of these Financial Procedure Rules and The Constitution.
- 3.23** Chief Officers are responsible for ensuring that Executive members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer
- 3.24** It is the responsibility of Chief Officers to consult with the Chief Finance Officer and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred.

Financial Regulations A

Financial Planning and Financial Management

- 4.1** The Council is responsible for agreeing the Council's policy framework and budget, which will be proposed by the Mayor and Executive. In terms of financial planning, the key elements are: · the corporate plan · the budget · the capital programme.
- 4.2** The Council is responsible for approving the policy framework and budget. The policy framework comprises those statutory plans and strategies set out in the Council's Constitution.
- 4.3** The Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. Such decisions should be referred to the Council by the Monitoring Officer or Chief Finance Officer.
- 4.4** The Council is responsible for setting the level at which the Executive may reallocate budget funds from one service to another. The Executive is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.
- 4.5** The Head of Paid Service is responsible for proposing the corporate plan to the Executive for consideration before its submission to the Council for approval.

Financial Regulations B

Risk Management and Control of Resources

- 4.6** It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the Council. This should include the proactive participation of all those associated with planning and delivering services.
- 4.7** Internal control refers to the systems of control devised by the Council's Leadership Team to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- 4.8** The Council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Customs and Excise and the Inland Revenue, who have statutory rights of access.
- 4.9** The Council is responsible for determining how officer support for Executive and non-Executive roles within the Council will be organised.

4.10 The Head of Paid Service is responsible for providing overall management to staff. He or she is also responsible for ensuring that there are agreed systems for determining the remuneration of a job.

4.11 Chief Officers are responsible for controlling total staff numbers by:

- advising the Executive on the budget necessary in any given year to cover estimated staffing levels.
- adjusting the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs.
- the proper use of appointment procedures.

Financial Regulations C

Financial Systems and Procedures

4.12 Sound financial systems and procedures are essential to an effective framework of accountability and control.

Financial Regulations D

External Arrangements

4.13 The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion and improvement of the economic, social or environmental well-being of its area.

Financial Procedure Rules

A: Financial Management and Planning

1 Financial management standards

- (a) The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Procedure Rules and submitting any additions or changes necessary to the Council for approval. The Chief Finance Officer is also responsible for reporting, where appropriate, breaches of the Financial Procedure Rules to the Executive and/or Council.
- (b) Chief Officers are responsible for ensuring that all staff in their departments are aware of the existence and content of the authority's Financial Procedure Rules and that they comply with them.

Context

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

Key Controls

The key control and control objective for financial management standards are that they are promoted throughout the Council

Responsibilities of the Chief Finance Officer

To ensure the proper administration of the financial affairs of the Council.

To set the financial management standards and to monitor compliance with them.

To ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the Council.

To advise on the key strategic controls necessary to secure sound financial management.

Responsibilities of Chief Officers

To promote the financial management standards in their services and to monitor adherence to the standards and practices, liaising as necessary with the Chief Finance Officer.

To promote sound financial practices in relation to the standards, performance and development of staff in their services.

2. Budgeting – Budget Format

- (a) The Council's capital and revenue budgets shall be prepared in a form consistent with the requirements of Local Government Act 2003 and CIPFA's *Service Reporting – Code of Practice*. The budget should include allocation to different services and projects, proposed taxation levels, balances and reserves.

Context

The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate, and sets the level at which funds may be reallocated within budgets.

Key controls

The key controls for the budget format are:

- (a) the format complies with all legal requirements
- (b) the format complies with CIPFA's *Service Reporting – Code of Practice*
- (c) the format reflects the accountabilities of service delivery.

Responsibilities of the Chief Finance Officer

To advise the Executive on the format of the budget that is approved by the Council.

Responsibilities of Chief Officers

To comply with accounting guidance provided by the Chief Finance Officer.

3. Budgeting – resource allocation

- (a) The Chief Finance Officer is responsible for developing and maintaining a resource allocation process that ensures due consideration of the Council's policy framework.

Context

A mismatch often exists between available resources and required resources. Available resources are not always adequate to fulfil need/desire. It is therefore imperative that needs/desires are carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

Key controls

The key controls for resource allocation are:

- (a) resources are acquired in accordance with the law and using an approved authorisation process
- (b) resources are used only for the purpose intended, to achieve the approved policies and objectives, and are properly accounted for
- (c) resources are securely held for use when required
- (d) resources are used with the minimum level of waste, inefficiency or loss for other reasons.

Responsibilities of the Chief Finance Officer

To advise on methods available for the funding of resources, such as grants from central government and borrowing requirements.

To assist in the allocation of resources to cost centre managers.

Responsibilities of Chief Officers

To work within budget limits and to utilise resources allocated in the most efficient, effective and economic way.

To identify opportunities to minimise or eliminate resource requirements or consumption without having a detrimental effect on service delivery.

4. Budgeting – budget preparation – revenue budget

The Executive is responsible for issuing guidance on the general content of the budget in consultation with the Chief Finance Officer as soon as possible following approval by the Council .

- (a) Reports to Members must include, where appropriate, any revenue and capital implications, including any longer term financial commitments at current prices, of the recommendation or options upon which decisions are sought.
- (b) Each Chief Officer shall consult the Chief Finance Officer with respect to any matter which is liable to materially affect the Council's finances before any provisional or other commitment is incurred or before reporting thereon to Members.
- (c) As near as possible to the 30 September each year the Chief Finance Officer shall submit to the Executive a financial review of the prospects for the ensuing year.
- (d) The Chief Finance Officer shall submit to the Executive before the end of December in each year an estimate of the Council's revenue budget for the ensuing financial year and a medium term (three year) financial plan. The Executive shall recommend to the Council its statutory 'Budget Requirement' having sought the views of the Budget Panel.

Context

The Council is responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Council's plans and policies.

Any report on new proposals should explain the full financial implications. Unless the Council or Executive has agreed otherwise, Chief Officers must plan to contain the financial implications of such proposals within existing budgets.

The revenue budget must be constructed so as to ensure that resource allocation properly reflects the service plans and priorities of the Council. Budgets are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for a Council to budget for a deficit.

Medium-term planning (a four year planning system) involves a planning cycle in which managers develop their own plans. As each year passes, another future year will be added to the medium-term plan. This ensures that the Council is always preparing for events in advance.

Key Controls

The key controls for budgets and medium-term planning are:

- (a) specific budget approval for all expenditure
- (b) cost centre managers are responsible for the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the Executive for their budgets and the level of service to be delivered
- (c) a monitoring process is in place to review regularly the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

Responsibilities of the Chief Finance Officer

To prepare and submit reports on budget prospects for the Executive including resource constraints set by the Government. Reports should take account of medium-term prospects, where appropriate.

The Chief Finance Officer is responsible for ensuring that a revenue budget is prepared on an annual basis and a general revenue plan on a three-yearly basis as part of the financial strategy for consideration by the Executive, before submission to the Council. The Council may amend the budget or ask the Executive to reconsider it before approving it

To prepare and submit reports to the Executive on the aggregate spending plans of departments and on the resources available to fund them, identifying, where appropriate, the implications for the level of Council tax to be levied.

To advise on the medium-term implications of spending decisions.

To encourage the best use of resources and value for money by working with Chief Officers to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.

Responsibilities of Chief Officers

To prepare estimates of income and expenditure, in consultation with the Chief Finance Officer, to be submitted to the Executive.

To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.

In consultation with the Chief Finance Officer and in accordance with the laid-down guidance and timetable, to prepare detailed draft revenue and capital budgets for consideration by the Executive and the Budget Panel.

It is the responsibility of Chief Officers to ensure that budget estimates reflecting agreed service plans are submitted to the Executive and to the relevant standing committee and that these estimates are prepared in line with guidance issued by the Executive.

When drawing up draft budget requirements, to have regard to:

Appendix 1

- (a) spending patterns and pressures revealed through the budget monitoring process
- (b) legal requirements
- (c) policy requirements as defined by the Council in the approved policy framework
- (d) initiatives already under way.

5. Budgeting - budget preparation – capital investment programme

- (a) The officers shall submit to the Executive before the end of December in each year a prioritised programme of the Council's proposed capital investment for the ensuing four financial years.
- (b) The Executive, having sought the views of the Budget Panel shall recommend to the Council those schemes that should be included in the capital investment programme for the ensuing years at the meeting of the Council called for the consideration of the Council's Budget Requirement. The Executive shall also, at that time, recommend to the Council the method of financing the capital investment programme.

Context

Capital expenditure involves acquiring or enhancing fixed assets with a long-term value, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running costs.

Capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.

Key Controls

The key controls for capital programmes are:

- (a) specific approval by the Council for the programme of capital expenditure
- (b) a scheme and estimate, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the Executive.
- (c) the development and implementation of an asset management plan
- (d) accountability for each proposal is accepted by a named manager
- (e) monitoring of progress in conjunction with expenditure and comparison with approved budget.

Responsibilities of the Chief Finance Officer

To prepare capital estimates jointly with Chief Officers and to report them to the Executive. The Executive will make recommendations on the capital estimates and on any associated financing requirements to the Council.

To prepare and submit reports to the Executive on the projected income, expenditure and resources compared with the approved estimates.

To issue guidance concerning capital schemes and controls, for example, on project appraisal techniques. The definition of 'capital' will be determined by the Chief

Appendix 1

Finance Officer, having regard to government regulations and accounting requirements.

Responsibilities of Chief Officers

To ensure that all capital proposals have undergone a project appraisal.

To prepare regular reports reviewing the capital programme provisions for their services.

To ensure that adequate records are maintained for all capital contracts.

To proceed with projects only when there is adequate provision in the capital programme.

To prepare and submit reports, jointly with the Chief Finance Officer, to the Executive, of any variation in contract costs greater than the approved limits

To ensure that credit arrangements, such as leasing agreements, are not entered into without the prior approval of the Chief Finance Officer and, if applicable, approval of the scheme through the capital programme.

6. Managing expenditure - budget monitoring and control

- (a) The Chief Finance Officer shall ensure that each Chief Officer has access to information showing, for the cost centres for which that officer is responsible, the sums specified in the approved budgets, the income receivable, and the payments actually made against those budgets.
- (b) Each Chief Officer shall make arrangements for regularly reviewing the progress of income and expenditure, including commitments, against the approved budgets/latest approved estimates and shall report thereon to the Executive, together with projections of the out-turn figures.

Context

Budget management ensures that once the budget has been approved by the full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.

By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the budget allocated to it.

For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required by the Chief Officer.

Key controls

The key controls for managing and controlling the revenue budget are:

- (a) budget managers should be responsible only for income and expenditure that they can influence
- (b) there is a nominated cost centre manager for each cost centre heading
- (c) cost centre managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities
- (d) cost centre managers follow an approved certification process for all expenditure
- (e) income and expenditure are properly recorded and accounted for
- (f) performance levels/levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget.

Responsibilities of the Chief Finance Officer

To establish an appropriate framework of budgetary management and control that ensures that:

- (a) budget management is exercised within budgets unless the Council agrees otherwise
- (b) each Chief Officer has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities
- (c) expenditure is committed only against an approved budget head
- (d) all officers responsible for committing expenditure comply with relevant guidance, and the financial procedure rules
- (e) each cost centre has a single named manager, determined by the relevant Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure
- (f) significant variances from approved budgets are investigated and reported by budget managers regularly.

To submit reports to the Executive and to the Council, in consultation with the relevant Chief Officer, where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under his or her control.

To prepare and submit reports on the authority's projected income and expenditure compared with the budget on a regular basis.

Responsibilities of Chief Officers

To maintain budgetary control within their departments, in adherence to the principles above, and to ensure that all income and expenditure is properly recorded and accounted for.

To ensure that an accountable cost centre manager is identified for each item of income and expenditure under the control of the Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making that commits expenditure.

To ensure that spending remains within the service's overall budget, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.

To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and is operating effectively.

To prepare and submit to the Executive reports on the service's projected expenditure compared with its budget, in consultation with the Chief Finance Officer.

Appendix 1

To ensure prior approval by the Council or Executive (as appropriate) for new proposals, of whatever amount, that:

- (a) create financial commitments in future years
- (b) change existing policies, initiate new policies or cease existing policies
- (c) materially extend or reduce the Council's services.

To agree with the relevant Chief Officer where it appears that a budget proposal, including a virement proposal, may impact materially on another service area or Chief Officer's level of service activity.

7. Managing expenditure – virement and carry forward of underspends

- (a) The full Council is responsible for agreeing procedures for virement of expenditure between budget headings.
- (b) The Scheme of Virement is shown in Part 4 of the Constitution – Budget and Policy Procedure Rules.

Context

The scheme of virement is intended to enable the Executive, Chief Officers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, and therefore to optimise the use of resources.

Key controls

Key controls for the scheme of virement are:

- (a) it is administered within guidelines set by the Council in the Budget and Policy Procedure Rules. Any variation from this scheme requires the approval of the Council
- (d) The rules for carrying forward underspend are in Part 4 of the Constitution – Budget and Policy Procedure Rules..

Responsibilities of the Chief Finance Officer

See Part 4 of the Constitution – Budget and Policy Procedure Rules.

Responsibilities of Chief Officers

See Part 4 of the Constitution – Budget and Policy Procedure Rules.

8. The annual statement of accounts

- (a) The 'Annual Statement of Accounts' shall be prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom*
- (b) The Chief Finance Officer is responsible for selecting accounting policies and ensuring that they are applied consistently.
- (c) As soon as it is practicable after the end of the financial year, and before 1 July, the Chief Finance Officer shall prepare the 'Annual Statement of Accounts' for the preceding year.

Context

The Council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year. The Audit Committee is responsible for approving the audited statutory annual statement of accounts.

Key controls

The key controls for the annual statement of accounts are:

the Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs. In this Council, that officer is the Chief Finance Officer

the Council's statement of accounts must be prepared in accordance with proper practices as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom*.

The accounting policies are set out in the statement of accounts and cover such items as:

- (a) separate accounts for capital and revenue transactions
- (b) the basis on which debtors and creditors at year end are included in the accounts
- (c) details on substantial provisions and reserves
- (d) fixed assets
- (e) depreciation
- (f) work in progress
- (g) stocks and stores
- (h) government grants
- (i) leasing

Responsibilities of the Chief Finance Officer

To select suitable accounting policies and to apply them consistently.

To make judgements and estimates that are reasonable and prudent.

To comply with the *Code of Practice on Local Authority Accounting in the United Kingdom*.

To prepare and publish the audited accounts of the Council for each financial year, in accordance with the statutory timetable and with the requirement for the Audit Committee to approve the statement of accounts before 30 September.

To sign and date the statement of accounts, stating that it presents fairly the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March 20xx.

To draw up the timetable for final accounts preparation and to advise staff and external auditors accordingly.

Responsibilities of Chief Officers

To comply with accounting guidance provided by the Chief Finance Officer and to supply the Chief Finance Officer with information when required.

9. Maintenance of reserves

- (a) The Chief Finance Officer shall advise the Executive and the Council on prudent levels of reserves for the Council.

Context

The Council must decide the level of general reserves it wishes to maintain before it can decide the level of Council tax. Reserves are maintained as a matter of prudence. They enable the Council to provide for unexpected events and thereby protect it from overspending, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items. The Use Earmarked Reserves is covered in Part 4 – Budget and Policy Rules

Key controls

To maintain reserves in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* and agreed accounting policies.

For each reserve established, the purpose, usage and basis of transactions should be clearly identified.

Authorisation and expenditure from reserves by the Council.

Responsibilities of the Chief Finance Officer

To advise the Executive and the Council on prudent levels of reserves for the Council, and to take account of the advice of the external auditor in this matter.

Responsibilities of Chief Officers

To ensure that when reserves are likely to be required to meet unforeseen expenditure, decisions are taken in accordance with these Financial Procedure Rules.

B: Risk Management and Control of Resources

10. Risk management

- (a) The Head of Democracy and Governance is responsible for preparing the Council's risk management policy statement, for promoting it throughout the Council. The Chief Finance Officer is responsible for advising the Executive on proper insurance cover where appropriate.
- (b) The Chief Finance Officer shall negotiate and effect all insurances by the Council and he/she shall maintain a register of all insurances effected by the Council, showing the property and/or risks covered. Chief Officers shall notify the Chief Finance Officer of:-
 - (i) New risks which come to their knowledge with estimates of value in the case of property, vehicles, plant or other tangible assets.
 - (ii) Information coming to their knowledge which can have a bearing on existing risks.
- (c) Any accident or other incident which may result in a claim against the Council, or by the Council under a policy of insurance or otherwise shall be notified to the Chief Finance Officer.
- (d) All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.
- (e) Chief Officers shall consult the Chief Finance Officer in respect of the terms of any indemnity which the Council is requested to give.
- (f) The Chief Finance Officer shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Chief Officers as appropriate.
- (g) If any question arises as to the operation of the Council's insurances or as to taking out a new or amended policy which requires a decision of the Council, it shall be reported to the Executive.
- (h) All officers who use private cars on the Council's business shall produce current Insurance Policies and/or renewal receipts as required by the Chief Finance Officer.

Context

All organisations face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational well-being of the organisation. In essence it is, therefore, an integral part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then

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recommending the action the organisation needs to take to control these risks effectively.

It is the overall responsibility of the Head of Democracy and Governance to approve the Council's risk management strategy, and to promote a culture of risk management awareness throughout the authority.

Key controls

The key controls for risk management are:

- (a) procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the Council
- (b) a monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis
- (c) managers know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives
- (d) provision is made for losses that might result from the risks that remain
- (e) procedures are in place to investigate claims within required timescales
- (f) acceptable levels of risk are determined and insured against where appropriate
- (g) the authority has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

Responsibilities of the Head of Democracy and Governance

To prepare and promote the Council's risk management policy statement.

To develop risk management controls in conjunction with other Chief Officers.

Responsibilities of the Chief Finance Officer

To include all appropriate employees of the Council in a suitable fidelity guarantee insurance.

To effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.

Responsibilities of Chief Officers

To notify the Chief Finance Officer immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Chief Finance Officer or the Council's insurers.

To take responsibility for risk management, having regard to advice from the Head of Democracy and Governance and other specialist officers (eg crime prevention, fire prevention, health and safety).

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To ensure that there are regular reviews of risk within their departments.

To notify the Chief Finance Officer promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.

To consult the Chief Finance Officer and the Head of Democracy and Governance on the terms of any indemnity that the Council is requested to give.

To ensure that employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.

11. Internal controls

- (a) The Chief Finance Officer is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- (b) It is the responsibility of Chief Officers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

Context

Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.

The Council is complex and beyond the direct control of individuals. It therefore requires internal controls to manage and monitor progress towards strategic objectives.

The Council has statutory obligations, and, therefore, requires internal controls to identify, meet and monitor compliance with these obligations.

The Council faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.

The 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
- (d) risk management.

Key controls

The key controls and control objectives for internal control systems are:

- (a) key controls should be reviewed on a regular basis and the Council should make a formal statement annually to the effect that it is satisfied that the systems of internal control are operating effectively

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- (b) managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities
- (c) financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems
- (d) an effective internal audit function that is properly resourced. It should operate in accordance with the principles contained in the Public Sector Internal Audit Standards issued by CIPFA and with any other statutory obligations and regulations.

Responsibilities of the Chief Finance Officer

To assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and regulations.

Responsibilities of Chief Officers

To manage processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.

To review existing controls in the light of changes affecting the Council and to establish and implement new ones. Chief Officers should also be responsible for removing controls that are unnecessary or not cost or risk effective – for example, because of duplication.

To ensure staff have a clear understanding of the consequences of lack of control.

12. Audit requirements

- (a) An adequate and effective internal audit, as specified by the Chief Finance Officer, shall be maintained to carry out an examination of accounting, financial and other operations of the Council.
- (b) The Chief Finance Officer or his/her authorised representative shall have authority to:-
 - (i) enter at all reasonable times on any Council premises or land;
 - (ii) have access to all records, documents, and correspondence relating to any financial and other transactions of the Council;
 - (iii) require and receive such explanations as are necessary concerning any matter under examination; and
 - (iv) require any employee of the Council to produce cash, stores, or any other Council property under his control.
- (c) The Chief Finance Officer shall make such arrangements as are necessary to enable the external auditors to carry out their responsibilities.

Context

The Accounts and Audit Regulations 2011 issued by the Secretary of State for the Communities and Local Government require every local authority to undertake an adequate and effective internal audit of its accounting records and its systems of internal control.

Accordingly, internal audit is an independent and objective appraisal function established by the Council for reviewing the system of internal control. It examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

Each local authority is required to appoint an External Auditor. The basic duties of the external auditor are governed by statute

Key controls

The key controls for internal audit are:

- (a) that it is independent in its planning and operation
- (b) Internal audit has direct access to the Managing Director, all levels of management and directly to elected members
- (c) the internal auditors comply with the Public Sector Internal Audit Standards.

Responsibilities of the Chief Finance Officer

To manage the internal audit contract and ensure that the quality of the contractor's work is monitored.

To ensure that internal auditors have the authority to:

- (a) access Council premises at reasonable times
- (b) access all assets, records, documents, correspondence and control systems
- (c) receive any information and explanation considered necessary concerning any matter under consideration
- (d) require any employee of the Council to account for cash, stores or any other Council asset under his or her control
- (e) access records belonging to third parties, such as contractors, when required
- (f) directly access the Managing Director and, where appropriate, the Mayor and Executive.

To approve the strategic and annual audit plans prepared by Internal Audit, which take account of the characteristics and relative risks of the activities involved.

To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations 2011.

Responsibilities of Chief Officers

To ensure that auditors are given access at all reasonable times to premises, personnel, documents and assets that the auditors consider necessary for the purposes of their work.

To ensure that auditors are provided with any information and explanations that they seek in the course of their work.

To consider and respond promptly to recommendations in audit reports.

To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.

To notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources. Pending investigation and reporting, the Chief Officer should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration.

13. Preventing and detecting fraud and corruption

- (a) The Chief Finance Officer is responsible for the development and maintenance of an anti-fraud and anti-corruption and money laundering policies.
- (b) The Managing Director, the Head of Democracy and Governance or the Chief Finance Officer shall be informed immediately of any irregularity or suspected irregularity affecting cash, stores, or other property of the Council. The Managing Director, the Head of Democracy and Governance or the Chief Finance Officer shall determine who shall conduct the investigation and report on the matter to them. If sufficient evidence of fraud or irregularity has been obtained, the Managing Director, Head of Democracy and Governance or Chief Finance Officer shall, where necessary, inform the Police or if they have reasonable suspicion that Money Laundering the Chief Finance Officer (as Money Laundering Reporting Officer) will make a report as required under the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003 has or could take place, the Money Laundering Reporting Officer.
- (c) The Chief Finance Officer is the appointed Money Laundering Reporting Officer pursuant to the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003.

Context

The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Council.

The Council's expectation of propriety and accountability is that members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

The Council also expects that individuals and organisations (eg suppliers, contractors, service providers) with whom it comes into contact will act towards the Council with integrity and without thought or actions involving fraud and corruption.

Key controls

The key controls regarding the prevention of financial irregularities are that:

- (a) the Council has effective anti-fraud, anti-corruption and Money Laundering policies and maintains a culture that will not tolerate fraud or corruption
- (b) all members and staff act with integrity and lead by example
- (c) senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Council or who are corrupt
- (d) high standards of conduct are promoted amongst members by the Standards Committee
- (e) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded

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- (f) whistle blowing procedures are in place and operate effectively
- (g) legislation including the Public Interest Disclosure Act 1998 is adhered to.

Responsibilities of the Chief Finance Officer

To develop and maintain an anti-fraud ,anti-corruption and Money Laundering policies.

To maintain adequate and effective internal control arrangements.

To ensure that all suspected irregularities are investigated.

To receive and consider any report that gives rise to reasonable grounds for knowledge or suspicion of Money Laundering and to determine whether a report needs to be made to the National Criminal Intelligence Service.

Responsibilities of Chief Officers

To ensure that all suspected irregularities are reported to the Chief Finance Officer, Managing Director or Head of Democracy and Governance.

To instigate the Council's disciplinary procedures where the outcome of an investigation indicates improper behaviour.

14. Assets - Security

- (a) Each Chief Officer is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash etc. under his/her control. He/she shall consult the Chief Finance Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed. Chief Officers should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.
- (b) Maximum limits for cash holdings shall be agreed with the Chief Finance Officer and shall not be exceeded without his express permission.
- (c) Keys to safes and similar receptacles are to be stored securely: the loss of any such keys must be reported to the Chief Finance Officer.
- (d) The Head of Corporate Strategy and Client Services shall be responsible for maintaining proper security and privacy in respect of information held in computer installations, or for its use.

Context

All members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money and achieves best value.

The Council holds assets in the form of property, vehicles, equipment, furniture and other items. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

Key controls

The key controls for the security of resources such as land, buildings, fixed plant machinery, equipment, software and information are:

- (a) resources are used only for the purposes of the Council and are properly accounted for
- (b) resources are available for use when required
- (c) resources no longer required are disposed of in accordance with the law and the regulations of the Council so as to maximise benefits
- (d) an asset register is maintained for the Council, assets are recorded when they are acquired by the Council and this record is updated as changes occur with respect to the location and condition of the asset
- (e) all staff are aware of their responsibilities with regard to safeguarding the Council's assets and information, including the requirements of the Data

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Protection Act, the Information Security Policy and software copyright legislation

- (f) all staff are aware of their responsibilities with regard to safeguarding the security of the Council's computer systems, including maintaining restricted access to the information held on them and compliance with the Council's computer and internet security policies.

Responsibilities of the Chief Finance Officer

To ensure that an asset register is maintained in accordance with good practice. The function of the asset register is to provide the Council with information about fixed assets so that they are:

safeguarded

used efficiently and effectively

adequately maintained.

To receive the information required for accounting, costing and financial records from each Chief Officer.

To ensure that assets are valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom*.

Responsibilities of Chief Officers

To ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Chief Officer in consultation with the Head of Democracy and Governance, has been established as appropriate.

To ensure the proper security of all buildings and other assets under their control.

Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a joint report by the Chief Officer and the Chief Finance Officer.

To pass title deeds to the Head of Democracy and Governance who is responsible for custody of all title deeds.

To ensure that no Council asset is subject to personal use by an employee without proper authority.

To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council.

To ensure that the service maintains an inventory of moveable assets in accordance with arrangements defined by the Chief Finance Officer.

To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.

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To consult the Chief Finance Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

To ensure cash holdings on premises are kept to a minimum.

To ensure that keys to safes and similar receptacles are stored securely; loss of any such keys must be reported to the Chief Finance Officer as soon as possible.

To record all disposal or part exchange of assets that should normally be by competitive tender or public auction, unless, following consultation with the Chief Finance Officer, the Executive agrees otherwise.

To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Chief Finance Officer.

To ensure that all employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.

15. Assets - inventories

- (a) Chief Officers shall maintain an inventory in a form and to the extent agreed with the Chief Finance Officer wherein shall be recorded transport, moveable plant and machinery, furniture, office machinery and equipment and any other similar property belonging to the Council. The care and custody of such property shall be the responsibility of the Chief Officer concerned.

Responsibilities of Chief Officers

To maintain inventories that record an adequate description of furniture, fittings, equipment, plant and machinery and their estimated value.

To carry out an annual check of all items on the inventory in order to verify location, review, condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly. Attractive and portable items such as computers, cameras and video recorders should be identified with security markings as belonging to the Council.

To make sure that property is only used in the course of the Council's business, unless the Chief Officer concerned has given permission otherwise.

16. Assets – stocks and stores

- (a) Each Chief Officer shall be responsible for the proper care and custody of all stocks and stores, tools, plant and other equipment in his/her service.
- (b) Stocks shall not be in excess of normal requirements except in special circumstances with the approval of the Chief Finance Officer.
- (c) The Chief Finance Officer shall be responsible for stores accounting procedures.
- (d) At 31 March in each year, or as near to that date as is practicable, a complete stock-taking of all stores shall be carried out by the service concerned, in consultation with the Chief Finance Officer. A complete stock-taking may be waived or modified after consultation with the Chief Finance Officer where a system of continuous stock-taking is in full operation. Stock sheets shall be certified by the Chief Officer concerned as to quantities and by the Chief Finance Officer as to prices and values.

Responsibilities of Chief Officers

To make arrangements for the care and custody of stocks and stores in the service.

To ensure stocks are maintained at reasonable levels and are subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion.

To investigate and remove from the Council's records (ie write off) discrepancies as necessary, having obtained approval from the Chief Finance Officer.

To authorise the disposal of redundant stocks and equipment by competitive quotations or auction, unless, following consultation with the Chief Finance Officer, the Executive decides otherwise in a particular case.

To seek Executive approval to the write-off of redundant stocks and equipment.

17. Assets – intellectual property

- (a) Staff must not carry out private work in Council time. The Council will exercise its rights with regard to intellectual property.

Context

Intellectual property is a generic term that includes inventions and writing. If these are created by the employee during the course of employment, then, as a general rule, they belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property.

Certain activities undertaken within the Council may give rise to items that may be patentable, for example, software development. These items are collectively known as intellectual property.

Responsibilities of the Chief Finance Officer

To develop and disseminate good practice regarding establishing appropriate intellectual property procedures.

Responsibilities of Chief Officers

To ensure that controls are in place to ensure that staff do not carry out private work in Council time and that staff are aware of an employer's rights with regard to intellectual property.

18. Asset Disposal

- (a) Each Chief Officer shall arrange that at 30 September each year, all items on their inventories are checked. Any surplus or deficiency, or items surplus to requirements or obsolete, shall be notified to the Chief Finance Officer who shall submit a co-ordinated list of such surpluses or deficiencies to the Executive.
- (b) The Head of Corporate Strategy and Client Services to have authority to dispose of vehicles which are obsolete and surplus to requirements obtaining the best possible terms for their disposal, following consultation with the Chief Finance Officer.
- (c) The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Chief Officer concerned.
- (d) Any surplus or deficiency revealed at the annual stock-take of stocks and stores or at any other time shall be reported by the Chief Finance Officer to the Executive. Stores deemed to be surplus to requirements or obsolete in the opinion of the Chief Officer responsible shall likewise be reported.

Context

It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the regulations of the Council.

Key controls

Assets for disposal are identified and are disposed of at the most appropriate time, and only when it is in the best interests of the Council, and best price is obtained, bearing in mind other factors, such as environmental issues. For items of significant value, disposal should be by competitive tender or public auction.

Using such procedures protect staff involved in the disposal from accusations of personal gain.

Responsibilities of the Chief Finance Officer

To ensure appropriate accounting entries are made to remove the value of disposed assets from the Council's records and to include the sale proceeds if appropriate.

Responsibilities of Chief Officers

To seek advice on the disposal of surplus or obsolete materials, stores or equipment.

To ensure that income received for the disposal of an asset is properly banked and coded.

19. Treasury management

- (a) The Council has adopted CIPFA's *Code of Practice for Treasury Management in Public Services 2011*.
- (b) The Council is responsible for approving the treasury management strategy and policy statement which shall be proposed to it by the Executive. The Chief Finance Officer has delegated responsibility for implementing and monitoring the statement.
- (c) All money in the hands of the Council is controlled by the officer designated for the purposes of section 151 of the Local Government Act 1972, referred to in the code as the Chief Finance Officer.
- (d) All Executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer, who is required to act in accordance with CIPFA's *Code of Practice for Treasury Management in Public Services*.
- (e) The Audit Committee is responsible for ensuring effective scrutiny of the treasury management strategy and policies

Context

Many millions of pounds pass through the Council's books each year. Management of the Council's investments and cash flows, banking, money market and capital market transactions; the effective control of risks associated with those activities, and the pursuit of optimum performance consistent with those risks. The Code of Practice provides assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.

Key controls

Treasury management activities, borrowings and investments are performed in accordance with the treasury management strategy, policies and practices and comply with the CIPFA Code of Practice on Treasury Management.

Responsibilities of the Chief Finance Officer

Reporting to the Executive a proposed treasury management strategy for the coming financial year at or before the start of each financial year to include a policy statement on treasury management objectives, the approach to risk management of treasury management activities.

Reporting to the Executive and Council treasury management policies, practices and activities including a mid-year review and an annual report following the close of the year.

The selection of treasury management practices setting out the manner in which the Council will seek to achieve policies and objectives and prescribing how it will control and manage those activities.

Responsibilities of Chief Finance Officer – treasury management and banking

To arrange the borrowing and investments of the Council in such a manner as to comply with the CIPFA Code of Practice on Treasury Management and the Council's treasury management policy statement and strategy.

To report annually on treasury management activities to the Executive and Audit Committee

To operate bank accounts as are considered necessary – including the opening or closing any bank account.

All arrangements with the Council's bankers concerning the Council's banking account shall be approved by the Executive and shall be managed by the Chief Finance Officer.

All computer – printed cheques shall bear the computer generated signature of the Chief Finance Officer.

Cheques for £50,000 and over require an additional signature

Cheques below £50,000 do not require any additional signature.

The approved signatories are: -

Managing Director
Chief Finance Officer
Head of Finance
Head of Revenues and Benefits
Benefits Manager
Recovery Team Leader
Revenues Manager
Finance Managers
Senior Accountants
Head of Democracy and Governance
Head of Regeneration and Development

Responsibilities of Chief Officers – treasury management and banking

To follow the instructions on banking issued by the Chief Finance Officer.

Responsibilities of Chief Finance Officer – investments and borrowing

To ensure that all securities that are the property of the Council or its nominees and the title deeds of all property in the Council's ownership are held in the custody of the appropriate Chief Officer.

To effect all borrowings in the name of the Council.

To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council.

Responsibilities of Chief Officers – investments and borrowing

To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the Executive, following consultation with the Chief Finance Officer.

Responsibilities of Chief Officers – trust funds and funds held for third parties

To arrange for all trust funds to be held, wherever possible, in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities, etc relating to the trust with the Chief Finance Officer, unless the deed otherwise provides.

To arrange, where funds are held on behalf of third parties, for their secure administration, approved by the Chief Finance Officer, and to maintain written records of all transactions.

To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

C: Financial Systems and Procedures

20. Systems and accounting records

- (a) The Chief Finance Officer is responsible for the operation of the Council's accounting systems, the form of accounts and the supporting financial records. Any changes to the existing financial systems or the establishment of new systems must be approved by the Chief Finance Officer.
- (b) Chief Officers should ensure that their staff receive relevant financial training that has been approved by the Chief Finance Officer.
- (c) Chief Officers must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. Chief Officers must ensure that staff are aware of their responsibilities under Freedom of Information, Data Protection and Environmental Information legislation.
- (d) The Chief Finance Officer shall ensure as far as practicable that:-
 - (i) The duty of calculating, checking and recording the monies due to or from the Council shall be separated from the duty of collecting or disbursing those monies; and;
 - (ii) Officers charged with the duty of examining or checking the accounts of cash transactions shall not themselves be engaged in any of those transactions.

Context

Sound systems and procedures are essential to an effective framework of accountability and control.

Information must be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.

The Chief Finance Officer has a professional responsibility to ensure that the Council's financial systems are sound and should therefore be notified of any new developments or changes.

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

Key controls

The key controls for systems and accounting records are:

- (a) basic data exists to enable the Council's objectives, targets, budgets and plans to be formulated

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- (b) performance is communicated to the appropriate managers on an accurate, complete and timely basis
- (c) early warning is provided of deviations from target, plans and budgets that require management attention
- (d) operating systems and procedures are secure.
- (e) all members, finance staff and cost centre managers operate within the required accounting standards and timetables
- (f) all the Council's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis
- (g) procedures are in place to enable accounting records to be reconstituted in the event of systems failure
- (h) reconciliation procedures are carried out to ensure transactions are correctly recorded
- (i) prime documents are retained in accordance with legislative and other requirements.

Responsibilities of the Chief Finance Officer

To make arrangements for the proper administration of the Council's financial affairs, including to:

- (a) issue advice, guidance and procedures for officers and others acting on the Council's behalf
- (b) determine the accounting systems, form of accounts and supporting financial records
- (c) establish arrangements for audit of the Council's financial affairs
- (d) approve any new financial systems to be introduced
- (e) approve any changes to be made to existing financial systems.

To determine the accounting procedures and records for the Council.

To arrange for the compilation of all accounts and accounting records.

To comply with the following principles when allocating accounting duties:

- (a) separating the duties of providing information about sums due to or from the Council and calculating, checking and recording these sums from the duty of collecting or disbursing them
- (b) employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

To ensure that all claims for funds including grants are made by the due date.

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To ensure the proper retention of financial documents and maintain a document retention schedule.

Responsibilities of Chief Officers

To ensure that accounting records are properly maintained and held securely.

To ensure that vouchers and documents with financial implications are not destroyed, except in accordance with arrangements approved by the Chief Finance Officer.

To ensure that a complete management trail, allowing financial transactions to be traced from the accounting records to the original document, and vice versa, is maintained.

To incorporate appropriate controls to ensure that, where relevant:

- (a) all input is genuine, complete, accurate, timely and not previously processed
- (b) all processing is carried out in an accurate, complete and timely manner
- (c) output from the system is complete, accurate and timely.

To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and to minimise the risk of fraud or other malpractice.

To ensure there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.

To ensure that systems are documented and staff trained in operations.

To consult with the Chief Finance Officer before changing any existing system or introducing new systems.

To establish a scheme of delegation identifying officers authorised to act upon the Chief Officer's behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.

To supply lists of authorised officers, with specimen signatures and delegated limits, to the Chief Finance Officer, together with any subsequent variations.

To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off site or at an alternative location within the building.

To ensure that, where appropriate, computer systems are registered in accordance with data protection legislation and that staff are aware of their responsibilities under the legislation.

To ensure that relevant standards and guidelines for computer systems issued by the Chief Officer are observed.

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To ensure that computer equipment and software are protected from loss and damage through theft, vandalism, etc.

To comply with the copyright, designs and patents legislation and, in particular, to ensure that:

- (a) only software legally acquired and installed by the Council is used on its computers
- (b) staff are aware of legislative provisions
- (c) in developing systems, due regard is given to the issue of intellectual property rights.

To supply information required to enable the statement of accounts to be completed in accordance with guidelines issued by the Chief Finance Officer.

21. Income

- (a) Where any money is receivable on behalf of the Council by any Officer, he/she shall account to the Chief Finance Officer for the same in such manner as the Chief Finance Officer shall reasonably require; and all money received by any officer on behalf of the Council shall be passed to the Head of Revenues and Benefits to enable it to be paid into a bank account of the Council as soon as possible.
- (b) All accounts for debts due to the Council shall be rendered by the Head of Revenues and Benefits and for this purpose other Chief Officers shall furnish the Head of Revenues and Benefits with particulars of all charges that ought to be made for work done, services rendered, or goods supplied by or on behalf of the Council and as soon as possible after the amount of any such charge is ascertained. All individual debts due to the Council shall be only be written off if approved in accordance with the scheme for write off as approved from time to time by the Executive.
- (c) All forms of receipt and tickets shall be in a form approved by the Chief Finance Officer and shall be used and issued by employees of the Council in accordance with the Chief Finance Officer's reasonable requirements. A register shall be maintained for this purpose.
- (d) The Chief Officer who is responsible for the Council entering into any lease, tenancy, contract, or other instrument whereby any payment does or will become due to or from the Council shall as soon as possible after the execution thereof furnish the Head of Revenues and Benefits and the Chief Finance Officer with sufficient particulars of the contents of the document to enable the setting up of adequate financial records relating to such payment and when such document is determined or ceases to have effect in any other way (otherwise than by the passage of time) the Chief Officer in question shall notify the Head of Revenues and Benefits and the Chief Finance Officer as soon as possible.

Context

Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cashflow and also avoids the time and cost of administering debts.

Key controls

The key controls for income are:

- (a) all income due to the Council is identified and charged correctly, in accordance with an approved charging policy, which is regularly reviewed
- (b) all income is collected from the correct person, at the right time, using the correct procedures and the appropriate stationery

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- (c) all money received by an employee on behalf of the Council is paid without delay to the Council's bank account, and properly recorded. The responsibility for cash collection should be separated from that:

- for identifying the amount due

- for reconciling the amount due to the amount received

- (d) effective action is taken to pursue non-payment within defined timescales
- (e) formal approval for debt write-off is obtained
- (f) appropriate write-off action is taken within defined timescales
- (g) appropriate accounting adjustments are made following write-off action
- (h) all appropriate income documents are retained and stored for the defined period in accordance with the document retention schedule
- (i) money collected and deposited is reconciled to the bank account by a person who is not involved in the collection or banking process.

Responsibilities of the Chief Finance Officer

To agree arrangements for the collection of all income due to the Council and to approve the procedures, systems and documentation for its collection.

To order and supply to services all receipt forms, books or tickets and similar items and to satisfy himself or herself regarding the arrangements for their control.

To ensure an appropriate write off policy is in place and reviewed from time to time

To ensure that appropriate accounting adjustments are made following write-off action.

Responsibilities of Chief Officers

To levy charges for the supply of goods or services, including the appropriate charging of VAT, in accordance with the charging policy approved by the Executive.

To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.

To hold securely receipts, tickets and other records of income for the appropriate period.

To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.

To ensure income is not used to cash personal cheques or other payments.

To supply the Head of Revenues and Benefits and the Chief Finance Officer with details relating to work done, goods supplied, services rendered or other amounts due, to enable the Head of Revenues and Benefits to record correctly the sums due to the Council and to ensure accounts are sent out promptly. To do this, Chief

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Officers should use established performance management systems to monitor recovery of income and flag up areas of concern to the Chief Finance Officer. Chief Officers have a responsibility to assist the Head of Revenues and Benefits in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf. Only up to approved levels of cash can be held on the premises.

Responsibility of the Head of Revenues and Benefits

To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable.

To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.

To issue official receipts or to maintain other documentation for income collection.

To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Money collected and deposited must be reconciled to the bank account on a regular basis.

To keep a record of every transfer of money between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy.

To comply with the Council's write off policy when writing off bad debts

To notify the Chief Finance Officer of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Finance Officer.

22. Expenditure – orders and payment for works, goods and services

- (a) All official orders shall be issued in a manner approved by the Chief Finance Officer and the contract or agreed prices shall be specified on issued orders. Telephone or oral orders shall be confirmed by written order as soon as practicable. Orders should show the relevant expenditure code and the cost, or estimated cost, of the goods or works or services.
- (b) Invoices and accounts shall be sent direct to Accounts Payable. Invoices will be registered on the accounts payable system and certification by the spending department will be as regularly as practicable. The Chief Finance Officer shall examine such invoices and accounts and the certifying officer shall supply such further information or explanation as the Chief Finance Officer may reasonably require.
- (c) If upon examining any such invoices or accounts it appears to the Chief Finance Officer that the expenditure incurred is not authorised by or under Contracts Procedure Rules or Financial Procedure Rules or that these Rules have otherwise not been complied with, he shall inform the certifying officer of the fact and after giving the Chief Officer a reasonable opportunity to investigate and comment upon the defect and unless the defect can be and is remedied he shall report to the Executive.
- (d) The Chief Officer issuing the order for the purchase of goods, materials, works or services shall be responsible for examining, verifying, and certifying for payment the invoice for the goods, materials, works or services so ordered.

Certification for payment means that:-

- (i) the goods and materials have been received, examined and approved as to quality and quantity and entry has been made in the appropriate inventory, stores record, where applicable; or
- (ii) the work or services ordered have been done or rendered satisfactorily; and
- (iii) the payment certified is within the limitation in expenditure provided for and otherwise complies with the Contracts Procedures Rules and the Financial Procedure Rules; and
- (iv) prices, arithmetic and codings are correct; and
- (v) the items have not previously been paid for.

A Chief Officer may delegate any of the matters specified in items (i) to (v) above provided that invoices and accounts shall be finally certified by him/her personally or by his/her section heads or nominated managers.

- (e) Each Chief Officer shall, as soon as possible after 31 March and not later than 15 April year, notify the Chief Finance Officer of all outstanding expenditure relating to the previous year.
- (f) Where contracts provide for payment to be made by instalments, the Chief Officer concerned shall arrange for the keeping of a Contract Register or

Registers to show the state of account between the Council and the Contractor, together with any other payments and the related professional fees.

- (g) The Chief Finance Officer shall be informed of all contracts, agreements and instruments involving the payment or receipt of money on behalf of the Council.
- (h) Payments to contractors on account of contracts shall be made only on a certificate signed by the Chief Officer or other authorised Officer of the appropriate service, or by any architect, engineer, surveyor or other consultant (not being an officer of the Council) who is responsible to the Council for the supervision of a contract on its behalf, showing the total value of the contract, the value of work executed to date, retention money, amount paid to date, and the amount now certified.
- (i) Subject to the provisions of the contract every variation order or extra works order shall be authorised in writing and priced by the responsible Chief Officer. Every variation or extra works order necessitating an increase in the contract sum shall be reported to the Chief Finance Officer and to the Executive as provided for in the Contract Procedures Rules.
- (j) The final certificate of completion of any contract shall not be issued by the responsible Chief Officer until satisfied on the accuracy of the detailed statement of account and the completeness of supporting vouchers and documents.
- (k) The Chief Finance Officer shall to the extent he/she considers necessary, examine interim and final accounts for contracts and he/she shall be entitled to make all such enquiries and receive such information and explanations as he/she may require in order to satisfy him/herself as to the accuracy of the accounts.

Context

Public money should be spent with demonstrable probity and in accordance with the Council's policies. Councils have a statutory duty to achieve best value in part through economy and efficiency. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the Council's Contracts Procedures Rules.

General

Every officer and member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council, in accordance with appropriate codes of conduct.

Official orders must be in a form approved by the Chief Finance Officer. Official orders must be issued for all work, goods or services to be supplied to the Council, except for exceptions specified by the Chief Finance Officer.

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Apart from petty cash, the normal method of payment from the Council shall be by cheque or BACS, drawn on the Council's bank account by the Chief Finance Officer. The use of direct debit shall require the prior agreement of the Chief Finance Officer.

Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of Council contracts unless the contract was expressly entered into for that purpose.

Key controls

The key controls for ordering and paying for work, goods and services are:

- (a) all goods and services are ordered only by appropriate persons and are correctly recorded
- (b) all goods and services shall be ordered in accordance with the Council's Contracts Procedures Rules
- (c) goods and services received are checked to ensure they are in accordance with the order
- (d) payments are not made unless goods have been received by the Council to the correct price, quantity and quality standards
- (e) all payments are made to the correct person, for the correct amount and are properly recorded, regardless of the payment method
- (f) all appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule
- (g) all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected
- (h) in addition, the effect of e-business/e-commerce and electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

Responsibilities of the Chief Finance Officer

To ensure that all the Council's financial systems and procedures are sound and properly administered.

To approve any changes to existing financial systems and to approve any new systems before they are introduced.

To approve the form of official orders and associated terms and conditions.

To make payments from the Council's funds on the Chief Officer's authorisation that the expenditure has been duly incurred in accordance with these Financial Procedure Rules.

To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.

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To make payments to contractors on the certificate of the appropriate Chief Officer, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.

To provide advice and encouragement on making payments by the most economical means.

To ensure that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.

Responsibilities of Chief Officers

To ensure that unique pre-numbered official orders are used for all goods and services, other than the exceptions specified above.

To ensure that orders are only used for goods and services provided to the service. Individuals must not use official orders to obtain goods or services for their private use, unless specifically authorised by a Council policy e.g vouchers for eye tests.

To ensure that only those staff authorised by him/ her sign orders and to maintain an up-to-date list of such authorised staff, including specimen signatures identifying in each case the limits of their authority. The authoriser of the order should be satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary. Best value principles should underpin the Council's approach to procurement. Value for money should always be achieved.

To ensure that goods and services are checked on receipt to verify that they are in accordance with the order. This check should, where possible, be carried out by a different officer from the person who authorised the order. Appropriate entries should then be made in inventories or stores records.

To ensure that payment is not made unless a proper VAT invoice has been received, checked, coded and certified for payment, confirming:

- (a) receipt of goods or services
- (b) that the invoice has not previously been paid
- (c) that expenditure has been properly incurred and is within budget provision
- (d) that prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices
- (e) correct accounting treatment of tax
- (f) that the invoice is correctly coded
- (g) that discounts have been taken where available
- (h) that appropriate entries will be made in accounting records.

To ensure wherever possible that two authorised members of staff are involved in the ordering, receiving and payment process. If possible, a different officer from the

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person who signed the order, and in every case, a different officer from the person checking a written invoice, should authorise the invoice.

To ensure that the service maintains and reviews periodically a list of staff approved to authorise invoices. Names of authorising officers together with specimen signatures and details of the limits of their authority shall be forwarded to the Chief Finance Officer.

To ensure that payments are not made on a photocopied or faxed invoice, statements or other document other than the formal invoice. Any instances of these being rendered should be reported to the Chief Finance Officer.

To encourage suppliers of goods and services to receive payment by the most economical means for the Council. It is essential, however, that payments made by direct debit have the prior approval of the Chief Finance Officer.

To ensure that the service obtains best value from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, with regard to the best practice guidelines, which are in line with best value principles and contained in the Council's Contracts Procedures Rules.

To utilise any central purchasing procedures established in putting purchases, where appropriate, out to competitive quotation or tender. These will comply with the Contracts Procedures Rules and will cover:

- (a) authorised officers and the extent of their authority
- (b) advertisement for tenders
- (c) procedure for creating, maintaining and revising a standard list of contractors
- (d) selection of tenderers
- (e) compliance with UK and EC legislation and regulations
- (f) procedures for the submission, receipt, opening and recording of tenders
- (g) the circumstances where financial or technical evaluation is necessary
- (h) procedures for negotiation
- (i) acceptance of tenders
- (j) the form of contract documentation
- (k) cancellation clauses in the event of corruption or bribery
- (l) contract records.

To ensure that employees are aware of the national code of conduct for local government employees

To ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Finance Officer. This is because of the potential impact on the Council's borrowing powers, to protect the Council against entering into unapproved credit arrangements and to ensure that value for money is being obtained.

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To notify the Chief Finance Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Chief Finance Officer.

With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Chief Finance Officer the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of subcontractors' tax status.

To notify the Chief Finance Officer immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.

23. Payments to employees and members

- (a) The payment of all salaries, wages, pensions, compensation, and other emoluments to all employees of the Council shall be made by the Chief Finance Officer or under arrangements approved and controlled by him.
- (b) Appointments of all employees shall be made in accordance Council policies and procedures and in accordance with approved establishments, grades and rates of pay, and shall immediately be notified to Human Resources.
- (c) Each Chief Officer shall notify Human Resources as soon as possible and in the form prescribed of all matters affecting the payment of such salaries, wages, pensions, compensation, and other emoluments, and, in particular:-
 - (i) Appointments, resignations, dismissals, suspensions, secondments, and transfers.
 - (ii) Absences from duty for sickness or other reason, apart from approved leave.
 - (iii) Changes in remuneration other than normal increments and pay awards and agreements for general application.
 - (iv) Information necessary to maintain records of service for superannuation, income tax, national insurance and the like.
- (d) For weekly paid employees the Head of Human Resources shall approve the form of all timesheets and other relevant documents and shall prescribe detailed procedures for their completion, certification and submission, to enable proper payments to be made and an accurate charging of payments to the appropriate headings of expenditure.
- (e) If any payment is made before the normal time of payment a receipt shall be given by the recipient in the presence of the employing services representative, acknowledging that an equivalent deduction will be made from the next payment. If, for any reason, a pay slip is not handed to an employee at the normal time it must be returned as soon as possible to the Head of Human Resources.
- (f) All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted, duly certified in a form approved by Human Resources, made up to a specified day of each month, within three days thereof. The names of officers authorised to sign such records shall be sent to the HR Manager by each Chief Officer and shall be amended on the occasion of any change.
- (g) Payments to Members, including co-opted Members of the Council who are entitled to claim travelling or other allowances shall be authorised by the Head of Democracy and Governance and will be made through the payroll system upon receipt of the prescribed form duly completed. All claims for allowances shall be made within two months of the date on which the relevant duty was carried out. Claims for allowances dated thereafter two months following the

- date of the relevant duty will be paid with the approval of the Chief Finance Officer.
- (h) The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenditure properly and necessarily incurred and that the allowances are properly payable by the Council.
 - (i) Officers' claims submitted more than 6 months after the expenses were incurred will be paid only with the approval of the Chief Finance Officer.

Context

In order to provide the highest level of service, it is crucial that the Council recruits and retains high calibre, knowledgeable staff, qualified to an appropriate level.

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

Key controls

The key controls for staffing are:

- (a) an appropriate procedure exists, whereby staffing requirements and budget allocation are matched
- (b) procedures are in place for forecasting staffing requirements and cost
- (c) controls are implemented that ensure that staff time is used efficiently and to the benefit of the Council
- (d) checks are undertaken prior to employing new staff to ensure that they are appropriately qualified, experienced and trustworthy.

The key controls for payments to employees and members are:

- (a) proper authorisation procedures are in place and that there is adherence to corporate timetables in relation to:

- starters
- leavers
- variations
- enhancements

and that payments are made on the basis of timesheets or claims

- (b) frequent reconciliation of payroll expenditure against approved budget and bank account
- (c) all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule

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(d) that Inland Revenue regulations are complied with.

Responsibilities of the Chief Finance Officer

To ensure that budget provision exists for all existing and new employees.

To act as an advisor to Chief Officers on areas such as National Insurance and pension contributions, as appropriate.

Responsibilities of the Head of Human Resources

To arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, in accordance with procedures prescribed by him/her, on the due date.

To record and make arrangements for the accurate and timely payment of tax, superannuation and other deductions.

To make arrangements for payment of all travel and subsistence claims or financial loss allowance.

To make arrangements for paying members travel or other allowances upon receiving the prescribed form, duly completed and authorised.

To provide advice and encouragement to secure payment of salaries and wages by the most economical means.

To ensure that there are adequate arrangements for administering superannuation matters on a day-to-day basis.

Responsibilities of Chief Officers

To produce an annual staffing budget.

To ensure that the staffing budget is an accurate forecast of staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).

To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.

To ensure that the staffing budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.

To ensure that the Chief Finance Officer is immediately informed if the staffing budget is likely to be materially over- or underspent.

To ensure appointments are made in accordance with the policies of the Council and within approved establishments, grades and scale of pay and that adequate budget provision is available.

To notify the Head of Human Resources of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Head of Human Resources.

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To ensure that adequate and effective systems and procedures are operated, so that:

payments are only authorised to bona fide employees

payments are only made where there is a valid entitlement

conditions and contracts of employment are correctly applied

employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.

To send an up-to-date list of the names of officers authorised to sign records to the Head of Human Resources, together with specimen signatures. The payroll provider should have signatures of personnel officers and officers authorised to sign timesheets and claims.

To ensure that payroll transactions are processed only through the payroll system. Chief Officers should give careful consideration to the employment status of individuals employed on a self-employed consultant or subcontract basis. The Inland Revenue applies a tight definition for employee status, and in cases of doubt, advice should be sought from the Head of Human Resources.

To certify travel and subsistence claims and other allowances. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and that the Chief Finance Officer is informed where appropriate.

To ensure that the Chief Finance Officer is notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.

To ensure that all appropriate payroll documents are retained and stored for the defined period in accordance with the document retention schedule.

Responsibilities of members

To submit claims for members' travel and subsistence allowances where claimable on a monthly basis.

24. Petty cash and postages imprests

- (a) A Central Petty Cash Account on an imprest basis shall be maintained by the Chief Finance Officer for the purpose of petty cash disbursements. Imprests or Floats to services or officers for defined purposes shall be subsidiary to the Central Imprest Account. Vouchers submitted for payment through this account (other than imprests and floats) shall be examined and certified in compliance with these Financial Procedure Rules.
- (b) The officers responsible for such imprests shall be responsible for the safe custody of imprest advances and shall ensure that:-
 - (i) Vouchers are obtained for each payment.
 - (ii) Individual payments of more than £50 are not made through imprests.
 - (iii) Income, except by way of an imprest reimbursement, is not brought into the imprest but paid into the Council's bank account.
- (c) All postages for outgoing mail shall be made through centralised franking machinery or the DX system as far as practicable. Packages containing documents or articles of value shall be registered or insured according to arrangements in force.

Responsibilities of the Chief Finance Officer – petty cash accounts and imprests

To provide employees of the Council with petty cash accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts. Minor items of expenditure should not exceed the prescribed amount.

To determine the petty cash limit and to maintain a record of all transactions and petty cash advances made, and periodically to review the arrangements for the safe custody and control of these advances.

To reimburse petty cash holders as often as necessary to restore the imprests.

Responsibilities of Chief Officers – petty cash accounts and imprests

To ensure that employees operating a petty cash account:

- (a) obtain and retain vouchers to support each payment from the petty cash account. Where appropriate, an official receipted VAT invoice must be obtained
- (b) make adequate arrangements for the safe custody of the account
- (c) produce upon demand by the Chief Finance Officer cash and all vouchers to the total value of the petty cash amount
- (d) record transactions promptly

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- (e) reconcile and balance the account at least monthly; reconciliation sheets to be signed and retained by the petty cash holder
- (f) provide the Chief Finance Officer with a certificate of the value of the account held at 31 March each year
- (g) ensure that the float is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made
- (h) on leaving the Council's employment or otherwise ceasing to be entitled to hold a petty cash advance, an employee shall account to the Chief Finance Officer for the amount advanced to him/her.

25. Taxation

- (a) The Chief Finance Officer is responsible for advising Chief Officers, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the Council.
- (b) The Chief Finance Officer is responsible for maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

Context

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 are severe. It is therefore very important for all officers to be aware of their role.

Key controls

The key controls for taxation are:

- (a) cost centre managers are provided with relevant information and kept up to date on tax issues
- (b) cost centre managers are instructed on required record keeping
- (c) all taxable transactions are identified, properly carried out and accounted for within stipulated timescales
- (d) records are maintained in accordance with instructions
- (e) returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of the Chief Finance Officer

To complete a monthly return of VAT inputs and outputs to HM Customs and Excise.

To provide details to the Inland Revenue regarding the construction industry tax deduction scheme.

Responsibilities of Chief Officers

To ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Customs and Excise regulations.

To complete all Inland Revenue returns regarding PAYE (Human Resources).

To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary construction industry tax deduction requirements.

To ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised employment agency.

To follow the guidance on taxation issued by the Chief Finance Officer.

26. Trading accounts and business units

- (a) It is the responsibility of the Chief Finance Officer to advise on the establishment and operation of trading accounts and business units.

Context

Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under the Service Reporting Code of Practice, Councils are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost, such as a quoted price or a schedule of rates. There is a requirement to disclose the results of significant trading operations in competitive environments.

Responsibilities of the Chief Finance Officer

To advise on the establishment and operation of trading accounts and business units and reporting requirements.

Responsibilities of Chief Officers

To consult with the Chief Finance Officer where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.

To observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and to produce an annual report in support of the final accounts.

To ensure that the same accounting principles are applied in relation to trading accounts as for other services or business units.

To ensure that each business unit prepares an annual business plan.

D: External Arrangements

27. Partnerships

- (a) The Executive is responsible for approving delegations, including frameworks for partnerships. The Executive is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs.
- (b) The Executive can delegate functions – including those relating to partnerships – to officers. These are set out in the scheme of delegation that forms part of the Council's constitution. Where functions are delegated, the Executive remains accountable for them to the Council.
- (c) Officers represent the Council on partnership and external bodies, in accordance with the scheme of delegation.
- (d) The Chief Finance Officer is responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships that apply throughout the Council.
- (e) The Chief Finance Officer must ensure that the accounting arrangements to be adopted relating to partnerships and joint ventures are satisfactory. He or she must also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. He or she must ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- (f) Chief Officers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

Context

The local authority provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the well-being of the area. Local authorities are working in partnership with others – public agencies, private companies, community groups and voluntary organisations. Local authorities still deliver some services, but their distinctive leadership role is to bring together the contributions of the various stakeholders. They therefore need to deliver a shared vision of services based on user wishes.

Local authorities will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what they achieve in partnership with others.

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The main reasons for entering into a partnership are:

- (a) the desire to find new ways to share risk
- (b) the ability to access new resources
- (c) to provide new and better ways of delivering services
- (d) to forge new relationships.

A partner is defined as either:

- (a) an organisation (private or public) undertaking, part funding or participating as a beneficiary in a project
or
- (b) a body whose nature or status give it a right or obligation to support the project.

Partners participate in projects by:

- (a) acting as a project deliverer or sponsor, solely or in concert with others
- (b) acting as a project funder or part funder
- (c) being the beneficiary group of the activity undertaken in a project.

Partners have common responsibilities:

- (a) to be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation
- (b) to act in good faith at all times and in the best interests of the partnership's aims and objectives
- (c) be open about any conflict of interests that might arise
- (d) to encourage joint working and promote the sharing of information, resources and skills between public, private and community sectors
- (e) to hold confidentially any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature
- (f) to act wherever possible as ambassadors for the project.

Key controls

The key controls for Council partners are:

- (a) if appropriate, to be aware of their responsibilities under the Council's Finance Procedure Rules and the Contracts Procedures Rules
- (b) to ensure that risk management processes are in place to identify and assess all known risks

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- (c) to ensure that project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise
- (d) to agree and accept formally the roles and responsibilities of each of the partners involved in the project before the project commences
- (e) to communicate regularly with other partners throughout the project so that problems can be identified and shared to achieve their successful resolution.

Responsibilities of the Chief Finance Officer

To advise on effective controls that will ensure that resources are not wasted.

To advise on the key elements of funding a project. They include:

- (a) a scheme appraisal for financial viability in both the current and future years
- (b) risk appraisal and management
- (c) resourcing, including taxation issues
- (d) audit, security and control requirements
- (e) carry-forward arrangements.

To ensure that the accounting arrangements are satisfactory.

Responsibilities of Chief Officers

To maintain a register of all contracts entered into with external bodies.

To ensure that, before entering into agreements with external bodies, a risk management appraisal has been prepared.

To ensure that such agreements and arrangements do not impact adversely upon the services provided by the Council.

To ensure that all agreements and arrangements are properly documented.

To provide appropriate information to the Chief Finance Officer to enable a note to be entered into the Council's statement of accounts concerning material items.

28. External funding

- (a) The Chief Finance Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the Council's accounts.

Context

External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the authority. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external agencies such as the National Lottery and the Local Enterprise Partnership provide additional resources to enable the Council to deliver services to the local community. However, in some instances, although the scope for external funding has increased, such funding is linked to tight specifications and may not be flexible enough to link to the Council's overall plan.

Key controls

The key controls for external funding are:

- (a) to ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood
- (b) to ensure that funds are acquired only to meet the priorities approved in the policy framework by the Council
- (c) to ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements.

Responsibilities of the Chief Finance Officer

To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.

To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements.

To ensure that audit requirements are met.

Responsibilities of Chief Officers

To ensure that all claims for funds are made by the due date.

To ensure that the project progresses in accordance with the agreed project and that all expenditure is properly incurred and recorded.

29. Work for third parties

- (a) The Executive is responsible for approving the contractual arrangements for any work for third parties or external bodies.

Context

Current legislation enables the Council to provide a range of services to other bodies. Such work may enable a service to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is intra vires.

Key controls

The key controls for working with third parties are:

- (a) to ensure that proposals are costed properly in accordance with guidance provided by the Chief Finance Officer
- (b) to ensure that contracts are drawn up using guidance provided by the Head of Democracy and Governance and that all formal approvals are obtained

Responsibilities of Chief Finance Officer

To issue guidance with regard to the financial aspects of third party contracts and the maintenance of the contract register.

Responsibilities of Chief Officers

To ensure that the approval of Executive is obtained before any negotiations are concluded to work for third parties.

To maintain a register of all contracts entered into with third parties.

To ensure that appropriate insurance arrangements are made, to ensure that the Council is not put at risk from any bad debts and to ensure that no contract is subsidised by the Council.

To ensure that, wherever possible, payment is received in advance of the delivery of the service.

To ensure that the service has the appropriate expertise to undertake the contract and to ensure that such contracts do not impact adversely upon the services provided for the Council.

To ensure that all contracts are properly documented.

To provide appropriate information to the Chief Finance Officer to enable a note to be entered into the authority's statement of accounts concerning material items.

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