

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **GENERAL PURPOSES COMMITTEE** held at Room 15, Priory House, Monks Walk, Shefford on Thursday, 16 May 2013

PRESENT

Cllr P Hollick (Chairman)
Cllr R C Stay (Vice-Chairman)

Cllrs	P N Aldis	Cllrs	Mrs J G Lawrence
	Mrs C F Chapman MBE		J Murray
	A L Dodwell		B Saunders
	M R Jones		N Warren
	D J Lawrence		

Apologies for Absence: Cllrs J G Jamieson

Members in Attendance: Cllrs D Bowater
R D Berry

Officers in Attendance:	Mr J Atkinson	–	Head of Legal and Democratic Services
	Mr R Gould	–	Head of Financial Control
	Mrs C Jones	–	Head of HR Policy & Development
	Mr L Manning	–	Committee Services Officer

GPC/13/2 **Minutes**

RESOLVED

that the minutes of the meetings of the General Purposes Committee held on 14 March and 18 April 2013 be confirmed and signed by the Chairman as a correct record subject to the following amendments:

18 April 2013 – Appendix A - General Purposes Committee Nominations

In the section referring to the Employee Partnership Committee include 'Vacancy (C)' at the end of the list of nominated members and again at the end of the list of nominated substitutes.

GPC/13/3 **Members' Interests**

None.

GPC/13/4 **Chairman's Announcements and Communications**

None.

GPC/13/5 Petitions

No petitions were received from members of the public in accordance with the Public Participation Procedure as set out in Annex 2 of Part A4 of the Constitution.

GPC/13/6 Questions, Statements or Deputations

No questions, statements or deputations were received from members of the public in accordance with the Public Participation Procedure as set out in Annex 1 of Part A4 of the Constitution.

GPC/13/7 Capital Programme Management

The Committee considered a report by the Deputy Leader and Executive Member for Corporate Resources which sought Members' views on a number of proposed amendments to the Constitution with regard to the management of the Council's Capital Programme. The meeting noted that the aim of the amendments was to simplify the approval of capital schemes in order that the Capital Programme could operate more efficiently.

The Committee was reminded that on 28 January 2013 it had recommended to Council that the Constitution be amended to allow the inclusion of specific reserve list items, which had been previously agreed by Council, within the Capital Programme. That recommendation had subsequently been approved at Council on 21 February 2013. The further changes now proposed to the Constitution simplified the classification of capital schemes but, with the exception of schemes that were fully funded from external sources, maintained the existing approval requirements. If the revisions were approved, corporate project approval and management documentation would be revised to reflect the amendments.

The revisions proposed to the capital programme governance related to clauses in the Code of Financial Governance in Part I2, section 4.10 of the Constitution and in the Executive Functions in Part C3, section 3 of the Constitution as set out in Appendices A and B to the report.

The Deputy Leader and Executive Member for Corporate Resources spoke in favour of the proposed revisions. A Member then raised a query regarding the proposed delegation of authority to the relevant Executive Member who, subject to conditions, could include schemes within the Capital Programme that were fully externally funded and where the gross expenditure was less than £500,000. In response the Legal and Democratic Services Officer and the Head of Financial Control explained that any such decisions would be recorded and the approved schemes would be disclosed in public reports monitoring the delivery of the Capital Programme.

RECOMMENDED TO COUNCIL

that the Constitution be amended by including the proposed capital programme related revisions to the Code of Financial Governance in Part I2, section 4.10 of the Constitution and to the Executive Functions in Part C3, section 3 of the Constitution as set out in Appendices A and B respectively to these minutes.

GPC/13/8 Review of Member/Officer Protocol

The Committee was aware that, prior to the meeting taking place, the withdrawal of the item on the review of the Member/Officer Protocol had been authorised. In response to Members' queries the Head of Legal and Democratic Services explained the reason for this action.

GPC/13/9 General Purposes Committee - 2013/14 Work Programme

Members considered a report by the Head of Legal and Democratic Services setting out the proposed Work Programme for the Committee for 2013/14.

Arising from the withdrawal of the item on the review of Member/Officer protocol it was suggested that this item be considered at the Committee's next meeting in July. It was also suggested that, given the current absence of business for the Committee's meetings in October, January and March, these be regarded as reserve meetings that could be cancelled if necessary.

Members referred to the proposed submission of an annual report on ethical standards complaints to the meeting of the Committee in July. They emphasised the need to regularly examine all aspects of the impact of the Localism Act 2011 on ethical standards issues and concern was expressed that the provision of an annual report was insufficient for this purpose. In response the Head of Legal and Democratic Services assured Members that the matters they had raised, including the frequency of reports to the Committee, would be considered in his forthcoming report to the next meeting.

RESOLVED

that the proposed General Purposes Committee Work Programme for 2013/14, as attached at Appendix A to the report of the Head of Legal and Democratic Services, be approved subject to the following amendments:

**18 July 2013 – add Review of Member/Officer Protocol (JA)
3 October 2013 – mark as 'Reserve Meeting'
20 January 2014 - mark as 'Reserve Meeting'
13 March 2014 - mark as 'Reserve Meeting'**

(Note: Minute GPC/13/11 below also refers).

GPC/13/10 **Exclusion of Press and Public**

RESOLVED

that in accordance with Section 100A of the Local Government Act 1972 the Press and Public be excluded from the meeting for the following item of business on the grounds that consideration of the item is likely to involve the disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act.

GPC/13/11 **Market Rate Supplement Payments - Update**

The Committee considered a report by the Assistant Chief Executive People and Organisation which provided an update on the current application of market rate supplements (MRS) to posts across Central Bedfordshire Council.

The meeting noted that the purpose of applying an MRS was an attempt to bridge the gap between the Council's salary levels and the 'current' market rate of pay and had historically been applied in response to difficulties in recruiting and retaining certain staff groups, roles or skills.

Appendix A to the Assistant Chief Executive's report provided an overview summary of the payments made by Central Bedfordshire Council as at 1 April 2013.

Full discussion took place with Members identifying both the need for additional information and various aspects of MRS use which they felt required further examination.

RESOLVED

that the Assistant Chief Executive People and Organisation submit a report to the meeting of the General Purposes Committee on 18 July 2013 setting out the proportion of each Directorates' budget used to fund the payment of market rate supplements together with an illustration of whether these had changed from the previous financial year and, if so, by what extent.

(Note: The meeting commenced at 10.00 a.m. and concluded at 11.00 a.m.)

Chairman

Dated

APPENDIX A

I2 CODE OF FINANCIAL GOVERNANCE

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4.10 Capital Programme:

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4.10.1 Investment in capital assets shapes future service delivery and creates future financial commitments. The Capital Programme is a four-year programme, including the current budget year, of estimated capital expenditure and associated funding. The Full Council will approve a Capital Programme each year, recognising that approving initial estimates is the first stage in the process of progressing a proposed scheme to implementation. Estimates produced at this stage will be liable to change.

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4.10.2 The Executive will receive budgetary proposals for inclusion in the Council's Capital Programme and will submit a proposed programme to the Full Council for approval. The programme will include all capital schemes including those proposed to be financed from revenue resources or external funding sources.

4.10.3 Capital Schemes will be grouped into three main categories:

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- Rolling Programmes;
- Capital Schemes (gross expenditure budget £60,000 and above);
- Minor Capital Schemes (gross expenditure budget, £59,999 and below).

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4.10.4 Outline Business Case
All categories of capital projects will require an Outline Business Case in order to be considered for inclusion in the proposed Capital Programme. An Outline Business Case will normally have best estimates of capital and revenue costs, timescales, and deliverables. Outline Business Cases will be approved by the relevant Executive Member in consultation with the relevant Director, the Executive Member Corporate Resources and the Chief Finance Officer.

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4.10.5 Detailed Business Case

A Detailed Business Case will have fully validated costs (including ongoing revenue costs), timescales, deliverables and where necessary an exit strategy. The process for approving capital schemes for subsequent implementation will be different according to their category and is explained in paragraphs 4.10.6 to 4.10.11, below.

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4.10.6 Rolling Programmes

Rolling programmes in the Council's Capital programme are largely concentrated on infrastructure and asset improvement and maintenance.

After a Rolling Programme has been approved by the Council for inclusion in the Capital Programme, a single Detailed Business Case will be produced for the whole programme before it proceeds. The detailed Business Case should be updated annually.

The Detailed Business Case and release of capital expenditure will be approved by the relevant Executive Member in consultation with the relevant Director, the Executive Member for Corporate Resources and the Chief Finance Officer.

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4.10.7 Capital Schemes (gross expenditure budget £60,000 and above)

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After a Capital Scheme has been approved by the Council for inclusion in the Capital Programme, a Detailed Business Case will be produced for the scheme. Executive approval to implement will be required for schemes with a gross expenditure budget exceeding £499,999. Schemes with a gross expenditure budget above £59,999 but below £500,000 can proceed with the approval of the relevant Executive Member in consultation with the relevant Director, Executive member for Corporate Resources and the Chief Finance Officer.

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For Capital Schemes, some further costs may need to be incurred to take a project up to Detailed Business Case stage. The relevant Executive Member in consultation with the relevant Director, the Executive Member Corporate Resources and the Chief Finance Officer can authorise expenditure up to a level of 10% (not to exceed £60,000) of the approved gross expenditure budget at this stage to enable a Detailed Business Case to be produced. The revenue budget of the applicable directorate will meet these costs if ultimately the scheme does not proceed for any reason.

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4.10.8 Minor Capital Schemes (gross expenditure budget £59,999 and below)

A Detailed Business Case is not required for these schemes and Minor Capital Schemes in this range can proceed with the approval of the relevant Executive Member in consultation with the relevant Director, Executive Member for Corporate Services and the Chief Finance Officer.

4.10.9 In year, the Executive may approve expenditure on Capital Schemes that have not previously been included in the Capital Programme, but which were included in the Reserve list approved by Council when setting the Capital Programme or are schemes with gross expenditure budgets exceeding £499,999 which are to be funded in full from external sources. Approval is subject to the production of Outline and Detailed Business Cases and confirmation that the revenue cost of such schemes can be accommodated from within the approved revenue budget for the Capital Programme in the relevant financial year, as confirmed by the Chief Finance Officer and the Executive Member for Corporate Resources.

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4.10.10 In year, the Executive may approve expenditure on new Capital Schemes estimated to cost less than £500,000 net of external funding that have not previously been included in the Capital Programme, subject to the production of Outline and Detailed Business Cases. New Capital Schemes estimated to cost more than £500,000 net of external funding must be approved by Full Council if not previously included on the Reserve List.

4.10.11 Schemes that are fully externally funded and where the gross expenditure budget is less than £500,000 can be included in the Capital Programme with the approval of the relevant Executive Member in consultation with the relevant Director, Executive Member for Corporate Resources and the Chief Finance Officer subject to the production of Outline and Detailed Business Cases.

4.10.12 Variations from the Detailed Business Case

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Where there are variations in the net costs of capital schemes compared with the provision in the Detailed Business Case, additional costs will be approved in accordance with the following conditions:-

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Existing Scheme - net capital budget - Additional Costs	Approval Powers
Up to <u>10% of the approved net scheme budget subject to a maximum value of £25k</u>	Relevant Executive Member and relevant Director <u>and Chief Finance Officer</u>
Up to <u>25% of the approved net scheme budget subject to a maximum of £100,000</u>	Executive
<u>Over 25% of the approved net scheme budget or over £100,000</u>	Council

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Where additional costs are agreed, the relevant Executive Member in consultation with the relevant Director will seek compensatory savings.

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4.10.13 The Chief Finance Officer will report to the Executive on the monitoring of the approved Capital Programme, including: expenditure and income to date; projected expenditure and income and approved variations.

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APPENDIX B

C3 EXECUTIVE FUNCTIONS

3. Functions delegated to all Executive Members and individual portfolio holders

Responsibility	Functions	Qualifications (if any)
The relevant Executive Member	To authorise savings or expenditure between £200,001 and £500,000 inclusive (revenue per annum, capital gross expenditure or total contract value)	In consultation with the relevant Director or Assistant Chief Executive, the Executive Member for Corporate Resources and the Chief Finance Officer and subject to compliance with Paragraph 19 of the Access to Information Procedure Rules.
The Executive Member for Corporate Resources	To authorise savings or expenditure between £200,001 and £500,000 inclusive (revenue per annum or capital gross expenditure or total contract value)	In consultation with the relevant Executive Member and Monitoring Officer

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