

- (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/Governance Committee and Ethical Governance Panel
- (e) the maintenance of a register of interests in which any hospitality or gifts accepted must be recorded
- (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 Head of Central Services in conjunction with Internal Audit.**

- 4.5 To develop and maintain an anti-fraud and corruption policy.
- 4.6 To maintain adequate and effective internal control arrangements.
- 4.7 To ensure that all suspected irregularities are reported in accordance with the procedures set out in the Anti-Fraud and Corruption Response Plan.

### **Responsibilities of Directors/Heads of Service**

- 4.8 To ensure that all suspected irregularities are reported to the Internal Audit and Performance Officer.
- 4.9 To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.
- 4.10 To ensure that where financial impropriety is discovered, the Head of Central Services is informed without delay.

## **5. ASSETS**

### **SECURITY**

#### **Why is this important?**

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

#### **Key Controls**

- 5.2 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 Protection Act 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 Head of Central Services**

- 5.3 To ensure that an asset register is maintained in accordance with good practice for all fixed assets. 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
- 5.4 To receive the information required for accounting, costing and financial records from each director.
- 5.5 To ensure that assets are valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* (CIPFA/LASAAC).

### **Responsibilities of Directors/Heads of Service**

- 5.6 A property database (asset register) should be maintained in a form approved by the Head of Central Services for all properties, plant and machinery and moveable assets currently owned or used by the Council. Any use of property by a department or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 5.7 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 director in consultation with the Solicitor to the Council has been established as appropriate.

- 5.8 To ensure the proper security of all buildings and other assets under their control.
- 5.9 Where land or buildings are surplus to requirements, a recommendation for sale should be the subject of a report by the director to the Policy, Finance and Administration Committee after consultation with the Head of Central Services and the Solicitor to the Council.
- 5.10 To pass Title Deeds to the Solicitor of the Council who is responsible for custody of all Title Deeds.
- 5.11 To ensure that no Council asset is subject to personal use by an employee without proper authority.
- 5.12 To ensure the safe custody of vehicles, equipment, furniture, stock, stores and other property belonging to the Council.
- 5.13 To ensure that the department maintains an inventory of moveable assets in accordance with arrangements defined by the Head of Central Services.
- 5.14 To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- 5.15 To consult the Head of Central Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 5.16 To ensure cash holdings on premises are kept to a minimum.
- 5.17 To ensure that keys to safes and similar receptacles are securely held by those responsible at all times; loss of any such keys must be reported to the Head of Central Services as soon as possible.
- 5.18 To record all disposal or part exchange of assets that should normally be by competitive tender or public auction, unless, following consultation with the Head of Central Services, the Policy, Finance and Administration Committee agrees otherwise.
- 5.19 To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Head of Central Services.
- 5.20 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.

## **INVENTORIES**

### **Why is it important?**

- 5.21 To safeguard the Council's assets and ensure that proper records are kept of all of the Council's assets. Assets included in the inventory are generally those of a relatively low value, are moveable and have not been included in the Asset Register.

### **Key Controls**

- 5.22 The key controls for the maintenance of inventories are:
- (a) inventories are maintained in the prescribed format
  - (b) acquisitions and disposals are recorded at the time the event occurs
  - (c) a physical check against the inventory is made at least once in any twelve month period.

### **Responsibilities of the Head of Central Services**

- 5.23 To prescribe the format and method for maintaining inventories.
- 5.24 To ensure inventories are maintained and are up to date.
- 5.25 To ensure items are included on the Council's insurance policies where appropriate.

### **Responsibilities of Directors/Heads of Service**

- 5.26 To maintain inventories and record an adequate description of furniture, fittings, equipment, plant and machinery above £100 in value for any single item in the manner prescribed by the Head of Central Services.
- 5.27 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.
- 5.28 To make sure that property is only used in the course of the Council's business, unless the director concerned has given permission otherwise.

## **STOCKS AND STORES**

### **Why is this important?**

- 5.29 To ensure stock and stores which are held by the Council are only used for the purpose of providing Council services, that they are safeguarded from theft or misappropriate and are maintained at reasonable levels.

### **Key Controls**

- 5.30 The key controls for stocks and stores are:
- (a) stock records are maintained in prescribed format
  - (b) stock levels are set at appropriate levels
  - (c) a regular independent physical check is carried out

- (d) adequate physical security is provided for stock and stores whilst awaiting use
- (e) processes are in place to deal with discrepancies and the disposal of surplus of obsolete stock.

### **Responsibilities of Head of Central Services**

- 5.31 To provide the format and method for maintaining records of stocks and stores.
- 5.32 To review from time to time the adequacy and frequency of stock checks.
- 5.33 To maintain appropriate accounting records and to obtain at the year end a certificate from the responsible officer of the value of stock held.

### **Responsibilities of Directors/Heads of Service**

- 5.34 To make arrangements for the care and custody of stocks and stores in the department.
- 5.35 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.
- 5.36 To investigate and remove from the Council's records (i.e. write-off) discrepancies and redundant stocks and equipment as necessary, or to obtain approval if they are in excess of £100.
- 5.37 To authorise or write-off disposal of redundant stocks and equipment. Procedures for disposal of such stocks and equipment should be by competitive quotations or auction, unless, following consultation with the Head of Central Services, the Management Team decides otherwise in a particular case.
- 5.38

## **INTELLECTUAL PROPERTY**

### **Why is this important?**

- 5.39 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.
- 5.40 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.

### **Key Controls**

- 5.41 The key control for intellectual property is:

- (a) in the event that the Council decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with the Council's approved intellectual property procedures.

#### **Responsibilities of the Head of Central Services**

- 5.42 To develop and disseminate good practice through the Council's intellectual property procedures.

#### **Responsibilities of Directors/Managers**

- 5.43 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.

#### **ASSET DISPOSAL**

##### **Why is this important?**

- 5.44 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**

- 5.45 The key controls for asset disposal are:
  - (a) 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. Any disposals of land should be in line with the Land Acquisition & Disposal Policy.
  - (b) procedures protect staff involved in the disposal from accusations of personal gain.

#### **Responsibilities of the Head of Central Services**

- 5.46 To issue guidelines representing best practice for disposal of assets.
- 5.47 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 Directors/Heads of Service**

- 5.48 To seek advice on the disposal of surplus or obsolete materials, stores or equipment as necessary.
- 5.49 To dispose of surplus assets in accordance with any guidelines on best practice issued by the Head of Central Services.

- 5.50 To ensure that income received for the disposal of an asset is properly banked and coded.
- 5.51 To ensure that the Asset Register or inventory is updated following a disposal.

## 6. TREASURY MANAGEMENT

### Why is this important?

- 6.1 Many millions of pounds pass through the Council's books each year. This led to the establishment of Codes of Practice. These aim to provide 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

- 6.2 The key controls for treasury management are:
- (a) that the authority's borrowings and investments comply with the CIPFA *Code of Practice on Treasury Management*, with the Council's Treasury Policy Statement and Treasury Management Practices.
  - (b) to report on treasury management activities to the Policy, Finance and Administration Committee on a regular basis
  - (c) the Treasury Management Strategy and policies are scrutinised by the Budget and Strategic Planning Working Group on a regular basis.
  - (d) to operate bank accounts as are considered necessary.

### Responsibilities of Directors/Heads of Service – Treasury Management and Banking

- 6.3 To follow the instructions on banking issued by the Head of Central Services.

### Responsibilities of the Head of Central Services – Investments and Borrowing

- 6.4 To ensure that all investments of money are made in the name of the Council or in the name of nominees approved by the Policy, Finance and Administration Committee.
- 6.5 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 Solicitor to the Council.
- 6.6 To effect all borrowing in the name of the Council.
- 6.7 To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council.