

Title of Report:	Changes to the Constitution - Parts 9 (Budget and Policy Framework), 10 (Finance Rules of Procedure) and 12 (Personnel Rules of Procedure)
Report to be considered by:	Council
Date of Meeting:	11 December 2014
Forward Plan Ref:	C2887

Purpose of Report: To review and amend Parts 9 (Budget and Policy Framework), 10 (Finance Rules of Procedure) and 12 (Personnel Rules of Procedure) in light of legislative changes, policy changes and recent government guidance.

Recommended Action:

1. To approve the amendments and any additional changes required to Parts 9, 10 and 12 of the Constitution.
2. To agree that the changes will come into effect on the 12 December 2014.

Reason for decision to be taken: To ensure that the Council has adjusted the scheme in light of legislative and policy changes.

Other options considered: Not to agree the changes

Key background documentation: None

The proposals will also help achieve the following Council Strategy principles:	
<input checked="" type="checkbox"/>	CSP7 - Empowering people and communities
<input checked="" type="checkbox"/>	CSP8 - Doing what's important well
The proposals contained in this report will help to achieve the above Council Strategy principles by:	
Ensuring that the Constitution is up to date	

Member Details	
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Date Portfolio Member agreed report:	24 November 2014

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Implications

Policy:	Will require changes to Parts 9,10 and 12 of the Constitution
Financial:	None – will be undertaken within existing resources.
Personnel:	None
Legal/Procurement:	Will require the Constitution to be updated
Property:	None
Risk Management:	None

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Not relevant to equality		<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 Following an internal audit of the management of the Constitution in 2010 it was noted that one of the responsibilities of the Finance and Governance Group is to have ownership of the Council's Constitution. The content of the Local Code of Corporate Governance says that there will be an annual review of the operation of the Constitution.
- 1.2 A timetable has been established for the Finance and Governance Group to review individual sections of the Constitution and a number of Officers have been involved in revising specific parts of the Constitution. This report proposes amendments to Parts 9 (Budget and Policy Framework), 10 (Finance Rules of Procedure) and 12 (Personnel Rules of Procedure) in light of legislative changes, policy changes and recent government guidance.
- 1.3 The proposed amendments were considered by the Governance and Audit Committee at the 24 November 2014 meeting.

2. Part 9 Budget and Policy Framework

- 2.1 The following minor changes have been made to the document by the Finance and Governance Group:
 - Inclusion of cross referencing to other Paragraphs and Parts of the Council
 - The former paragraph 9.4.4 on Virements has been transferred to Part 10 of the Constitution in order to be considered more easily in relation to other Financial Procedures.
- 2.2 The amendments were considered by the Governance and Audit Committee who did not propose any further changes to this Part of the Constitution.

3. Part 10 Finance Rules of Procedure

- 3.1 The following minor changes have been made to the document by the Finance and Governance Group
 - Inclusion of cross referencing to other Paragraphs and Parts of the Council;
 - Removal of duplication in relation to matters such as Unauthorised Overspend, Powers of the Monitoring Officer and Members' Allowances;
 - Correction of references to Legislation e.g. Local Government Finance Act 1972;
 - Replacing the term 'person having responsibility for the administration of the financial affairs of the Council' with s151 Officer;
 - Section 10.2 (The Legal Framework) was re-ordered and the reference to the relevant Regulations were amended.

3.2 The following additional changes have been made to the document by the Finance and Governance Group

- Paragraph 10.9.3 (Moving Budgets Between Cost Centres) has been transferred from Part 9 of the Constitution in order to be considered more easily in relation to other Financial Procedures;
- Paragraph 10.10.2 (Variations to the Approved Capital Strategy and Programme) has been inserted with a view to clarifying thresholds for amending or viring budgets within the Capital Programme;

The Governance and Audit Committee proposed the following additional changes:

- Paragraph 10.4.4 (Powers of Internal Audit) after 'premises or land' insert 'owned by or in the control of the Council if appropriate';
- Paragraph 10.27.1 (responsibilities of Head of Service) replace word 'terrier' with 'asset register'.

3.3 The formatting of the report will be corrected once all the tracked changes are agreed.

4. Part 12 Personnel Rules of Procedure

4.1 The following changes have been made to the document by Officers

- The Constitution has been updated to reflect the current Recruitment and Selection Policy;
- Amendment of the title of Group Executives.

4.2 The amendments were considered by the Governance and Audit Committee who proposed one further change to this Part of the Constitution namely:

- Paragraph 12.2.1 Insert note at the end as follows: "[Note: This procedure does not apply to the following employees: The Chief Executive, the Section 151 Officer or the Monitoring Officer who are subject to Statutory Regulations. Any disciplinary action against them must only be taken on the basis of a report from the Designated Independent Person and in accordance with the relevant statutory requirements.]"

5. Proposals

5.1 It is recommended that the amendments to Parts 9 (Budget and Policy Framework), 10 (Finance Rules of Procedure) and 12 (Personnel Rules of Procedure) be approved.

6. Equalities Impact Assessment Outcomes

6.1 This item is not relevant to equality.

7. Conclusion

- 7.1 The report is a required update to take cognisance of legislative and policy changes. For the avoidance of doubt the changes will come into effect on the 12 December 2014 if approved.

Appendices

Appendix A – Part 9 (Budget and Policy Framework) showing tracked changes
Appendix B – Part 10 (Finance Rules of Procedure) showing tracked changes
Appendix C – Part 12 (Personnel Rules of Procedure) showing tracked changes

Consultees

Local Stakeholders: Not consulted

Officers Consulted: Finance and Governance Group, Jane Milone, Corporate Board, Governance and Audit Committee

Trade Union: Not consulted