

Title of Report:	Amendments to Parts 9 and 10 of the Council's Constitution
Report to be considered by:	Council
Date of Meeting:	27 September 2012
Forward Plan Ref:	C2459

Purpose of Report: To consider changes to the Financial Rules of Procedure and Protocols in light of legislation changes following a review by the Finance and Governance Group and Governance and Audit.

Recommended Action: To agree the proposed revisions to Parts 9 and 10 of the Constitution.

Reason for decision to be taken: To ensure that the Council has established a Constitution that is in accordance with statutory requirements / good practice and that there are processes in place ensuring the effective management and maintenance of the Constitution in accordance with good practice guidelines (e.g. CIPFA / SOLACE Code of practice for Corporate Governance)

Other options considered: None

Key background documentation: The Local Government Act 2000 (Constitution) (England) Direction 2000

The proposals will also help achieve the following Council Strategy principle(s):

☒ **CSP9 - Doing what's important well**

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:

Ensuring that the Constitution is up to date and applies with legislation.

Member Details	
Name & Telephone No.:	Councillor Jeff Beck (Chairman of Governance and Audit Committee) – Tel (01635) 44770
E-mail Address:	jbeck@westberks.gov.uk
Date Portfolio Member agreed report:	29 August 2012
Contact Officer Details	
Name:	Joseph Holmes
Job Title:	Chief Accountant
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Implications

Policy: Will include changes to the Constitution.
Financial: None – will be undertaken within existing resources.
Personnel: None.
Legal/Procurement: Will include changes to the Constitution.
Property: None.
Risk Management: None.
Equalities Impact Assessment: Stage 1 EIA completed.

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 review the Council's Constitution on a regular basis. 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 now 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 and 10 of the Constitution.

2. Proposals

- 2.1 That the amendments to Parts 9 and 10 of the Council's Constitution are approved in order to ensure that the Council has established a Constitution that is in accordance with statutory requirements / good practice and that there are processes in place ensuring the effective management and maintenance of the Constitution in accordance with good practice guidelines (e.g. CIPFA / SOLACE Code of Corporate Governance).

3. Equalities Impact Assessment Outcomes

- 3.1 EIA Stage 1 attached as Appendix A.

4. Conclusion

- 4.1 The report is a required update to consider amendments to the Financial Rules of Procedure and Protocols in light of legislation changes.

Executive Report

1. Introduction

- 1.1 The internal audit review of the Constitution made a number of recommendations to enhance the management of the Constitution including:
- (1) That the Finance and Governance Group should establish a process to review the content and application of the Constitution on an annual basis in accordance with the requirements of the Council's Local Code of Corporate Governance.
 - (2) That members of the Finance and Governance Group are allocated responsibility for maintaining specific Articles and Rules of the Constitution.
 - (3) That the Finance and Governance Group should monitor progress of proposed amendments to the Constitution to ensure that they are appropriately approved and published.
- 1.2 A timetable was established for the Finance and Governance Group to review individual sections of the Constitution and relevant Officers have been allocated responsibility for maintaining specific parts of the Constitution. Given the wide ranging nature of the Constitution a number of Officers have contributed to the review of each Part. This report proposes amendments to Parts 9 and 10 of the Constitution.

2. Outline of the changes

- 2.1 Part 9 – Budget and Policy Framework Rules of Procedure
- (1) Remove and amend sections around 9.2.5 to better clarify the wording;
 - (2) Changes to in-year budgets due to Central Government funding changes requiring a report to Executive - the £100k mark was removed as 1% of the budget is always over £1m, not £100k. This is amending an error in the original constitution.
- 2.2 Part 10 – Financial Rules of Procedure
- (1) Minor amendments on the roles and responsibilities of Heads of Service (section 10.2.9)

3. Conclusion

- 3.1 The report is a required update to consider amendments to the Financial Rules of Procedure and Protocols in light of legislation changes.

Appendices

Appendix A – Equality Impact Assessment – Stage 1

Appendix B – Part 9 of the Constitution

Appendix C – Part 10 of the Constitution

Consultees

Local Stakeholders: Not consulted

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

Trade Union: Not consulted

APPENDIX A

Equality Impact Assessment – Stage One

Name of item being assessed:	Amendments to Parts 9 and 10 of the Council's Constitution
Version and release date of item (if applicable):	
Owner of item being assessed:	Andy Walker
Name of assessor:	Joseph Holmes
Date of assessment:	17 July 2012

1. What are the main aims of the item?
The item is to approve the amendments to Parts 9 and 10 of the Council's Constitution.

2. Note which groups may be affected by the item, consider how they may be affected and what sources of information have been used to determine this. (Please demonstrate consideration of all strands – age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation)		
Group Affected	What might be the effect?	Information to support this.
Further comments relating to the item:		
There are not believed to be any implications affecting any groups with this item. The item is to discuss the proposed amendments to Parts 9 and 10 of the Council’s Constitution. This means that Officers making decisions will be required to act according to Council Policy already in place, and remain neutral when making a decision.		

3. Result (please tick by clicking on relevant box)	
<input type="checkbox"/>	High Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Medium Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Low Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input checked="" type="checkbox"/>	No Relevance - This does not need to undergo a Stage 2 Equality Impact Assessment

For items requiring a Stage 2 equality impact assessment, begin the planning of this now, referring to the equality impact assessment guidance and Stage 2 template.

4. Identify next steps as appropriate:	
Stage Two required	
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	
Stage Two not required:	x

Name: Joseph Holmes

Date: 17 July 2012