

<b>TITLE</b>	<b>Changes to the Constitution</b>
<b>FOR CONSIDERATION BY</b>	Council on 19 November 2015
<b>WARD</b>	None Specific
<b>LEAD OFFICER</b>	Andrew Moulton, Head of Governance and Improvement Services

## **OUTCOME / BENEFITS TO THE COMMUNITY**

Reviewing the Council's Constitution on a regular basis ensures that it is relevant and fit for purpose.

## **RECOMMENDATION**

That Council approves the following changes to the Council's Constitution, as put forward by the Constitution Review Working Group:

- 1) Revised versions of the:
  - (a) Scheme of Delegation to Officers – Chapters 11.1, 11.2 and 11.3, as set out in Appendix A to the report;
  - (b) Financial Regulations – Chapter 12.1, as set out in Appendix B to the report; and
  - (c) Procurement and Contract Rules of Procedure – Chapter 13.1 as set out in Appendix C to the report.
- 2) the following wording to be added to Rule 4.4.3.1a) Audit Activity – Monitoring the Council's Operations:

*“In addition to approve any significant additional consulting services engaged upon during the year, since the submission of the annual internal audit plan.”*

## **SUMMARY OF REPORT**

Chapter 1.1.4 of the Council's Constitution states that the Monitoring Officer will monitor and review the operation of the Constitution to ensure that its aims and principles are given full effect.

The report contains a number of proposed amendments to various sections of the Constitution which have been considered and agreed by members of the Constitution Review Working Group. The revised Chapters 11.2 and 11.3 have also been considered and agreed by the Executive at its meeting held on 29 October 2015.

## **Background**

### **Section 11 - Officers**

#### **1. Chapters 11.1, 11.2 and 11.3**

Apart from minor amendments these chapters, which include the Officer Scheme of Delegation, have not been updated since 2010. Since this date there has been a major change in the Council's management structure which has resulted in some amalgamation of departments and changes in responsibility for different areas making the current version out of date.

The proposed version, attached at Appendix A, contains amendments to Chapters 11.1 and 11.2 and a completely rewritten Chapter 11.3 – Scheme of Delegation to Officers. Chapter 11.3 was previously based on delegating specific actions to specific roles. The revised version is primarily based on the delegation of functions, powers or duties relating to specific areas of responsibility to the relevant Director who can then delegate these to other Officers as appropriate.

The various Acts/Regulations were previously spread throughout the document and changes in service area responsibility sometimes meant that an Officer did not have the appropriate delegation. As a result all Acts/Regulations have been included in an Appendix at the back of the document which should ensure that all Directors have the necessary delegation to act on a relevant piece of legislation.

None of the amendments proposed delegates to Officers any of the functions which are currently matters which are reserved to Council, the Executive or any committee/sub-committee of the Council.

### **Section 12 – Financial and Procurement and Contract Regulations**

#### **2. Chapter 12.1 – Financial Regulations**

A number of amendments are proposed which are shown in bold italics in Appendix B to the report.

#### **3. Chapter 12.2 – Procurement and Contract Regulations**

The Government's new Public Contracts Regulations 2015 came into force on 26 February 2015, in response to substantial revisions in the EU Directive. Corporate Procurement and Shared Legal Services have been reviewing and interpreting the details of the new legislation to determine how it will be implemented in the Council's own Procurement and Contracts Regulations. This exercise has been done in collaboration with the Royal Borough of Windsor and Maidenhead to further future opportunities for joint procurement activity and the economies of scale that this brings through having a similar set of procurement rules and processes.

The need to change the Regulations to meet the new legislation was also a good opportunity to completely refresh and reformat the existing Regulations from an unwieldy, complex and non-user focussed 122 page document to a clearer and more effective set of Rules and Procedures that will improve understanding and compliance.

The title of the document has been changed to the WBC Procurement and Contract Rules and Procedures (PCRCP) and it is proposed to have this as a distinct chapter (13) in the Constitution to separate it from the Finance Regulations in order to enhance the chance of it being read and used.

The revised PCRCP is attached at Appendix C to the report.

**Chapter 4.4 – Committees of the Council – Audit Committee**

**4. Rule 4.4.3.1 Audit Activity – Monitoring the Council’s Operations**

As part of the Shared Audit and Investigation Service self-assessment review against the Public Sector Internal Audit Standards (PSIAS) it was identified that the Audit Committee was not required in its Terms of Reference to approve consultancy work performed by the service. Although in practice work was approved in order to fully comply with the PSIAS it would be preferable if this requirement was formally documented and included in the Committee’s Terms of Reference.

The following amendment is therefore proposed (*additional wording is shown in bold italics*):

**“4.4.3.1 Audit Activity – Monitoring the Council’s Operations**

- a) To approve the Service Manager Shared Audit and Investigation Services’ annual report and opinion and a summary of actual and proposed internal audit activity and the level of assurance it can give over the Council’s corporate governance arrangements. ***In addition to approve any significant additional consulting services engaged upon during the year, since the submission of the annual internal audit plan.”***

**FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0		
Next Financial Year (Year 2)	£0		
Following Financial Year (Year 3)	£0		

**Other financial information relevant to the Recommendation/Decision**

There are no financial implications arising from this report.

**Cross-Council Implications**

None

<b>List of Background Papers</b>
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The Council's Constitution Public Contracts Regulations 2015 Public Sector Internal Audit Standards (PSIAS)
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