

TO: COUNCIL
30 APRIL 2014

**AMENDMENTS TO THE COUNCIL'S CONSTITUTION
Director of Corporate Services – Finance and Legal**

1 PURPOSE OF REPORT

- 1.1 This report seeks the endorsement of Council to recommendations of the Governance and Audit Committee made at the meeting of that Committee on 1 April 2014. The recommendations are two-fold. Firstly, that the revised Financial Regulations shown as Annexe 1 to this report be approved. Secondly, that the Council's Constitution be amended as described in Section 5 of this report.

2 RECOMMENDATIONS

- 2.1 **That the proposed revised Financial Regulations set out at Annexe 1 to this report be approved.**
- 2.2 **That the Council's Constitution be amended as described in Section 5 of this report.**

3 REASONS FOR RECOMMENDATION

- 3.1 Financial Regulations should be regularly reviewed to ensure that they remain current and up-to-date. Following receipt of the report from the Overview and Scrutiny Commission on the review of delegated authorities the Executive has agreed that amendments should be made to Financial Regulations.
- 3.2 Reasons for the other proposed amendments to the Council's Constitution are set out in Section 5 of this report.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

Financial Regulations

- 5.1 The proposed changes to Financial Regulations are shown tracked on Annexe 1. The most substantial alterations are:-
- Changes to the capital virement rules to make them consistent with the revenue virement rules.
 - The need to include details of all schemes estimated to cost more than £50,000 within the published capital programme, and
 - Delegated authority to the Borough Treasurer to approve virements of up to £250,000 in consultation with the Children, Young People and Learning

Unrestricted

Capital Programme Board, within the overall capital budget for schools (as recommended by the Working Group of the Overview and Scrutiny Commission)

- The inclusion of officer and Member responsibilities with regard to the allocation of resources within an approved rolling capital programme and approving expenditure above the scheme estimate. This reflects delegations included elsewhere within the Constitution. They have now been included in Financial Regulations to provide clarity and ensure consistency.

Amendments to the Council's Constitution

- 5.2 In February 2014 the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 came into force. Those Regulations require local authorities to amend their Standing Orders to provide that at the budget setting meeting of the Council there must be a recorded vote on any decision related to the making of those calculations which result in the setting of the Council Tax for the next financial year. It is therefore proposed that the Council Procedure Rules be amended accordingly.
- 5.3 When Executive Arrangements were first introduced under the Local Government Act 2000 the Council had the power to stipulate the level (full Executive, Executive Committee, Portfolio Holder or officer) at which categories of decisions relating to Executive functions could be taken. The Council did so in relation to a limited number of decisions set out in a table at Section 5.5 in Part 2 of the Constitution. The Localism Act 2011 has now amended the 2000 Act such that the power to determine the level of Executive decision making rests with the Leader of the Council. Section 5 Part 2 of the Council's Constitution needs therefore to be amended, although it is not anticipated that there will be any change in practice as to the allocation of responsibilities for Executive functions within the foreseeable future.
- 5.4 The Overview and Scrutiny Procedure Rules provide that a meeting of the Overview and Scrutiny Commission should be held within 7 working days of the decision to call in. The Council's Committee Procedure Rules (reflecting legislative requirements) provide that an agenda be sent out a minimum of five clear working days before the meeting. In practice, it has proved extremely difficult if not impossible to satisfy both rules. It is proposed that the Overview and Scrutiny Procedure Rules be amended to stipulate that the meeting of the Commission be held as soon as reasonably practicable but in any event within 15 working days of the decision to call in.
- 5.5 The Council Procedure Rules provide that the time and place of Council meetings will be determined by the Chief Executive. By contrast, the Committee Procedure Rules provide that the time and place of Committee meetings will be determined by Council. Recent experience with the Council Chamber being unavailable indicates that the Committee Procedure Rules should be aligned to the Council Procedure Rules.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 The Borough Solicitor is the author of this report.

Borough Treasurer

6.2 There are no financial implications directly arising.

Equalities Impact Assessment

6.3 Not required.

Strategic Risk Management Issues

6.4 None.

Other Officers

6.5 None.

7 CONSULTATION

Principal Groups Consulted

7.1 The recommendations in this report were made by the Governance and Audit Committee following consideration of a report at its meeting on 1 April 2014.

Method of Consultation

7.2 See 7.1 above.

Representations Received

7.3 See 7.1 above.

Background Papers

None.

Contact for Further Information

Alex Jack, Borough Solicitor – 01344 355679

Alex.Jack@bracknell-forest.gov.uk

Alan Nash, Borough Treasurer – 01344 352180

Alan.Nash@bracknell-forest.gov.uk

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