

TAUNTON DEANE BOROUGH COUNCIL

CORPORATE GOVERNANCE COMMITTEE – 17 MARCH 2008

REPORT OF CORPORATE GOVERNANCE DIRECTOR

REVIEW OF THE COUNCIL'S CONSTITUTION

1 - Report Purpose

- to note the progress made in updating the Constitution and the arrangements made for its approval
- to make interim arrangements for the exercise of formal powers and duties of officers identified in the Constitution
- to note the revisions to Financial Regulations and to recommend their approval by Council

2 BACKGROUND

- 2.1 The Council's Constitution was adopted in October 2002. Since that time, a number of changes have needed to be made to reflect the changes in such things as our member and officer structures and in other external changes that have had an impact on its contents over the last six years. There is therefore a need to bring together these changes and to re-launch it.
- 2.2 The Review Board at its meeting on 6 September 2007, therefore set up a Members' Steering Group to enable a full review of the Constitution to take place. The Panel was constituted with a representative of each of the political groups (Councillors Denington [Chair] House and Wood). We have now largely completed our review of the various updates needed.
- 2.3 In parallel, Shirlene Adam, as Section 151 Officer, has completed a Review of Financial Regulations. Such reviews currently require the approval of Full Council and the Committee is recommended to take the revised Regulations (attached at Appendix A) to the next Council meeting.
- 2.4 As to the remaining elements of the Constitution, there are two significant areas which will remain incomplete and still need re-visiting. First are those parts which relate to the continuing Scrutiny Pilot. When the Council has decided on the way ahead on this structure then further changes may well be needed. Second, the Constitution will need to reflect the changes in the law currently being brought into effect by the Local Government etc Act 2007.

- 2.5 Arising from the latter, the areas which this Committee will need to address over the next few months are:-
- The changes to the Leader and Executive structure
 - The enhanced powers of the Scrutiny function
 - The changes to the powers of local Standards Committees and the Monitoring Officer

3 Review Mechanism

- 3.1 We have also looked at the future mechanism for seeking Member approval to these – and future - essential changes. Formerly, the route has been via the Community Leadership Review Panel and then on to Full Council where necessary. We believe that this route should now be more appropriately via the Corporate Governance Committee.
- 3.2 A table showing the current contents, the type of changes made and the suggested future mechanism for review is attached at Appendix 2. The aim in these suggestions is to ensure that the need to make changes - which inevitably and regularly arise - can be dealt with quickly and without unnecessarily having to take straightforward day to day issues to Full Council. In many cases the Constitution reflects documents which have been created elsewhere (the Code of Conduct, Financial Regulations and the annual Member Allowances Scheme are examples) and which are merely slotted in. In cases such as these and others - such as changes in job titles, member structures or in legislation – a simpler updating mechanism is needed. This will allow for the intranet version to be kept current and with hard copy updates being issued at (perhaps) yearly intervals to councillors and to managers.

4 Monitoring Officer functions:-

One aspect which needs to be dealt with immediately arises from the recent restructure affecting the Monitoring Officer (Corporate Governance Director, Chief Solicitor and Member Services Manager. Each of these Officers is identified individually as having formal powers delegated to them within the Constitution.

With the appointment of Mrs Tonya Meers as the Legal and Democratic Services Manager from 31st March, these delegations need to be revised. As Mrs Meers will have formal responsibility for each of these roles, it is recommended that – with effect from 31st March – these powers allocated to these three named officers be delegated to her as “Monitoring Officer”.

5 SUMMARY

It is therefore recommended:-

- i. That – in place of the current role of the Community Leadership Panel - the Council be recommended to delegate to the Corporate Governance Committee the role of overview and revision to the Constitution
- ii. That the powers to approve revisions to the Constitution be delegated by the Council to the Corporate Governance Committee and to the Monitoring Officer on the basis of the table in Appendix 2
- iii. That a standing sub-committee of Corporate Governance Committee (consisting of one representative from each of the political groups on the Council) be established to work with the Monitoring Officer in carrying out regular reviews of the Constitution
- iv. That the powers delegated to the Monitoring Officer, Chief Solicitor and Member Services Manager referred to in the Constitution be re-delegated to the Monitoring Officer
- v. That the Committee notes the changes made to the Council's Financial Regulations and recommends their adoption to Council

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10 March 2008 (jjt/apf)

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INTRODUCTION

Financial Regulations provide the framework for managing the authority's financial affairs. They apply to every member and officer of the authority and anyone acting on its behalf.

The Regulations identify the financial responsibilities of the full Council, Executive and Scrutiny members, the Head of Paid Service, the Monitoring Officer, the Section 151 Officer, Directors and Managers.

All members and staff have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, is properly authorised, provides value for money, and achieves best value.

The Section 151 Officer is responsible for maintaining a continuous review of the financial regulations and submitting any additions or changes necessary to the full Council for approval. The Section 151 Officer is also responsible for reporting, where appropriate, breaches of financial regulations to the Executive, and to the full Council.

The authority's detailed Financial Procedures, setting out how the regulations will be implemented, are contained in the appendices to the financial regulations. These procedures will be kept up to date, with amendments requiring the approval of the Corporate Management Team only.

Directors and Managers are responsible for ensuring that all staff are aware of the existence and content of the authority's Financial Regulations and other internal regulatory documents and that they comply with them. They must also ensure that an adequate number of copies are available for reference. Each Director and Manager will be issued a copy of the complete Financial Regulations and Financial Procedures, and will be required to sign for their receipt.

The Section 151 Officer is responsible for issuing advice and guidance to underpin the financial regulations to members, officers and others acting on behalf of the authority are required to follow.

FINANCIAL REGULATION A :

FINANCIAL MANAGEMENT

Introduction

A.1 Financial Management covers all financial accountabilities in relation to the running of the authority, including the policy framework and budget.

The Full Council

A.2 The full Council is responsible for:-

- Adopting the authority's constitution and members' code of conduct
- Approving the policy framework and budget within which the Executive operates
- Approving and monitoring compliance with the authority's overall framework of accountability and control. The framework is set out in its constitution.
- Monitoring compliance with the agreed policy and related Executive decisions.
- Approving procedures for recording and reporting decisions taken. This includes those *key decisions* delegated by and decisions taken by the Council and its Committees. These delegations and details of who has responsibility for which decisions are set out in the constitution.
- Approving the setting and revision of the prudential indicators as defined under the Prudential Code.

The Executive

A.3 The Executive is responsible for:-

- Proposing the policy framework and budget to the full Council.
- Discharging Executive functions in accordance with the policy framework and budget.
- Establishing protocols to ensure that individual Executive Councillors consult with relevant Officers before taking a decision within his or her delegated authority. In doing so, the individual Member must take account of legal and financial liabilities and risk management issues that may arise from the decision.

A.4 Executive decisions can be delegated to a Committee of the Executive, an individual Executive Councillor, an Officer, or a Joint Committee.

- A.5 A forward plan containing details of all matters likely to be the subject of key decision in the authority is published by the Executive.

Overview & Scrutiny

- A.6 The Overview & Scrutiny Board, and Strategy & Performance Panel are responsible for scrutinising Executive decisions before or after they have been implemented and for holding the Executive to account. They are also responsible for making recommendations on future policy options and for reviewing the general policy and service delivery of the authority.

Standards Committee

- A.7 The Standards Committee is established by the full Council and is responsible for promoting and maintaining high standards of conduct amongst Councillors. In particular, it is responsible for advising the Council on the adoption and revision of the Members Code of Conduct, Members Allowances, and for the monitoring and investigating any suspected breaches of the code.

Planning & Licensing

- A.8 Planning, conservation and licensing are not Executive functions but are exercised through the Planning Committee and Licensing Board under powers delegated by the full Council.

Corporate Governance

- A.9 The Corporate Governance Committee, under powers delegated by full Council is responsible for:-
- Agreeing the internal and external audit plans
 - Considering the annual audit report and management letter for the Council
 - Monitoring the implementation of significant audit recommendations
 - Raising the profile of internal control within the authority,
 - Approving the annual Statement of Accounts
 - Approving the annual Governance Statement
 - Having an overview role in relation to the Councils risk management framework

Joint Committees

- A.10 The Council may establish joint arrangements with one or more local authorities and/or executives to exercise functions. Such arrangements may involve the appointment of a joint committee with these other local authorities.

The current constituted joint committees are as follows:-

- The South West Audit Partnership
- The Somerset Waste Partnership

The Statutory Officers

Head of Paid Service (Chief Executive)

- A.11 The Head of Paid Service is responsible for the corporate and overall strategic management of the authority as a whole. He or she shall report to and provide information for full Council, the Executive, the Overview & Scrutiny function and other Committees and Panels. He or she is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The head of paid service is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to all the full Council's decisions.

Monitoring Officer

- A.12 The Monitoring officer is responsible for promoting and maintaining high standards of conduct and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of the law or maladministration to the full Council and/or to the Executive, and for ensuring that the procedures for recording and reporting *key decisions* are operating effectively.
- A.13 The Monitoring Officer shall ensure that Executive decisions and the reasons for them are made public. He or she shall also ensure that Council Members are aware of decisions made by the Executive and of those made by Officers who have delegated Executive responsibility.
- A.14 The Monitoring Officer is responsible for advising all councillors and officers about who has authority to take a particular decision.
- A.15 The Monitoring Officer is responsible for advising the Executive or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- A.16 The Monitoring Officer (together with the Section 151 Officer) is responsible for advising the Executive or full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be contrary to the budget include:-

- initiating a new policy
- committing expenditure in future years to above the budget level
- incurring virement transfers above the limits set by Council
- causing the total expenditure financed from Council Tax, Grants, and corporately held reserves to increase, or to increase by more than a specified amount.

A.17 The Monitoring Officer is responsible for maintaining an up-to-date constitution.

A.18 The Monitoring Officer is responsible for maintaining a register of Member and Officers interests.

Section 151 Officer

A.19 The Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority. The statutory responsibility cannot be overridden. The statutory duties arise from:-

- Section 151 of the Local Government Act 1972
- The Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Accounts and Audit Regulations 1996.
- The Accounts and Audit Regulations 2003
- The Local Government Act 2003.

A.20 The Section 151 Officer is responsible for:-

- the proper administration of the authority's financial affairs
- setting and monitoring compliance with financial management standards
- advising on the corporate financial position and on the key financial controls necessary to secure sound financial management
- providing financial information
- preparing the revenue budget and capital programme
- treasury management.

A.21 Section 114 of the Local Government Finance Act 1988 requires the Section 151 Officer to report to the full Council, Executive and external auditor if the authority or one of its Officers:-

- Has made, or is about to make, a decision which involves incurring unlawful expenditure
- Has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the authority
- Is about to make an unlawful entry in the authority's accounts.

The Council shall consider the report within 21 days of issue and is prohibited from taking the course of action which is the subject of the report. The external auditor shall be informed of the date of the meeting and of any decisions made at the meeting.

Section 114 of the 1988 Act also requires:

- the Section 151 Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under section 114 personally
- the authority to provide the Section 151 Officer with sufficient staff, accommodation and other resources - including legal advice where this is necessary - to carry out the duties under section 114.

Directors

A.22 Corporate Management Team comprises the Statutory Officers (as outlined above) and Directors. It act as the senior officers' body in instigating policy proposals.

For the purposes of these Regulations, the Chief Executive has the same powers and responsibilities as Directors. Directors are responsible for:

- ensuring that Executive Members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Section 151 Officer.
- signing contracts on behalf of the authority (in accordance with the constitution).

A.23 It is the responsibility of the Directors to consult with the Section 151 Officer and seek approval on any matter liable to affect the authority's finances materially, before any commitments are incurred.

Other Financial Accountabilities

Virement

A.24 The full Council is responsible for agreeing procedures for virements of expenditure between budget headings.

A.25 Directors and Managers are responsible for agreeing virements within delegated limits, in consultation with the Section 151 Officer. They must notify the Section 151 Officer of all virements, using the appropriate pro-forma.

Treatment of Year End Balances

A.26 The Executive is responsible for agreeing procedures for carrying forward under- and overspendings on budget headings.

Accounting Policies

- A.27 The Section 151 Officer is responsible for selecting accounting policies and standards, and ensuring that they are applied consistently.

Accounting Records and Returns

- A.28 The Section 151 Officer is responsible for determining the accounting procedures and records for the authority.

The Annual Statement of Accounts

- A.29 The Section 151 Officer is responsible for ensuring that the annual statement of account is prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom : A Statement of Recommended Practice (CIPFA /LASAAC)*. The full Council has delegated responsibility for approving the annual statement of accounts, to the Corporate Governance Committee.

FINANCIAL REGULATION B :

FINANCIAL PLANNING

Introduction

- B.1 The full Council is responsible for agreeing the authority's policy framework and budget, which will be proposed by the Executive. In terms of financial planning, the key elements are:
- The Corporate Plan
 - The Budget
 - The Capital Programme

Policy Framework

- B.2 The full Council is responsible for approving the policy framework and budget. The policy framework includes the following statutory plans and strategies:
- Annual Report
 - Asset Management Plan
 - Sustainable Community Plan
 - Capital Strategy & Programme
 - Climate Change Strategy
 - Corporate Strategy
 - Crime and Disorder Reduction Strategy
 - Housing Strategy
 - Local Development Framework
 - Treasury Management Policy Statement
- B.3 The full Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. Decisions shall be referred to the full Council by the monitoring officer.
- B.4 The full Council is responsible for setting the level at which the Executive may reallocate budget funds from one service to another (virement). The Executive is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.

Preparation of Policy Framework and Corporate Plan

- B.5 The Chief Executive as Head of Paid Service is responsible for proposing the policy framework and corporate plan of the authority to the Executive for consideration before submission to the Full Council for approval.

Budgeting

Budget Format

- B.6 The general format of the budget will be approved by the full Council and proposed by the Executive on the advice of the Section 151 Officer. The draft budget shall include allocation to different services and projects, proposed taxation levels, and information on any contingency funds and reserves.

Budget Preparation

- B.7 The Section 151 Officer is responsible for ensuring that a revenue budget is prepared on an annual basis and a medium term financial plan is prepared for consideration by the Executive, before submission to the full Council. The full Council may amend the budget or ask the Executive to reconsider it before approving it.
- B.8 The Executive is responsible for issuing guidance on the general content of the budget in consultation with the Section 151 Officer as soon as possible following approval of the full Council.
- B.9 It is the responsibility of Managers to ensure that budget estimates reflecting agreed operational service plans are submitted to the Executive and that these estimates are prepared in line with guidance issued by the Executive.

Budget Monitoring and Control

- B.10 The Section 151 Officer is responsible for providing appropriate financial information to enable budget to be monitored effectively. The s151 Officer, supported by Directors and Managers, shall monitor and control expenditure against budget allocations and report to the Executive on the overall position on a regular basis.
- B.11 It is the responsibility of Managers to control income and expenditure within their area and to monitor performance, taking account of

financial information provided by the Section 151 Officer. They shall report on variances within their own areas. They shall also take any action necessary to avoid exceeding their budget allocation and alert the Section 151 Officer to any problems. Any changes to the overall budget must be considered by the Executive for onward submission to full Council for approval.

Resource Allocation

- B.12 In determining the resource allocation of the Council the Directors and Section 151 Officer shall ensure compliance with agreed policies and strategies.

Preparation of the Capital Programme

- B.13 The Section 151 Officer is responsible for ensuring that a capital programme is prepared on an annual basis for consideration by the Executive before submission to the full Council.

Guidelines

- B.14 Guidelines on budget preparation are issued to Directors and Managers by the Executive following agreement with the Section 151 Officer. These are to ensure the robustness of the budget and the adequacy of the Councils reserves position. The guidelines will take account of:-
- legal requirements
 - medium term planning prospects
 - corporate plans of the authority
 - available resources
 - spending pressures
 - other relevant government guidelines
 - other internal policy documents
 - cross-cutting issues where relevant.
 - risk

Maintenance of Reserves

- B.15 It is the responsibility of the Section 151 Officer to advise the Executive and the full Council on prudent levels of reserves for the authority.

FINANCIAL REGULATION C :

RISK MANAGEMENT AND CONTROL OF RESOURCES

Introduction

- C.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant operational risks to the authority. This should include the pro-active participation of all those associated with planning and delivering services.

Risk Management

- C.2 The Council has delegated responsibility for approving the authority's Risk Management policy statement and strategy to the Corporate Governance Committee.
- C.3 The Section 151 Officer is responsible for preparing the authority's Risk Management policy statement, for promoting it throughout the authority, and for reviewing the effectiveness of risk management arrangements.
- C.4 Directors and Managers are responsible for complying with the risk management policy statement and must carry out and regularly review risk assessments of their service areas, corporate projects, and partnerships.
- C.5 The Section 151 Officer is responsible for providing advice on and effecting the appropriate insurance arrangements.

Internal Control

- C.6 Internal control refers to the systems of control devised by management to help ensure the authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the authority's assets and interests are safeguarded.
- C.7 The Section 151 Officer is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.

- C.8 It is the responsibility of Managers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

Audit Requirements

- C.9 The Accounts and Audit Regulations 1996 require every local authority to maintain an adequate and effective internal audit.
- C.10 The Section 151 Officer is responsible for internal audit, and therefore may inspect and audit all books of account, financial documents and all other records of the authority, visit any of the authority's premises and obtain such explanations and take away such records for examination as considered necessary.
- C.11 The Audit Commission is responsible for appointing external auditors to each local authority. The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, as amended by section 5 of the Audit Commission Act 1998.
- C.12 The authority may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenues & Customs, who have statutory rights of access.

Preventing Fraud And Corruption

- C.13 The Section 151 Officer is responsible for the development, maintenance and promotion of an anti-fraud and anti-corruption policy.

Assets

- C.14 Managers shall ensure that all financial records, physical assets and supporting documentation are properly maintained and securely held, and suitably recorded in the Councils registers.
- C.15 Managers shall also ensure that sound contingency plans for the security of assets and for the continuity of service provision in the event of disaster or other major system failure are in place, and that those arrangements are regularly tested.
- C.16 Any proposals to enter into leasing agreements must be agreed in advance with the Section 151 Officer.

Property

- C.17 The agreement of any terms of leasing of any property, or the taking or granting of any interest in property must be undertaken after consultation with the Section 151 Officer.

Treasury Management

- C.18 The authority has adopted CIPFA's Code of Practice for Treasury Management in Local Authorities.
- C.19 The full Council is responsible for approving the treasury management policy statement. The policy statement is proposed to the full Council by the Executive. The Section 151 Officer has delegated responsibility for implementing and monitoring the statement.
- C.20 All money in the hands of the authority is monitored and controlled by the Section 151 Officer.
- C.21 The Section 151 Officer is responsible for reporting to the Executive a proposed treasury management strategy for the coming financial year at or before the start of each financial year.
- C.22 All Executive decisions on borrowing, investment, or financing shall be delegated to the Section 151 Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities.
- C.23 The Section 151 Officer is responsible for reporting to the Executive not less than twice in each financial year on the activities of the treasury management operation and on the exercise of his or her delegated treasury management powers. One such report will comprise an annual report on treasury management for presentation by 30 September of the succeeding financial year.

Staffing

- C.24 The Head of Paid Service is responsible for exercising the overall management to staff.
- C.25 The retained HR Manager is responsible for determining and monitoring adherence to staffing policies and procedures, and for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration for the job.
- C.26 Managers are responsible for controlling total staff numbers by:
- Advising the Executive on the budget necessary in any given

year to cover estimated staffing levels.

- Employing staff in accordance with the approved policy framework and annual revenue budget.
- Adjusting the staffing to a level that can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs.
- The proper use of appointment procedures.
- Staff must only be employed on a permanent basis if ongoing and sustainable funding is available.

FINANCIAL REGULATION D :

SYSTEMS AND PROCEDURES

Introduction

D.1 Sound systems and procedures are essential to an effective framework of accountability and control.

General

D.2 The Section 151 Officer is responsible for the operation of the authority's accounting systems, the form of accounts and the supporting financial records. Any changes made to existing financial systems or the establishment of new systems must be approved by the Section 151 Officer. However, Managers are responsible for the proper operation of financial processes in their own departments.

D.3 Any changes to agreed procedures by Managers to meet their own specific service needs should be agreed with the Section 151 Officer.

D.4 Managers should ensure that their staff receive relevant training, and operate to the professional standards set by the Section 151 Officer as set out in the Financial Procedures.

D.5 Managers must ensure that, where appropriate, computer and other systems are registered in accordance with data protection legislation. Managers must ensure that staff are aware of their responsibilities under Freedom of Information legislation, and all other relevant legislation.

Income And Expenditure

D.6 It is the responsibility of Directors and Managers to ensure that a proper scheme of delegation is been established within their area and is operating effectively. The Scheme of Delegation shall identify staff authorised to act on the Director or Managers behalf, or on behalf of the Executive, in respect of payments, income collection and placing orders, together with the limits of their authority.

D.7 Once a charge has been raised no debtor shall be excused a payment due to the Council other than with the approval of the Section 151 Officer, or Head of Paid Service, or Executive. The Section 151 Officer shall maintain a record of all such write-offs.

Payments To Employees And Members

- D.8 The Section 151 Officer is responsible for all payments of salaries and wages to all staff, including payments for overtime, and for payment of allowances to members.

Taxation

- D.9 The Section 151 Officer is responsible for advising Directors and Managers, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues that affect the authority.
- D.10 The Section 151 Officer is responsible for maintaining the authority's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

Trading Accounts / Business Units

- D.11 It is the responsibility of the Section 151 Officer to advise on the establishment and operation of trading accounts and business units, and to determine the arrangements under which these are operated.

FINANCIAL REGULATION E :

EXTERNAL ARRANGEMENTS

Introduction

- E.1 The Council provides a distinctive leadership role for our community and brings together the contributions of the various stakeholders. It also has a duty to act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.

Partnerships

- E.2 The Executive is responsible for approving the operational frameworks for the Councils participation in partnerships or joint working arrangements with other local public, private, voluntary and community sector organisations. This includes the arrangements for delegation to officers and the detailed arrangements for the provision of both financial and physical resources by the Council.
- E.3 The Executive can delegate functions - including those relating to partnerships - to Officers. These are set out in the scheme of delegation that forms part of the authority's constitution. Where functions are delegated, the Executive remains accountable for them to the full Council.
- E.4 The Head of Paid Service represents the authority on partnership and external bodies, in accordance with the scheme of delegation.
- E.5 The Section 151 Officer and Monitoring Officer are responsible for promoting and maintaining the same high standards of conduct with regard to legal and financial administration and accounting arrangements in partnerships that apply throughout the authority. They shall also consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They shall ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- E.6 Directors and Managers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.
- E.7 Before entering into any external arrangements, advice and guidance shall be sought from the Monitoring Officer and Section 151 Officer.

External Funding

- E.8 The Section 151 Officer is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the authority's accounts.

Work For Third Parties

- E.9 The Head of Paid Service is responsible for providing specific guidance to Directors and Managers in respect of the provision of contractual arrangements for the provision of services, third parties or external bodies.

DELEGATION SUMMARY

Virements & Supplementary Estimates

Virements can take place provided that they do not involve new policy or policy change and do not involve an increasing commitment in future years that cannot be contained within existing budgets. They must be done in consultation with the s151 Officer.

THRESHOLD	APPROVALS REQUIRED	
	Transfers Within Portfolio	Transfers Between Portfolios
Up to £20,000	Manager	Manager (in consultation with Director)
Between £20,000 and £50,000	Portfolio (Exec Cllr) Decision (in consultation with Director)	Portfolio (Exec Cllr) Decision (in consultation with Director)
Over £50,000	Executive Decision	Executive Decision
Supplementary Estimates - ALL	Executive Recommendation to Full Council	Executive Recommendation to Full Council

Write-Offs

THRESHOLD	APPROVALS REQUIRED	
	SUNDRY DEBTORS	REVENUES (Ctax, NNDR etc)
SUNDRY DEBTORS Up to £5,000	Section 151 Officer	Section 151 Officer
Between £5,000 and £10,000	Head of Paid Service	Section 151 Officer
Over £10,000	Executive Decision	Section 151 Officer

Constitution Framework		Type of Changes made	Future Revision Mechanism
Part 1	Summary and Explanation		
Part 2	Articles of the Constitution	Some textual changes; no issues of principle	Will need Full Council approval
Article 1	The Constitution		
Article 2	Members of The Council		
Article 3	Citizens and the Council		
Article 4	The Full Council		
Article 5	Chairing the Council		
Article 6	Overview/Scrutiny Comms		
Article 7	The Executive		
Article 8	Regulatory & other Comms		
Article 9	The Standards Committee		
Article 10	Area Committees & Forums		
Article 11	Joint Arrangements		
Article 12	Officers		
Article 13	Decision Making		
Article 14	Finance, Contract, Legal Matters		
Article 15	Review /Revision of the Constitution		
Article 16	Suspension, Interpretation and Publication of the Constitution		
Article 17	Schedule 1 - Description of Executive Arrangements		
Part 3	Responsibility for Functions - Scheme of Delegations		
Section 1	The Powers of Full Council	Minor textual changes	Substantial changes – Full Council. Changes in legislation or where formal delegation or re-delegation needed –

			Monitoring Officer
Section 2	Regulatory Powers/Council	Some additions/adjustments needed to officer powers resulting from legislative changes	Changes in legislation or where formal delegation or re-delegation needed – Monitoring Officer. Otherwise – Corporate Governance Committee
Section 3	Executive Powers	This is a record of the portfolios allocated by the Leader. The Constitution is not the primary document but instead acts as a record of what has been effected elsewhere	Monitoring Officer to receive changes notified by Leader in portfolios and Executive Councillors and to update Constitution
Section 4	Delegations to Executive Councillors and Officers	Officer delegations have been updated to take account of legislative changes or to internal structures and titles – or where Constitution merely reflects changes made elsewhere – such as with the Planning Committee Delegation Scheme	
Part 4	Rules of Procedure		
	Standing Orders (Debate)	No changes made so far. Proposal that notice needed for certain types of amendment at full Council. Will come to future CG Committee	Other than minor text changes these will need approval of CG and Council
	Access to Information Procedure Rules	The law has changed as to “exempt information”. Needs to be reflected in Constitution as a “slot-in”	Other than legislative or text changes (Monitoring Officer) this will need CG Committee

Budget and Policy Framework Procedure Rules	No changes – other than with titles	CG Committee and probably Council needed
Executive Procedure Rules	No changes made	This part will need significant changes following the 2007 Act and the enhanced powers of the Leader. Apart from other minor changes that may occur (Monitoring Officer), this will require CG Committee and Full Council
Procedure Rules for Review Board and Panels	Some minor changes to the “call-in” mechanism reflecting member decisions. This part awaits the outcome of the Scrutiny Pilot. It will need a substantial re-write if a new structure is adopted by the Council.	General power for the Monitoring Officer to correct textuals and to reflect changes agreed elsewhere.
The Financial Regulations	Shirlene Adam as S151 Officer has updated these (see App 1)	The power to vary should be delegated to the S 151 Officer
The Financial Procedures	These are internal procedures which are updated by S151 Officer as and when needed. Their current wording is reflected in the Constitution	The power to vary should be confirmed as being one for the S 151 Officer
Contract Standing Orders	A range of internal structural and post title changes need to be made to reflect the current officer roles	Issues of principle or financial limits should be matters for the CG Committee; internal delegation arrangements should be dealt with by the Monitoring Officer
Officer Employment Procedure Rules	These are heavily based on	

	statute and reflect the legal duties which the Council has towards the three “Statutory Officers” (The CE, S151	
Part 5	Codes and Protocols	
	Member’s Code of Conduct	
	Employee Code Of Conduct	
	Protocol For Member/Officer Relations	
Part 6	Members' Allowances Scheme	
Part 7	Management Structure	
Part 8	Our Councillors and their Wards	