

TELFORD & WREKIN COUNCIL

COUNCIL CONSTITUTION COMMITTEE – 7TH NOVEMBER 2013

PROPOSED CHANGES TO THE CONSTITUTION AND CONSTITUTION REVIEW UPDATE

REPORT OF THE ASSISTANT DIRECTOR: LAW, DEMOCRACY AND PUBLIC PROTECTION

1. SUMMARY OF MAIN PROPOSALS

The Committee is asked to consider making recommendations to full Council to approve amendments to the Constitution regarding public speaking at the Health and Wellbeing Board, changes to the Audit Committee terms of reference and updates to the functions of the Chief Financial Officer and Rules of Procedure (Policy Framework and Budget Procedure Rules and Financial Regulations).

Progress is also continuing with the full review of the Constitution that began earlier in the year.

2 RECOMMENDATIONS

2.1 That members:-

2.1.1 Recommend the approval of the amendments with effect from the full Council meeting on 21st November 2013 as follows:-

2.1.1.1 The terms of reference of the Health and Wellbeing Board as included at Appendix 1a;

2.1.1.2 The terms of reference of the Audit Committee as included at Appendix 2;

2.1.1.3 The Functions of the Chief Financial Officer and Procedure Rules (Policy Framework and Budget procedure Rules and Financial Regulations) as included at Appendix 3;

2.2 That members note the progress on the full review of the constitution as set out at paragraph 4.4 of this report.

3 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	The proposals for the Health and Wellbeing Board will contribute towards improving the health and wellbeing of our communities and address health inequalities
	Will the proposals impact on specific groups of people?	
	No	The Health and Wellbeing Board proposals will benefit the whole of the community.
TARGET COMPLETION/DELIVERY DATE	Health and Wellbeing Board and Audit Committee changes can be implemented if approved by full Council at the next meeting on 21 st November 2013. The full review of the constitution aims to be completed and in place for the commencement of the municipal year 2015/16.	

FINANCIAL/VALUE FOR MONEY IMPACT	Yes	There are no direct financial implications from the review of terms of reference for the Health & Well Being Board. The size of venue for holding the meetings will need to be considered if the meetings are opened up for public speaking as a larger venue is likely to be required. There may be a charge associated with hiring a venue if a “free” room can not be secured. There is currently no central budget in respect of room hire for meetings. The administration of the Health & Wellbeing Board will have resource implications for the Democratic Services Team; however it is anticipated that this will be met from existing staffing structures. MLB 10.10.13
LEGAL ISSUES	Yes	Section 194 of the Health and Social Care Act 2012 requires the Council to establish a Health and Wellbeing Board as a formal committee of the Council. Accordingly the conduct and procedure of the board must comply with the appropriate statutory requirements. The changes proposed at Appendix 1a are required to ensure that public speaking can be introduced in accordance with those requirements. Any changes to the constitution agreed by this committee need to be formally approved by full Council before come into force.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Public speaking at Health and Wellbeing Board provides an opportunity for greater public engagement with this significant new responsibility taken on by the Council. The procedure set out at appendix 1b is to ensure that there is a fair and proportionate process in place for all stakeholders.
IMPACT ON SPECIFIC WARDS	No	Borough-wide impact

4 **INFORMATION**

4.1 Health and Wellbeing Board

4.1.1 Since the first meeting of the Health and Wellbeing Board (‘the Board’) on 15th May 2013 there has been a lot of public interest from local volunteer groups, interest groups and provider organisations. However, the current procedure rules make it difficult for the Board to hear from these groups and the public. Allowing local groups/individuals to speak at the Board would help to achieve principles such as accessibility and engagement whilst also giving Board members more information on local health issues.

4.1.2 On 17th July 2013 the Board agreed (subject to the approval of this Committee and full Council) to amend its procedure rules and allow public speaking for individuals and local community/volunteer groups to ask questions or raise issues for discussion. Attached at Appendix 1a are the terms of reference for the Board with the proposed amendment to allow public speaking. This Committee is asked to review the amendment and, if acceptable, recommend to full Council that the amendment is made to the constitution.

- 4.1.3 To assist, attached at Appendix 1b, is the draft public speaking procedure which has been prepared by Officers and which can be used if Council provide approval for the change. The procedure has been drafted in a similar style to other public speaking procedures for Council meetings to ensure continuity but has some specific rules to fit in with this particular Board.
- 4.1.4 Further, the Board moved out of its 'shadow', state in May this year and accordingly there are further changes to update the terms of reference. These are also shown at Appendix 1a.
- 4.1.5 One technical point in the Board's terms of reference has been raised by one of the Clinical Commissioning Group (CCG) members of the Board. In order to not restrict membership of the board from the CCG, the Committee are also asked to consider the amendment to the title of the CCG membership as it appears as Appendix 1a.

4.2 Audit Committee

- 4.2.1 The Audit Committee terms of reference require updating to reflect the role of the Audit Committee under its governance responsibilities in respect to the oversight of the Commercial Board. The proposed changes are set out at Appendix 2.

4.3 Functions of the Chief Financial Officer and Rules of Procedure (Policy Framework & Budget Procedure Rules and Financial Regulations)

- 4.3.1 The key changes made include:

- Date by which Cabinet will publish its budget proposals changed from the end of December to the end of January – to allow for late announcement of settlement figures from Central Government;
- Points added to emphasise that all reports to Cabinet must have a financial comment, completed by Finance, and that Finance Staff are given adequate time to do this;
- Limits included for approval of grants which give added assurance and transparency. Previously, all grants had to be approved by the relevant SMT Lead and Finance Manager. Changes are:
 - Where the value is £10,000 or less approval should be given by the relevant Assistant Director
 - Where the value exceeds £10,000 but is less than £50,000 approval should be by SMT
 - Where the value exceeds £50,000 the relevant Cabinet Member and Assistant Director should give approval

Also re-emphasising that financial implications, such as match funding, should be identified prior to submission and approval of bids.

- Approval of Virements – section re-written and simplified so that it is in-line with the Council's structure and Financial Management System (Agresso) and processes. References to "within" and "between" Services have been deleted as it was felt that these were ambiguous. Thresholds for Cabinet and Council approval remain the same. Changes are:

Approval is required where there is a proposed change to the use of budgets in terms of services being delivered, subject to the limits set out in the table below

Limit	Approved By	
Virements less than £50,000	Service Delivery Manager and Finance Manager	All virements must <ul style="list-style-type: none"> • be within the overall policy framework; • not involve an increasing commitment in future years, which cannot be contained within existing approved budget allocations
Virements £50,000 or more but less than £250,000	Cabinet	
Over £250,000	Full Council	

Where Cabinet and Full Council approval is required then the appropriate Assistant Director and CFO approval must also be gained as part of the process.

- Taxation – section expanded to highlight that the tax implications of business decisions must be fully understood and considered. Further change that Managers need to check the employment status of anyone engaged in their Service Area so that tax is correctly accounted for.
- Authorised Signatories – table bringing together all authorisations plus the inclusion of the limits within the Financial Management system (Agresso).
- Internal Audit – to fully reflect the requirements of the new Public Sector Internal Audit Standards effective from April 2013.
- Income and Debtors – update and clarification of write-off levels.

4.4 Constitution Review Update

4.4.1 On 16th April 2013 this Committee considered updates to a number of sections of the constitution as part of an overall review. The aim of the review is to make the constitution more accessible and to make oversight and review more efficient.

4.4.2 Whilst the 16th April report addressed some sections, many remained to be reviewed. Accordingly a small working group consisting of Councillor Charles Smith, Councillor Ian Fletcher, the Legal Services Manager and other officers dealing with specific sections, have continued to review the remaining sections. Three meetings of this group have reviewed sections including the contract procedure rules, finance procedure rules and the scheme of delegations (this section has a lot of further work to be undertaken). More of these meetings are being set up and the aim is to ensure that the constitution will have been reviewed in full with a new complete draft for consideration by September 2014. This is an involved process and a considerable period of time will be spent to complete this work. Although it has been decided that it would be too complicated to incorporate large amendments in a piecemeal fashion some amendments maybe required before then but the aim is to provide a ‘new’ constitution as a complete document. Officers will continue to keep this Committee up to date with developments and any interim changes required.

5 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

No additional information required.

6 PREVIOUS MINUTES

Full Council – 2nd May 2013, 92

Council Constitution Committee – 16th April 2013, CCC - 15

Health and Wellbeing Board – 17th July 2013, HWB-22

7 BACKGROUND PAPERS

None

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