

Non-Executive Report of the:  <b>Council</b>  19 July 2017	
<b>Report of:</b> Asmat Hussain, Corporate Director, Governance and Monitoring Officer	<b>Classification:</b> Unrestricted
<b>Proposed Revision to the Constitution - Parts 4.2, 4.3, 4.5, 4.6 and 4.7</b>	

<b>Originating Officer(s)</b>	Paul Greeno, Senior Corporate and Governance Legal Officer
<b>Wards affected</b>	All

### Summary

As the Council is operating Executive arrangements then it must have a Constitution and also ensure that this Constitution is kept up-to-date.

### Recommendations:

Council is recommended to:

1. Note the spreadsheet in Appendix 1 setting out the revisions and the reasons;
2. Approve the revised Part 4.2 of the Constitution (Access to Information Procedure Rules) in Appendix 2 with the revisions shown as tracked changes;
3. Approve the revised Part 4.3 of the Constitution (Budget and Policy Framework Procedure) in Appendix 3 with the revisions shown as tracked changes;
4. Approve the revised Part 4.5 of the Constitution (Overview and Scrutiny Procedure Rules) in Appendix 4 with the revisions shown as tracked changes;
5. Approve the revised Part 4.6 of the Constitution (Financial Regulations and Procedure Rules) in Appendix 5 with the revisions shown as tracked changes; and
6. Approve the revised Part 4.7 of the Constitution (Contracts and Procurement Procedure Rules) in Appendix 6 with the revisions shown as tracked changes.

## **1. REASONS FOR THE DECISIONS**

- 1.1 Pursuant to the Local Government Act 2000 ('the 2000 Act') as the Council is operating Executive arrangements then it must have a Constitution and also ensure that this Constitution is kept up-to-date. In that regard, it has been decided that as this is a complete review proposals for changes will be considered by the Member Constitutional Working Party which will recommend changes to the General Purposes Committee for consideration and that such Committee will then recommend the changes for approval to Council.
- 1.2 The purpose of the Constitution is to set out how the council operates; how decisions are made; and the procedures which are followed to ensure that decision making is efficient, transparent and accountable to local people. It is therefore important that the Constitution is kept up-to-date so that it can continue to achieve that purpose
- 1.3 The Constitution has not had a thorough review for some time and therefore a full review of the Constitution is being undertaken to incorporate these changes but also for the purposes of assessing the Constitution's strengths and weaknesses and to consider appropriate amendments having particular regard to efficiency, transparency and accountability.

## **2. ALTERNATIVE OPTIONS**

- 2.1 Council could decide not to approve the revisions.

## **3. DETAILS OF REPORT**

- 3.1 This Report is a continuation of papers being presented to the Council to update on the Monitoring Officer's review of the Constitution.
- 3.2 This report is in respect of the review of Part 4.2 (Access to Information Procedure Rules); Part 4.3 (Budget and Policy Framework Procedure); Part 4.5 (Overview and Scrutiny Procedure Rules); Part 4.6 (Financial Regulations and Procedure Rules); and Part 4.7 (Contracts and Procurement Procedure Rules) of the Constitution. A number of revisions were identified and discussed at a Constitutional Working Party on 13 March 2017 and then at General Purposes Committee on 2 May 2017. A spreadsheet of all the agreed revisions has been prepared (see Appendix 1) and which sets out the various revisions and the reason for them.
- 3.3 There are a number of changes (referred to in entry number 1) that have been made and the purpose of which is to correct grammar (e.g. the addition of the definite article), numbering corrections, or typographical errors and due to the nature of the changes that have been made, these have not specifically recorded in the spreadsheet at Appendix 1. Further all the changes reflecting

the Council's recent structural change (see entry number 2) have not been individually recorded.

- 3.4 Looking at each Part in turn, the Council has statutory responsibilities regarding access to reports and agendas, attendance at meetings; publications of decisions etc. and the changes to the Access to Information Procedure Rules at Part 4.2 are for the purposes of updating legislation and for consistency/ clarification.
- 3.5 Part 4.3 sets out the Budget and Policy Framework Procedure and the changes made are for consistency and clarification.
- 3.6 Part 4.5 sets out the Overview and Scrutiny Procedure Rules. The changes are predominantly for the purposes of updating legislation and for consistency/ clarification. There is also a proposed new Rule 14 and which is a factual change to reinforce that there are sanctions if the Mayor, Member or Officer does not attend in response to a request to attend an Overview and Scrutiny Committee or Sub-Committee/ Panel.
- 3.7 Part 4.6 sets out the Financial Regulations and Procedure Rules. The main change here is that the Financial Regulations/ Procedures that are prepared by the Corporate Director, Resources on a yearly basis will be an Appendix to these Rules so that these are also forward facing for reasons of transparency and ease of reference. There is also a change to emphasise that a breach of these Rules by officers does have consequences.
- 3.8 Part 4.7 sets out the Contracts and Procurement Procedure Rules. The main change here is that the Procurement Procedures that are prepared by the Corporate Director, Resources will be an Appendix to these Rules so that these are also forward facing for reasons of transparency and ease of reference. There is also a change to emphasise that a breach of these Rules by officers does have consequences.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The Chief Finance Officer has been consulted on this report and there are no financial implications as a result of the proposed changes to the Constitution set out in this report.

#### **5. LEGAL COMMENTS**

- 5.1 Any legal implications are addressed in the body of the report.

#### **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The proposed revisions to the Constitution are intended to address weaknesses regarding efficiency, transparency and accountability. In making the revisions to increase efficiency, transparency and accountability of decision making this should help to achieve the objectives of equality and personal responsibility inherent in One Tower Hamlets.



## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 As a best value authority, the Council has an obligation under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness” (the best value duty). Whilst the report does not propose any direct expenditure, it is looking to put in place arrangements in the exercise of its functions having regard to efficiency and thereby also economy and effectiveness.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 It is not considered that there are any environmental implications.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 This proposed revision of the Constitution is designed to address weaknesses regarding efficiency, transparency and accountability. The overall aim is therefore to reduce risk.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 There are no crime and disorder reductions implications.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- NONE.

#### **Appendices**

- Appendix 1 – Spreadsheet of Revisions
- Appendix 2 – Revised Part 4.2
- Appendix 3 – Revised Part 4.3
- Appendix 4 – Revised Part 4.5
- Appendix 5 – Revised Part 4.6
- Appendix 6 – Revised Part 4.7

#### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of “Background Papers” used in the preparation of this report**

List any background documents not already in the public domain including officer contact information.

- NONE.

#### **Officer contact details for documents:**

- N/A