

CITY COUNCIL – 12 SEPTEMBER 2011

JOINT REPORT OF THE LEADER AND DEPUTY LEADER

PROPOSED AMENDMENTS TO THE CONSTITUTION AND FINANCIAL REGULATIONS

1 SUMMARY

- 1.1 Under provisions within the Local Government Act 2000 the Council is required to review and keep its Constitution up to date. Minor revisions and updates have been made to the Constitution since it was last subject to detailed review in July 2005 but substantial amendments are now required to address, principally, the changes which have been made to the Council's governance arrangements (following reports to Council in December 2010 and May 2011), to reflect changes in local government law generally, to clarify and improve the Council's governance framework and to make the Constitution more accessible for councillors, colleagues and citizens alike. This report summarises the key issues addressed by the proposed amendments and the appendices track in more detail the changes made and reasons for them.
- 1.2 The key issues that have been addressed as part of the review are:
- (i) accommodating the changes to the Constitution as a result of adopting the Strong Leader and Cabinet Model of Executive Governance;
 - (ii) general update and review of the Constitution to improve governance arrangements within the City Council (including a revised and updated scheme of delegation, and a review of financial regulations and Contract Procedure Rules).
- 1.3 The full Constitution document can be viewed online via the link below and paper copies have been deposited in the political group rooms at Loxley House.
<http://open.nottinghamcity.gov.uk/comm/agenda.asp?CtteMeetID=4099>
Councillors who require a paper copy for their sole use may request a copy from Constitutional Services by telephoning 0115 87 64301.

2 RECOMMENDATIONS

It is recommended that:

- 2.1 the revised Standing Orders be agreed;
- 2.2 the revised Financial Regulations, including Contract Procedure Rules, be agreed;
- 2.3 the revised Scheme of Delegation be agreed;
- 2.4 the revised key decision limits and definitions be agreed;
- 2.5 the revised Constitution, as a whole, be adopted with immediate effect.

3 REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)

- 3.1 The Constitution must be kept up to date in accordance with section 37(1) of the Local Government Act 2000. Recent changes to executive governance arrangements and local government law now require that amendments be made. Extensive consultation with colleagues within the Council has informed much of the detailed amendments particularly around revisions to the scheme of delegation, financial regulations and procedures for the taking and recording of decisions.

4 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 4.1 The Council would be in breach of its statutory duty if it were not to update its Constitution and failure to do so would also create confusion and uncertainty about sources of authority within the Council.

5 BACKGROUND

Strong Leader and Cabinet Governance

- 5.1 In December 2010, the City Council adopted the Strong Leader and

Cabinet governance model to take effect after the local elections and formal governance arrangements were then approved by Council in May 2011, when Councillor Collins was elected Leader of the Council for a four year term. This gave to the Leader effective control of executive governance arrangements, including the choice of membership and size of the Cabinet (known at Nottingham City Council as Executive Board), the allocation of portfolio responsibilities and general delegations of executive functions. In tandem with this, the Council's new approach to Overview and Scrutiny has required consequential changes to the Constitution.

- 5.2 The Constitution now proposed to full Council pulls together those changes already noted by Council in May 2011 and some further consequential changes required to the document. It also reflects my decision on executive matters, taken as Leader.

Update and review of Constitution

- 5.3 The Constitution was last reviewed in detail in July 2005. That review did not include an update of the scheme of delegation, which is now a major feature of the current review. Appendix 1 details the changes between the old and revised Constitution.
- 5.4 The way executive governance works, essentially, is that business is executive unless legal provisions reserve it for Council (which can then delegate as it sees fit). Most reserved functions are regulatory or concern budgetary/policy framework approvals. The new Scheme of Delegation differentiates between executive and non-executive business to clarify whether the Leader or Council is the source of delegation.
- 5.5 In tandem with this work, a general review of the Constitution was undertaken with an objective to simplify the document and make it more accessible, by consolidating references to sources of authority in one area.
- 5.6 Another extensive area of work has involved updating Financial Regulations and Contract Procedure rules which has been integrated with work on the rest of the Constitution, as cross referencing was required.

5.7 Also reflected within the updated Constitution are the changes that were required as part of the review of the Overview and Scrutiny function.

Financial Regulations and Contract Procedure Rules

5.8 A comprehensive review of the Financial Regulations in support of the revision of the Constitution has been undertaken and the Financial Regulations have been updated. The update reflects guidance from CIPFA (Chartered Institute of Public Finance and Accountancy) on the requirements of Financial Regulations for a Modern English Council. The Financial Regulations give clarity on the financial accountabilities of key individuals within the Council and the financial policies.

5.9 The revised Financial Regulations state key controls and responsibilities of key officers. The previous Corporate Finance Process Rules and Standards (CFPRS's) have been updated in line with the Financial Regulation amendments and are now called Corporate Finance Procedures (CFP's). These CFP's are approved by the Chief Finance Officer.

5.10 Appendix 2 details the main changes between the old and revised Regulations.

5.11 The Financial Regulations contain Financial Regulations for Locally Managed Schools which have not been materially updated, and Contract Procedure Rules.

5.12 The proposed changes to the Constitution form part of a wider review of the Council's governance arrangements, which will include the introduction of more accessible guides to Council functions, decision-making, and to support the day to day operation of the Constitution.

6 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY)

6.1 There are no specific financial implications of the changes to the Constitution or the Financial Regulations.

7 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS, CRIME AND DISORDER ACT IMPLICATIONS AND EQUALITY AND DIVERSITY IMPLICATIONS)

- 7.1 The Council would have been in breach of its statutory duty if it failed to introduce new governance arrangements in accordance with the provisions and timetable set out in the 2007 Act referred to in this report and it is required to keep its Constitution updated in accordance with section 37(1) of the Local Government Act 2000.
- 7.2 Advice has been sought from the Equality and Community Relations Team with regard to the implications of revisions to the Scheme of Delegation. Requirements that 'decision takers' must, in order to ensure that the Council meets its duty under the Equality Act 2010, have 'due regard' for equality in the exercise of its functions are now covered within the introduction to the scheme of delegation and are also addressed within corporate reporting templates and decision forms.

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 An EIA of the revisions has been carried out and is attached at Appendix 3.

9 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 9.1 Email correspondence between colleagues within the Council providing commentary and advice to Democratic Services on proposed revisions to the constitution.

10 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 10.1 Executive Governance Arrangements report to City Council – 12 May 2008, and the minutes of the meeting.
- 10.2 Executive Arrangements report to City Council – 13 December 2010, and the minutes of the meeting.

10.3 Local Government Act 2000.

10.4 Local Government and Public Involvement in Health Act 2007.

**COUNCILLOR JON COLLINS
LEADER OF THE COUNCIL**

**COUNCILLOR GRAHAM CHAPMAN
DEPUTY LEADER**

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1	<p>Core Constitution Discontinue the use of the Core Constitution document and restructure the Constitution so that it is more accessible and easier to use.</p>	<p>Core document</p>	<p>Not applicable</p>	<p>The Core document was designed as a handheld summary of the City Council’s Constitution. It is suggested that this hasn’t been successful as a reference document and has, at times, resulted in contradictions with the detailed technical parts of the Constitution and made the administrative task of keeping the document up to date harder. It is proposed that an improved summary within the updated constitution will serve the ‘overview’ purpose more appropriately.</p> <p>The Constitution has been restructured in the following way:</p> <ul style="list-style-type: none"> Part 1 – Summary and explanation Part 2 – Responsibility for Functions Part 3 – Management Structure Part 4 – Procedure Rules and Standing Orders Part 5 – Financial Regulations

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				Part 6 – Codes of Conduct Part 7 – Members Allowances Scheme
2	<p>Scheme of Delegation The proposed Scheme of Delegation as set out in the new Part 2 of the Constitution replaces in entirety the current operation of A and B delegations to Officers and the separate Scheme of delegation document that details all previous delegations made by Council/Committees/Boards.</p>	Appendix 6(d) Responsibility For Functions	Part 2 – Responsibility for Functions – Scheme of Delegation	<p>When the Constitution was last reviewed in 2005, the review did not include an update of the scheme of delegation, which is now a major feature of the current review. The way executive governance works, essentially, is that business is executive unless legal provisions reserve it for Council (which can then delegate as it sees fit). Most reserved functions are regulatory or concern budgetary/policy framework approvals. The new Scheme of Delegation differentiates between executive and non-executive business to clarify whether the Leader or Council is the source of delegation.</p> <p>The current Constitution requires reference to several sections to confirm sources of authority whereas</p>

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				the new drafting, around a core of a new scheme of delegation, aims to consolidate this in one area, thereby improving access and aiming to improve the governance arrangements within the authority.
3	<p>Language use within the proposed revised Constitution</p> <p>Within the revised document, we have used the following terms, where appropriate, as agreed by the Corporate Leadership Team (CLT), as being the most rounded and appropriate description of the people we lead, serve and work with: “citizens”, “colleagues”, “councillors” and “partners”. However the nature of this document often means that we are using and referring to information taken from Statute and other legislation, in some circumstances it has been necessary to maintain the</p>	n/a	Throughout the Constitution document	n/a

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	use of terms such as ‘ member ’ and ‘ officer ’ as they have statutory meaning.			
4	<p>Overview and Scrutiny Committee Terms of Reference</p> <p>Health Scrutiny Review Panel Terms of Reference</p> <p>Scrutiny Review Panel(s) Terms of Reference</p> <p>Overview and Scrutiny Call in Panel</p> <p>Introduction of Scheme of Voting Rights for Co-opted members</p>	Appendix 6(c) – Terms of Reference	Part 2 – Responsibility for Functions (Terms of Reference)	<p>Changes replace previous terms of reference to reflect the new structure of the scrutiny function and its agreed roles and responsibilities.</p> <p>A quorum of 2 has been set for the scrutiny review panels, given their size of 6-8 councillors</p> <p>Introduction of a scheme of voting rights for co-opted members of the Overview and Scrutiny Committee is required in the light of Council’s decisions to co-opt two external individuals as members of the Committee. This is permitted under s.115 Local Government Act 2003.</p>

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5	<p>Appointments and Conditions of Service Committee - Terms of Reference</p> <p>Proposed amended paragraphs as follows:</p> <p>(g) determines redundancies, ill health retirements, flexible retirements and terminations of employment by mutual agreement on grounds of business efficiency, under the 85 year rule, in the interests of the efficient exercise of the Council's functions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 ('the DCR') and any exercise of discretions to increase total LGPS membership and award additional LGPS membership for the Chief Executive, Deputy Chief</p>	<p>Appendix 6 (c) – Terms of Reference</p>	<p>Part 2 – Responsibility For Functions (Terms of Reference).</p> <p>And Part 4 (Officer Employment Procedure Rules)</p>	<p>With regard to termination of employment of the Chief Executive, termination by reason of redundancy had not previously been included in the terms of reference of ACOS or elsewhere. For completeness, termination by reason of redundancy has been added. These changes have also been reflected in the Officer Employment Procedure Rules (Part 6).</p>

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	<p>Executive, Corporate Directors and Directors subject in the event of a proposed dismissal to relevant notification to the proper officer, and the Executive and relevant consultation with nominated elected members and relevant approval as specified in the Officer Employment Procedure Rules;</p> <p>(h) determines flexible retirements and terminations of employment by mutual agreement on the grounds of business efficiency, terminations of employment under the 85 year rule, in the interests of the efficient exercise of the Council’s functions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (‘the DCR’) and any exercise of discretions to increase total</p>			<p>Due to specific requirements in the Local Authorities (Standing Orders) (England) Regulations 2001, dismissals of employees below the level of Director must be carried out by the Head of Paid Service or below. Therefore the terms of reference for ACOS have been amended to still allow for ACOS, following consultation with the relevant Portfolio Holder(s), to determine terminations by mutual agreement (largely efficiency terminations) for all SLMG employees and any employees where an</p>

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	<p>LGPS membership and award additional LGPS membership for any employee who is part of the Senior Leadership Management Group below the level of Director. The Committee also determines terminations of employment by mutual agreement, and following consultation with the appropriate Portfolio Holder(s), on the grounds of business efficiency under the DCR for employees where any proposed compensation payment is in excess of £30,000;</p>			<p>efficiency payment of £30,000 or more is proposed. The key change here is that redundancies of SLMG employees below the level of Director will now be determined by the Chief Executive (or those delegated by the Chief Executive).</p> <p>Further, ill-health retirements for SLMG employees below the level of Director have been removed from the terms of reference due to the technical nature of ill-health retirements (i.e. in the event of a medical report confirming the necessary criteria, an ill health retirement follows as a matter of course).</p> <p>These changes have also been reflected in the Officer Employment Procedure Rules (Part 7).</p>
6	<p>Appointments and Conditions of Service Committee – Terms of Reference</p>	<p>Appendix 6 (c) – Terms of Reference</p>	<p>Part 2 – Responsibility For Functions</p>	<p>Amend terms of reference to allow the flexibility to appoint a smaller (politically balanced) panel to shortlist</p>

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	<p>Ability to appoint politically balanced Panel to shortlist for the recruitment of Chief Executive, Deputy Chief Executive and Corporate Directors.</p> <p>Amend ACOS Terms of Reference as follows:</p> <p>(a) To undertake the appointment process (long listing, short listing and formal interviews) (or to appoint a politically balanced panel to undertake long listing and, short listing) in respect of the Chief Executive, Deputy Chief Executive and Corporate Directors, subject to having ascertained the views of the Executive Board in accordance with Standing Orders, to make recommendations to Council;</p>	<p>and Appendix 6 (e) Procedure Rules</p>	<p>(Terms of Reference)</p> <p>And</p> <p>Part 4 (Procedures and Standing Orders) – Officer Employment Procedure Rules</p>	<p>for future appointments of the Chief Executive, Deputy Chief Executive and Corporate Directors rather than holding a full Committee meeting, while retaining the responsibility for the final interview stage for the whole Committee.</p>

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	<p>Amend Officer Employment Procedure Rules as follows:</p> <p>Para 2.1</p> <p>(iv) the Appointments and Conditions of Service Committee (or a politically balanced panel appointed by it) undertakes the recruitment process at the long listing and short listing stages and the Committee undertakes the final interview stage.</p>			
7	<p>Area Committee Terms of Reference (including City Centre Area Committee).</p> <p>Amend the terms of reference as follow:</p> <p>(a) To approve, ensure the delivery of and monitor neighbourhood ward action plans and other</p>	Appendix 6(c) – Terms of Reference	Part 2 – Responsibility for Functions (Terms of Reference)	(a) To reflect ward level working arrangements

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	<p>relevant area plans.</p> <p>(e) To agree priorities, work programme and variations in performance standards, including through Neighbourhood Renewal processes, in respect of the following services: Transforming Neighbourhoods processes, for services such as, but not limited to: Footpath replacement Street lighting Patch maintenance Grounds maintenance on community parks and playgrounds (excluding heritage sites and Bulwell Hall and Bulwell Forest Golf Courses)</p> <p>(f) In respect of services in the local area, and if urgent, via a panel of the Chair, Vice-Chair, an opposition Councillor (if there is</p>			<p>(e) To replace Neighbourhood Renewal processes which no longer exist and clarify that the Committee can agree priorities, etc, for a wider range of services than those listed</p> <p>(f) The addition of gating orders (which enables closures of rights of way under highways legislation) has been carried out</p>

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	<p>one) and a community representative, to approve: Housing environmental improvements Highway environmental improvements of a local nature Minor traffic schemes, diversions and closures under highways and road traffic legislation, of a local nature Applications for footpath closures on grounds of amenity or development Requests for the making, variation or revocation of gating orders and to be consulted on proposals for the following services in relation to the local area: Licensing applications Strategic planning applications Schools re-organisation; Detailed proposals for landscaping, open space</p>			<p>by Area Committees since gating orders were introduced in 2005. It is considered that Area Committees should continue to undertake this function.</p> <p>The removal of consultee on Licensing applications, as Area Committees never actively became engaged in this process (which was difficult due to prescribed timetables). The Licensing Act has subsequently been amended and Councillors are now interested parties in their own right in any event and, accordingly, can represent local interests.</p>

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	<p>provisions, park equipment provision and other local enhancements relating to agreements under Section 106 of the Town and Country Planning Act 1990 and section 278 of the Highways Act 1980</p> <p>(n) to allocate grants in amounts not exceeding £5,000 £25,000 to community or voluntary organisations for the purposes of benefit to the area covered by the Committee, within a framework to be approved and reviewed from time to time by the Executive Board</p>			<p>(n) to clarify the maximum amount that the Area Committee can allocate in grants, however Ward Councillor decisions remain at the financial maximum of £5,000</p>
8	<p>Licensing Committee Terms of Reference</p> <p>1. Part 2 amended at para 1.10 to clarify that the Licensing Committee and its Panels are not</p>	Appendix 6(c) – Terms of Reference	Part 2 – Responsibility for Functions (Terms of Reference)	1. For clarification

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	<p>caught by the requirements of the Local Government Act 1972 with regard to access to information, political balance etc.</p> <p>2. Reference to the specific licensing objectives have been removed. Reference to the Committees power to set fees for Gambling matters and the table of delegated functions have been added. These amendments remove unnecessary commentary and make it clear which matters are referred to Committee/Panel and which are determined by Officers.</p>			<p>2. For clarification</p>
<p>9</p>	<p>Regulatory and Appeals Committee Terms of Reference</p> <p>1. Part 2 (Terms of reference) amended to indicate specifically that unless specific provision</p>	<p>Appendix 6(c) – Terms of Reference</p>	<p>Part 2 – Responsibility for Functions (Terms of Reference)</p>	<p>1. For clarification</p>

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	<p>appears elsewhere, the approval of any plan or strategy relating to the licensing and regulatory functions within the remit of the Regulatory and Appeals Committee are non-executive functions to be determined by that Committee.</p> <p>2. Amended to clarify that not all Licensing and Regulatory functions as described by the Functions regulations fall within the remit of this Committee. The specific functions within the remit of this Committee are now listed.</p> <p>3. Added in reference to powers relating to smoke free premises</p> <p>4. Deleted reference to appeals relating to the refusal / revocation of registration under the</p>			<p>2. For clarification</p> <p>3. These non-executive powers had previously not been allocated to a Committee.</p> <p>4. The Council's Control Scheme for Houses in Multiple Occupation was replaced by a</p>

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	<p>Council's Control Scheme for Houses in Multiple Occupation;</p> <p>5. Deleted reference to Recommendations from the Social Services Complaints Review Panel</p> <p>6. Section III added.</p>			<p>national licensing regime with appeals to the Residential Property Tribunal</p> <p>5. Social Services Complaints Review Panel must now be constituted with Independent Members in accordance with the National Health Service (Complaints) Amendments Regulations 2006 and Department of Health guidance 'Getting the best from Complaints'.</p> <p>6. These provisions had previously been omitted.</p>
10	<p>Development Control Committee Terms of Reference</p> <p>1. Simplified the wording of the Committees remit</p> <p>2. Added commons registrations</p>	Appendix 6(c) – Terms of Reference	Part 2 – Responsibility for Functions (Terms of Reference)	<p>1. For clarification</p> <p>2. These matters were previously</p>

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	and village greens to the remit			within the remit of Regulatory and Appeals Committee but as they relate more to land use and protection they sit more appropriately within the remit of the Development Control Committee
11	<p>Executive Board Commissioning Sub-Committee Terms of Reference</p> <p>(1) Amended to include the co-option of two non-voting members – One representative to be nominated by Nottingham Council for Voluntary Services (NCVS) and Nottingham Equal.</p>	Appendix 6 (c) Terms of Reference	Part 2 – Responsibility for Functions	<p>(1) NCVS – supports all not-for-profit groups in the City to become better at what they do. It also enables the voluntary and community sector to take part in City decisions through representation and consultation and it supports the development and growth of volunteering across all sectors.</p> <p>Nottingham Equal – registered charity and works to widen</p>

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	<p>(2) Paragraph (d) of Terms of Reference. Amendment shown in bold below:</p> <p>(d) to approve commissioning and de-commissioning and third sector grant aid proposals above £25,000 (including decisions that have been identified in the Executive Forward Plan of Key Decisions in accordance with regulations¹) subject to them</p>			<p>participation and representation of BME stakeholders in local decision-making processes.</p> <p>Given the terms of reference for this Sub-Committee it is considered that representation from these two organisation adds value given the decisions and reviews that the Committee is responsible for.</p> <p>(2) To correct an anomaly bringing the financial threshold in line with the general financial threshold applied to all financial decisions taken by Corporate Directors.</p>

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	<p>being identified for review in the annual work programme approved by the Sub-Committee, but noting that there may be exceptional circumstances when urgent decisions are required to be taken that will not have been included in the work programme).</p> <p>(3) The reduction of the membership from 6 Portfolio Holders to 5</p>			(3) At the request of the Committee
12	<p>Executive Key Decisions</p> <p>Amendments to the definition of an Executive Key Decision and to the revenue expenditure financial threshold and to enable the Leader of the Council to take Key Decisions.</p> <p>Proposed amendments to current wording in the constitution shown in bold as follows:</p>	Appendix 6(d) Responsibility for Functions	Part 2 – Responsibility For Functions (Scheme of Delegation – paragraph 11	Amendments to the definition of a revenue key decision have been made to clarify and ensure that Portfolio Holder Decisions capture the overall project/contract amounts rather than revenue spends within one year. The change from £499,999 to £999,999 revenue brings the revenue spending amount in line with capital expenditure.

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	<p>Key decisions are defined under The Local Authorities (Executive Arrangements) Access to Information (England) Regulations 2000. Nottingham City Council has decided that significant decisions are those decisions likely:</p> <p>(a) to result in the Council incurring expenditure or making income or savings of more than £1,000,000 revenue, taking account of the overall impact of the decision; or £1,000,000 capital (see paragraph 10 above for explanation of revenue and capital expenditure);</p> <p>(b) to be significant in terms of its effects on communities living or working in an area consisting of two or more wards in the City.</p> <p>The proposed Constitution now also at Paragraph 11, Part 2 expressly covers</p>			<p>In accordance with Strong Leader and Cabinet authority for the Leader.</p>

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	the power of the Leader to take Key Decisions in accordance with the Access to Information Regulations.			
13	<p>Amendments relating to Standing Orders for Full Council detailed below:</p> <p>(a) standing order 2 (a) – motions – simplified the wording:</p> <p>Notices of Motions must be in writing, signed by the mover, and given to received by the Deputy Chief Executive / Corporate Director for Resources 2 clear days prior to the day for posting the summons for the meeting. No notice motion will be inserted in the summons for any meeting of the Council, unless it is received two clear days prior to the day for</p>	Appendix 6(e) – Standing Orders	Part 4 – Procedures and Standing Orders	<p>Some minor changes have been made throughout the Standing Orders to simplify the language and include references to Councillors instead of members, etc.</p> <p>(a) To be consistent with the wording in standing order 2 (b);</p>

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	<p>posting the summons for the meeting by this deadline.</p> <p>(b) standing order 2 (b) - questions from Councillors – remove the need for the statement confirming if it is for oral or written response to come from the Leader of a political group:</p> <p>Questions must be in writing, signed by the questioner, and must be received by the Deputy Chief Executive/Corporate Director for Resources by 10.00 am on the working day before the meeting of the Council at which they are to be asked, they must be accompanied by a statement from the leader or deputy leader of the relevant political group together with a statement indicating which questions are for oral answer</p> <p>(c) standing order 2(b) - questions</p>			<p>(b) To anticipate any future changes in political structure, thereby preventing the need for any further amendments to Standing Orders.</p> <p>(c) To bring Standing Orders in line</p>

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	<p>from Councillors – allowing 3 supplementary questions to be asked by any Councillor (the original questioner has the right to ask one supplementary question within the 3);</p> <p>(d) standing order 3 - submission of petitions and questions by citizens – to allow these to be submitted at the Annual meeting;</p> <p>(e) standing order 3 (a) - questions from citizens - questions can be asked by those that live or have a business address (but not employees of businesses) within the City boundary and the deadline for questions to be submitted has been brought inline with Councillor questions (10.00 am on the Friday before Council);</p>			<p>with current practice.</p> <p>(d) This would reflect what has happened in previous years at the Annual meeting.</p> <p>(e) To bring criteria for submitting questions inline with the Petition Scheme and to give citizens greater opportunity through extended timescales to ask questions at Council.</p>

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	<p>(f) standing order 3 (b) (ii) – inclusion of the 5,000 signature threshold for petitions triggering debate;</p> <p>(g) standing order 4 (e) - how Councillors questions are divided between Councillors/Groups – limit questions to 3 per Group;</p> <p>(h) standing order 18 – time limits specified for speaking on items:</p> <p>A proposer of a motion or amendment shall be allowed a maximum of 15 minutes to speak on that item, the seconder of the motion or amendment, and the principal opposition speaker, shall be allowed a maximum of 10 minutes, and each other speaker on a motion or amendment shall be allowed a maximum of 5 minutes (including those exercising a right of reply). In all cases the time limits specified may be</p>			<p>(f) For clarity.</p> <p>(g) At the request of the Lord Mayor, in the interest of efficient business.</p> <p>(h) Reflects the ‘standard’ timings used at Council meetings.</p>

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	<p>changed at the sole discretion of the Lord Mayor (or in their absence the Deputy Lord Mayor or Chair).</p> <p>(i) standing order 40(a) – the inclusion that Overview and Scrutiny Review Panels cannot have substitutes;</p> <p>(j) standing order 42 – stating that Councillors who are members of a committee or panel can request to put a report forward for consideration by the committee or panel.</p>			<p>(i) To reflect the decision made at Annual Council on 23 May 2011.</p> <p>(j) For clarity.</p>
14	Roles and Responsibilities: Chairs and Vice Chairs of Overview and Scrutiny	Appendix 6(f) – Roles and Responsibilities	Part 2 – Responsibility for Functions	Clarification of the responsibilities, skills and knowledge required of chairs and vice chairs involved in overview and scrutiny.
15	Management Structure	Appendix 6(g)	Part 3	Updated structure chart included.

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16	<p>Overview and Scrutiny Procedure Rules: Inclusion of additional detail on</p> <ul style="list-style-type: none"> • statutory co-options • relevant legislation <p>Councillor Call for Action</p>	Appendix 6(i) – Procedures	Part 4 – Procedures and Standing Orders (O&S Procedure Rules)	<p>Clarification of the legal requirements in relation to statutory co-options in paragraph 3 of the Overview and Scrutiny Procedure Rules, Part 8.</p> <p>Clarification of the legal basis for Councillor Call for Action covered in paragraphs 8 and 16 of the Overview and Scrutiny Procedure Rules, Part 8.</p>
17	<p>Amendments to Proper Officer Provisions</p> <p>1. deleted reference to the proper officer to receive service of applications under the Licensing Act 1964</p>			<p>1. This provision has been repealed</p>
18	Appointment of Statutory Scrutiny Officer under S31(2) Local Democracy, Economic Development and Construction Act 2009	Not currently covered in the Constitution	Part 2 – Responsibility for Functions (Statutory and Proper Officers)	The appointment of the Head of Democratic Services as the Scrutiny Officer for the Council, whose function is:

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				<p>(a) The promotion of the role of the authority's overview and scrutiny committee or committees.</p> <p>(b) The provision of support to the authority's overview and scrutiny committee or committees and the members of that committee or those committees.</p> <p>(c) The provision of support and guidance to:</p> <ul style="list-style-type: none"> (i) members of the authority, (ii) members of the executive of the authority, and (iii) officers of the authority, in relation to the functions of the authority's overview and scrutiny committee or committees.
19	<p>Strong Leader and Cabinet Governance Model</p> <p>Part 1 – Summary and Explanation – states that Nottingham City Council</p>	<p>Not currently covered in Constitution</p>	<p>Part 1 – Summary and Explanation</p> <p>Part 2 –</p>	<p>Amended wording added to reflect the adoption by full Council of the Strong Leader and Cabinet Governance Model. This additional drafting merely confirms and consolidates within the</p>

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	<p>now operates under a Strong Leader and Cabinet Governance Model.</p> <p>Part 2 – Responsibility for Functions (Section 4) Executive Functions.</p> <p>Part 2 – Responsibility For Functions – Executive Board (Section 5) Terms of Reference which now include paragraphs on the Election of the Leader, Appointment of the Executive and Scheme of Delegation, Absent Leader and Removal of Leader.</p> <p>Full Council Terms of Reference also now makes reference to the need to Elect the Leader of the Council.</p> <p>Part 2 – Roles and Responsibilities – Section 4 – Leader of Council description amended to reflect the powers of Strong Leader.</p> <p>Part 4 – Procedures and Standing</p>		<p>Responsibility for Functions (Section 5) Full Council (paragraphs e & f) and Executive Board Terms of Reference</p> <p>Part 2 – Responsibility for Functions</p> <p>Part 4 – Procedures and Standing</p>	<p>Constitution document decisions that have already been taken.</p> <p>For clarity</p>

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	PROPOSED AMENDMENT	CURRENT LOCATION	NEW LOCATION	COMMENTS
	<p>Orders – Budget and Policy Framework Procedure Rules – clarification that any issue being considered by Council on the matters referred to in these procedure rules will be decided by a majority of the members of the Council present and voting thereon at the meeting of the Council.</p>		<p>Orders – Budget and Policy Framework Procedure Rules</p>	
20	<p>Rights of access to information</p> <p>The inclusion of the following powers for the Leader and Portfolio Holders to require the preparation of reports/portfolio holder decisions within a set timescale.</p> <p><u>Leader</u></p> <p>The Leader may give notice to the Chief Executive or any relevant Corporate Director that he/she requires a report or portfolio holder</p>	<p>Not currently covered in the Constitution</p>	<p>Part 2 – Formal Roles and Responsibilities (section 7) within the remits for the Leader, Deputy Leader and general remits for all Portfolio Holders.</p>	<p>To reflect executive governance arrangements.</p>

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	PROPOSED AMENDMENT	CURRENT LOCATION	NEW LOCATION	COMMENTS
	<p>decision to be prepared for consideration by himself/herself or the appropriate decision making board/committee in relation to functions within his/her remit of responsibility. On receipt of this notice the Chief Executive or relevant Corporate Director will ensure that a report or portfolio decision form is produced for consideration within 14 working days or will provide reasons to the Leader as to why it cannot be produced within that timescale. Any such notice from the Leader shall be copied to the Head of Democratic Services.</p> <p><u>Deputy Leader and Portfolio Holder(s)</u></p> <p>The Deputy Leader and Portfolio Holder(s) may give notice to the Chief Executive or any relevant Corporate Director that he/she requires a report or portfolio holder decision to be</p>			

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	PROPOSED AMENDMENT	CURRENT LOCATION	NEW LOCATION	COMMENTS
	<p>prepared for consideration by themselves or the appropriate decision making board/committee in relation to functions within their remit of portfolio responsibility. On receipt of this notice the Chief Executive or Corporate Director will ensure that a report or portfolio decision form is produced for consideration within 14 working days or will provide reasons to the Deputy Leader or Portfolio Holder as to why it cannot be produced within that timescale. Any such notice from the Deputy Leader or Portfolio Holder(s) shall be copied to the Head of Democratic Services.</p>			
21	<p>Rights of access to information</p> <p>Amendment to Standing Order 42 are shown in bold type below.</p> <p>42 A Councillor A member of any Board, Committee or Sub-</p>	<p>Appendix 6 (e) Standing Orders relating to Council, its Boards and Committees</p>	<p>Part 4 – Procedures and Standing Orders</p> <p>(Standing Order relating</p>	<p>For clarification.</p>

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	PROPOSED AMENDMENT	CURRENT LOCATION	NEW LOCATION	COMMENTS
	<p>Committee may submit a report, relevant to the remit of any Board, committee or Sub-Committee to which they are a member of, its—remit, to the Deputy Chief Executive/ Corporate Director of Resources who shall include it in the next available agenda of the Board, Committee or Sub-Committee concerned.</p>		<p>to Council, its boards and Committees, no. 42)</p>	

APPENDIX 2

A comprehensive review of the Financial Regulations in support of the revision of the Constitution has been undertaken and the Financial Regulations have been updated. The update reflects guidance from CIPFA on the requirements of Financial Regulations for a Modern English Council. The Financial Regulations give clarity on the financial accountabilities of key individuals within the Council under the key financial themes.

The revised Financial Regulations state the key controls that exist and the responsibilities of key officers. The previous Financial Regulations included some procedures by which a requirement would be met and these detailed procedures now sit within the associated Corporate Finance Procedures (CFPs). These CFPs replace the Corporate Finance Process Rules and Standards (CFPRSs). These CFPs are approved by the Chief Finance Officer and follow the same structure as the revised Financial Regulations.

The new structure of the Financial Regulations following CIPFA's model gives greater clarity under the 5 key areas of finance:

- Financial Planning
- Financial Management
- Risk Management and Control of Resources
- Systems and Procedures
- External Arrangements

Given that the styles of the previous and proposed Regulations differ so significantly, it is difficult to provide a detailed comparison of each section. Therefore the following table shows the headings of the previous Regulations and the main differences in the new Financial Regulations and indicates where information has changed or is now listed in the CFPs due to the detail that they contained.

Previous Financial Regulations	New Financial Regulations
<p>Section 2 – Financial Responsibilities This lists all the financial responsibilities of the CFO and the Corporate Directors</p>	<p>The new model sets out financial information under five themes and within these headings the appropriate responsibilities of Senior Officers are now detailed. The new Regulations also include</p>

	<p>the responsibilities of the Head of Paid Service, the Monitoring Officer and key Committees of the Council. Therefore there is not one section on responsibilities to compare this to but the new format makes the responsibilities under relevant sections much easier to understand</p>
<p>Section 3 – Financial Awareness and Financial Training Standards This states the need for appropriate training to be made available and attended by relevant Officers</p>	<p>There is no detailed Regulation on training but the requirement to ensure that colleagues are trained in Financial Regulations and Procedures is stated in Financial Regulations B2 and D2</p>
<p>Section 4 – Financial Administration and Accounting Practices These Regulations covered general responsibilities which are now made more specific under the Financial Management and Systems and Procedures sections of the new Financial Regulations and the Dispensations are covered in the introduction.</p>	<p>The new Regulations within section B covers Financial Management and specifically the responsibilities for Accounting Policies are covered under Financial Regulation B7 and those for Accounting Records and Returns under B8. The new Financial Regulations Section D cover Systems and Procedures in significantly more detail than the previous Regulations. The rules on Dispensations from Regulations have been updated in 3.27 at the beginning of the document.</p>
<p>Section 5 – Process Owners, Financial Controls, Process Rules and Standards</p>	<p>Process Owners are allocated to the specific Corporate Financial Procedures for which they have responsibility. The responsibilities they have are</p>

	not explicit in the new Financial Regulations. Personal responsibilities are given in 3.24-3.26
<p>Section 6 – Strategic Direction and Financial Planning This section covers Revenue Budget Planning and Capital Planning and Resourcing which are now covered within Financial Planning within the new Regulations</p>	The section on Financial Planning covers these two areas. The previous Financial Regulations gave the procedures by which a requirement would be met and these detail procedures belong within the associated CFP. Therefore Revenue Budget Planning and Capital Planning are now covered within both CFP B1 and Financial Regulations A9-A11
<p>Section 7 - Authorising, Controlling and Effective Use of Revenue Resources This contains information on budget management and control which is now split within the new Sections on Financial Planning and Financial Management</p>	The responsibilities are now covered under the Financial Planning and Financial Management Sections with the detail within both the Financial Regulations and the CFPs as appropriate
<p>Section 8 - Authorising and Controlling Capital Spending and the Utilisation of Capital Receipts This Regulation contains significant detail on Capital which does not sit within the new Financial Management Section</p>	The detail on Capital now sits in the CFP (pending) and in associated guidance on Capital rather than in the Regulation.
<p>Section 9 – External Relationships and Accountable Body Status This Regulation contains detail procedures to be adhered to when</p>	There is not a detailed Regulation on Accountable Body but Financial Regulation E12 requires an Accountable Body to be appointed to ensure the requirements of the

<p>setting up an Accountable Body. The new Regulations consider Partnerships and further detail sits within the CFP rather than the Regulation</p>	<p>CFO are met. External Relationships are covered within the External Arrangements Section</p>
<p>Section 10 – Management of Corporate Risk Arrangements These arrangements have been updated in line with current responsibilities within the Risk Management and Control of Resources section</p>	<p>The responsibilities are now covered under the Risk Management and Control of Resources Section – specifically Financial Regulations C1 and C2 with the detail of procedures within CFPs C1-C4</p>
<p>Section 11 – Insurance Arrangements This section covers the responsibilities for Insurance</p>	<p>The responsibilities are now covered under the Risk Management and Control of Resources Section – specifically Financial Regulations C3 and C4 with the detail of the procedures within CFP C1</p>
<p>Section 12 – Treasury Management This Regulation included a number of procedures which under the revision are now contained within the CFP. Therefore the information previously contained within Section 12 sits within both the new Regulation on Treasury Management and the linked CFP</p>	<p>The responsibilities are now covered under the Risk Management and Control of Resources Section – specifically Financial Regulations C15-C21 with the detail of the procedures under CFP C6. In C21, reporting of Treasury Management activities to Executive Board has changed from not less than four times a year to three times a year.</p>
<p>Section 13 – Internal Control and Control Measures This Regulation included a number of procedures which under the revision are now contained within the CFP.</p>	<p>The responsibilities are now covered under the Risk Management and Control of Resources Section – specifically Financial Regulation C5-C7 and the detail of the procedures under</p>

<p>Therefore the information previously contained within Section 13 sits within both the new Regulation on Internal Control and the linked CFP</p>	<p>CFP C2</p>
<p>Financial Regulations relating to LMS Schools These Regulations have not been changed. Minor updates for changed titles of departments only</p>	<p>As previous with minor updates</p>

EQUALITY IMPACT ASSESSMENT FORM

APPENDIX 3

Name and brief description of proposal / policy / service being assessed

Proposed changes to Constitution and Financial Regulation amendments. Details of changes set out in report to City Council on 12 September 2011.

Information used to analyse the effects on equality

Discussions with Equality and Community Relations Team; Equality team review of approach to equality impact assessment March 2011

	Could particularly benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	<input type="checkbox"/>	<input type="checkbox"/>	<ul style="list-style-type: none"> The proposed changes include improvements to report templates to ensure equality impact is systematically considered for all relevant protected characteristics and community cohesion as part of decision making. The previous report templates included an 'equality' section but left the level of detail and analysis to individual report writers. The new delegated decision forms will help ensure decisions are consistently and systematically assessed for equality impact. The proposed changes make the Constitution documents simpler and more accessible, and include a specific recommendation in report writing guidance to provide forms in Word format. This will make it easier for people with visual impairments to 	<p>None – the proposals have already been adjusted to incorporate equality related requirements:</p> <ul style="list-style-type: none"> Amending relevant forms and guidance to ensure systematic coverage of due regard for equality in decision making Improving representation of Voluntary Sector and BME community on a key decision making panel Making documents more accessible and
Men, women (including maternity/pregnancy impact), transgender people	<input type="checkbox"/>	<input type="checkbox"/>		
Disabled people or carers	<input type="checkbox"/>	<input type="checkbox"/>		
People from different faith groups	<input type="checkbox"/>	<input type="checkbox"/>		
Lesbian, gay or bisexual people	<input type="checkbox"/>	<input type="checkbox"/>		
Older or younger people	<input type="checkbox"/>	<input type="checkbox"/>		
Other (e.g. marriage/civil partnership, looked after children, cohesion/good relations, vulnerable children/adults)	<input type="checkbox"/>	<input type="checkbox"/>		

