

CONSTITUTION COMMITTEE

MINUTES of the meeting of the Constitution Committee held on Thursday 18 November 2021 at 10.30am.

PRESENT:

Cllr John Bloxsom
Cllr Mark Hawthorne MBE
(Chair)
Cllr Colin Hay (Vice-chair)
Cllr Paul Hodgkinson

Cllr Dr Andrew Miller
Cllr David Norman MBE
Cllr Philip Robinson
Cllr Lynden Stowe

16. APOLOGIES FOR ABSENCE

Cllr Jeremy Hilton

17. PUBLIC QUESTIONS

No questions had been received from members of the public.

18. MEMBERS' QUESTIONS

No questions had been received from members.

19. CONTRACT PROCEDURE RULES

Rob Ayliffe, Monitoring Officer and Director of Policy, Performance and Governance, presented the report included in the agenda pack. He explained that the main changes to Contract Procedure Rules related to financial thresholds around direct awards, dynamic purchasing systems, value of contracts and visibility of contracts. It was proposed that grants would be transferred across to Finance Procedure Rules. A Government White Paper on contract procedure rules would be published in the future, although the exact timing was not known. This would cover social value including climate change.

Steve Mawson, Section 151 Officer and Executive Director: Corporate Resources, explained that the current contract procedure rules were lengthy. The new version simplified the rules and provided a better understanding of risk areas where the Procurement Team was likely to need to provide advice. Referring to the Procurement Toolkit, he said that it could be circulated to members of the committee for information when it had been finalised.

Vice-chair, Cllr Colin Hay, hoped that lessons had been learnt from the external auditor's value-for-money report on the energy from waste facility at Javelin Park, one of the biggest contracts that the Council had ever entered into. He was anxious that social value including climate change was addressed and he hoped that this would be covered when the report was presented at the next Council meeting.

Steve Mawson said that improving transparency of contracts was a key component of the new procedure rules. More reporting to the Audit and Governance Committee would improve visibility of contracts to members. Rob Ayliffe advised that the Council already subscribed to the social value portal and all Cabinet decisions were subject to a climate change impact assessment.

A member noted that the Government Green Paper made reference to economic, environmental and social outcomes. Another member stated that the dynamic purchasing system for transport contracts already included scoring for social value. A member believed that it was essential that the toolkit addressed issues around climate change.

RESOLVED TO RECOMMEND TO THE COUNCIL that it notes the comments made by members and adopts the revised Contract Procedure Rules (as amended) set out in the report for inclusion in the Council Constitution.

20. FINANCE PROCEDURE RULES

In presenting the report, Steve Mawson, Section 151 Officer and Executive Director: Corporate Resources, stated that the changes to Finance Procedure Rules were relatively minor and were largely a tidying up exercise. The position regarding the treatment of under spends and over spends had been clarified and, as previously explained, the rules relating to grants had been transferred over from the Contract Procedure Rules. He explained that a Finance Manual sat under the Finance Procedure Rules to provide detailed advice and guidance to officers.

Answering questions, he stated that maintaining the Finance Manual including making changes was his responsibility as Section 151 Officer. Any changes had to be in line with the Finance Procedure Rules otherwise a report would have to be presented to the Constitution Committee to allow consideration of changes to the procedure rules in the Council Constitution. He undertook to send members of the committee a copy of the manual. He said that he would liaise with the Monitoring Officer to consider what process could be in place to keep members informed of subsequent changes to the manual.

Minutes subject to their acceptance as a correct record at the next meeting

Answering further questions, he said that he was aware of the issues raised by the Local Government Association around treasury management including borrowing. It was likely that a report relating to this would be presented to a future meeting. Referring to Finance Procedure Rule C10: security of assets, he assured members that, where similar assets were disposed of, the cumulative value was applied in calculating whether it was above the £5,000 limit for Director approval. He recognised that there might be some value in making provision for 'book losses' of assets in the rules.

RESOLVED TO RECOMMEND TO THE COUNCIL that it notes the comments made by members and adopts the revised Finance Procedure Rules (as amended) set out in the report for inclusion in the Council Constitution.

The meeting ended at 11.40 am

CHAIR