

South Lakeland District Council

Cabinet 20th October 2021

Update to the Councils Constitution – Contract Procedure Rules and Procurement Schedule

Portfolio: Cllr Philip Dixon – Customer and Locality Services Portfolio Holder
Report from: Linda Fisher – Legal, Governance and Democracy Lead Specialist (Monitoring Officer)
Report Author: Linda Fisher – Legal, Governance and Democracy Lead Specialist (Monitoring Officer)
Wards: All
Forward Plan: Not Applicable

Links to Council Plan Priorities:

The Constitution underpins the Council's decision making processes in achieving the aims and objectives of the Councils priorities. Ensuring the Constitution is updated regularly will assist in achieving the following priorities:-

- Working across boundaries;
 - Delivering a balanced community;
 - A fairer South Lakeland; and
 - Addressing the climate emergency.
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1.0 Expected Outcome and Measures of Success

1.1 That the amendments to the Constitution are agreed to provide further delegation and clarity relating to procurement and contracting processes.

2.0 Recommendation

2.1 It is recommended that Cabinet:

- (1) **Agree to the delegation of Executive decisions relating to Contracts to the Officers, Portfolio holders and Directors as outlined in Appendix 1 and 2.**
- (2) **Agrees to recommend to Council the proposed amendments to the Constitution outlined in the attached Contract Procedure Rules and highlighted in red; and**
- (3) **Notes that the Monitoring Officer will make any additional consequential changes to the constitution to take account of these proposals if agreed by Council.**
- (4) **Approves the latest Procurement Schedule at Appendix 3.**

It is recommended that Council:

- (1) **Agrees the changes and authorises the Monitoring Officer to make the necessary amendments to the Councils Constitution.**

3.0 Background and Proposals

- 3.1 One of the duties of the Monitoring officer is to monitor and review, on an annual basis, the operation of the Constitution to ensure that its aims and principles are given full effect. Rather than carrying out an annual review it is considered more appropriate to treat the Constitution as a living document and we encourage in year amendments to the Constitution to ensure that it is kept up to date and meets the business needs of the Council.
- 3.2 The Councils current Monitoring Officer commenced work at the Council in August 2019 and has consulted Council officers, members, parish councils and the public on the current constitution. In 2020 proposals for changes to the Officer Scheme of Delegation and streamlining decision making relating to Procurement decision making were brought to the July 2020 Council meeting.
- 3.3 The Monitoring Officer has further consulted with the Leadership Team and Officers on the Procurement Procedure Rules and Contract Procedure Rules. This report is the outcome of that consultation.
- In summary this report proposes the following changes to introduce clarity of thresholds for the levels of delegated decision making :
 - Under £25,000 Administrative decision by Lead Specialist. **Changed from £10,000.**
 - Above £25,000 up £60,000 then the relevant Director by Administrative Decision
 - Above £60,000 to £100,000 then delegated executive decision of the relevant Director (NB requirement to place item on the Forward Plan if over the Key decision threshold)
 - Above £100,000 to £250,000 then delegated executive decision of the relevant Portfolio Holder (NB requirement to place item on the Forward Plan if over the Key Decision threshold) **NEW.**
 - Above £250,000, Cabinet once approved by Cabinet the decision to be implemented by Administrative decision. (NB requirement to place item on the Forward Plan if over the Key decision threshold)
 - Changing the threshold for Lead Officers to £25,000 from £10,000, introducing a new threshold of Portfolio Holder and Director decision making.
 - **DFG**

To clarify the process to be followed for the disabled facilities grants in light of recommendations from Internal Audit.
 - **Forward Plan and the Procurement Schedule**

To clarify the process for the use of the Forward Plan and the Procurement Schedule. This is essential to ensure to ensure effective decision making.
 - **Procurement Schedule**

Attached at Appendix 3 is the updated Procurement Schedule, this has been updated to provide clarity of the decision making route for all matters on the Schedule.

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Contract Procedure Rules
2	Schedule 2 Decision Making Thresholds
3	Updated Procurement Schedule

5.0 Consultation

5.1 Regarding the proposed changes consultation has taken place with Leadership Team and Officers engaged in the procurement process. With the Constitutional Working Group and Cabinet members.

6.0 Alternative Options

6.1 Members could chose not to approve the changes as proposed, or to make amendments to the proposals. However it is considered the proposed amendments are required as part of the good governance of the Council and to ensure that appropriate controls are in place.

7.0 Implications

Financial, Resources and Procurement

7.1 There are no financial implications arising from this report.

Human Resources

7.2 There are no financial implications arising from this report.

Legal

7.3 The changes proposed have been identified by officers and are required to ensure that we have a clear and up to date Constitution.

Health and Sustainability Impact Assessment

7.4 Have you completed a Health and Sustainability Impact Assessment? No

7.5 If you have not completed an Impact Assessment, please explain your reasons: Not applicable

7.6 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
Environment and Health	Greenhouse gases emissions		X		
	Air Quality		X		
	Biodiversity		X		
	Impacts of Climate Change		X		
	Reduced or zero requirement for energy, building space, materials or travel		X		
	Active Travel		X		

Economy and Culture	Inclusive and sustainable development		X		
	Jobs and levels of pay		X		
	Healthier high streets		X		
	Culture, creativity and heritage		X		
Housing and Communities	Standard of housing		X		
	Access to housing		X		
	Crime		X		
	Social connectedness		X		

Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

7.8 If you have not completed an Impact Analysis, please explain your reasons: Not Applicable

7.9 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"					
Age	P		0	X	N
Disability	P		0	X	N
Gender reassignment (transgender)	P		0	X	N
Marriage & civil partnership	P		0	X	N
Pregnancy & maternity	P		0	X	N
Race/ethnicity	P		0	X	N
Religion or belief	P		0	X	N
Sex/gender	P		0	X	N
Sexual orientation	P		0	X	N
Armed forces families	P		0	X	N
Rurality	P		0	X	N
Socio-economic disadvantage	P		0	X	N

Risk Management	Consequence	Controls required
The risk is ambiguity within the constitution and incorrect decision making.	Challenge to the Councils decision making decisions.	The amendments are proposed to manage this risk.

Contact Officers

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Background Documents Available

Name of Background document	Where it is available
Councils Constitution	SLDC - Constitution

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	21/09/2021	05/10/2021
Monitoring Officer	Report Author	Report Author
CMT	23/09/2021	23/09/2021

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	21/09/2021
Committee Chairman	N/A
Portfolio Holder	21/09/2021
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Constitutional Working Group	21/09/2021
Council	November 2021