

**South Lakeland District Council
Cabinet**

7 December 2021

Council

14 December 2021

**Changes to Delegated Decision making
Property Services and updates to
the Council's Constitution**

Portfolio: Cllr Dixon Portfolio Holder Customers and Communities
Report from: Linda Fisher Monitoring Officer
Wards: All
Forward Plan: Not applicable

1.0 Expected Outcome

1.1 That the amendments to the Constitution are agreed to update and clarify the Constitution

2.0 Recommendation

2.1 It is recommended that Cabinet:

(1) Agree the delegation of Executive matters as attached at Appendix 1

It is recommended that Council:-

(2) Agree the proposed amendments to the Constitution outlined in paragraph 3.4 in relation to the Financial Procedure Rules; and

(3) Agree the proposed amendments to the Constitution outlined in Appendix 1 in relation to Property Services.

(4) Notes that the Monitoring Officer will make any additional consequential changes to the constitution to take account of these proposals if agreed by Council.

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.

3.2 Rather than carrying out an annual review it is considered more appropriate to treat the Constitution as a living document and that 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.

- 3.3 The Audit Committee will be considering on the 08/12/2021 the following proposed amendments to the Councils Constitution.
- 3.4 A review of the Finance Procedure Rules have identified four areas that require further clarification or updating they are:
- 3.4.1 Useable Earmarked Reserves – update 10.9 to clarify that the transfer limit is for the year not the transfer. As below:
- 10.9 Following consultation with the Chief Finance Officer, the responsible Operational or Specialist Lead shall be entitled to transfer budgets from any one service to a reserve or from a reserve to a service up to a maximum limit of £60,000 per annum providing the use or contribution is for the purpose for which the reserve was established. The Cabinet shall be entitled to transfer budgets to and from any reserve another up to a limit of £100,000 per transfer providing the use or contribution is for the purpose for which the reserve was established. Beyond these limits, approval to transfers can only be given by full Council.*
- 3.4.2 Updates to 22. External Arrangements (partnerships, External Funding Arrangements and Work for Third Parties) are included in the review of the local code elsewhere on the agenda. If implemented this will result in changes here but we are still developing these.
- 3.4.3 Investments, Borrowings, Leasing and Trust Funds – update 24.7 for new leasing requirements
- 24.7 Operational and Specialist Leads, in consultation with the Chief Finance Officer or their Deputy must determine whether leasing is the most appropriate method of financing an asset before going out to procurement and this must be signed off by the Chief Finance Officer before procurement commences, as entering into a lease is considered debt financing*
- 24.8 The Chief Finance Officer will maintain a register of all leases into the organisation. It is the responsibility of Operational and Specialist Leads to provide the Chief Finance Officer with the necessary information to ensure this is comprehensive and up-to-date.*
- 3.4.4 Insurances – update to section 30, to update rules for settling claims
- 30.1 The Chief Finance Officer shall effect all insurance cover, where appropriate by competitive tendering.*
- 30.2 The process for the insurers settling claims will be agreed with the Monitoring Officer and the Monitoring Officer will approve settlement of claims under £10,000 and where claims exceed £10,000 the Monitoring Officer and the Chief Finance Officer shall both approve settlements.*
- 30.3 Operational and Specialist Leads shall notify the Chief Finance Officer immediately of all new risks, properties or vehicles which may require to be insured and of any alterations affecting existing insurances.*
- 30.4 Operational and Specialists Leads shall forthwith notify the Chief Finance Officer in writing of any loss, liability or damage or any event likely to lead to any claim against the Council.*
- 30.5 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance.*
- 30.6 The Chief Finance Officer shall annually, or at such other period as is considered necessary, review the level of risk and external insurance in consultation with the appropriate Operational or Specialist Lead.*

3.5 The delegation of Executive matters as attached at Appendix 1 to the report includes changes which are required due to the in-sourcing of the Property Services Contract and to ensure that all delegations are up to date.

4.0 Consultation

4.1 Regarding the proposed changes consultation has taken place with the Audit Committee as matters relate to the Finance Procedure Rules. The Cabinet in relation to the Property Services Delegations.

5.0 Alternative Options

5.1 Members could choose 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.

6.0 Links to Council Priorities

6.1 The Constitution underpins the Council's decision making processes in achieving the aims and objectives of the Councils priorities.

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, Social, Economic and Environmental

7.4 Have you completed a Health, Social, Economic and Environmental Impact Assessment? No

7.5 If you have not completed an Impact Assessment, please explain your reasons: There are no health, social, economic and environmental impacts relating to the proposed amendments.

Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

7.8 If you have not completed an Impact Assessment, please explain your reasons: There are no equality implications arising from this report.

Risk

Risk	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

Background Documents Available

Name of Background document	Where it is available
Councils Constitution	https://www.southlakeland.gov.uk/your-council/councillors-and-decisions/council-constitution/

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	23/11/2021	29/11/2021
Monitoring Officer	Report Author	Report Author
CMT	25/11/2021	25/11/2021

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	25/11/2021
Committee Chairman	N/A
Portfolio Holder	25/11/2021
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	07/11/2021
Council	14/12/2021