



Joint Report of the Presiding Member, Monitoring Officer, Head of Democratic Services & Head of Commercial Services

Council – 27 November 2019

Amendments to the Council Constitution

Purpose:	To make amendment, in order to simplify and improve, the Council's Constitution - specifically the 'Contract Procedure Rules' and the associated elements in the Scheme of Delegation in Part 3, Section 1, Paragraph 6 ' <i>Limits on the Exercise of Executive Function</i> '.
Policy Framework:	Council Constitution.
Consultation:	Access to Services, Finance, Legal, Constitution Working Group.
Recommendation(s):	It is recommended that: 1) The amendments as outlined in Appendix A of this report be adopted.
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1. Introduction

1.1 In compliance with the Local Government Act 2000, the City and County of Swansea has adopted a Council Constitution. From time to time it is necessary to review the Constitution to ensure good governance arrangements.

2. Amendments to the Council Constitution

2.1 The amendments are within the following area of the Council Constitution:

- a) Part 4 “Rules of Procedure” - Contract Procedure Rules.
- 2.2 A tracked changes version of the new Contract Procedure Rules is not provided due to the number of incremental changes made thus rendering such a version illegible (so an updated version is provided in **Appendix A**), but please see the existing rules for review and comparison at - <http://www.swansea.gov.uk/staffnet/financialprocedurerules>
- 2.3 In paragraph 1.7 above it notes that Part 3, Section 1, paragraph 6 of the Constitution relating to the ‘*Limits on the Exercise of Executive Function*’ is amended to ensure coherence with the new rules. It is recommended that sections c, d and h are removed with the rest of the text to remain (see Appendix B below providing the relevant text for consideration).

3. Contract Procedure Rules

- 3.1 A number of amendments are proposed to the Council Constitution, specifically the ‘contract procedure rules’ which are a component of Council governance (**Appendix A**) and required by the Local Government Act and the associated elements within the Scheme of Delegation, Part 3, Section 1, paragraph 6 ‘*Limits on the Exercise of Executive Function*’ (**Appendix B**).
- 3.2 The purpose of the Council’s Contract Procedure Rules are to provide a governance framework for the way in which the Council spends public money with its suppliers (through procurement activity), therefore, it can be said that these rules exist to facilitate a number of core outcomes, including:
- Value for money, so to ensure commercial decision-making and maximising the value of the Council’s funds;
 - The prevention of fraud or favouritism in spending decisions by ensuring a standard system for decision-making, creating a clear set of rules to monitor and assess all decisions taken and thus ensure public trust in the governance of the Council;
 - To maximise the benefit of the Council’s procurement activity to the wider stakeholders of the City and County of Swansea, for example by identifying community benefits or facilitating the use of local suppliers;
 - To ensure compliance with the Council’s legal obligations, e.g. by ensuring fair and open competition for receipt of public funds.
- 3.3 These Contract Procedure Rules were in the process of being updated when the Council’s ‘*Future Council and Transformation Policy Delivery and Development Committee*’ was established, which took particular interest in

this matter. Its vision and suggestions have been integrated into these revised Rules.

- 3.4 The wider Council Constitution has also been reviewed to ensure coherence with the proposed new contract procedure rules and Part 3, Section 1, paragraph 6 '*Limits on the Exercise of Executive Function*' has been found to contain elements which overlap with the new Contact Procedure Rules. It is recommended therefore that Part 3, Section 1, paragraph 6 is changed to ensure all rules relating to the awarding of contracts are now located in one area of the Constitution, i.e. in the new contact procedure rules (for further detail please see below).
- 3.5 The Constitution Working Group at its meeting on 22 October 2019 reviewed the proposals as outlined in the Appendices of this report and recommend their adoption by Council (**Appendix A** – Revised Contract Procedure Rules).

4. Financial Implications

- 4.1 There are no financial implications associated with this report.

5. Legal Implications

- 5.1 There are no legal implications associated with this report.

6. Equality and Engagement Implications

- 6.1 There are no equality and engagement implications associated with this report.

Background Papers: None

Appendices:

Appendix A - Draft Contract Procedure Rules;

Appendix B - Changes to the Limit on Exercise of Executive Functions.