

<b>MEETING</b>	Full Council
<b>DATE</b>	8 December 2016
<b>TITLE</b>	Revision to Officers Scheme of Delegation and Financial Procedure Rules.
<b>PURPOSE</b>	Inform Council members of changes made to Constitution's Scheme of Delegation for Officers.  Adopt a revision to the Financial Procedure Rules.
<b>RECOMMENDATION</b>	<ol style="list-style-type: none"> <li>1. Amend paragraph 16. 6 37 of the Financial Procedure Rules in accordance with the report.</li> <li>2. Note the revisions to the Officers Scheme of Delegation</li> </ol>
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## **1. Background**

The revised Constitution was adopted by the Council in July 2014. It was based on a model constitution developed nationally. However following 2 years operating the constitution I was of the opinion that it was timely to review its implementation and open a discussion. It was not the intention is to ensure that it worked for the Council and identify areas where improved clarity or amendments were needed.

## **2. Amendment of Financial Procedure Rules**

As the review proceeded some matters became apparent which could be addressed immediately, specifically a request was made to amend the Financial Procedure Rules.

Currently the following provision is found in the Financial Procedure Rules

16.6.37 Following receipt of capital from the disposal of property, unless there is a decision to the contrary by the Cabinet, 20% will go to the department (up to a maximum of £20,000) and the remainder to the corporate fund. The Chief Officer will have the right to use capital receipts that are within the control of the department where the value of that use is not in excess of £50,000. Approval by the Cabinet will be required for such use where the amount is in excess of £50,000.

It is fair to say that this arrangement was established at a point in time where the Council's financial situation was completely different to that which is seen today. At that point there was less central control on property matters and it related to a period before the adoption of the Asset Management Plan.

By today all the Council's property has been declared to be a corporate asset and is managed centrally. By today the financial situation has changed completely of course and there is little incentive needed for departments to release underutilised property because it will enable them to make revenue savings.

The Council faces reductions in the capital budget which is available to achieve the priorities in its capital programme, the opportunity needs to be taken to maximise the capital which is available from the sale of assets to achieve our priorities. As a result of the current arrangements allowing Departments to keep 20% of every capital receipt (up to a maximum of £20,000) means some £877,000 has been allocated to departmental priorities as opposed to diverting it directly towards the priorities which have been included in the Capital Programme. If a Department has a valid case to keep part of the capital receipts in future then it will be possible to make a specific application. At that point members can consider the advantages and risks attached to that specific plan.

The proposed change is to remove the first part of the paragraph:

~~16.6.37 Following receipt of capital from the disposal of property, unless there is a decision to the contrary by the Cabinet, 20% will go to the department (up to a maximum of £20,000) and the remainder to the corporate fund. The Chief Officer will have the right to use capital receipts that are within the control of the department where the value of that use is not in excess of £50,000. Approval by the Cabinet will be required for such use where the amount is in excess of £50,000.~~

The matter was reported to the Audit Committee on the 1<sup>st</sup> of December to seek their views and this will be reported orally to the meeting.

### **3. Officers Scheme of Delegation**

The Constitution permits the Council Leader to adapt the Delegation Scheme in relation to executive powers (Section 5 para 5.8.3). He is required to report on the changes to the next meeting of the Council after the decision.

After starting the process to review the Constitution, the need to adapt and update the delegated rights of officers as a result of changes to legislation and internal reorganisation, was highlighted.

#### **3.1 Head of Corporate Support Department**

Following internal reorganisation, some Units were transferred from the Head of Adults, Health and Well-being Department to the responsibility of the Head of Corporate Support Department. Consequently, there is a need to amend the delegation scheme to reflect this change. The powers transferred are noted in Appendix 1. Similarly, these responsibilities will be removed from the responsibilities of the Head of Adults, Health and Well-being Department.

### **3.2 Heads of Adults, Health and Well-being Department and Children and Supporting Families Department**

Following statutory changes introduced by the Social Services and Well-being (Wales) Act 2014, the delegated rights need to be adapted to reflect the arrival of the new Legislation. The delegated rights of Officers have been drafted in a way which already encompasses the functions but, where there is specific reference to the Act, there is a need to ensure that the delegation is current. The changes are noted in Appendix 2.

#### **Recommendation**

1. Subject to the views of the Audit Committee amend paragraph 16.6.37 of the Financial Procedure Rules in accordance with the report.
2. To note the amendments to the Officers Scheme of delegation in Section 13 part 3 of The Constitution.

**Iwan G D Evans**

**Head of Legal Services / Monitoring Officer**