



## Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Updating the Council's Constitution</b>
<b>Date:</b>	15 April 2011
<b>Reporting Officer:</b>	Ciaran Quigley, Assistant Chief Executive and Town Solicitor
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<b>1.0</b>	<b><u>Relevant Background Information</u></b>
1.1	As Members are aware, over the last few years the Council has been putting in place the frameworks and structures needed to make it a ' <i>fit for purpose</i> ' local authority which can deliver the effective, value for money services that our citizens deserve. These frameworks and processes will provide the strong foundations that the Council needs as it moves into a new term following the elections in May and as it prepares for the additional functions, including planning, it will assume under the RPA.
1.2	These frameworks and structures sit within the Council's overarching Constitution which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable.

<b>2.0</b>	<b><u>Key Issues</u></b>
2.1	As we are moving into a new Council term it will be important that all the necessary governance documents are in place to support Members in their civic role as Councillors. The concept of the Constitution was conceived to bring together into one document the guidelines and regulations which explain and govern how the Council operates; and to do so in a presentable and accessible way. It is considered that this will enable the Council to be more transparent and democratic, and will encourage and foster more efficient working practices.
	<b>Council Constitution</b>
2.2	The Council's Constitution is a key governance document which covers the following - <ul style="list-style-type: none"> <li>▪ Who we are</li> <li>▪ What we do</li> <li>▪ How we do it</li> <li>▪ Our values</li> <li>▪ Supporting documents and policies</li> </ul>
2.3	As Members are aware, there has been a number of agreed governance, structural and procedural changes that have taken place in the organisation over the past couple of years and as a result the Constitution requires updating to reflect these changes. It is proposed that this work is now progressed. Members are asked to note that there will be full political engagement on the updated Constitution and its component parts.
2.4	The ' <i>Local Government Reform – Policy Proposals</i> ' consultation document (Nov 2010) proposed that each council in Northern Ireland will be required to prepare and publish a Constitution. Local authorities in England and Wales are already statutorily obliged to have a Constitution. Progressing this work now will enable the Council to take a policy lead ahead of other councils in Northern Ireland in adopting the concept and practice of using a Constitution.

<b>Council Constitution – Supporting documents and policies</b>			
2.5	As highlighted the Constitution is underpinned by a suite of documents and policies including -		
	<table border="0"> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>- Corporate Plan</li> <li>- the Standing Orders</li> <li>- the Scheme of Delegation</li> <li>- the Financial Regulations</li> <li>- the Equality Scheme</li> </ul> </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>- Code of Governance</li> <li>- Publications Scheme</li> <li>- Conflict of Interest policies</li> <li>- Codes of Conduct</li> </ul> </td> </tr> </table>	<ul style="list-style-type: none"> <li>- Corporate Plan</li> <li>- the Standing Orders</li> <li>- the Scheme of Delegation</li> <li>- the Financial Regulations</li> <li>- the Equality Scheme</li> </ul>	<ul style="list-style-type: none"> <li>- Code of Governance</li> <li>- Publications Scheme</li> <li>- Conflict of Interest policies</li> <li>- Codes of Conduct</li> </ul>
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2.6	Currently, a number of these are somewhat dated and will need to be revised so as to inform the content of the updated Constitution. Many of these documents and policies are also interlinked and changes to one document may necessarily require changes to another. The updated Constitution will also need to reflect other key pieces of work which are being carried out including the review of procurement. An update on the current status of some these policies is outlined below.		
	<u>Current Status</u>		
2.7	<i>Corporate Plan</i> – The Corporate Plan is the Council’s key strategic planning document setting out the vision and strategic objectives of the Council. As Members are aware work is progressing on the development of the Council’s new Corporate Plan.		
2.8	<i>Standing Orders</i> – The Standing Orders are the set of rules which regulate the transaction of the business of the Council and its Committees and should be read in conjunction with the Council’s Financial Regulations and Scheme of Delegation. The Standing Orders were last reviewed in 2008 to take account of the Committee changes at this time.		
2.9	<i>Scheme of Delegation</i> – The Scheme of Delegation is aimed at improving the operation of the Council and ensuring that the responsibility and accountability for making and implementing various levels of decision is properly allocated between Members and officers. Its central purpose is to aid decision making in the organisation, freeing up Committees and Members to concentrate on strategic issues rather than having to deal with day to day operational issues. Members will recall that the Scheme was last substantially reviewed in 2007 and work is progressing on reviewing and updating this.		
2.10	<i>Financial Regulations</i> - The Financial Regulations need to be updated to take account of several changes including revised processes for quarterly financial reporting, a more formal approach to risk management and the expansion of e-business technology. They also need to take account of the requirements under the ‘ <i>Local Government (Capital Finance and Accounting) Regulations (NI) 2011</i> ’ including the need for capital financing and treasury management strategies and a medium term financial plan. It is envisaged that an updated set of financial regulations will be brought to the Audit Panel in September. Given the need to control and prioritise expenditure across the Council, policies on the use of consultancy services and revenue investments are being introduced to justify spending, similar to those already in place for capital spending. These will involve the preparation of a proportionate business case to support recommendations to spend significant Council funds on either new revenue investments or consultancy services.		
2.11	<i>Conflicts of Interest policy</i> – Members will recall that a draft Conflict of Interest policy was presented to Committee in March 2011. It was agreed to defer consideration of this pending a further report which addressed some of the outstanding issues such as indemnity legislation and to provide clarification on the types of outside bodies to which Members were appointed and their role on these bodies. Work is progressing on this.		
2.12	<i>Equality Scheme</i> – The Equality Commission’s revised Guide for Public Authorities was published in April 2010 which emphasised the need for local authorities to mainstream equality considerations into policy making to ensure that S75 duties are effectively integrated into core business activities. As part of this revised Guide, the Council is required to submit a revised Equality Scheme in 2011. Work is progressing on the development of the new revised Equality Scheme.		
2.13	<i>Code of Governance</i> – Under the ‘ <i>Local Government (Accounts and Audit) (Amendment) Regulations (NI) 2008</i> ’ the Council is required to conduct a review each year of the effectiveness of its systems of internal control and prepare an annual governance statement. The Council’s Code of Governance was signed off in 2008 and is reviewed on an annual basis.		

<b>3.0</b>	<b><u>Next Steps</u></b>
3.1	It is envisaged that an updated Constitution will be taken to SP&R Committee in November 2011. Update reports on the supporting documents and policies will be brought to Committee as necessary before this.
<b>4.0</b>	<b><u>Going forwards</u></b>
4.1	It is intended that the Council's Constitution will be a 'living' document and once updated, it is recommended that a review of it, and its supporting documents and policies, takes place on a regular basis to ensure they remain up to date. The Constitution will be available in a central location on the Council's website – this will allow for easy access to the documents. Hard copies of the updated Constitution will also be made available to all Members.
<b>5.0</b>	<b><u>Resource Implications</u></b>
5.1	The updating of the relevant supporting governance documents will require resourcing from Departments. Lead officers from the relevant departments have been identified to update these. A central resource from the Chief Executive's Department will co-ordinate this work and the overall collation and presentation of the Constitution
<b>6.0</b>	<b><u>Recommendations</u></b>
6.1	Members are asked to note the content of this report and agree that the updating of the Constitution and its component parts be progressed for consideration of the Strategic Policy & Resources Committee by November 2011.