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**Cabinet Member for Policing and Equalities  
Council**

**18 March, 2024**  
**19 March, 2024**

**Name of Cabinet Member:**

Cabinet Member for Policing and Equalities – Councillor AS Khan

**Director approving submission of the report:**

Director of Law and Governance

**Ward(s) affected:**

None

**Title:**

**Proposed Amendments for the Constitution**

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**Is this a key decision?**

No

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**Executive summary:**

The Constitutional Advisory Panel, at its meeting on 26 February, 2024, considered proposed amendments to the Constitution in relation to changes to the Contract Procedure Rules (Part 3G) and the Financial Procedure Rules (Part 3F).

The Advisory Panel agreed with the proposed amendments. This report seeks approval from the Cabinet Member for Policing and Equalities and Council to the proposed amendments to the Constitution.

**Recommendations:**

The Cabinet Member for Policing and Equalities is requested to recommend that Council approves Recommendations (1) and (2) below:-

- (1) The proposed amendments to the Contract Procedure Rules (Part 3G of the Constitution) as detailed in **Appendix A** to the report with immediate effect
- (2) The proposed amendments to the Financial Procedure Rules (Part 3F of the Constitution) as detailed in **Appendix B** to the report with immediate effect

Council is recommended to approve Recommendations (1) to (2) above and authorise the Director of Law and Governance to make any necessary amendments to the Constitution.

**List of Appendices included:**

The following appendices are attached to the report:

Appendix A – Details of the proposed amendments to the Contract Procedure Rules (Part 3G)

Appendix B – Details of the proposed amendments to the Financial Procedure Rules (Part 3F)

**Background papers:**

N/A

**Other useful documents**

N/A

**Has it or will it be considered by Scrutiny?**

No

**Has it or will it be considered by any other Council Committee, Advisory Panel or other body?**

Yes - Constitutional Advisory Panel – 26 February, 2024

**Will this report go to Council?**

Yes – 19 March, 2024

## Report title: Proposed Amendments for the Constitution

### 1. Context

- 1.1 The Council's Constitution sets out how the Council carries out its business and makes decisions. It is a living document and is reviewed and updated from time to time to ensure that it meets changing legislative requirements and reflects changes in practise within the Council.
- 1.2 The Constitutional Advisory Panel at its meeting on 26 February, 2024 considered proposed changes to the Constitution. These were:-
- a) Amendments to the Contracts Procedure Rules as set out in Part 3G of the Constitution
  - b) Amendments to the Financial Procedure Rules as set out in Part 3F of the Constitution

### 2. Options considered and recommended proposals

#### 2.1 Contracts Procedure Rules – Part 3G

- 2.1.1 The Health Care Services (Provider Selection Regime) Regulations 2023 (“PSR”) is a new set of rules which govern the arrangement of healthcare services in England, introduced by regulations made under the Health and Care Bill, and which came in to force as of 01 January 2024.
- 2.1.2 The PSR must be followed for all applicable procurement activity by Integrated Care Boards (ICBs), the NHS and Local Authorities.
- 2.1.3 Relevant authorities must follow one of seven (7) processes when procuring health care services. In addition, there is no threshold to the PSR, meaning that all applicable activity, regardless of value, must follow the new Regulations.
- 2.1.4 The proposed amendments to the Contract Procedure Rules (“CPRs”) are the second of three changes being brought to Council following the inclusive procurement changes in December 2023 and anticipated changes with the introduction the new Procurement Act coming in summer 2024.
- 2.1.5 The proposed amendments reflect new governance arrangements specific to procurement activity captured by the PSR and can be summarised as follows:
- **Reference to and background of the Provider Selection Regime** (reflected in Section 1).
  - **Bespoke governance process for Health Care services** (reflected in Section 2 and throughout relevant sections). Unlike the PCR2015 and other associated public

procurement regulations, there are no thresholds associated with the Provider Selection Regime (PSR), meaning all contracts of all values are captured within the PSR. As such, in order to maintain oversight of decision-making processes to ensure compliance with the transparency requirements of the PSR, all procurement activity relating to healthcare services caught under the PSR are to be brought to Procurement Panel / Board.

- **Removal of permitted exceptions** to the Contract Procedure Rules for Health Care services. There are no thresholds relating to the Provider Selection Regime, and as such, all contracts entered in to relating to Health Care services are required to comply with the legislation.
- Establishing a **default position of utilising the Competitive Process** under the PSR to drive value for money. Utilisation of any of the other permitted procurement processes and deviation away from the default position will need to be justified through the appropriate governance documentation brought to Procurement Panel or Procurement Board.

2.1.6 The Constitutional Advisory Panel agreed that all of the proposed amendments, as detailed in **Appendix A**, should be recommended to the Cabinet Member for Policing and Equalities for approval.

## 2.2 Financial Procedure Rules – Part 3F

2.2.1 Legal Services in consultation with the Council's Financial Services have conducted a review of the approval requirements for grant income and grant expenditure set out in the constitution following feedback from its officers.

2.2.2 The Council is regularly under extreme pressure to accept and administer grants in short timescales imposed by funding bodies. If such timescales are not complied with the Council may not be able to accept the grant.

2.2.3 It is considered that the current constitutional requirements affect the Council in efficiently accepting and administering grant in the necessary timescales.

2.2.4 Currently the approval requirements for grant income and grant expenditure can at times lead to unnecessary complication and inefficient governance. It is considered that the approval requirements for grant income and grant expenditure should be amended so that (where relevant) approval can be sought for both the acceptance of the Grant Income and delegated authority to facilitate the Grant Expenditure at the same time where possible and drive efficiency in the governance approval process.

2.2.5 It is considered that the current constitutional requirements has resulted at times in the exercise of the Chief Executive Emergency Powers where time does not permit the approval of Council. The proposed changes will help to reduce such instances.

2.2.6 The proposed changes to Part 3F Financial Procedure Rules can be summarised as follows:

- Administrative changes (titles).
- Updated procedural requirements for filing of grants on the grant register.

- Updated financial thresholds.
- Updated officer and member approval requirements.

2.2.7 The proposed changes are recommended in furtherance to the Council's on-going commitment to effective governance arrangements.

2.2.8 The Constitutional Advisory Panel agreed that all of the proposed amendments, as detailed in **Appendix B**, should be recommended to the Cabinet Member for Policing and Equalities for approval.

### **3. Results of consultation undertaken**

3.1 The proposed amendments have been considered by the Constitutional Advisory Panel to which all Group Leaders were invited to attend together with the Cabinet Member for Strategic Finance and Resources and the Chair of the Audit and Procurement Committee.

### **4. Timetable for implementing this decision**

4.1 It is proposed that following Council approval, the amendments to the Constitution be implemented immediately.

### **5. Comments from the Director of Finance and Resources and the Director of Law and Governance**

#### 5.1. Financial Implications

There are no specific financial costs arising from the recommendations within this report. The changes proposed to contract procedure rules are a legislative change with no additional financial implications. Changes to the Financial Procedure Rules relate to the governance and approval processes relating to the application for, acceptance of and approval requirements to receive grants and pay grants to external organisations

#### 5.2. Legal Implications

There are no specific legal implications arising from the recommendations within this report. The proposed changes to the Contract Procedure Rules reflect a change in legislation.

### **6. Other implications**

#### 6.1. **How will this contribute to the One Coventry Plan?**

<https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan>

Not applicable.

#### 6.2. **How is risk being managed?**

There is no direct risk to the organisation as a result of the contents of this report.

**6.3. What is the impact on the organisation?**

Not applicable

**6.4. Equalities / EIA?**

Not applicable

**6.5. Implications for (or impact on) climate change and the environment?**

None

**6.6. Implications for partner organisations?**

None

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