

Appendix B – Part 1 - Constitution Amendment Table

Paragraph Number	Current Constitutional Wording	Proposed New Constitutional Wording	Justification
<p>Paragraph 2.3 Grant Income</p>	<p>Grant Income</p> <p>2.3.1 Approval prior to submitting a grant bid: joint approval by the Chief Executive and the Chief Operating Officer (Section 151 Officer), or nominees, following consultation with the relevant Cabinet Member</p>	<p>Approval prior to submitting a grant bid:</p> <p>(a) Where the submission of the bid <u>requires that it must be match funded</u> ~ joint approval in writing by the relevant Director and the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) and following consultation with the relevant Cabinet Member;</p> <p>(b) Where there is <u>no requirement of the submission of the bid to be match funded</u> ~ approval by the relevant Director and relevant Finance Manager in writing or their respective nominees and following consultation with the relevant Cabinet Member.</p>	<p>Proposed amendment seeks to introduce a distinction for grant bids that do not require match funding by the Council. The reason for the introduction of such distinction is to reflect the lower risk presented by grant submissions that have no requirement of match funding. Where there is no requirement of the submission of the grant bid to be match funded the appropriate officers to approve have been recommended. The relevant cabinet members will continue to be consulted prior to submitting a grant bid so they are kept informed.</p>
<p>Paragraph 2.3.2</p>	<p>Approval prior to signature of grant agreement:</p> <p>(a) Where a requirement of a successful bid is that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature, regardless of the amount of grant.</p>	<p>Approval prior to signature of grant agreement (total grant value):</p> <p>(a) Where a successful bid up to the value of £1,000,000 includes the requirement that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature;</p> <p><u>and each following consultation with legal and financial services.</u></p>	<p>Proposed amendment seeks to introduce that cabinet member approval is required up to the value of £1m (introducing a threshold) but anything above £1m will go to Cabinet for approval as per the requirements of the constitution.</p> <p>The words “(total grant value)” have been added to help understanding from an operational perspective that such approval requirements relate to the total grant value. This provides additional clarity regarding the thresholds proposed.</p>

			Consultation is also required from legal and financial services to ensure the additional governance robustness.
(b) Up to £500,000 ~ joint approval by the Chief Executive and the Chief Operating Officer (Section 151 Officer), or nominees;	(b) Up to £500,000 ~ approval in writing by relevant Director with notification to Director of Finance and Resources (Section 151 Officer) or nominees; <u>and each following consultation with legal and financial services.</u>		Proposed amendment seeks to introduce approval by relevant Director only. It is considered that it is currently too onerous and unnecessary to require the joint approval by the Chief Executive and the Director of Finance and Resources (Section 151 Officer). Approval of the relevant Director who is responsible for service alongside consultation with legal and financial services is recommended to be sufficient and appropriate.
	(c) Above £500,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources); <u>and each following consultation with legal and financial services.</u>		A new Paragraph 2.3.2 (c) has been introduced to provide a further threshold below £1million for senior officer approval. Cabinet members will be aware of the grant bid as per paragraph 2.3.1. Approval of the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) alongside consultation with legal and financial services is recommended to be sufficient and appropriate.

	<p>(c) Over £500,000 and up to £2,500,000 ~ to Cabinet, if time permits; if no time to go to Cabinet, to relevant Cabinet Member (or the Leader in their absence) in consultation with the relevant Scrutiny Chair; if no time to go to Cabinet Member, to relevant Director in consultation with relevant Cabinet Member and Scrutiny Chair, to be reported to Cabinet retrospectively;</p>	<p>(d) Over £1,000,000 and up to £2,500,000~ to Cabinet, if time permits; if no time to go to Cabinet, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee) to be reported to Cabinet retrospectively;</p> <p><u>and each following consultation with legal and financial services.</u></p>	<p>Proposed amendment seeks to ensure all approvals above £1million require the approval of Cabinet. The changes to officer approval provide the appropriate and sufficient governance where due to the urgent need to accept the grant funding time does not permit for a report to be presented to Cabinet in advance.</p>
	<p>(d) Over £2,500,000 ~ Council.</p>	<p>(e) Over £2,500,000 ~ Council, if time permits; if no time to go to Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader to be reported to Council retrospectively,</p> <p><u>and each following consultation with legal and financial services.</u></p>	<p>Proposed amendment retains the current position that all grant approvals above £2.5million require the approval of Council but introduces an approval mechanism where if time does not permit for Council approval that the senior officers can take the required decision urgently in order to secure the grant funding.</p>
<p>Paragraph 2.3.3</p>	<p>N/A – this is a new paragraph to be added to the Constitution.</p>	<p>The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement Services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants.</p>	<p>Proposed new paragraph has been introduced to ensure effective record keeping and storage of grant agreements entered into.</p>

Paragraph 2.4 Grant Expenditure	<p>Grant Expenditure</p> <p>Approval to award grants to an external body:</p> <p>(a) Up to £50,000 ~ Chief Operating Officer (Section 151 Officer) in consultation with relevant Cabinet Member;</p>	<p>Grant Expenditure (see Note below)</p> <p>2.4.1 Approval to award grants to an external body (total grant value per external body):</p> <p>(a) Up to £500,000~ approval in writing by relevant Director following consultation with the relevant Cabinet Member with notification to Director of Finance and Resources (Section 151 Officer) or nominees;</p> <p><u>and each following consultation with legal and financial services.</u></p>	<p>Proposed amendments seek to duplicate that set out in Paragraph 2.3.2 in order to create consistency between the requirements of grant acceptance and expenditure. A consistent approach will be easier to administer operationally and will also mean that where approval to accept grant and expend grant is sought at the same time (as should be encouraged) the same approval requirements will apply to both.</p>
	<p>(b) Above £50,000 and up to £250,000 ~ Cabinet Member(s) in consultation with Chair of Audit and Procurement Committee;</p>	<p>(b) Above £500,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) following consultation with the relevant Cabinet Member;</p> <p><u>and each following consultation with legal and financial services.</u></p>	

	<p>(c) Above £250,000 and up to £1,500,000: Cabinet;</p>	<p>(c) Over £1,000,000 and up to £2,500,000 ~ to Cabinet, if time permits; if no time to go to Cabinet, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee) to be reported to Cabinet retrospectively;</p> <p><u>and each following consultation with legal and financial services.</u></p>	
	<p>(d) Above £1,500,000: Council.</p>	<p>(d) Over £2,500,000 ~ Council, if time permits; if no time to go to Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader to be reported to Council retrospectively,</p> <p><u>and each following consultation with legal and financial services.</u></p>	
<p>Paragraph 2.4.2</p>	<p>N/A – this is a new paragraph to be added to the Constitution.</p>	<p>The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants</p>	<p>Proposed new paragraph has been introduced to ensure effective record keeping and storage of grant agreements entered into.</p>

Appendix B – Part 2 (a) - Proposed New Constitution Wording (to reflect that set out above)

2.3 Grant Income

2.3.1 Approval prior to submitting a grant bid:

- (a) Where the submission of the bid requires that it must be match funded ~ joint approval in writing by the relevant Director and the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) and following consultation with the relevant Cabinet Member;
- (b) Where there is no requirement of the submission of the bid to be match funded ~ approval by the relevant Director and relevant Finance Manager in writing or their respective nominees and following consultation with the relevant Cabinet Member.

2.3.2 Approval prior to signature of grant agreement (total grant value):

- (a) Where a successful bid up to the value of £1,000,000 includes the requirement that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature;
- (b) Up to £500,000 ~ approval in writing by relevant Director with notification to Director of Finance and Resources (Section 151 Officer) or nominees;
- (c) Above £500,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources);
- (d) Over £1,000,000 and up to £2,500,000~ to Cabinet, if time permits; if no time to go to Cabinet, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee) to be reported to Cabinet retrospectively;
- (e) Over £2,500,000 ~ to Council, if time permits; if no time to go to Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader to be reported to Council retrospectively,

and each following consultation with legal and financial services.

2.3.3 The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement Services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants.

2.4 Grant Expenditure (see Note below)

2.4.1 Approval to award grants to an external body (total grant value per external body):

- (a) Up to £500,000~ approval in writing by relevant Director following consultation with the relevant Cabinet Member with notification to Director of Finance and Resources (Section 151 Officer) or nominees;*
- (b) Above £500,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) following consultation with the relevant Cabinet Member;*
- (c) Over £1,000,000 and up to £2,500,000 ~ to Cabinet, if time permits; if no time to go to Cabinet, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee to be reported to Cabinet retrospectively);*
- (d) Over £2,500,000 ~ to Council, if time permits; if no time to go to Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader to be reported to Council retrospectively,*

and each following consultation with legal and financial services.

2.4.2 The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants

Note: Where Grant Income is being received and it is known that Grant Expenditure to third parties will result from the utilisation of such Grant Income, approval should be sought for both the acceptance of the Grant Income and delegated authority to facilitate the Grant Expenditure at the same time.

Appendix B – Part 2 (b) - Tracked Comparison

2.3 Grant Income

2.3.1 Approval prior to submitting a grant bid:

~~2.3.1(a)~~ Where the submission of the bid requires that it must be match funded ~ joint approval in writing by the Chief Executive relevant Director and the Chief Operating Officer/Director of Finance and Resources (Section 151 Officer), or nominees, Head of Finance (in the absence of the Director of Finance and Resources) and following consultation with the relevant Cabinet Member;

(b) Where there is no requirement of the submission of the bid to be match funded ~ approval by the relevant Director and relevant Finance Manager in writing or their respective nominees and following consultation with the relevant Cabinet Member.

2.3.2 Approval prior to signature of grant agreement: (total grant value):

(a) ~~Where a requirement of a successful bid is up to the value of £1,000,000 includes the requirement that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature, regardless of the amount of grant;~~

(b) Up to £500,000 ~ joint approval in writing by the Chief Executive relevant Director with notification to Director of Finance and the Chief Operating Officer/Resources (Section 151 Officer), or nominees;

(c) ~~Over~~Above £500,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources);

(d) Over £1,000,000 and up to £2,500,000 ~ to Cabinet, if time permits; if no time to go to Cabinet, to relevant Cabinet Member (or the Leader in their absence) in joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee) to be reported to Cabinet retrospectively;

(e)(e) Over £2,500,000 ~ to Council, if time permits; if no time to go to Cabinet Member, to relevant Council, joint approval in writing by the Chief Executive and the Director in of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Scrutiny Chair/Leader to be reported to Cabinet/Council retrospectively.

~~(d) Over £2,500,000 ~ Council.~~

~~and each following consultation with legal and financial services.~~

~~2.3.3 The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement Services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants.~~

~~2.4 Grant Expenditure (see Note below)~~

~~2.4.1 Approval to award grants to an external body: (total grant value per external body):~~

~~(a) Up to £50,000 ~ Chief Operating Officer (Section 151 Officer) in consultation with 500,000~ approval in writing by relevant Director following consultation with the relevant Cabinet Member with notification to Director of Finance and Resources (Section 151 Officer) or nominees;~~

~~(a)(b) Above £50,000 up to £1,000,000 ~ approval in writing by the Director of Finance and Resources (Section 151 Officer) or Head of Finance (in the absence of the Director of Finance and Resources) following consultation with the relevant Cabinet Member;~~

~~(b) Above £50,000 and up to £250,000 ~ Cabinet Member(s) in consultation with Chair of Audit and Procurement Committee;~~

~~(c) Above £250,000 and up to £1,500,000: Cabinet;~~

~~(d) Above £1,500,000: Council.~~

~~(c) Over £1,000,000 and up to £2,500,000 ~ to Cabinet, if time permits; if no time to go to Cabinet, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee to be reported to Cabinet retrospectively);~~

~~(d) Over £2,500,000 ~ to Council, if time permits; if no time to go to Council, joint approval in writing by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader to be reported to Council retrospectively.~~

and each following consultation with legal and financial services.

2.4.2 The relevant Director will be responsible for ensuring that a copy of the completed grant agreement entered into with the Council is forwarded to Procurement services at Procurement.Services@coventry.gov.uk in order for the details of the grant agreement to be updated on the register of grants

Note: Where Grant Income is being received and it is known that Grant Expenditure to third parties will result from the utilisation of such Grant Income, approval should be sought for both the acceptance of the Grant Income and delegated authority to facilitate the Grant Expenditure at the same time.

Appendix B - Part 3 (a) – Proposed amendments to the City Council Financial Approval Limits (tracked proposed amendments)

Part 3F – Financial Procedure Rules

CITY COUNCIL FINANCIAL APPROVAL LIMITS									
Governance Forum Approval Category	Relevant Finance Manager	Relevant Director	Director of Finance and Resources Chief Operating Officer (Section 151 Officer) ("S151")	Head of Finance <i>*in the absence of S151</i>	Procurement Panel	Procurement Board	Cabinet Member	Cabinet	Council
Budget									
Overall Balanced Budget									Unlimited
Capital schemes to be met from borrowing		Joint up to £0.25m					Above £0.25m to £1m	Above £1m to £1.5m	Above £1.5m
Revenue Budget Adjustments (Virement)		Joint up to £0.25m					Above £0.25m to £1m	Above £1m to £1.5m	Above £1.5m
Use of reserves, other than as originally intended		Joint up to £0.25m					Above £0.25m to £1m	Above £1m to £1.5m	Above £1.5m
Capital Budget Adjustments (Virement)		Joint up to £0.25m					Above £0.25m to £1m	Above £1m to £1.5m	Above £1.5m
Technical Adjustments			Unlimited						
Grant Income									
Approval prior to submitting grant bid (match funded)		Joint (unlimited) ⁴		<i>*Jointly with Relevant Director (unlimited)⁴</i>					
Approval prior to submitting grant bid (not match funded)	Joint, or respective nominees (unlimited) ⁴								

Part 3F – Financial Procedure Rules

Approval Prior to Signature of Grant Agreement (total grant value) ^{3,5}		Joint-up Up to £0.5m ⁶	<u>Above £0.5m to £1m</u>	<u>*Above £0.5m to £1m</u>			<u>Above £0.5m to £2.5m¹</u>	Above £10.5m to £2.5m ¹	Above £2.5m ²
Grant Expenditure									
Approval to Grant Awards to an External Body ³		Up to £0.05m ⁴ £2	<u>Above £0.5m to £1m⁴</u>	<u>*Above £0.5m to £1m⁴</u>			<u>Above £0.05m to £0.25m³</u>	Above £10.25m to £24.5m ¹	Above £24.5m ²
Debt Write Off									
Approval to Write Off of Sums Owed to the Council			Up to £0.1m				Above £0.1m		

Footnotes

¹ Approval by Cabinet if there is time, if not by ~~Cabinet Member (or Leader in their absence) in consultation with relevant Scrutiny Chair; if no time to go to Cabinet Member,~~ by the Chief Executive ~~and relevant Director~~ the Director of Finance and Resources (Section 151 Officer) or nominee following ~~in~~ consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee) and the relevant Scrutiny Chair. To be reported retrospectively.

² Approval by Council if there is time, if not by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader. To be reported retrospectively. ~~In consultation with the relevant Cabinet Member;~~

³ ~~In~~ Following consultation with ~~the Chair of Audit and Procurement Committee~~ legal and financial services.

⁴ Following consultation with the relevant Cabinet Member.

⁵ Where a requirement of a successful bid is that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature, regardless of if the amount of grant is up to the value of £1 million.

⁶ With notification to Director of Finance and Resources (Section 151 Officer) or nominees.

Approval prior to submitting grant bid (match funded)		Joint (unlimited) ⁴		*Jointly with Relevant Director (unlimited) ⁴					
Approval prior to submitting grant bid (not match funded)	Joint, or respective nominees (unlimited) ⁴								
Approval Prior to Signature of Grant Agreement (total grant value) ^{3 5}		Up to £0.5m ⁶	Above £0.5m to £1m	*Above £0.5m to £1m				Above £1m to £2.5m ¹	Above £2.5m ²
Grant Expenditure									
Approval to Grant Awards to an External Body ³		Up to £0.5m ^{4 6}	Above £0.5m to £1m ⁴	*Above £0.5m to £1m ⁴				Above £1m to £2.5m ¹	Above £2.5m ²
Debt Write Off									
Approval to Write Off of Sums Owed to the Council			Up to £0.1m				Above £0.1m		

Footnotes

- 1 Approval by Cabinet if there is time, if not by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) or nominee following consultation with the relevant Cabinet Member and relevant Scrutiny Chair (or in the absence of the relevant Scrutiny Chair to the Chair of Scrutiny Co-ordination Committee). To be reported retrospectively.
- 2 Approval by Council if there is time, if not by the Chief Executive and the Director of Finance and Resources (Section 151 Officer) following consultation with the relevant Cabinet Member and Leader. To be reported retrospectively.
- 3 Following consultation with legal and financial services.
- 4 Following consultation with the relevant Cabinet Member.
- 5 Where a requirement of a successful bid is that it must be match funded by the Council, the approval of the relevant Cabinet Member to accept the grant must be obtained before signature, if the amount of grant is up to the value of £1 million.
- 6 With notification to Director of Finance and Resources (Section 151 Officer) or nominees.