

Meeting of the Full Council
Meeting to be held on Thursday, 23 May 2024

Report submitted by: Director of Law and Governance

Part A

Electoral Division affected:
N/A;

Corporate Priorities:
Delivering better services;

Review of the County Council's Constitution
(Appendices 'A' - 'D' refer)

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Brief Summary

Full Council is required to approve the Constitution on an annual basis.

Following Full Council's approval of a new Constitution for Lancashire County Council on 14 March 2024, the Political Governance Working Group has considered and reviewed the council's Financial Rules.

This report seeks Full Council's approval of the Constitution for the year ahead, including the updated Financial Rules, some further changes as set out in the report, and noting the changes that have been made since the new Constitution came into effect on 1 April 2024.

Recommendation

Full Council is asked to:

- i) Consider the recommendation of the Political Governance Working Group at its meeting on 9 May 2024 and approve the updated Financial Rules, as set out at Appendix 'A'; and
- ii) Approve the Constitution of the county council for the year 2024/25, including the changes set out in the report and noting the changes that have been made since 1 April 2024.



Detail

Full Council is required to approve the county council's Constitution on an annual basis.

The full Constitution is available to view on the county council's website via the following link: www.lancashire.gov.uk/council/constitution

Full Council is asked to approve the Constitution for the year 2024/25, including the changes set out in this report and noting the changes that have been made since 1 April 2024.

Financial Rules

The Financial Rules form part of the council's Constitution (Section 10 – Standing Orders).

At its meeting on 9 May 2024, the Political Governance Working Group considered an updated set of Financial Rules. Prior to this, and although kept up to date, the council's Financial Rules had not been reviewed in detail for some time.

As part of the review of the council's Constitution, the Financial Rules have also been reviewed in line with the following principles:

- Accessibility
- Accountability
- Accuracy
- Clarity
- Efficiency
- Transparency

It is important the council has a robust set of Financial Rules, to ensure that effective and transparent financial decision-making and recording takes place at the right level, with suitable governance arrangements, and with the appropriate senior officer and/or member oversight.

The review included considering examples of financial rules and regulations from other authorities which were, according to analysis undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA), similar to Lancashire County Council.

An updated set of Financial Rules is set out at Appendix 'A'. The proposed new rules do not fundamentally change the financial operations of the county council. However, as a result of the suggested changes, the rules provide more comprehensive and easily accessible guidance on the council's financial procedures and the responsibilities of officers.

Full Council is therefore asked to consider the recommendation of the Political Governance Working Group and approve the updated Financial Rules, as set out at Appendix 'A'.



Scheme of Delegation to Cabinet

Since Full Council's approval of the new Constitution on 14 March 2024, section 5.24 of the Scheme of Delegation to Cabinet, which sets out the areas of responsibility of each Cabinet Member, has been reviewed and amended to clarify Cabinet Members' roles.

Full Council is asked to approve the amended Scheme of Delegation to Cabinet (section 5.24), as set out at Appendix 'B'.

Scheme of Delegation to Officers

The Scheme of Delegation to Officers allows officers at an appropriate level to take managerial and operational decisions which support the delivery of the corporate strategy and the council's services.

The new Scheme of Delegation to Officers came into effect, with the new Constitution, on 1 April 2024. Since then, a number of minor amendments and clarifications have been identified. The changes set out at Appendix 'C' will ensure:

- It is clear when an officer is empowered to take a decision under the Scheme of Delegation; and
- The responsibilities reserved to the Chief Executive, Executive Director of Resources (Chief Financial Officer) and Director of Law and Governance (Monitoring Officer) are not duplicated, and the risk of misinterpretation is reduced.

Full Council is asked to approve the amended Scheme of Delegation to Officers, as set out at Appendix 'C'.

Record of Changes

Under the Scheme of Delegation to Officers, the Director of Law and Governance is authorised to make amendments to the Constitution to correct an error or resolve an inconsistency, with all such changes to be reported to Full Council at the next available meeting.

Full Council is asked to note the record of changes to the Constitution, as set out at Appendix 'D', which have been approved by the Director of Law and Governance since the new Constitution came into effect on 1 April 2024.

Appendices

Appendices 'A' - 'D' are attached to this report. For clarification they are summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Financial Rules
Appendix 'B'	Scheme of Delegation to Cabinet (section 5.24)



Appendix 'C'	Scheme of Delegation to Officers
Appendix 'D'	Record of the changes since 1 April 2024

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal

Under Section 9P of the Local Government Act 2000, the council has a legal duty to prepare and keep up to date its Constitution.

Financial

There are no financial implications.

Risk management

No significant risks have been identified.

It is important the county council has an up-to-date Constitution to ensure that council decisions are made in an open, legal and democratic way with scrutiny, accountability and public engagement. The changes set out in this report will ensure the Constitution continues to enable accessible, accountable, accurate, clear, efficient and transparent decision-making at the county council.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

