

CONSTITUTION UPDATE
WDA/18/25

Recommendation

It is recommended that:

1. Members adopt the Scheme of Delegation for the 2025/26 Municipal Year, attached at Appendix 1;
2. Members note the proposed delegation authorisations allowed under Clause 2.4 of the Scheme of Delegation, attached at Appendix 2;
3. Members agree to adopt the revised Contract Procedural Rules, attached at Appendix 3;
4. Members agree to adopt the revised Constitution accordingly.

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Report of the Monitoring Officer

1. Purpose of the Report

- 1.1 To recommend that Members adopt the Scheme of Delegation for the 2025/26 Municipal Year, attached at Appendix 1.
- 1.2 To recommend that Members note the proposed delegation authorisations allowed for under Clause 2.4 of the Scheme of Delegation, attached at Appendix 2.
- 1.3 To recommend that Members agree to adopt the draft revised Contract Procedural Rules, attached at Appendix 3.
- 1.4 To seek Members' agreement to adopt the Constitution accordingly.

2. Background

- 2.1 At the commencement of a new municipal year, it is appropriate for the Constitution to be reviewed and (if necessary) updated and adopted by the Authority. The Monitoring Officer is responsible for ensuring that the Constitution for the Authority is up to date, relevant and effective. Any proposed changes to the Constitution are subject to Member approval.
- 2.2 The Constitution comprises a set of documents which define the Authority's governance arrangements. This includes:
 - Scheme of Delegation (Article 1)
 - Authority Procedural Rules (Article 2)
 - Financial Procedural Rules (Article 3)
 - Contract Procedural Rules (Article 4)
 - Information Procedural Rules (Article 5)
 - Protocol for Reporting at Meetings (Article 6)
 - Code of Conduct for Members (Article 7)
 - Code of Conduct for Employees (Article 8)

- Member / Officer Protocol (Article 9)
- 2.3 Rule 3.2(vi) of the Authority Procedural Rules requires the Authority to adopt its Scheme of Delegation at its Annual Meeting each year.

3. Constitution Updates

Scheme of Delegation

- 3.1 Article 1 of the Authority's Constitution is the Scheme of Delegation (attached at Appendix 1); this describes the Authority's decision-making process and defines three levels of decisions as follows:
- **Key Decisions** are decisions having a significant financial or community impact as defined in the Authority Procedural Rules, or if the Chief Executive is of the view that a decision should be a Key Decision.
 - Key Decisions cannot be delegated except under urgent action in line with the Authority Procedural Rules.
 - **Executive Decisions** and **Administrative Decisions** are decisions which can be delegated to officers subject to the limitations defined in the Scheme of Delegation.
- 3.2 Clause 2.4 of the Scheme of Delegation allows for the Chief Executive or Statutory Officers to further delegate any function delegated to them under the Scheme to another Officer or Officers. Attached at Appendix 2 are the proposed delegations for the coming year.
- 3.3 There are no substantive amendments proposed to the existing Scheme of Delegation at the current time. Members are therefore asked to adopt the existing Scheme of Delegation attached at Appendix 1 in accordance with Rule 3.2 (vi) of the Authority Procedural Rules.

Financial Procedural Rules

- 3.4 The Authority's Director of Finance undertakes the annual review of the Financial Procedural Rules. The new Director of Finance commenced with the Authority in April 2025 and will be undertaking the review of the Financial Procedural Rules in due course. The current Rules have therefore not been updated for the purpose of this report but will be reviewed and any proposed amendments reported to the Authority later in 2025.

Contract Procedural Rules

- 3.4 Article 4 of MRWA's Constitution are the Contract Procedural Rules, the set of rules that relate to the supply of services, the purchase, leasing and hiring of goods and the execution of works for the Authority.
- 3.6 It is a requirement of the Contract Procedural Rules that every contract entered into by the Authority is made in compliance with those Rules, which are intended to reflect the requirements of relevant legislation.
- 3.7 The legislation governing public procurement has recently changed; public sector procurement was previously governed by the Public Contracts Regulations 2015 (PCR15) but is now governed by the Procurement Act 2023 (and the subsequent Procurement Regulations 2024).
- 3.8 The Procurement Act 2023 established the overarching legislation that governs public procurement in the UK. Procurement Regulations 2024 provide the detailed implementation framework for the Act, outlining specific procedures and requirements and came into force in February 2025.
- 3.9 Dual-regime procurement may exist until all PCR15 frameworks expire, as the PCR15 that previously governed public procurement may still apply to any further competition procurements against Frameworks or Dynamic Purchasing Systems (DPS) that were established under PCR15, and any contract established under the PCR15.
- 3.10 Given the recent legislative changes, a comprehensive review of the Authority's procurement procedures has been undertaken; this includes a detailed review and redraft of the Contract Procedural Rules, which underpin the Authority's procurement procedures. A copy of the proposed redrafted Contract Procedural Rules is provided at Appendix 3.
- 3.11 The following summarises the key amendments to the Contract Procedural Rules proposed at this time:
- i) All references to PCR15 have been amended to reflect the requirements of the Procurement Regulations 2024.
 - ii) Thresholds and procedures that have changed under the new legislation have been amended in the updated Rules.
 - iii) The Rules set out procurement procedures that need to be followed at certain total contract value levels. The lowest level was

previously set at £6,000 (inclusive of VAT) for which one written quotation is required. It is proposed to increase this level to £10,000 (inclusive of VAT, see Table 2 in Appendix 3) as this is considered to be a more reasonable level taking resources and overall value for money into account.

3.12 In addition to the proposed amendments to the Contract Procedural Rules as set out above, the detailed set of procurement procedures and guidance developed to assist all staff involved in undertaking any contract procurement on behalf of the Authority are in the process of being updated to align with the new regulatory requirements. These procedures support the Contract Procedural Rules and include template documents and specific procedures for officers undertaking procurements and can be seen in the appendix to the Contract Procedural Rules in Appendix 3.

3.13 There are no further proposed changes to the Authority's Constitution at this time.

4 Risk Implications

4.1 The following risk analysis has been considered in relation to this report:

Identified Risk	Likelihood Rating	Consequence Rating	Risk Value	Mitigation
Delegation of decisions not proportionate to levels of responsibility.	1	5	5	Scheme of Delegation defines scope and limitations for taking delegated decisions.
Members and officers not aware of levels of delegation.	2	4	8	Adoption and review of Scheme each year. Constitution included in training and induction programmes.
Updated rules not disseminated.	2	3	6	The revised Constitution will be published on the Authority's website.

Procedures for procurement are not aligned with the latest legislation.	2	3	6	Professional advice sought to ensure procedures are up to date and aligned with latest legislation. Training for all staff in new procurement procedures.
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5 HR Implications

5.1 All staff responsible for procuring on behalf of the Authority will be provided with training and guidance in the agreed Contract Procedural Rules and the supporting documentation.

6 Legal Implications

6.1 MRWA's procurement processes are defined by legislation, principally (for the majority of MRWA's procurements) the Procurement Regulations 2024. Failure to follow the requirements of this legislation would put the Authority at risk of challenge and potential legal action. The update to the Contract Procedural Rules will ensure the Rules are aligned with the latest legislation and will be continuously updated as that legislation changes.

7 Environmental Implications

7.1 There are no environmental implications associated with this report.

8 Financial Implications

8.1 There are no financial implications associated with this report.

9 Conclusion

9.1 Members are asked to;

- i) approve the recommendation to adopt of the Scheme of Delegation (attached at Appendix 1) for the 2025/26 Municipal Year;
- ii) note the proposed delegation authorisations allowed under Clause 2.4 of the Scheme of Delegation, as attached at Appendix 2;

- iii) approve the recommendation to adopt the updated Contract Procedural Rules attached at Appendix 3;
- iv) adopt the revised Constitution accordingly.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.