

## **Article 12 Decision Making**

### **12.01 Responsibility for decision making**

The Council will issue and keep up to date a record of what part of the Council or individual has responsibility for particular types of decisions or decisions relating to particular areas or functions. This record is set out in Part 3 of this Constitution.

### **12.02 Principles of decision making**

All decisions of the Council will be made in accordance with the following principles:

- ◆ proportionality (i.e. the action must be proportionate to the desired outcome);
- ◆ due consultation and the taking of professional advice from officers;
- ◆ respect for human rights;
- ◆ a presumption in favour of openness, accountability and transparency;
- ◆ setting out what options have been considered
- ◆ setting out reasons for the decision; and
- ◆ clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- ◆ understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- ◆ take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- ◆ leave out of account irrelevant considerations;
- ◆ act for a proper purpose, exercising its powers for the public good;
- ◆ not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- ◆ comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- ◆ act with procedural propriety in accordance with the rules of fairness.

To be lawful, a decision:

- ◆ if taken in full Council, Committee or sub-committee must comply with the principle of being reached by a majority of Councillors present and voting at a properly constituted meeting;
- ◆ be one which the decision-maker is empowered or obliged to take, otherwise it is ultra vires;
- ◆ not offend against Wednesbury reasonableness;
- ◆ if intended to secure action (as opposed, for example, to a resolution

merely expressing the Council's collective view on an issue), be capable of execution or will be of no effect; and

- ◆ not purport to undo what has already been done irrevocably (but it can rescind an earlier decision where this is feasible).

There can be no substitute for appropriate advice on a matter by matter basis. This Guidance cannot and does not purport to be comprehensive or replace that professional advice.

Note: “*Wednesbury* reasonableness”. This relates to the actions of a local authority or other public body in exercising its discretion, and relates to whether the body has acted irrationally (rather than *ultra vires*). The definition was given by Lord Greene in the *Wednesbury Case* (1948):

'When an executive discretion is entrusted by Parliament to a body such as the local authority in this case, what appears to be an exercise of that discretion can only be challenged in the courts in a limited class of case ... When discretion of this kind is granted, the law recognises certain principles upon which that discretion must be exercised, but within the four corners of those principles the discretion, in my opinion, is an absolute one and cannot be questioned in any court of law ... If, in the statute conferring the discretion, there is to be found expressly or by implication matters which the authority exercising the discretion ought to have regard to, then in exercising the discretion it must have regard to those matters. Conversely, if the nature of the subject matter and the general interpretation of the Act makes it clear that certain matters would not be germane to the matter in question, the authority must disregard those irrelevant collateral matters. There have been in the cases expressions used relating to the sort of thing that authorities must not do ... bad faith, dishonesty - those of course stand by themselves ... Discretion must be exercised reasonably. He must call his own attention to the matters which he is bound to consider, and exclude from his consideration matters which are irrelevant to what he has to consider. If he does not obey those rules, he must truly be said, and often is said, to be acting unreasonably.'

### 12.03 Types of decision

a. Decisions reserved to full Council

Decisions relating to the functions listed in Article 4.02 will be made by the Full Council and not delegated.

b. Key decisions

In this Constitution, a “Key Decision” shall mean an Executive decision which is likely:

- i. to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the City Council's budget for the service or function to which the decision relates;
- ii. to be significant in policy or strategic terms as regards ~~of~~ its effects on communities living or working in an areas

- comprising two or more wards or electoral divisions in the City;  
or
- iii. to have a particularly significant impact on any community as experiencing social exclusion or discrimination, whether that community is defined by geography or interest and even if that community is only located in one ward or electoral division in the area of the local authority.

### **Notes**

1. *In relation to paragraph (i) above, the term “significant” shall be construed as meaning £2500,000 (except that this does not apply to care packages where the value of the care package exceeds £2500,000). For the purposes of this paragraph, the term “care package” is defined as a package of personal care, support or education purchased as a consequence of an assessment of a child’s needs within the Children Act 1989, Children (Leaving Care) Act 2000 and the Education Act 1981 and the relevant guidance is contained in the Special Education Needs Revised Code of Practice. The decision to provide the care package is for the duration of the individual’s childhood, up to the age of 18 years, 19 years or 21 years according to the relevant legislation or guidance.*
  2. *In relation to paragraph (ii) above, the Council will, unless it is impracticable to do so, treat as if they were Key any decisions which are likely to have a significant impact on communities in one ward or electoral division. Where a decision is only likely to have a significant impact on a very small number of people in one ward or electoral division, the decision-maker should ensure that those people are nevertheless informed of the forthcoming decision in sufficient time for them to exercise their right to see the relevant papers and make an input into the decision-making process.*
  3. *In considering whether a decision is likely to be significant, a decision-maker will also need to consider the strategic nature of the decision and whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number or people living or working the locality affected. Regard should again be given to the underlying principles of open, transparent and accountable decision-making of this Constitution to ensure that there is a presumption towards openness.*
  4. *In interpreting after the event whether or not a decision should or should not have been classified as a Key Decision, the following will be taken into account:*
    - a. *the issue must be assessed on the basis of the information which could reasonably have been available to the decision-maker at the time;*
    - b. *the “de minimus” rule will be applied;*
    - c. *the level and nature of advice sought by the decision-maker. The Monitoring Officer and Chief Financial Officer will have significant roles to play in this.*
- c. A decision-taker may only make a Key Decision in accordance with

the requirement of the Executive Procedure Rules set out in Part 4 of this Constitution.

d. No treasury management decisions, as defined by the Chief Financial Officer, shall be deemed to be Key Decisions.

Note: “De minimus” means that (in this context) this rule does not apply to trifling, minor or insignificant variations, departures or breaches.

#### **12.04 Decision making by the full Council**

Subject to Article 12.08, the Council meeting will follow the Council Procedure Rules set out in Part 4 of this Constitution when considering any matter.

#### **12.05 Decision making by the Executive**

Subject to Article 12.08, the Executive will follow the Executive Procedure Rules set out in Part 4 of this Constitution when considering any matter.

#### **12.06 Decision making by overview and scrutiny committees**

Overview and Scrutiny Committees will follow the Overview and Scrutiny Procedure Rules set out in Part 4 of this Constitution when considering any matter.

#### **12.07 Decision making by other committees and sub-committees established by the Council**

Subject to Article 12.08, other Council committees and sub-committees will follow those parts of the Council Procedure Rules set out in Part 4 of this Constitution as apply to them.

#### **12.08 Decision making by Council bodies acting as tribunals**

The Council, a Councillor or an officer acting as a tribunal or in a quasi judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.