

CONSTITUTION COMMITTEE
16 OCTOBER 2013

Minutes of the meeting of the Constitution Committee of Flintshire County Council held at Delyn Committee Room, County Hall, Mold CH7 6NA on Wednesday, 16 October 2013

PRESENT: Councillor Robin Guest (Chairman)

Councillors Chris Bithell, Clive Carver, Dave Mackie, Neville Phillips, Paul Shotton, Nigel Steele-Mortimer and Arnold Woolley

SUBSTITUTES: Councillors Richard Lloyd (for Veronica Gay)

APOLOGIES: Councillors David Cox, Ian Dunbar, George Hardcastle and Owen Thomas.

IN ATTENDANCE: Head of Legal and Democratic Services, Democracy and Governance Manager, Member Engagement Manager, Internal Audit Manager, and Committee Officer

11. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Councillors Chris Bithell, Clive Carver, Robin Guest, Richard Lloyd, Dave Mackie, Neville Phillips, Paul Shotton, Nigel Steele-Mortimer and Arnold Woolley declared a personal interest in agenda item 8: Consultation by the Independent Remuneration Panel for Wales (IRPW)

12. MINUTES

The minutes of the meeting of the Committee held on 17 July 2013, were submitted.

Matters arising

Page 2: The Democracy and Governance Manager advised that the Contract Procedure Rules had been approved by County Council at the meeting held on 25 September 2013.

Page 4: The Democracy and Governance Manager advised that the Financial Procedure Rules had been approved by County Council at the meeting held on 25 September 2013 and were in the process of being translated before being added to the Authority's website.

Page 5: The Democracy and Governance Manager advised that amendments to the procedure rules had been made, a procedure for dealing with contractors agreed, and the constitution updated.

Page 6: The Democracy and Governance Manager advised that a response from the Authority had been sent to the consultation on remote attendance at Council meetings.

Page 7: The Democracy and Governance Manager advised that an item on the Overview and Scrutiny Annual Report would be submitted to a meeting of the County Council on 23 October 2013.

RESOLVED:

That the minutes be received, approved and signed by the Chairman as a correct record.

13. AUDIT COMMITTEE TERMS OF REFERENCE

The Chair welcomed David Webster, Internal Audit Manager, and invited him to introduce the report on Audit Committee Terms of Reference.

The Internal Audit Manager advised that the purpose of the report was to seek Members agreement to changes to the Audit Committee Terms of Reference contained in Article 7 of the Council Constitution. He provided background information and gave an overview of the main changes which had been agreed by the Audit Committee.

The Democracy and Governance Manager referred to Article 7 which currently stated that "The Audit Committee will keep the above terms of reference under annual review and propose any amendment to the County Council". He asked Members to consider that the words be deleted so that in future the annual review was not automatically referred to County Council. He explained that Article 19.2 enabled minor or consequential changes to be made by the Head of Legal and Democratic Services following consultation with the Chair of the Audit Committee and group leaders if none of them required the matter to be considered by Council.

Councillor R.C. Bithell referred to the draft Terms of Reference for the Audit Committee which were appended to the report and raised a query around the appointment of a lay member and the term of office. He emphasised the importance of continuity of membership. The Head of Legal and Democratic Services responded to the point raised and agreed to provide further clarification concerning multiple terms of office of lay members.

RESOLVED:

- (a) That the Committee endorsed the changes to the Audit Committee Terms of Reference as agreed by the Audit Committee; and
- (b) That the Committee endorsed the removal of the sentence in Article Seven which referred to changes being referred to the County Council.

14. INTERNAL AUDIT CHARTER

The Internal Audit Manager introduced a report to update the Internal Audit Charter contained in Part 7 of the constitution. He provided background information and referred to the new Public Sector Internal Audit Standards (PSIAS) which replaced the CIPFA Code of Practice for Internal Audit in Local Government. Members were informed that the Flintshire Charter had been updated to allow for the changes most of which were established practice but had not been written into the Charter. The Charter had been agreed by the Audit Committee at the meeting held on 30 July 2013 with minor amendments, however, subsequent to the meeting, at the request of the Chair a further sentence had been added which reflected current practice.

Members were asked to consider the proposed changes to the Internal Audit Charter. If the Committee agreed the changes the Chair and the political Group Leaders would be consulted and if no objections the Constitution would be updated to reflect what the Committee had agreed. Should there be an objection it would be reported to County Council.

Members referred to the proposed new Charter which was appended to the report. Councillor Chris Bithell sought clarification of the measures in place to identify and protect the Authority against fraud. The Internal Audit Manager explained that all managers and staff were responsible for the reasonable prevention and detection of fraud. He advised that actual or suspected incidents of fraud were investigated by the Internal Audit department when reported. On the subject of resources the Internal Audit Manager explained that the department would prioritise investigations over standard audit work. In answer to the further questions raised by Councillor Bithell the Internal Audit Manager commented on the further measures in place and advised that staff training was provided to raise awareness and ensure controls and systems were in operation to safeguard the Authority.

In response to the concern raised by Councillor Clive Carver around audit personnel being called on in emergency situations to carry out non-audit work, the Internal Audit Manager gave an assurance that this applied to emergency circumstances only and clarified the type of situation which may arise. It was agreed that as Councillor Arnold Woolley was also a member of Audit Committee he would arrange for this point to be considered at a future meeting of the Audit Committee.

RESOLVED:

That the Committee endorsed the updated Internal Audit Charter as agreed by the Audit Committee with the additional sentence added at the request of the Chair of the Audit Committee.

15. THE LOCAL GOVERNMENT (DEMOCRACY) (WALES) ACT 2013

The Democracy and Governance Manager introduced the report to provide a summary of the above legislation that received Royal Assent in July 2013. He provided background information and advised that most of the

provisions in the Act related to the renamed Local Democracy and Boundary Commission for Wales and the conduct of reviews by either the Commission or by County Councils. Members were informed that Flintshire's current community review was unaffected as it commenced before the Act received Royal Assent and had taken into account the provisions in the Act.

The Democracy and Governance Manager advised that Part 5 of the Act most directly affected the County Council and he provided an overview of the relevant sections which were detailed in the report.

Councillor Paul Shotton raised concerns around the cost and workload for small community councils in relation to sections 55 to 57 dealing with websites and the information required to be on them. The Democracy and Governance Manager commented that Welsh Government funding had been made available to Flintshire to assist Community Councils to set up websites.

Councillor Chris Bithell commented on the measures in Section 67 which required Flintshire and other County Councils to publish information relating to all payments made to its Members by other public bodies. He expressed the view that the current arrangements in this matter were adequate and that it should be for each public body to publicise the payments it made to Members. He reiterated the concerns he had expressed previously that the new requirement would create confusion amongst the public. The Chair suggested that the Committee write to the Welsh Government to express regret that its concerns in response to the consultation on the Bill were not accepted in relation to Section 67.

RESOLVED:

- (a) That the report be noted; and
- (b) That the Committee write to the Welsh Government to express regret that its concerns in response to the consultation on the Bill were not accepted in relation to Section 67.

16. LOCAL GOVERNMENT (WALES) MEASURE 2011 CONSULTATION DOCUMENT DESIGNATED PERSONS ORDER

The Member Engagement Manager introduced the report on the draft response to the Welsh Government Consultation Document number WG17306, Designated Persons Order (Number 1) which had been made to provide specific external scrutiny powers under section 59 of the Local Government (Wales) Measure 2011. He provided background information and referred to the main considerations as detailed in the report.

The Committee considered the proposals and during discussion the matter of increased workload was raised. The Member Engagement Manager responded to the concerns expressed and commented that he did not foresee any significant problems arising for Members in terms of the additional duty to scrutinise involved.

RESOLVED:

- (a) That the Committee agreed the proposals for Designated Persons order (Number 1); and
- (b) That the Member Engagement Manager be authorised to respond to the Welsh Government consultation document that all statutory public bodies (apart from town and community councils) should become 'designated persons' for the purpose of section 59 of Local Government (Wales) measure 2011.

17. CONSULTATION BY THE INDEPENDENT REMUNERATION PANEL FOR WALES (IRPW)

The Democracy and Governance Manager introduced the report on the Council's response to consultation by the IRPW on its draft annual report for 2014. He provided background information and referred to the proposed changes in the IRPW draft annual report for 2014 which were detailed in the report with the implications for Members consideration.

The Democracy and Governance Manager explained that to assist the Committee in its consideration a draft response to the proposal was appended to the report. Each of the proposed changes were considered in turn by the Committee.

- In relation to the proposed increase of £125 p.a. in basic allowance it was agreed that this should only be implemented if NJC staff are receiving at last the same percentage increase.
- Similarly in relation to the proposed increases for the Leader, Deputy Leader and Cabinet members the Committee's support for this was dependent on the workforce having a 1% or more increase.
- There was approval for the introduction of local choice from three bands of payment for individual committee chairs.
- In relation to the proposed increase for the Leader of the so called largest opposition group it was agreed that there should be greater local choice and left to individual authorities to decide how this amount should be awarded to the Leaders of the groups not represented on the Cabinet.
- In relation to the increased flexibility and local choice for payments to Civic Heads and Deputy Civic Heads, this was welcomed.
- The provision of adequate telephone and e-mail facilities and electronic access with no cost to the individual member was noted
- The proposed removal of the separate maximum for overnight stays in Cardiff was agreed.

- The second and third paragraphs of the draft response to the IRPW prepared by the Democracy and Governance Manager were agreed relating to the limit on the number of posts that could be paid an uplift on basic allowance and the increase in complexity for co-opted members not being welcomed.

It was agreed that the Democracy and Governance Manager would prepare a draft response to reflect the above decisions for consultation with the Leader of the Council and the Chair of the Committee to finalise the Council's response to consultation.

RESOLVED:

That the Democracy and Governance Manager prepares a draft response to reflect the above decisions for consultation with the Leader of the Council and the Chair of the Constitution Committee to finalise the Council's response to consultation.

18. WALES AUDIT OFFICE SCRUTINY IMPROVEMENT STUDY

The Member Engagement Manager introduced the report to provide an update on the progress which had been made with the Wales Audit Office (WAO) Scrutiny Improvement Study.

The Member Engagement Manager provided background information and gave an overview of the key considerations detailed in the report. He referred to a self assessment exercise which had been undertaken by the Authority and advised that the questions, which had to be responded to and evidenced, together with the FCC and Wrexham Peer Learning Exchange Team (PLET) (WPLET) assessments were listed in appendix 2 of the report. As a result of the self assessment and that of the WPLET colleagues an action plan was produced. An updated version of the action plan showing progress to date was attached as appendix 1.

Members were advised that there was merit in carrying out an annual assessment which would be analysed and reported back to the Constitution Committee. This would ensure that the Overview and Scrutiny function continued to be a beneficial element of corporate governance and provided value for money.

Members referred to the Action Plan appended to the report. Councillor Chris Bithell welcomed the update. He referred to the value of workshops and pre meeting briefings as an effective way of enhancing the scrutiny process.

RESOLVED:

- (a) That the Committee supported the Action Plan; and
- (b) That the Committee agreed that an annual self-evaluation be undertaken, with details to be provided in due course.

19. **MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE**

There were no members of the press and public in attendance.

(The meeting started at 2.00 pm and ended at 4.15 pm)

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Chairman