



Meeting: **SPECIAL AUDIT COMMITTEE**
Date: **14 MAY 2014**
Time: **5.00PM**
Venue: **COMMITTEE ROOM**
To: **Councillors C Pearson (Chair), J Cattanach, Mrs D Davies,
M Dyson, Mrs C Mackman (Vice Chair), Mrs M McCartney,
I Nutt, R Price and Mrs S Ryder**

Agenda

1. Apologies for absence

2. Disclosures of Interest

Members of the Audit Committee should disclose personal or prejudicial interest(s) in any item on this agenda.

3. Chair's Address to the Audit Committee

4. To agree the start times of the Meetings

5. A/14/01 – Constitutional Changes

To receive the reports of the Solicitor to the Council, pages 3 to 7 attached.

6. Audit Committee Work Programme 2014/15

To receive the Work Programme for 2014/15, pages 8 to 11 attached

Jonathan Lund
Deputy Chief Executive

Date of Next Meetings
18 June 2014
24 September 2014
14 January 2015
15 April 2015

Audit Committee
16 April 2014

Enquiries relating to this agenda, please contact Richard Besley on:
Tel: 01757 292227
Email: rbesley@selby.gov.uk

To: Audit Committee
Date: 14 May 2014
Author: Gillian Marshall, Solicitor to the Council
Lead Officer: Mary Weastell, Chief Executive
Executive Member: Councillor Mark Crane

Title: Review of the Constitution

Summary: On 29 April 2014 Council resolved to ask the Audit Committee to conduct a review of the Constitution of the Council supported by an Officer team. The objective of the review is to ensure the Constitution is fit for purpose and supports the Council, the Executive and Officers to make decisions in the public interest in a timely and effective manner subject to proper controls.

This report suggests possible methodologies for conducting the review and, highlights areas that the audit committee might wish to concentrate on in the review.

Recommendations:

That Audit Committee consider how to conduct a review of the Council's constitution and adopt a review methodology in order to report the results of the review back to the Executive and to Council

Reasons for recommendation

To conduct an effective and inclusive review of the current arrangements to ensure that the constitution of the Council supports decision making which is streamlined and efficient but still subject to proper controls and consider whether changes need to be made to the constitution in preparation for implementing the recent Local Government Boundary Review for Selby District and the new electoral arrangement which will take effect to a move to 31 Councillors in 2015.

1. Introduction and background

1.1 With the benefit of three years of experience of executive arrangements the Executive recently considered learning from the Executive model to date alongside the current constitution and

particularly the decision making structures and delegations and scrutiny arrangements with a view to

- Ensuring that decision making is streamlined and efficient but still subject to proper controls
- Considering whether changes need to be made to the constitution to facilitate the recent Local Government Boundary Review for Selby District and the new electoral arrangement which will take effect to a move to 31 Councillors in 2015.

1.2 In a report to Council considered on 29 April 2014 the Chief Executive suggested that Audit Committee should undertake a review of the constitution before reporting back to the Executive who would consider the recommendations before reporting them to Council for consideration.

2. The Report

- 2.1 Audit committee must now consider how best to conduct the review to achieve the objectives set out above
- 2.2 During the debate at Council the Leader gave a commitment that an opportunity would be given to all councillors to comment on the current constitution and make any suggestions for improvements. Those comments would be taken into account in the subsequent review. It is therefore proposed that whatever methodology is adopted, that an e-mail be sent to all councillors requesting their views.
- 2.2 the review conducted by the Audit Committee is to be supported by an officer team consisting of the Chief Executive, the Deputy Chief Executive/Monitoring Officer, the Solicitor to the Council and the Democratic Services Manager.
- 2.3 The Audit Committee could choose to conduct the review by creating a task and finish group or groups to look at the constitution or specific parts of it. The task and finish groups would then report back to the full Audit Committee.

Alternatively, the Committee could choose to hold additional extra meetings dedicated solely to the issue of the constitution. The Committee may also co-opt additional councillors into the discussions to add their thoughts and experiences although they would be non-voting members of the full Committee.

- 2.4 The Committee should also bear in mind that the constitution is kept under review by the Monitoring Officer as part of his statutory duties. Some amendments are mandatory and will be required to reflect changes in legislation. For example, Members will be aware of the recent change requiring a named vote on certain budget setting

decisions. Councils are required to amend their standing orders to implement this requirement. In addition draft regulations have been laid which will require councils to allow recording and filming of meetings.

The Audit Committee is also advised that some work is already being undertaken to amend the Planning Code within the constitution. A revised draft Planning Code is expected to be completed in May 2014 and the views of the Chair of Planning will then be sought to feed into the proposed amendments the Council to consider.

Audit Committee may consider that not all of the amendments that might be presented to Council require their input and choose to concentrate their resources where they will add the most value to meet the objectives. Officers would suggest that Audit Committee consider the table attached at Appendix 1 as a starting point for discussion.

3. Legal/Financial Controls and other Policy matters

3.1 Legal Issues

- 3.1.1 Under Article 15 of the Constitution changes will only be approved by Council after consideration of the proposals by the Executive taking into account the advice of the Chief Executive or Monitoring Officer.

3.2 Financial Issues

- 3.2.1 There are no financial issues arising from this report.

4. Conclusion

5. Background Documents

None

Contact Officer:

Gill Marshall Solicitor to the Council x42095

Appendices:

Appendix 1 - table of potential areas for review

Appendix 1

Constitution – potential areas for review

Petition Rules	These are no longer a statutory requirement and could be removed from the constitution.
Access to Information Procedure Rules	The Council rules and the Executive Access to Information Regulations requirements need to be reviewed in the light of the latest guidance on open and transparent meetings and the draft regulations
Part 3 – responsibility for decision making	<p>In order to increase the speed of decision making, a greater degree of officer delegation could be considered.</p> <p>By law all of the functions of the Council other than those listed in regulations are the functions of the Executive. If all these decisions were taken by the Executive as a committee rather than by officers exercising delegated power then the Executive agendas would be extremely heavy.</p> <p>The Executive has expressed a wish to concentrate on strategic matters and provide leadership the district and the Council and therefore to delegate more functions to officers subject to appropriate controls.</p> <p>So that the Council can have confidence in the controls in place part 3 of the constitution could be revised to ensure that it is clearer who is making decisions, in respect of what matters and whether these are Council or Executive functions.</p> <p>The constitution could also provide for an open and transparent forward plan of officer decisions which are defined as key decisions. In this way non-executive councillors would be able to see decisions it is anticipated that officers will take. They would also be notified once key decisions have been taken and could then consider whether referral for scrutiny might be required.</p> <p>In some cases councils provide in their constitution for an executive councillor to ask an officer not to take a decision that he/she</p>

	would otherwise be delegated to take but instead, to take the matter to the meeting of the Executive where it can be discussed and a collective member decision can be reached.
Officer decision making – key decisions	The limit of £150k is quite high for a District Council. If there is to be more officer decision making it might be better to reduce this limit. The effect of that would be that more officer decisions would be on a forward plan and notified to Councillors so they can be called in if requested.
Planning Code of Conduct	Requires substantial overhaul to reflect changes in the Localism Act and the latest guidance.
Scrutiny arrangements	the number and terms of reference of scrutiny committees could be reviewed in the light of the reduction in councillor numbers for 2015
Committee membership in terms of reference	the number of members on committees could be reviewed in the light of the reduction in councillor numbers for 2015

Audit Committee Work Programme 2014/15

Date of Meeting	Topic	Action Required
14 May 2014 (Special)	<u>Committee Requested Item</u> Time of Meetings	To agree start time of Audit Committee meetings for 2014/15
	<u>Committee Requested Item</u> Constitutional Changes	To consider the Council's Constitutional Changes
	<u>Committee Requested Item</u> Audit Committee Work Programme 2014/15	To consider the Committee's Work Programme for the year ahead.

18 June 2014	The meeting will be preceded by a training presentation by Veritau	
	<u>Committee Requested Item</u> Internal Audit Annual Report 2013/14	To consider the Internal Audit Annual Report for 2013/14.
	<u>Committee Requested Item</u> Risk Management Annual Report	To consider the Risk Management Annual Report for 2013/14
	<u>Committee Requested Item</u> Review of the Corporate Risk Register	To review the latest Corporate Risk Register
	<u>Committee Requested Item</u> Review of the Access Selby Risk Register	To review the latest Access Selby Risk Register

24 September 2014	<u>Committee Requested Item</u> Information Governance Report	To receive an update on progress on implementing the IG Action Plan
	<u>Committee Requested Item</u> Annual Governance Statement	To approve the Annual Governance Statement
	<u>Committee Requested Item</u> Statement of Accounts (post audit)	To approve the Statement of Accounts
	<u>Committee Requested Item</u> Mazars External Annual Governance Report and Opinion on the Financial Statements	To receive the Mazars Annual Governance Report and opinion on Financial Statements
	<u>Committee Requested Item</u> Counter Fraud Annual Report	To review the Counter Fraud Annual Report
	<u>Committee Requested Item</u> Internal Audit Quarter 1+Report 2014/15	To review progress against the Internal Audit Plan

14 January 2015	<u>Committee Requested Item</u> Information Governance Report	To approve the Information Governance Annual Report
	<u>Committee Requested Item</u> Annual Governance Statement – Action Plan Review	To review progress against the AGS Action Plan
	<u>Committee Requested Item</u> Internal Audit Quarter 2+ Report 2014/15	To review progress against the Internal Audit Plan
	<u>Committee Requested Item</u> Annual Audit Letter	To receive the Mazars report on the 2013/14 Audit and Value for Money conclusion
	<u>Committee Requested Item</u> Audit of Grant Claims & Returns 2013/14	To receive the Mazars Audit report
	<u>Committee Requested Item</u> Review of Risk Management Strategy	To review the Risk Management Strategy
	<u>Committee Requested Item</u> Review of the Corporate Risk Register	To review the latest Corporate Risk Register
	<u>Committee Requested Item</u> Review of the Access Selby Risk Register	To review the latest Access Selby Risk Register
	<u>Committee Requested Item</u> External Audit Progress Report – Mazars	To review the progress by Mazars in meeting its responsibilities as the Council’s External Auditor.

15 April 2015	<u>Committee Requested Item</u> Audit Strategy Memorandum and External Audit Progress Report – Mazars	To review the Audit Strategy and progress of the External Audit with Mazars
	<u>Committee Requested Item</u> Annual Governance Statement – Action Plan Review	To review progress against the AGS Action Plan
	<u>Committee Requested Item</u> Internal Audit Progress Report 2014/15	To review progress against the Internal Audit Plan for 2014/15
	<u>Committee Requested Item</u> Internal Audit Charter	To approve the Internal Audit Charter
	<u>Committee Requested Item</u> Internal Audit Plan 2015/16	To approve the Internal Audit Plan 2015/16
	<u>Committee Requested Item</u> Audit Committee Annual Report 2014/14 and Work Programme 2015/16	To approve the 2014/15 Annual Report and the 2015/16 Work Programme for the committee