
Corporate Governance Panel

Report of the meeting held on 26th March 2014

Matters for Decision

37. REVIEW OF COUNCIL CONSTITUTION

By reference to a report by the Head of Legal and Democratic Services (a copy of which is reproduced as Appendix A hereto), the Panel has undertaken a review of the Constitution. The changes recommended by the Panel have arisen as a result of practical experience and operation of the Constitution, new legislation and comments by Members and Officers.

The Panel considered a proposal that the monitoring element of the Anti-fraud and Corruption Strategy be transferred from the Corporate Governance Panel to the Overview and Scrutiny Panel but it was unanimously agreed that the function should remain with the Panel.

In discussing a suggestion to vary the terms of reference of the Corporate Governance Panel and Elections Working Group, Members acknowledged that there was merit in transferring some functions to the Standards Committee. However, the Panel felt that the review of the Constitution should remain with the Corporate Governance Panel given its association with the Codes of Financial Management and Procurement.

With regard to a series of initiatives to enliven Council meetings, Members expressed support for trialling alternative layouts in the Civic Suite but felt that further thought needed to be given to the headline debate, Green Paper, frequency of meetings, Annual State of the District Address, the format and responsibilities of the Council Programme Group and Reports of the Cabinet, Panels and Committees. In that respect, the Panel agreed to establish a working group comprising the Executive Leader or Deputy Executive Leader, the Chairman of the Council and Councillors M G Baker, E R Butler, K Churchill and G Harlock to consider these issues further.

Attention was drawn to changes to the Code of Procurement. Having been advised by the Deputy Executive Leader that he would seek the views of the Cabinet on the procurement thresholds as he felt that they were too prescriptive, Members requested that their deliberations be forwarded to the new Working Group for consideration.

Having also supported proposed changes to the reporting arrangements for the settlement of a complaint, the process for determination of pay awards, the Employees' Code of Conduct, Member Champions, Motions without Notice, the Code of Financial Management and the Management Structure, the Panel

RECOMMEND

- (a) that the requirement for a report to be submitted to an ensuing meeting of the Panel following payment of up to £1,000 in compensation in settlement of a complaint be deleted from the Panel's Scheme of Delegation;**
- (b) that the following functions be transferred from the Corporate Governance Panel to the Standards Committee:-**
 - (i) determination of the Council's Customer Feedback Procedure, monitoring compliance with the procedure, compensatory payments to complainants and formulation of recommendations to the Cabinet or Council on any action to be taken as a consequence; and**
 - (ii) consideration of reports by the Local Government Ombudsman, approval of compensatory payments to complainants and formulation of recommendations to the Cabinet or Council or any remedial action to be taken as a consequence.**
- (c) that the following matters relating to electoral arrangements be transferred from the Elections Working Group to the Standards Committee and the Working group be discontinued:-**
 - (i) review of the District and Parish electoral arrangements including boundaries;**
 - (ii) matters relating to the powers of a Parish Council, number of Parish Councillors and new Parish Councils and Parish Wards;**
 - (iii) District and District Ward boundaries arising from any review; and**
 - (iv) the periodic electoral review.**

(d) that with regard to the Employment Panel's Terms of Reference:-

(i) the third bullet point on page 70 of the Constitution be amended such that the words "report" be deleted so the function would read –

to make recommendations in relation to employment and workforce practices within the Council.

(ii) that paragraph (iii) of the authority delegated to the Head of Paid Service be amended to enable the postholder to "negotiate, determine and implement local pay awards etc...."

(iii) that the following function remain the responsibility of the Panel:-

"to monitor and advise the Council on the adoption, revision, content and operation of its Code of Conduct for Officers (Employee Handbook) in the light of best practice, changes in law and guidance"

(e) that the practice of using Member Champions be re-established formally, that they be appointed by the Executive Leader when the need arises and listed for clarity and convenience in Part 3 of the Constitution.

(f) that with regard to the Council's Procedure Rules:-

(i) the following paragraph on Motions without Notice be inserted after (h) (paragraph 10, page 196) –

"in the case of proposed amendments to recommendations on draft or final budgets, Leaders of the Opposition Groups shall seek the advice of the Responsible Financial Officer at least 2 working days prior to the meeting to enable the implications of the proposed amendment to be reviewed and calculated for presentation to the Council"

(ii) the following paragraph on the recording of votes at budget meetings be added to Section 14:-

"14.7 – when the vote is taken at a budget decision meeting of the Council, there must be recorded in the Minutes of the meeting, the names of the Members who cast a vote for or against the Motion or who had abstained from voting."

- (g) that the Code of Financial Management be adopted;
- (h) that, subject to the inclusion of the following sentence under paragraph 13.1, the Code of Procurement be adopted:-

“unsuccessful tenderers shall be advised in writing of the winning supplier, the value of the contract awarded and the strengths and weaknesses of their tender...” ; and

- (i) that the Head of Legal and Democratic Services be authorised to make such amendments as necessary to Part 7 of the Constitution to reflect the new management and organisational structure of the Council.

38. EMPLOYEE HANDBOOK

The Panel has considered the content of an Employee Handbook designed to replace and strengthen the existing Employees' Code of Conduct. A copy of the Handbook has been circulated separately with the Council agenda. Members were informed that the consultation process for the document with Staff Council, HR and others was in progress and that all employees would be required to sign up to the handbook annually. In supporting the document, the Panel has authorised the Head of Paid Services, after consultation with the Chairmen and Vice Chairmen of the Corporate Governance and Employment Panels, to consider and finalise the Handbook with a view to submitting it to Council for adoption. As the Code forms part of the Constitution, the Panel

RECOMMEND

that the new Employee Handbook be adopted.

Matters for Information

39. PROCUREMENT MEASURES TO SUPPORT COMPLIANCE

The Panel has endorsed a series of measures introduced to support compliance with the Code of Procurement. These include the drafting of a Procurement Strategy, a training schedule, monthly checks of the contracts register and the introduction of a forward plan of contracts to be advertised in the following year.

40. EXTERNAL AUDIT PLAN 2013/2014

The draft External Audit Plan for 2013/2014 has been presented to the Panel by the Council's external auditors. Members' attention was

drawn to the key audit risk areas identified and the approach that will be undertaken to complete these audits was noted.

The Panel's views on fraud were sought by the external auditors. In response, Members referred to the work of the Fraud Working Group and the activities of the Fraud Team.

Having received an explanation on how the triviality threshold was derived the Panel has set the threshold level at £90k.

41. ACCOUNTING POLICIES FOR THE ANNUAL FINANCIAL REPORT 2013/14

The Panel has approved four changes to the accounting policies, only two of which were considered to be significant. Members were informed that changes proposed were for the purpose of clarification and transparency to ensure compliance with reporting standards and will not have any direct financial implications.

42. AUDIT COMMITTEE GUIDANCE

The Panel has been given the opportunity to consider new guidance issued by the Chartered Institute of Public Finance & Accountancy on the role and functions of an audit committee. The Guidance describes in brief, a revised position statement, proposed terms of reference and two checklists for evaluating the Panel's effectiveness. The Panel was assured that their current terms of reference had been assessed against the model terms and remain appropriate. However, Members agreed to consider the model terms in more detail as part of their annual effectiveness review.

43. RISK REGISTER

The Panel has noted changes made to the Risk Register between 3rd September 2013 – 11th March 2014 inclusive.

44. WORK PROGRAMME AND TRAINING

The Panel has noted details of their anticipated work programme in 2014/15.

E R Butler
Chairman