

NAME OF COMMITTEE	COUNCIL
DATE	22 July 2014
REPORT TITLE	Updates to the Council Constitution
Report of	The Democratic Services Manager
WARDS AFFECTED	All

Summary of report:

To consider a report that seeks to make amendments to the Council Constitution in relation to:-

- adopting a revised Members' Code of Conduct; and
- making changes to the Delegation Scheme and Financial Procedure Rules to ensure that approval of the Annual Governance Statement now becomes the responsibility of the Audit Committee and not the Council.

Financial implications:

None directly arising from this report.

RECOMMENDATION:

That the Council Constitution be amended in accordance with the proposals as outlined in paragraphs 2.1 and 2.2.2 of the presented agenda report.

Officer contact:

Darryl White, Democratic Services Manager (email: darryl.white@swdevon.gov.uk).

1. BACKGROUND**1.1 Code of Conduct**

Unstarred Minute SC 7: 'Review of the Code of Conduct', which was considered by the Standards Committee at its meeting on 11 February (Appendix A refers) was inadvertently missed off of the Annual Council Summons.

As a consequence, Council approval is now sought to adopt a revised Code of Conduct.

1.2 **Annual Governance Statement**

The Accounts and Audit Regulations 2011 have resulted in it no longer being a statutory requirement for the Annual Governance Statement (AGS) to be approved by full Council.

It is therefore suggested that it would be more appropriate (and remove a tier from the decision making process in this regard) for the Audit Committee to assume responsibility for approval of the AGS.

2. **ISSUES FOR CONSIDERATION**

2.1 **Code of Conduct**

As indicated at Appendix A, the Standards Committee considered this matter in some detail before voting upon the following recommendation, for which Council is ultimately asked to approve:-

‘That Council be **RECOMMENDED** that the West Devon Members’ Code of Conduct be amended as shown highlighted in Appendix A of the agenda report, which was presented to the Standards Committee.’

2.2 **Annual Governance Statement**

2.2.1 In respect of the AGS, the Council Constitution currently states that:-

Part 3: Delegation Scheme

‘Audit Committee – to oversee the System of Internal Control and Annual Governance Statement.’

Part 4: Financial Procedure Rules

Section 22:

Para 22.15 The Council will also be responsible for conducting a review at least once a year of the effectiveness of internal control and shall prepare a statement (the Annual Governance Statement), in accordance with proper practices, for publication with the Council’s published annual accounts.

Para 22.16 The Audit Committee will act as the nominated Member body to examine the draft statement and supporting evidence and recommend approval.

2.2.2 It is proposed that the Council Constitution be amended to read as follows:-

Part 3: Delegation Scheme

‘Audit Committee – to oversee the System of Internal Control and the process for producing the Annual Governance Statement (AGS) and approve the AGS on behalf of the Council with the annual Statement of Accounts.’

Part 4: Financial Procedure Rules

Section 22:

Para 22.15 The Council will also be responsible for conducting a review at least once a year of the effectiveness of internal control and shall prepare a statement (the Annual Governance Statement), in accordance with proper practices, for publication with the Council's published annual accounts.

Para 22.16 The Audit Committee will act as the nominated Member body to examine the draft statement and supporting evidence and approve the Annual Governance Statement on behalf of the Council, with the Statement of Accounts.

3. RISK MANAGEMENT

3.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

4. OTHER CONSIDERATIONS

Corporate priorities engaged:	All
Statutory powers:	Local Government Act 2000 The Localism Act 2011 The Accounts and Audit Regulations 2011
Considerations of equality and human rights:	None directly related to this report
Biodiversity considerations:	None directly related to this report
Sustainability considerations:	None directly related to this report
Crime and disorder implications:	None directly related to this report
Background papers:	The Council Constitution The Standards Committee agenda – 11 February 2014 meeting
Appendices attached:	A. Unstarred Minute SC 7: 'Review of the Code of Conduct'

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Fit for purpose Constitution	Failure to review the Constitution and approve the changes could affect the decision-making processes of the organisation.	2	2	4	↔	The Constitution is regularly reviewed and updated by the Council to ensure that it is up to date and reflects current practice and law.	Democratic Services Manager / Monitoring Officer

Direction of travel symbols ↓ ↑ ↔