

## **CONSTITUTION AND GOVERNANCE COMMITTEE**

Minutes of a Meeting of the Constitution and Governance Committee held in the Luttrell Room - County Hall, Taunton, on Thursday 23 March 2023 at 2.00 pm

**Present:** Cllr T Butt Philip (Chair), Cllr S Carswell (Vice-Chair), Cllr B Clarke (joined virtually), Cllr H Davies, Cllr H Kay (joined virtually), Cllr C Lawrence, Cllr M Lovell, Cllr H Prior-Sankey (substitute for Cllr M Murphy), Cllr S Pugsley, Cllr R Wilkins and Cllr A Wiltshire

**Other Members present virtually:** Cllr M Chilcott and Cllr L Redman

**Apologies for absence:** Cllr D Johnson, Cllr M Murphy (substituted by Cllr H Prior-Sankey) and Cllr S Osborne

### **1 Apologies for Absence - Agenda Item 1**

Apologies were received from Cllr D Johnson, Cllr M Murphy (substituted by Cllr H Prior-Sankey) and Cllr S Osborne.

Cllr H Kay and Cllr B Clarke joined the meeting virtually. Cllr Clarke had advised he was unable to attend in person as the meeting date had been changed.

### **2 Declarations of Interest - Agenda Item 2**

The following declarations of interest were made at the meeting: -

- (a) Cllr H Prior-Sankey – personal interest – agenda item 5 – modest County Council pension and Pension Fund mentioned in Report;
- (b) Cllr C Lawrence - – personal interest – agenda item 5 – modest County Council pension and Pension Fund mentioned in Report;
- (c) Cllr S Carswell - personal interest – agenda item 5 – modest County Council pension and Pension Fund mentioned in Report.

### **3 Minutes from the Previous Meeting of the Constitution and Governance Committee held on Tuesday 14 February 2023 - Agenda Item 3**

The minutes of the meeting held on Tuesday 14 February 2023 were approved and signed as a correct record.

### **4 Public Question Time - Agenda Item 4**

There were no questions asked, statements made or petitions presented.

### **5 Somerset Council Financial Regulations - Agenda Item 5**

The Committee considered a report from the Council's Director of Finance and Corporate Services which outlined the Somerset Council Financial Regulations for adoption on 1 April 2023. The report was presented by the Council's Head of Corporate Finance and the Deputy s151 Officer, Donna Parham.

Ms Parham highlighted the following -

- The Financial Regulations, as set out in the Appendix to the report, form part of the Council's Constitution and outline the principles and rules for all financial matters and they link through to the Constitution's Scheme of Delegation and Contract Standing Orders.
- They are a technical document that detail accountabilities for financial decision-making.
- The regulations have been prepared in accordance with the principles set out in the CIPFA Financial Management Code (FM Code), which provides guidance for good and sustainable financial management in local authorities and contains principles and standards to help authorities demonstrate their financial sustainability and probity.
- There has also been extensive consultation on the regulations and they have been prepared with the needs of a unitary authority in mind.
- The regulations will need regular review as the new Council passes Vesting day not only to ensure they meet with the highest levels of governance and probity but also to ensure they dovetail with other governance documents and are sufficiently pragmatic to ensure that financial affairs are managed as efficiently and effectively as possible.
- The main sections of the report and explained that there will be training provided on it across the organisation.

During the debate, the following points were highlighted: -

- The document is well written and flows well.
- Section 6 – Revenue Budget preparation - will the Services be available online – *they are part of the MTFP / Corporate plan process but is a matter that needs to be discussed and agreed with the Chief Executive.*
- Section 12 – Ordering and Paying for Works, Goods and Services - will there be training on the purchase order process – *there will be training across the organisation, for members and officers on intranet and will be early in next financial year and will pull out the roles and responsibilities of each group (members, Directors, Service Director and so on).*
- Section 15 Asset Management and update of the Asset Register – is there a timeline for that – *there will be a new asset management system; will be 5 registers for each authority and use these for this year's Statement of Accounts.*
- Section 18 – Management of Stock (including disposal of obsolete stock and other items) – question about COVID stock and need to know what the Council has and where it is located and also disposals as need to be clear on this – *there have to be regular (or at least annually) stock checks and stock is an item on the balance sheet and this is something the*

*auditors look at – will need to ensure work across all authorities in terms of that stock; in terms of disposals, will ensure there are the right sign-offs and right reasons for any disposal.*

- Section 17 – commercial investments - question about where the commercial property portfolio is scrutinised – *clarified that this role sits with the Executive and this is reported to Full Council on regular basis and would be scrutinised via the Corporate and Resources Committee; Treasury Management is considered by the Audit Committee; any disposals would be reviewed on their impact and ‘what means for the MTFP, the budget implications’ and so on.*
- Section 21 – Corporate Purchasing Cards – assurances about processes – *Service Directors have to authorise the issue of new purchasing cards and the Director of Finance signs them off; in terms of managing this area, there is a sub workstream looking at all cashiering and exchequer and this will follow under that area in terms of taking the old purchase cards and putting them under one contract and having a look again, in terms of who has those cards and the needs for them.*

The Chair thanked Ms Parham for answering the questions and said that the document is very well written and easy to understand.

The Committee APPROVED: -

1. The Financial Regulations, set out in the Appendix to the submitted report for adoption on the 1 April 2023 and that the Monitoring Officer exercises delegated authority in consultation with the Group Leaders accordingly.
2. That within six months of Vesting Day the section 151 Officer and the Monitoring Officer review and report appropriately on the operation of the Financial Regulations and associated elements of the Constitution.

## 6 **Unitary Council Transitional Governance Arrangements - update** - Agenda Item 6

The Committee received a PowerPoint presentation from the Council’s Monitoring Officer, Scott Wooldridge who outlined the unitary Council transitional governance arrangements and provided clarification of the arrangements which have been adopted.

During the discussion, the following points were highlighted: -

- With reference to Slide 6 and that there are 2 members per Division and whether there is a mechanism for changing that and also reference to / use of term ‘division’ as opposed to ‘ward’ – *described the legal process - use of ‘division’ is set out in the Structural Changes Order (SCO) as is the number of councillors (110). The mechanism to change that is via an electoral review by the Local Government Boundary Commission for*

*England and the Somerset Council would be a consultee; the Boundary Commission would make any recommendations to Parliament, ultimately for the Secretary of State to approve.*

- *There has been some initial thought as part of the SCO consultation that an electoral review could be undertaken around 2025; and if there was proposed to be a change to the total number and the number of divisions and changing terminology from divisions to wards, that would be done as part of that process.*
- *Understood that there was a requirement to have a review - can request the Boundary Commission to schedule a review (as can the government) but the Commission does already have a rolling and heavy programme of reviews; is something for the new Council to think about though.*

The following comments were made:

- The Secretary of State was predisposed for 80 members but this was not possible in the time available and suggest that an early review could de stabilise the situation.
- Will there be an analysis of how 110 members has worked.
- This would no doubt form part of the evidence base as part of the Councils submission.
- Need to see how new unitary works with 110 members before deciding want to change.
- Need to bear in mind that nationally, and the experience with other unitaries is that they have progressively reduced their numbers and so the direction of travel is there – will be moving towards single member wards and there being fewer members.

The Chair thanked members for their comments and said that the discussion had been informative.

The Committee NOTED the presentation and update.

## 7 **Scoping work for 2023 /24 - review of Constitutional Arrangements -** Agenda Item 7

The Chair introduced the agenda item, which concerned the review of the Constitutional arrangements the Committee will be undertaking and provided an opportunity for members to feed in at an early stage, what areas of the Constitution it wants to prioritise over the next 12 months. The item links to the Committees' work plan, as set out in the next agenda item.

The Committee has previously identified certain areas which are going to be reviewed at an early stage such as Planning (in the autumn). The Chairs and Vice Chairs of the Scrutiny Committees will be reviewing how the scrutiny arrangements work and will feed that in.

The Committee made the following comments: -

- Referring to the minutes of the Committee held on 14 February 2023 (minute 7), and outcomes from the Executive meeting held on 15 March 2023 – questions about the Executive sub committees, membership and how the local plan process will be managed by a small group of members.
- *The Monitoring officer explained that the membership of the Executive sub committees is essentially a matter for the Executive to determine - until they do so, they are responsible and functions remain with the Executive. Therefore, any matters relating to that would have to be reported to the Executive. Matters would be published on the Forward Plan and members have an opportunity to put their views both in advance and to scrutinise those proposals before the Executive consider those matters.*
- *The Executive has established one subcommittee so far and this is the Harbour Management Advisory Committee.*
- *The Monitoring Officer explained that whilst it has been able to look at Executive matters, the Constitution and Governance Cttee has no direct responsibility over them.*
- Comment made that the Local Plan could be Full Council Function – the Council has *chosen* to make it an Executive function.
- Mention made that the new Local Plan is subject to the Statement of Community Involvement and this consultation has been extended to 31 March 2023.
- When the Committee considers the review of Planning functions at the October meeting, could this also include looking at ‘minor applications’ and how referred up – *Chair confirmed that will feed that into the deliberations at that meeting.*
- Need to add review of scrutiny arrangements.
- Query as to whether it is the intention to undertake a systematic review of elements of the Constitution or whether there be opportunities during the year to bring matters up (review process / respond to issues as they arise) – *the Chair said this would be a good approach.*

The Chair thanked the Committee for their comments. It was agreed that the Committee will review the specific items already mentioned and the approach for the review of Constitutional arrangements will be a rolling system, which will enable the Committee to add items, so can respond to issues as they arise.

## 8 **Work Programme** - Agenda Item 8

This is a standing agenda item for the Committee so that it could review and sets its forward plan of work to support the delivery of the Council’s priorities.

The Committee noted the items considered in the current municipal year and the proposed items for meetings in 2023/24.

9 **Proposed Meeting Dates for 2023 / 24 Municipal Year** - Agenda Item 9

The Committee noted the following meeting dates for the 2023/24 Municipal Year: -

- 21 June 2023 at 2 pm
- 16 August 2023 at 2 pm
- 18 October 2023 at 2 pm
- 21 February 2024 at 2 pm
- 17 April 2024 at 2pm

Meetings will be held in The Luttrell Room, County Hall, Taunton.

10 **Any other urgent items of business** - Agenda Item 10

The Chair said that as this was the final meeting of the Constitution and Governance Committee of Somerset County Council and as there will be some membership changes, he would like to thank members for attending and for their hard work. He said that he felt that the Committee has worked well and all members have worked constructively in their deliberations in helping to shape the new Constitution for the new Council. The Chair thanked his Vice Chair and the two councillors leaving the committee. He also thanked officers for their support and hard work in this period of significant change.

**(The meeting ended at 3.14 pm)**

**CHAIR**