

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Audit Committee

11th January 2021

Report of the Head of Legal Services – Mr C Griffiths and Head of Finance – Mr H Jones

Matter for Information

Wards Affected: All

Local Authority Elections Wales Bill 2020

Purpose of Report

- 1 To provide members of the Neath Port Talbot County Borough Council (“the Council’s”) Audit Committee with an update on the Local Government and Elections (Wales) Bill 2020 and how it will impact on the Council.

Executive Summary

- 2 The Local Government and Elections (Wales) Bill was approved by the Senedd on the 18th November 2020. It now goes through the legislative process where Royal Assent is provided to implement its provisions. The provisions make a number of key changes to local government process and procedure.

Background

- 3 The Local Government and Elections (Wales) Bill 2020 was approved by the Senedd on the 18th November 2020. It now goes through the legislative process where Royal Assent is provided to implement its provisions.
- 4 The Bill includes provisions for:
 - (a) Reforming electoral arrangements for local government, including:
 - o extending the voting franchise to 16 and 17 year olds and foreign citizens legally resident in Wales,
 - o changes to voter registration, and
 - o enabling a principal council to choose between the ‘first past the post’ or the ‘single transferable vote’ voting systems;
 - (b) A general power of competence for principal councils and eligible community councils;

- (c) Reforming public participation in local democracy;
- (d) The leadership of principal councils, including to encourage greater diversity amongst executive members and establishing a statutory position of chief executive;
- (e) The development of a framework and powers to facilitate more consistent and coherent regional working mechanisms;
- (f) A new system for performance and governance based on self-assessment and peer review, including the consolidation of the Welsh Ministers' support and intervention powers;
- (g) Powers to facilitate voluntary mergers of principal councils and restructuring a principal area;
- (h) Local government finance including non-domestic rating and council tax
- (i) Miscellaneous provisions relating to:
 - information sharing between regulators,
 - abolition of community polls,
 - fire and rescue authorities,
 - the Local Democracy and Boundary Commission for Wales, and
 - Public Service Boards.

5 Changes however are proposed in respect of the role of Audit Committees and the purpose of this report is to highlight the key provisions to members of the Audit Committee.

6 Once Royal Assent is granted, on a date to be determined by Welsh Government, the Council will be required to have a Governance and Audit Committee as opposed to an Audit Committee.

7 The operation of the Governance and Audit Committee will be different to the current Audit Committee, namely:

- (a) One third of the members must be lay persons – that being a person is not a member or officer of the Council, a spouse of a member or officer of the Council or a person who has not any time in the period of twelve months before appointment been an officer or member; and
- (b) the chair of the Governance and Audit Committee must be a lay person;

though further Regulations will be prepared to provide more guidance on the appointment process of lay members.

8 The role of the Governance and Audit Committee will be to:

- (a) review and scrutinise the Council's financial affairs, including approval of the Annual Statement of Accounts;
- (b) make reports and recommendations in relation to the Council's financial affairs;

- (c) review and assess the risk management, internal control and corporate governance arrangements of the Council
 - (d) make reports and recommendations to the Council on the adequacy and effectiveness of those arrangements;
 - (e) oversee the Council's internal and external audit arrangements, including internal and external audit work plans, receive, review and make reports on audit work and performance; and
 - (f) review the financial statement prepared by the Council
9. Amendments will be required to be made to the Constitution of Neath Port Talbot County Borough Council to incorporate these changes (including incorporation of these terms of reference) and a report will be brought to Council in due course to approve the same.

Financial Impact

- 10 None

Integrated Impact Assessment

- 11 As this report is for information only there is no requirement for an integrated impact assessment

Workforce Impact

- 12 The workforce impacts as a result of the requirements of the Local Government and Elections (Wales) Bill 2020 are currently being considered by officers and will be subject to a report to members where appropriate.

Legal Impact

- 13 Requirement must be had at all times with the requirements of the new Local Government and Elections (Wales) Bill 2020

Risk Management

- 18 None.

Consultation

- 19 There is no requirement under the Constitution for external consultation on this item.

Recommendation(s)

- 20 It is recommended that note the content of this report and the current implications to the Audit Committee as a result of the Local Government and Elections (Wales) Bill 2020.

Appendices

21 None

List of Background Papers

22 None.

Officer Contact

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