

Civic Centre, Castle Street,  
Merthyr Tydfil CF47 8AN

Main Tel: 01685 725000

www.merthyr.gov.uk



Cyngor Bwrdeistref Sirol  
**MERTHYR TUDFUL**  
**MERTHYR TYDFIL**  
County Borough Council

## **GOVERNANCE AND AUDIT COMMITTEE**

Date Written	8 <sup>th</sup> June 2021
Report Author	Mark Thomas
Exempt/Non Exempt	Non Exempt
Committee Date	21 <sup>st</sup> June 2021

*To: Chair, Ladies and Gentlemen*

# **LOCAL GOVERNMENT AND ELECTIONS (WALES) ACT 2021 & PROPOSED UPDATED COMMITTEE TERMS OF REFERENCE**

## **1.0 SUMMARY OF THE REPORT**

1.1 To provide Committee with an update on the current position with regards to the Local Government and Elections (Wales) Act 2021 relating to the Governance and Audit Committee and the proposed updated Committee terms of reference.

## **2.0 RECOMMENDATIONS that**

2.1 The content of the report and the proposed updated Committee Terms of Reference be considered and noted.

## **3.0 INTRODUCTION AND BACKGROUND**

3.1 The Local Government and Elections (Wales) Bill [the Bill] was passed by the Senedd on 18th November 2020, precisely a year after it was introduced in 2019 and was received Royal Assent on 20th January 2021.

3.2 The Bill was one of only two Bills in the Welsh Government's legislative programme to continue during COVID 19. The Bill was prioritised given the timescales required to introduce planned electoral reforms in time for the 2022 local elections.

3.3 Links to the relevant documents are available here:

<https://www.legislation.gov.uk/asc/2021/1/contents/enacted>

- 3.4 The Act has been the culmination of several years of policy consultation, including:
- Draft Local Government (Wales) Bill – November 2015
  - Consultation on Electoral Reform – October 2017
  - Reforming Local Government: Resilient and Renewed White Paper - January 2017
  - Consultation on Powers and Flexibilities – January 2018
  - Strengthening Local Government: Delivering for People Welsh Government Green Paper - June 2018.
- 3.5 The Act is substantial and covers a range of topics from governance and performance, electoral reform, public participation, through to regional working. In summary the Act introduces:
- Reform of the performance and governance regime;
  - Reforming electoral arrangements for local government;
  - Introduction of a general power of competence;
  - Reforming public participation in local government; and
  - Collaborative Working;
- 3.6 Elected Members and Scrutiny Members have attended workshops regarding the Local Government and Elections (Wales) Act 2021. The workshop held on the 22<sup>nd</sup> March 2021 took Elected Members and Scrutiny Members through an overview of the Act and what is changing in 2021.

#### **4. Current situation/proposal**

- 4.1 The 'Coming into Force' provisions of the Act are complex, with some provisions having come into force within days of Royal Assent, others within two months and the majority via Ministerial statutory instruments.
- 4.2 Remote attendance and related matters commenced from May 2021 (when the emergency coronavirus meeting regulations ended);
- Performance and governance arrangements commenced from April 2021 (with the final performance report from the 2009 Measure published by 31st October 2021).
  - Most of the electoral reforms will be introduced in time for implementation at the 2022 local elections; and
  - The power of general competence, public participation duties, broadcasting of meetings and new councillor duties will apply from the 2022 local elections.

4.3 In relation to the Governance and Audit Committee, the Act introduces previously consulted upon reforms to Audit Committees. Section 115 of the Act came into force in **April 2021**. This covers matters relating to the committee title, Performance Assessment and Complaints as set out below:

- The title of the committee changing to Governance & Audit Committee

The Committee will need to:

- To consider the Council's draft Annual Performance Self - Assessment report and if deemed necessary may make recommendations for changes to the Council.
- To receive the Council's finalised Annual Self-Assessment report in respect of a financial year as soon as reasonably practicable after the end of that financial year.
- At least once during the period between two consecutive ordinary elections of councillors to the Council, consider the independent Panel Performance Assessment report into which the Council is meeting its performance requirements.
- To receive and review the Council's draft response to the report of the independent Panel Performance Assessment and if deemed necessary may make recommendations for changes to the statements made in the draft response to the Council.
- To review and assess the Council's ability to deal with complaints effectively.
- To make reports and recommendations in relation to the Council's ability to deal with complaints effectively.

4.4 The other changes in Sections 116, 117 & 118 of the Act come into effect in **May 2022** which relate to Lay membership and Chair.

- One third of the Committees membership must be made up from lay persons appointed by the Council.
- The Governance and Audit Committee shall be chaired by a lay member elected by the Committee.
- The Vice Chair elected by the Committee may be a Vale of Glamorgan Councillor or a lay member but must not be a member of the Authority's Cabinet (Executive) or an assistant to its Executive

4.5 Having regard to the requirements above, the name of the Committee has been changed and amendments are proposed to the Terms of Reference to reflect the requirements of the Act. The opportunity has also been taken to update the Terms of Reference having regard to CIPFA guidance. The proposed updated Terms of Reference is attached as Appendix 1.

4.6 It is proposed that subject to comments from the Committee that the updated terms of reference will be considered by Full Council as an update to the Constitution.

## 5.0 FINANCIAL IMPLICATION(S)

5.1 There are no financial implications associated with this report.

**MARK THOMAS**  
**HEAD OF REGIONAL INTERNAL AUDIT**  
**SERVICE**

**COUNCILLOR ANDREW BARRY**  
**CABINET MEMBER FOR GOVERNANCE**  
**AND CORPORATE SERVICES**

<b>BACKGROUND PAPERS</b>	
<b>Title of Document(s)</b>	<b>Document(s) Date</b>
Draft Local Government (Wales) Bill	November 2015
Consultation on Electoral Reform	October 2017
Reforming Local Government: Resilient and Renewed White Paper	January 2017
Consultation on Powers and Flexibilities	January 2018
Strengthening Local Government: Delivering for People	June 2018
Welsh Government Green Paper	
<b>Does the report contain any issue that may impact the Council's Constitution?</b>	<b>YES</b>