

## **CORPORATE GOVERNANCE COMMITTEE**

Minutes of a meeting of the Corporate Governance Committee held in Conference Room 1a, County Hall, Ruthin on Monday, 27 July 2015 at 9.30 am.

### **PRESENT**

Councillors Ann Davies, Alice Jones, Jason McLellan (Chair) and Mr P. Whitham (Lay Member).

Councillors R.L. Feeley and J. Thompson-Hill attended as observers.

### **ALSO PRESENT**

Head of Legal, HR and Democratic Services (GW), Head of Internal Audit (IB), Head of Business, Improvement and Modernisation (AS), Head of Children and Family Services (LR), Deputy Monitoring Officer/Solicitor (LJ), Public Protection Business Manager (IM), Wales Audit Office Representatives (GB and GE) and Committee Administrator (CIW).

The Chair welcomed Councillor E.A. Jones to her first meeting following her appointment to the Committee.

#### **1 APOLOGIES**

Apologies for absence were received from Councillors Barry Mellor.

#### **2 DECLARATION OF INTERESTS**

Mr P. Whitham declared a personal interest in Agenda Item 8 ("Auditor General Report – Managing Early Departures") as a former Wrexham CBC Officer who had retired in 2010, and would be included in the statistics shown in the report.

#### **3 URGENT MATTERS**

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

#### **4 MINUTES**

The Minutes of a meeting of the Corporate Governance Committee held on the 20<sup>th</sup> May, 2015.

Accuracy:-

Mr P. Whitham explained that he had submitted an apology for absence for the meeting.

**RESOLVED** – that, subject to the above, the minutes be received and approved as a true and correct record.

## **5 BUDGET PROCESS 2015/16**

A report by the Chief Finance Officer, which provided an update on the process to deliver the revenue budget for 2015/16 and 2016/17, had been circulated previously.

Councillor J. Thompson-Hill introduced the report and provided details of the first two member budget workshops which had focussed on proposals deferred from previous budget workshops, and those proposals upon which there was consensus were taken to Council and approved on 7<sup>th</sup> July. The proposals totalled £650k and were focussed on efficiency and modernisation. A further set of measures totalling £640k had been presented to Council outlining the savings generated by management decisions within services. A further proposal submitted by Members was also approved and could save up to £900 per year.

As difficulty in assessing the impact assessment information had been highlighted the process would be reviewed. No concerns had been raised following consideration of the proposals at the Local Joint Consultative Committee.

The budget workshop held in June had focussed on financial planning and economic forecasts, and had set out national considerations which would impact upon the Council's budget planning. The forecast budget gap for 2016/17 was set at approximately £8.8m and to date proposals totalling £4m had been approved. The significant level of uncertainty around the likely Local Government Settlement was likely to remain in the coming months. In the absence of more reliable Settlement information, budget plans would need to continue to develop proposals to cover a range of different scenarios.

The impact of the Summer Budget announcements on devolved administrations was unclear, and a spending review was planned for the autumn which would inform the level of Block Grant to Wales. It was understood that there would be a review at Welsh Government level when detail of the Local Government Settlement would emerge. Indications suggested the Welsh Block Grant may be broadly flat in cash terms for the next two years, but there would be policy decisions then to inform the distribution between the two most significant Welsh national budgets: local government and health. Due to the two spending reviews the Draft Settlement for local government would be published later this year.

A series of budget meetings had been held with services reviewing budgets and considering new budget proposals. The June Workshop had considered an outline of some of the proposals emerging and these would be developed further over the summer. A pro forma had been issued to Members to help capture any proposals they would like to put forward for consideration, and to date six proposals had been submitted and were being assessed.

Budget proposals identified would be refined and presented to the budget workshop in October, 2015 with the intention to present some to Council for approval in December. The workshop in December would focus on final proposals to balance the budget, and formal minutes would be taken at all budget workshops in future.

All proposals emerging would be assessed by Finance to determine the likely budget impact in 2016/17. The latest budget process chart had been included as Appendix 1, and details of the consultation process had been included in the report.

Members referred to the uncertainty with regard to the UK budget to Wales and suggested that more Workshops might be required to consider any implications, and the management of any consequential risks, following publication of the settlement. Councillor Thompson-Hill outlined the process, including timescales, and provided an assurance that additional Budget Workshops could be convened as required. He noted the importance of considering Members views, the input from services and feedback following public engagement. During the ensuing discussion the Committee agreed that a Budget Workshop be convened during, or following, the second week in September.

In reply to a question from Mr P. Whitham regarding the provision of assurances that the 2015/16 budget proposals would be delivered, Councillor Thompson-Hill explained that regular reports on the progress of the delivery of the current year's plans were presented to Cabinet on a monthly basis. He confirmed that 73% of the identified savings had already been achieved with no major issues having been identified, and that there would be no detrimental impact on the 2016/17 budget.

The Chair expressed concern regarding low attendance figures at Workshops and suggested that consideration be afforded to the timing of meetings, and the possibility of convening evening meetings. The HLHRDS referred to the outcome of the survey undertaken which had sought Members views on holding evening meetings. He agreed to raise the matter with Group Leaders and convey the concerns expressed by Members regarding low attendance figures.

**RESOLVED** – *that Corporate Governance Committee:-*

- (a) *receives and notes the contents of the report on the latest update.*
- (b) *agrees that a Budget Workshop be convened in September, 2015, and*
- (c) *requests that the HLHRDS conveys the concerns expressed by the Committee regarding low attendance figures at Budget Workshops to Group Leaders.*

**(GW, RW to Action)**

## **6 WAO ANNUAL IMPROVEMENT REPORT 2014/15**

A report by the Strategic Planning and Performance Officer (SPPO), which provided an update on the process to deliver the revenue budget for 2016/17, had been circulated previously.

The SPPO introduced the report which summarised the key findings from the WAO's Annual Improvement Report regarding Denbighshire's planning and reporting arrangements in order to meet statutory continuous improvement duties. The report informed the Committee of the WAO's Conclusion and Improvement Proposals. The overall conclusion had been that:-

"The Council continued to make progress in delivering improvements in all of its

priority objectives and its track record in delivering its financial objectives mean it is well placed to secure continuous improvement in 2015-16.”

There had been no formal recommendations and only two Improvement Proposals had been made. It was explained that the WAO would expect their recommendations to be actioned, and the proposals had been included in the report. A list of key conclusions from various auditing bodies had been listed from Page 8 of the report, and they covered the areas of Performance, Use of Resources, Governance, Improvement Planning and Reporting Audits, and Audit of Accounts. The key messages had been summarised in the report.

With the aid of a PowerPoint presentation the WAO Representative (GB) provided a detailed summary of the following issues and areas:-

- Performance Assessment Contributors.
- Performance Assessment Findings.
- User Resources.
- Governance.
- Proposals for Improvement.
- Overall Conclusion.

The two proposals for improvement were highlighted by the WAOR which recommended that the Council should:-

- Ensure that roles and responsibilities are clear for the achievement of the new affordable housing objective.
- Review its working practices against the recommendations in the Auditor General’s 2014-15 Local Government National Reports, and implement improvements as necessary

The following issues were raised by Members, and were applicable responses provided:-

- The WAOR explained that examining performance with regard to the provision of Adult Social Care had not been included in the WAO work programme. However, he confirmed that the matter could be raised with CSSIW officers, or presented to the relevant Scrutiny Committee for consideration. The Chair agreed to raise the issue at the Scrutiny Chairs and Vice Chairs Group meeting.

- In response to questions regarding the accuracy of figures provided in relation to the provision of Affordable Housing in Denbighshire, the WAOR provided details of the figures for 2014/15. He explained that it had been commendable that the problem had been identified by Denbighshire who had met the Welsh Housing Quality Standard. Reference was made to the significant contribution by Welsh Government towards affordable housing and the Housing Revenue Subsidy Reform. The HLHRDS referred to the Task and Finish Group report which had been endorsed by Cabinet. This would be encompassed in the Housing Strategy and Delivery Plan prior to approval being sought following guidance from the Scrutiny Chairs and Vice Chairs Group regarding the process, and it was agreed that the Chair be updated in respect of future progress.

- The WAOR responded to a question from Councillor J.A. Davies regarding the care of patents discharged from hospital. He explained that a summary of the CSSIW Annual Report, detailing work undertaken had been provided, with the next Annual Report, including a progress update, being scheduled for submission in the autumn.
- The Chair referred to the recommendations in Appendix 5. The WAOR explained that although there was no obligation to accept them the WAO would seek evidence that the recommendations had been considered. The Chair felt that in view of the important nature of the issues highlighted it would be appropriate to provide reasons for instances of non-acceptance. He also requested the provision of evidence regarding the action being taken to address the recommendations. The HBIM provided an assurance that the recommendations had been afforded serious consideration, and that Heads of Services had been consulted with regard to national studies. He outlined the procedures adopted for dealing with recommendations, and the implications of national studies, and confirmed that a summary report would be presented to Council in September.
- In response to a question from Mr P. Whitham, the WAOR confirmed that he felt the Council's risk management arrangements were robust and fit for purpose.

The Committee noted the Conclusions, Improvement Proposals, and Key Findings from the WAO's report. Follow up Plans in relation to the Improvement Proposals would be reported back to the WAO as part of a whole Council response to the Annual Improvement. The Committee were informed that the Council's response was being co-ordinated by the Strategic Planning and Performance Team, and a response had been requested from services to relevant areas by the end of July, 2015, prior to presentation to Council in September, 2015.

**RESOLVED** – *that Corporate Governance Committee:-*

- (a) *receives the report and notes the conclusions, improvement proposals, and key findings from the WAO's report.*
  - (b) *supports the establishment of Plans for following up on the Improvement Proposals.*
  - (c) *notes that the Plans be reported back to the WAO as part of a whole Council response to the Annual Improvement.*
  - (d) *requests that the Head of Legal, HR and Democratic Services monitors the mechanism with regard to pursuing the Housing Strategy and Affordable Housing Policy, and*
  - (e) *agrees that the Head of Business, Improvement and Modernisation pursues and expedites the national recommendations as outlined in the report.*
- (GW, AS to Action)**

## **7 WAO REPORT - FINANCIAL RESILIENCE OF COUNCILS IN WALES**

A report by the Chief Finance Officer, on the Wales Audit Office national study of the robustness of management and planning arrangements to support financial resilience at each Council, focussing on how Councils plan and deliver their budget commitments, had been circulated previously.

The report by the Auditor General for Wales titled “The Financial Resilience of Councils in Wales” had been included as Appendix 1. The focus of the report covered the 2014-15 financial planning period and the delivery of 2013-14 financial plans. It also analysed the financial performance track-record of Councils in 2011-12 and 2012-13. The Council would carefully consider the report and recommendations made.

Councillor J. Thompson-Hill explained that the Council’s budget setting process had been revised significantly during 2014/15 to consider savings for 2015/16 and 2016/17. The Medium term Financial Plan (MTFP) had been updated in 2014 and was currently being revised for publication in the autumn. The relevant findings of the study and best practice would be incorporated into the revised MTFP, which would include a comprehensive reserves strategy. The Council had delivered balanced budgets every year and was confident that its processes would continue to do so.

The WAOR (GB) provided a brief summary of Appendix 1 and made particular reference to the recommendations on pages 10 and 11. He confirmed that the further update report scheduled for consideration in January, 2016, would include details of the work being undertaken in the autumn, and incorporate consideration of the nine recommendations.

Mr P. Whitham made reference to page 35 of the report “Characteristics of good governance arrangements” and suggested that these could be considered and incorporated into the self-assessment to improve the exercise. The WAOR confirmed that these issues would be incorporated in the work being undertaken and included in the local report to be presented to the Committee.

In reply to a question from the Chair, the WAOR confirmed that there had been no dramatic changes to the Council’s Reserves Policy during the past year. The WAOR (GB) explained that the focus would be in respect of usable and non-usable reserves. It was confirmed that the work to be undertaken would include the issue of outsourcing and the direction of travel issue.

During the ensuing discussion it was agreed to receive a further update in January, 2016 as a more detailed assessment aimed at ‘examining authorities’ financial health, together with, how they were budgeting and delivering on required savings, to provide assurance that Authorities were financially resilient’ was completed by the Wales Audit Office.

**RESOLVED** – *that Corporate Governance Committee:-*

- (a) *receives and notes the contents of the report, and*
- (b) *agrees to receive a further update in January, 2016.*

**(GB to Action)**

## **8 AUDITOR GENERAL REPORT - MANAGING EARLY DEPARTURES**

A report by the Chief Finance Officer had been circulated previously.

Councillor J. Thompson-Hill introduced the report on the Wales Audit Office national study examining whether Welsh public bodies could demonstrate that they were securing value for money from the use of early departures to control or reduce workforce costs.

The Wales Audit Office Representative (WAOR) (GB) introduced the report by the Auditor General for Wales titled 'Managing Early Departures across Welsh Public Bodies, Appendix 1. He explained that progress on the recommendations on Page 11 would be analysed and the outcomes included in next year's report.

The Committee's attention was invited to the number, cost, average cost, and average payback period of early departures by individual public body, April 2010 to December 2013, as detailed on Page 55 of the report. The WAOR outlined the statistics pertaining to Denbighshire, in comparison with other Local Authorities, and confirmed that the figures provided demonstrated that early departures had been reasonable and indicated good value for money.

The HLHRDS confirmed that the figures and statistics contained in the report had been relayed to the Human Resources Services Manager.

**RESOLVED** – *that Corporate Governance Committee receives the report and endorses the recommendations made.*

## **9 NEW MODEL CONSTITUTION**

A report by the Head of Legal, HR and Democratic Services (HLHRDS), which provided an update on the future adoption of a new model constitution for Wales, had been circulated previously.

It was explained by the HLHRDS that the Corporate Governance Committee Terms of Reference required any intended changes to the Council Constitution to be considered first before formal adoption by the Full Council. The proposed Articles following consultation with the Constitution Working Group, Appendix 1, reflected the changes made to the Welsh Model Constitution. The proposed draft key changes in approach in respect of those decisions delegated to officers or Members had been included as Appendix 2 with the Officer Employment Procedure Rules having been encompassed in Appendix 3. The Members' Schedule of Remuneration, Appendix 4, included the scheme which had been made under the Local Government (Wales) Measure 2011 with regard to Independent Remuneration Panel for Wales (IRPW) Regulations, which applied to payments made to Members and Co-opted Members of Local Authorities. Cabinet and Officer Delegated Decisions and key Decisions, as included in the report, were outlined by the HLHRDS.

The Committee were informed that Council had on the 4<sup>th</sup> November, 2014 delegated authority to the Monitoring Officer to make the necessary changes to the Constitution as a consequence of the provisions of the Local Authorities (Standing Orders)(Wales)(Amendment) Regulations 2014. The relevant changes had been indicated in Appendix 3. At its meeting on the 7<sup>th</sup> July, 2015 Council endorsed a motion that travel expenses would not be paid to Members attending at meetings in

the capacity of observer. An amended Schedule of Remuneration had been included as Appendix 4.

The HLHRDS provided a detailed summary of the report and its Appendices and the following areas and issues were highlighted:-

### **Model Welsh Constitution, Appendix 1.**

The HLHRDS summarised the main changes:-

- Section 2.6 - Changes to the Constitution.
- Section 3.3 – Getting Involved – Members.
- Section 4 – Responsibilities of Full Council and Standing Orders.  
Specific reference being made to:-
  - 4.11 – Ordinary Meetings, and specific reference to 4.11.12.
  - 4.17 – Remote Attendance.
  - 4.18 - Questions by the Public.
  - 4.19 - Questions by Members.
  - 4.20 – Motions of Notice.
  - 4.25 – Voting, and 4.25.3 Method of voting and flexibility.
  - 4.31 – Filming and Use of Social Media During Meetings.
  - 4.34 – Appointment of Substitute Members on Council Bodies.
- Section 5 – The Cabinet.
  - 5.6 – Delegation of Functions.
- Section 6 – The Leader. Reference being made to Section 4.
  - 6.3 – Resignation, Dismissal, Disqualification and Suspension.

In response to a question from Mr P. Whitham, the HLHRDS confirmed that the Lay Member on the Standards Committee had been covered by the definition of a Member in 2.2 Definitions in the Constitution.

The HLHRDS responded to questions from the Committee in respect of the issue of sanctioning tweeting during Council meetings.

### **Delegations to Cabinet Members, Appendix 2.**

- Key Matters and Non-Key Strategic Matters.
- Definition of a Key Decision.
- The process for Members delegated decisions as set out in the flowchart.

In reply to a question from the Chair, the HLHRDS provided details of the new approach to the default position, that all ‘non–key’ decisions would be made by individual portfolio holders and not full Cabinet, with discretion to refer to Cabinet if considered necessary. He did explain that this would be subject to the issue in question and an element of judgement in respect of key decisions.

### **Officer Employment Procedure Rules, Appendix 3.**



Reference was made by the HLHRDS to the Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2014. He outlined the three main changes to the previous Standing Order Regulations, as detailed in the report.

In reply to a question from the Chair, the HLHRDS provided details of the misconduct procedure and made reference to the contents of Section 6 of the document which related to Disciplinary Action. He also provided confirmation that the process for implementing changes to the Constitution had not changed and reference was made to 2.6.1 of the new Model Constitution.

#### **Members Schedule of Remuneration, Appendix 4.**

The HLHRDS made reference to the Notice of Motion carried at Council in July. He referred to the change outlined in Schedule 2 which specified that payment will not be made for travel expenses incurred by observers.

In reply to a request from the Chair regarding the consideration of steps to consult the wider membership of the Council on the proposed changes, the HLHRDS agreed that a report be presented to the September, 2015 meeting of the Committee detailing and addressing the other aspects of the Model Constitution. He also agreed that a special workshop could be convened, after September, to consider aspects pertaining specifically to the Constitution.

**RESOLVED** – *that Corporate Governance Committee:-*

- (a) receives and notes the contents of the report.*
- (b) agrees that a further report be presented to the Committee in September, 2015 to consider Part 2 of the Model Constitution, and*
- (c) requests that a special workshop be convened, after September, to consider aspects pertaining specifically to the Constitution.*

**(GW to Action)**

## **10 RIPA AND SURVEILLANCE COMMISSIONERS REPORT**

A report by the Head of Legal, HR and Democratic Services (HLHRDS) had been circulated previously.

The Deputy Monitoring Officer (DMO) introduced the report which included a copy of the recent inspection report, Appendix 1, following the visit to the Council by the Office of Surveillance Commissioners on the 21<sup>st</sup> May, 2015. The Council was required under the Home Office Code of Practice to make regular, at least annually, reports to Members on the use of the powers under RIPA, and the Corporate Governance Committee received all external inspection reports.

There had been very little activity in the use of the powers, with only one application having been received at Legal, HR and Democratic Services, since the last inspection on the 14<sup>th</sup> June, 2012. This may be due in part to other advanced methods of obtaining evidence being developed such as 'data matching' and information sharing. Legal, HR and Democratic Services held the RIPA Central Record and were responsible for the carrying out of managerial oversight of the

applications and conducting quality assurance checks on the standards of the applications.

Currently all members of CET were named Authorising Officers on applications from Investigating Officers. Any surveillance of employees, where there were allegations of criminal offences, should be considered and authorised by the Monitoring Officer, who was also the Senior Responsible Officer under the legislation. All members of CET (save for the recently appointed s.151 Officer) had received bespoke RIPA training to equip them in their role as 'Authorising Officers'. Details of the training provided, together with future arrangements, had been included in the report.

The RIPA Policy and Procedures document had been updated to reflect the recommendations in paragraph 11 of the report. The risk in not improving application standards and ensuring officers were equipped to make lawful decisions which were compliant with the Human Rights Act and the Data Protection Act was highlighted.

Details of the visit to the Council by the Office of Surveillance Commissioners on the 21<sup>st</sup> May, 2015 were provided. This incorporated the one case undertaken in Denbighshire during the past three years, for which the Council had been commended for the process adopted in respect of the test purchased operation. The Inspector had indicated the need for more information on the type of intelligence acquired, more care with the completion of the application form, improvement with paper work relating to surveillance, and enhancement of the cancellation process. He indicated that he was satisfied with the arrangements regarding CCTV which he felt were robust.

The DMO made reference to the recommendations included on Page 6 of the Inspection Report. She confirmed that the issues referred to had been noted and would be addressed, and that the Policies and Procedures document had been updated and amended in accordance with the recommendations. Details of the training programme provided by the Authority for the relevant members of staff was outlined.

The Committee endorsed the work of the Councils 'RIPA Working Group' in respect of the provision of training and keeping the Council's RIPA Policy and Procedures document up to date, and available, to all officers exercising the powers. The Chair and Members thanked the officers for the work undertaken, and it was

**RESOLVED** – that Corporate Governance Committee receives and notes the contents of the report.

**(GW, LJ to Action)**

## **11 INTERNAL AUDIT CHARTER**

A report by the Head of Internal Audit (HIA), which presented a revised Internal audit Charter (IAC) for approval, had been circulated previously.

The HIA explained that the IAC had been updated following a recent restructure within the Internal Audit service. The Public Sector Internal Audit Standards (PSIAS) required the Head of Internal Audit to develop and maintain an up to date IAC. The Charter defined the purpose, authority and responsibility of the internal audit activity and included details of:-

- the definition of internal auditing;
- the Head of Internal Audit's reporting lines;
- Internal Audit's access rights;
- the scope of Internal Audit's work;
- Internal Audit's structure and resources; and
- Internal auditor responsibilities.

The Corporate Governance Committee was responsible for approving the IAC, and as the current Charter was out of date following changes to the Internal Audit service structure, a revised IAC had been included as Appendix 1.

The HIA provided the following responses to questions and issues raised by Members:-

- the Internal Audit Charter be circulated to all Elected Members informing them that this significant area of work had been presented to the Corporate Governance Committee.
- work be undertaken in relation to developing a Corporate Fraud Plan, and awareness of the matter be raised with CET and SLT with a view to producing an annual report.
- reference to financial resilience and details were provided of the work undertaken for Natural Resources Wales, and the production of the North Wales Police Authority Audit Report.
- details of the monitoring process with regard to the Section 151 Officer, and confirmation that a further review be could be undertaken in 2016, if required.
- monitoring of grants to outside bodies to be encompassed within the Arms-Length Organisations Framework, with risk assessments being undertaken each year to assess areas which might require auditing. A further report to be presented in September, 2015.

Following further discussion, it was

**RESOLVED** – *that, subject to the above agreed actions, Corporate Governance Committee receives and notes the contents of the report.*  
**(IB to Action)**

## **12 FEEDBACK ON CORPORATE EQUALITY MEETING**

As Councillor M.L. Holland was no longer a member of the Committee, it was:-

**RESOLVED** – *that HLHRDS seek nominations from Members of the Committee to serve as the Corporate Governance Committee representative on the Corporate Equalities Group.*

***(GW to Action)***

**13 CORPORATE GOVERNANCE COMMITTEE WORK PROGRAMME**

The Corporate Governance Committee's Forward Work Programme (FWP) (previously circulated) was presented for consideration.

The Committee confirmed the Corporate Governance Committee Forward Work Programme subject to the inclusion of the following reports:-

28<sup>th</sup> September, 2015:-

- New Model Constitution – Part 2.
- Council Funding to Service Providers.

18<sup>th</sup> November, 2015:-

- Corporate Governance Committee Self Evaluation Report.

27<sup>th</sup> January, 2016:-

- Feedback on Financial Resilience.

The following responses were provided to questions from Mr P. Whitham regarding the submission of reports to the Committee:-

- Confirmation was provided that the Corporate Governance Committee's Annual Report had been presented to Council in May, 2015, and would be presented on an annual basis.
- A Self Evaluation exercise of the Corporate Governance Committee had been undertaken in 2013, and would be included in the Forward Work Programme for the November, 2015 meeting.
- The Corporate Risk Register was presented to the Performance Scrutiny Committee on a six monthly basis to assess the management of risks, and the Corporate Governance Committee would receive an annual report on the overall risk management framework. The HLHRDS agreed to liaise with the Head of Business, Improvement and Modernisation on this matter.

Mr P. Whitham referred to the draft Corporate Governance Committee Forward Work Programme schedule prepared and circulated by the HIA in 2014. He suggested that this be reviewed with a view to directing the compilation of business items for the Forward Work Programme.

***RESOLVED*** – *that, subject to the above, the Committee approves the Forward Work Programme.*

***(GW, AS to Action)***

**PART II**

**EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** – that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 12,13,14 of Part 4 of Schedule 12A of the Local Government Act 1972.

## **14 CHILD PRACTICE REVIEW**

A confidential report by the Head of Children and Family Services (HCFS) had been circulated previously.

The report from the Child Practice Review, undertaken on a Denbighshire child by the Regional Safeguarding Children Board, had been circulated with the papers for the meeting. It was explained that Welsh Government guidance provided the framework for undertaking Child Practice Reviews when children die and there was an indication that it may relate to abuse or neglect. The child referred to in the report was known to the department and was on the child protection register.

In response to questions from Members the HCFS confirmed that the review process was not a mechanism to attribute blame, but focused on what learning could be gained which would help practice generally improve and reduce future risk. The process had been instigated by the Child Practice Review Group of the Regional Safeguarding Children Board (RSCB) and would identify whether a review should be undertaken, and what form of review was required in the circumstances. The Panel would establish the nature of the review, terms of reference and the aspects to be focussed on. This would be informed by the multi-agency timeline and the professional perspectives, and the HCFS provided details of both the new and old methods of investigation.

The bereaved family would engage with the review facilitators to share their perspective, and with this gained information a facilitated event would be held involving key participants in the case. The process adopted had been outlined in the report and at the end it sought to identify areas for action as a result of the analysis and perspectives. A report and Action Plan would be prepared, reported to the RSCB and subsequently published.

In response to concerns raised by Members regarding the tragic circumstances relating to the case in question, the HCFS provided a detailed summary of the case and outlined the various methods adopted to undertake an investigation and the differing approaches adopted in England and Wales. The HLHRDS explained that the Corporate Governance Committee had been the most appropriate forum to receive the report, and to provide Members with an assurance that the review had resulted in an Action Plan which would be monitored by the RSCB.

The officers provided the following responses to questions and issues raised by Members of the Committee:-

- The HCFS confirmed that safeguarding children had been included on the Risk Register as part of the risk management process.

- It was explained by the HCFS that it would be important to learn from the reviews and that outcomes are shared with other Authorities, organisations and interested parties.
- The WAOR highlighted the importance of the encompassing the lessons learnt with regard to adults as well as vulnerable children. An outline of the process and focus for providing support and assistance for adults in these circumstances was provided by the HCFS.
- The need to realise the nature and serious effects and implications arising from post-natal depression was highlighted.
- The possible production of a check list for utilisation during the hand over process.

During the ensuing discussion the Committee noted:-

- the tragic facts pertaining to the case in question.
- the processes and systems instigated by the Child Practice Review Group of the Regional Safeguarding Children Board.
- that a number of areas for improvement were identified as part of the Review.
- that the review undertaken had been thorough, and that it had been anticipated that the lessons learnt would be incorporated into future best practice.

The Chair highlighted the three main strands identified in the report which included issues pertaining to communication, transfer of information and the level of support offered. The WAOR explained that it would be important for the Committee to receive a reassurance that the Action Plan had been fully implemented, and it was agreed that a progress report be presented to the Committee following a period of twelve months.

Following further discussion, it was:-

**RESOLVED** – *that Corporate Governance Committee:-*

- (a) *receives the report.*
  - (b) *notes the outcome of the review and the learning gained and steps proposed to address identified deficits.*
  - (c) *requests a progress report on the implementation of the Action Plan in 12 months time.*
- (LR, GW to Action)**

## **15 PFI CONTRACT UPDATE**

A confidential report by the Chief Finance Officer (CFO), which provided an update on the project to terminate the Council's County Hall PFI agreement, had been circulated with the papers for the meeting.

Councillor J. Thompson-Hill introduced the report and explained that the detailed report presented to Cabinet, Appendix 1, outlined the position with regard to the project to terminate the legal agreement underpinning the County Hall PFI. The report set out details of the PFI scheme and the rationale for termination, namely to

save the Council money and avoid a long term liability, and set out the basic business case for termination. He confirmed that a final agreement between the parties had not been reached through voluntary negotiations, and as a consequence a formal notice of termination had been issued on the 14<sup>th</sup> May, 2015.

Since the Cabinet meeting negotiations had recommenced and appeared positive. An earlier termination than was contractually required seemed possible which benefited the Council financially, and following agreement of a date the process of negotiating compensation values could begin. The Council had commissioned expert technical advice from Local Partnerships, a branch of the Local Government Association, who were assisting with negotiations and the project planning. The Council's treasury advisors had been consulted on treasury management issues arising from the transaction. A project team were considering the various elements of the project as they develop, to ensure a smooth transition of the facilities management functions in the building following termination of the agreement.

Details of the termination costs, consultation process and steps implemented to mitigate risks had been incorporated in the report.

The following issues were raised and responses provide to questions from Members of the Committee:-I

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- Confirmation was provided that the Wales Audit Office had been informed of developments and progress regarding the PFI Project.
- In response to concerns raised by Mr P. Whitham regarding the need to ensure that any associated risks were properly managed, it was explained that the risks and costs associated with the project had been entered in the Corporate Risk Register. Councillor Thompson-Hill highlighted the risks which could arise from not proceeding with the project.
- The complex nature of the financial aspect of the project was outlined by Councillor Thompson-Hill. He referred to Page 3 of the report to Cabinet which included the financial aspect and process for the evaluation of the property.
- The WAOR (GW) emphasised the importance of explaining clearly in the Council's Final Accounts the financial aspect and process with regard to the valuation figures to ensure transparency from a press and public prospective.

Following further debate it was:-

**RESOLVED** – that Corporate Governance Committee receive and note the latest update on the project.

**(RW to Action)**

Meeting ended at 13.55 p.m.