

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	8th October 2014
DIRECTOR	Chief Executive
TITLE OF REPORT	Council Governance
REPORT NUMBER	OCE/14/035
CHECKLIST COMPLETED	Yes

1. PURPOSE OF REPORT

Following approval of the new management and committee structures, this report addresses the necessary changes to the suite of governance documents (primarily Standing Orders, the Scheme of Delegation and Financial Regulations).

2. RECOMMENDATION(S)

Council is recommended:-

- (1) To approve the revised Standing Orders circulated at Appendix A to this report;
- (2) To approve the revised Scheme of Delegation circulated at Appendix B, and to authorise the Chief Executive to make any amendment necessary arising from the allocation of functions under the continuing structural review ;
- (3) To note that legislation which will require to be reflected in revisions to the Standing Orders on Contracts and Procurement is expected during 2015 and that a report will be submitted thereafter;
- (4) To approve the revised Financial Regulations circulated at Appendix C;
- (5) To note the revisions to the report template to reflect the need for report authors to undertake Privacy Impact Assessments where appropriate and to consider whether projects or contracts offer scope for joint working with partners;
- (6) To suspend standing order 22(1) and amend the name of the City Centre Regeneration Board to the City Centre Regeneration Working Group;
- (7) To agree that all external members of Council committees, sub committees and working groups be required to adhere to the principles of the Councillors' Code of Conduct; and
- (8) To suspend standing order 22(1) and transfer the remit to consider and approve the Council's Annual Report and Accounts to the

Audit, Risk and Scrutiny Committee on the basis that copies will be sent to all members for information after approval.

3. FINANCIAL IMPLICATIONS

There are no financial implications other than those associated with the printing of documents.

4. OTHER IMPLICATIONS

The amendments to the governance documents now proposed will ensure that they comply with the new management and committee structures and will minimise any risk of challenge to the decision making process.

5. BACKGROUND/MAIN ISSUES

5.1 Standing Orders

5.1.1 The proposed changes to Standing Orders are circulated at Appendix A to this report. They reflect changes necessitated essentially by the new structures and the decisions of Council at its previous meeting to restrict the membership of external representatives on the new Education and Children's Services Committee to education items of business only and to end the ability of committees to appoint sub committees and working groups.

5.1.2 In addition, proposed amendments reflect practical decisions taken by conveners to allow the second named member in a joint motion to speak and vote at committee where the first named member is already a substantive member or a substitute.

5.1.3 To minimise the risk of challenge to the decision making process, the importance of Equalities and Human Rights Impact Assessments (EHRIA) and Privacy Impact Assessments (PIA) is also emphasised. Where a notice of motion is submitted to the appropriate director for consultation, that director will now be required to confirm whether either assessment applies and to ensure that either or both are undertaken if required. Where a spontaneous motion or amendment is approved at any meeting which may ordinarily have required the undertaking of an assessment, such decision shall not be enacted until the senior officer of the appropriate service has confirmed that no assessments are required, or shall be subject to the outcomes of any review where one is needed.

5.2 Scheme of Delegation

5.2.1 The Scheme of Delegation has been recast to allocate existing functions amongst the new directorate and heads of service, and updated to reflect recent delegations granted by Council and Committees. A copy is circulated at Appendix B.

5.3 Standing Orders on Contracts and Procurement

- 5.3.1 Council last approved the Standing Orders on Contracts and Procurement on 5 March 2014 (Article 15 of the Minute of Meeting refers) and was advised at that time of forthcoming Scottish Regulations to reflect the requirements of the new EU Directive on public sector procurement.
- 5.3.2 These Regulations are expected later in 2015 and is likely that they will necessitate extensive revision of the relevant Standing Orders. A report will be submitted following receipt of the Regulations.

5.4 Financial Regulations

- 5.4.1 The revised Financial Regulations are circulated as Appendix C, and are no longer a list of statements of guidance but have been recast as a framework outlining responsibilities for financial management which explains to whom they apply. The framework also creates links to the more detailed, relevant policies and procedures that can go into detail.
- 5.4.2 Linked in are the various individual regulations (as updated) which have been a feature of the Regulations in the past. The result is a more comprehensive approach to the Regulations which make clear reference to other documents which have a bearing on the financial management environment.

5.5 Report Template

- 5.5.1 The report templates, of which there are a number for various purposes such as public, exempt or draft reports, business cases etc, are revised as and when necessary in the light of Council decisions or legislative requirement.
- 5.5.2 Following the audit by the Information Commissioner's Office (ICO) last year, the Council adopted ICO guidance on Privacy Impact Assessments (PIA). A privacy impact assessment is a tool which can be used to identify and address any impacts on a person's privacy as a result of implementing a new policy, procedure, initiative IT project or website. The PIA process is best completed at a stage when it can genuinely affect the development of a project. Unless there is a genuine opportunity to alter the design and implementation of a project, the ICO recommends that projects which are already up and running are not submitted to a PIA process, but to either a compliance check or a data protection audit, whichever is more appropriate.
- 5.5.3 Council report authors are now required to use PIAs when preparing reports which impinge on a person's privacy and the report template has been adjusted to remind them to address this, and to seek further advice from Legal Services where necessary.

5.5.4 In addition, the template has been adjusted to include a prompt to authors to consider whether any project or contract offers any opportunity to involve partner organisations in collaborative work. This follows discussions at Chief Executive level on the benefits of closer working.

5.6 City Centre Regeneration Board

5.6.1 It is proposed that the above body be retitled as the City Centre Regeneration Working Group to ensure consistency in the naming of groups which do not operate with powers and this will require the suspension of Standing Order 22(1) given the decisions on committee structures taken at the previous meeting.

5.7 External Members

5.7.1 At its meeting of 31 October 2013 (Article 9 of the Minute of Meeting refers) Council agreed that external members of the Education, Culture and Sport Committee and the Shareholder Scrutiny Group of Audit and Risk Committee should be required to sign up to the Councillors' Code of Conduct and that a process be put in place to address any complaints made about them. It was further agreed that a sub committee of Finance, Policy and Resources Committee be established when required to hear appeals about the outcomes of any complaints.

5.7.2 It is now proposed that all remaining external members be asked to sign up to the terms of the Councillors' Code of Conduct, and that the existing complaints process and the remedy over outcomes be applied to existing and future external members.

5.7.3 The groups to which the process will now apply include the Cowdray Hall Committee, the Macdonald Art Committee, the Rubislaw Field Committee, the Disability Advisory Group, the Older People's Advisory Group (until disestablished) and the City Centre Regeneration Board, and such other bodies including external members as may be established in future.

5.8 The Local Authority Accounts (Scotland) Regulations 2014

5.8.1 The above regulations come into force on 10 October 2014 and are effective for the financial year beginning 2014/15. Amongst the provisions, a council is permitted to approve annual reports and accounts either itself or by a committee of the authority charged with the audit or governance function.

5.8.2 The Council at present approves the Annual Report and Accounts itself; however, from the next financial year, the Head of Finance recommends that the signing off is undertaken by the Audit, Risk and Scrutiny Committee. This will entail the suspension of standing order 22(1) given that the revised Orders of Reference were approved at the previous meeting.

6. IMPACT

Corporate - The proposal to encourage involvement by under 18s in petitions supports the commitment in Aberdeen – the Smarter City to encourage participation in decision making and promotes active citizenship. The amendment to the suite of governance documents will improve decision making and accountability across the Council.

Public – There will be a clearer understanding of decision making processes across the Council, whether at member or officer level, and improved transparency of the respective roles and remits, particularly as regards revisions to the Scheme of Delegation and the Financial Regulations. The involvement of under 18s in petitions could have a significant role in promoting democracy to pupils.

MANAGEMENT OF RISK

7. By revising Standing Orders and Financial Regulations and aligning the Scheme of Delegation to the new structure, there is increased transparency in decision making and a reduced risk of challenge. Applying the existing process for handling complaints against external members of the Education, Culture and Sport Committee and the Shareholder Support Group to all external members, and asking them to sign up to the provisions of the Councillors' Code of Conduct, will ensure that all members involved in Council bodies are held accountable equally. Incorporating the need to consider EHRIAs and PIAs into Standing Orders and the report templates will emphasise the importance of these documents and ensure that account is taken of them at the report writing stage, again diminishing the possibility of the risk of successful challenges to decisions.

8. BACKGROUND PAPERS

None.

9. REPORT AUTHOR DETAILS

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