

Committee: **Annual Council**

Date of Meeting: **27th May, 2021**

Report Subject: **Local Government Act 2021 Changes**

Portfolio Holder: **Councillor Nigel Daniels, Leader of the Council & Executive Member Corporate Services**

Report Submitted by: **Andrea Jones, Head of Legal and Compliance/Monitoring Officer**

Report Written by: **Steve Berry, Data Protection and Governance Officer**

Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair *	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	For info – Date TBC		27 th April 2021				27 th May 2021	

1. **Purpose of the Report**
 - 1.1 To inform Council of mandatory legislative changes being introduced as part of the Local Government and Elections (Wales) Act 2021 that came into force 1st April 2021, and of future required changes that impact the Audit Committee.
2. **Scope and Background**
 - 2.1 On 1st April 2021 the Local Government and Elections (Wales) Act 2021 came into force in Wales. This Act includes provisions impacting a number of areas including reforming electoral arrangements, changes to local government finance and a new system for performance and governance.
 - 2.2 As part of this new legislation a number of changes must be made to the Audit Committee with immediate effect and noted by all members.
 - 2.3 CHANGE OF NAME – The Audit Committee will now be referred to as the Governance and Audit Committee.
 - 2.4 ADDITIONAL FUNCTIONS – The functions/terms of reference of the Committee will be widened to include complaints and a new performance and governance regime (s 115).
 - 2.5 This will result in the Governance and Audit Committee receiving new statutory powers to:
 - Review and assess the authority’s ability to handle complaints effectively

- Make reports and recommendations in relation to the authority's ability to handle complaints effectively.
- 2.6 In addition to the above there are a number of other obligations placed upon the Council as part of Local Government and Elections (Wales) Act 2021 which come into force in May 2022. It is asked that the Council make note of these in readiness.
- 2.7 The changes to the Governance and Audit Committee in May 2022 will as follows:
- Obligated to advertise and undertake a recruitment and selection exercise for all lay members
 - The Chair of the Governance and Audit Committee will now need to be a lay person
 - One third of Members of the Committee must be lay persons
 - Deputy Chair must not be a member of the Local Authority's executive or an assistant to its executive.
- 2.8 It is acknowledged that the Blaenau Gwent CBC's Governance and Audit Committee currently already complies with 3 of these intended changes. However, in order to comply with the membership requirement that a third of members must be lay persons a recruitment process will be initiated in Autumn 2021 in order to be prepared and further reports submitted to Council.

3. **Options for Recommendation**

- 3.1 There are no options for recommendation since these are mandatory changes brought about from a change in the legislation. This report is intended to be noted only.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 **Statutory Responsibility:**

The Council is obliged to make these changes under the Local Government and Elections (Wales) Act 2021.

5. **Implications Against Each Option**

5.1 *Impact on Budget*

There is no immediate impact on the budget but may lead to additional time being required to consider the issues within the additional scope of the committee.

In May 2022 there will be a slight impact on the budget due to the additional lay members that are required.

5.2 *Risk*

Failure to comply with these changes will result in the Council not being compliant with the Local Government and Elections (Wales) Act 2021

5.3 *Legal*
Failure to comply with these changes will result in the Council not being compliant with the Local Government and Elections (Wales) Act 2021

5.4 *Human Resources*
There are no implications from a Human Resources perspective.

6. **Supporting Evidence**

6.1 *Performance Information and Data*
n/a

6.2 *Expected outcome for the public*
Compliance with the Local Government and Elections (Wales) Act 2021 will provide assurance to the public that the Council acts in accordance with the law and its obligations

6.3 *Involvement (consultation, engagement, participation)*
These changes are mandated in law and require no consultations to be conducted by the Council.

6.4 *Thinking for the Long term (forward planning)*
n/a

6.5 *Preventative focus*
n/a

6.6 *Collaboration / partnership working*
n/a

6.7 *Integration (across service areas)*
n/a

6.8 *EqIA (screening and identifying if full impact assessment is needed)*
n/a

7. **Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

Compliance with the legislation will be monitored throughout 2021/22 to ensure that the Council is ready and implements the changes required both immediately and by May 2022.