



## COUNCIL – 23RD APRIL 2013

**SUBJECT: WALES AUDIT OFFICE REPORT IN THE PUBLIC INTEREST**

**REPORT BY: ACTING CHIEF EXECUTIVE**

---

### **1. PURPOSE OF REPORT**

- 1.1 The Wales Audit Office published a report in the Public Interest on Caerphilly County Borough Council in March 2013.
- 1.2 The report from the Auditor is a statutory Public Interest report and requires a formal response from the Council.
- 1.3 This report contains the Council's response to the Statutory report and makes recommendations which provide a robust action plan to further strengthen the Council's governance processes and procedures to address the areas for improvement highlighted by the Auditor.

### **2. THE REPORT**

- 2.1 The report issued by the Appointed Auditor stated "I have issued this report to draw the public's attention to a failure in governance arrangements and inadequacies in the process adopted by Caerphilly County Borough Council to determine the pay of chief officers. As a result of such failures the Council has in my view acted unlawfully with regard to the pay setting process."
- 2.2 In his report, the Auditor refers to a number of areas of concern surrounding the process adopted by the Authority to determine the pay of chief officers. The summary report and recommendations are attached at Appendix 1. It is recommended the Council accepts the report and the associated recommendations in full and will work with the Auditor to ensure that appropriate actions are taken.
- 2.3 It is important to note that at the time of preparing this report, there are a number of other ongoing actions related to the Auditor's report, namely:-
  - Disciplinary investigations
  - A Police enquiry
  - A referral to the Ombudsman
- 2.4 This report sets out the response to the Auditor's recommendations but must avoid any conflict with the other on-going investigations in order to avoid prejudice to those investigations and the individuals who are subject to them. Therefore, implementation of some of the recommendations may need to await the conclusion of the above-mentioned processes.

- 2.5 The Council requested an extension to the statutory deadlines for a response as set out in the Auditor's report. This report has been produced in accordance with the revised deadline (30th April 2013).

### **Principles of Good Governance**

- 2.6 Good governance is the foundation for all well run, successful organisations and there is a strong correlation between weak governance and problems with the smooth operation of an organisation. This can manifest itself in a number of ways and quite often one issue is illustrative of a number of governance issues failing. Ensuring that any public body exhibits the highest standards of governance is paramount.
- 2.7 The Committee for Standards in Public Life chaired by Lord Nolan, established in October 1994, debated how those who serve in public bodies should behave and the general rules for public servants. The Committee published what are now well-established recommendations as to the core Principles of Public Life. For information, these are set out in Appendix 2.
- 2.8 Further to the outcome from this particular Committee was the report by the Independent Commission on Good Governance that set out the six principles of good governance in public services. The Standard presents six principles of good governance that are common to all public service organisations and are intended to help all those with an interest in public governance to assess good governance practice. The principles are set out below:-
- (i) Good governance means focusing on the organisation's purpose and on outcomes for citizens and service users.
  - (ii) Good governance means performing effectively in clearly defined functions and roles.
  - (iii) Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour.
  - (iv) Good governance means taking informed, transparent decisions and managing risk.
  - (v) Good governance means developing the capacity and capability of the governing body to be effective.
  - (vi) Good governance means engaging stakeholders and making accountability real.
- 2.9 These principles form the building blocks of any well-run organisation and it is useful to set out these principles in preparing a response to the Public Interest Report. Reminding ourselves about the six principles of good governance helps us to review and test our processes against an objective benchmark to assess whether our governance arrangements are robust and capable of being applied consistently.
- 2.10 The Public Interest Report gives the Council an opportunity to reflect on its established internal systems and procedures, assess whether they comply with best practice, consider any actions needed to strengthen governance arrangements to prevent the recurrence of events set out in the Auditor's report and, make suggestions to integrate recent statutory changes introduced by the National Assembly in a way which will strengthen open and transparent decision making and give greater emphasis to the importance of the internal scrutiny challenge process. These issues will be reviewed as part of the response to the recommendations set out in the Public Interest Report.

## **Findings from the Public Interest Report**

- 2.11 The Public Interest Report set out a number of areas where the Auditor stated that there was a failure in governance arrangements. More specifically the report stated that:-
- The decisions taken by the Senior Remuneration Committee were unlawful.
  - There are weaknesses in the governance procedures at the Council:-
    - The procedures for the first meeting of a new committee should have been more robust.
    - The report presented to the committee lacked clarity in certain respects.
    - The records of the meeting were inadequate.
- 2.12 The Auditor made five recommendations (see Appendix 1) covering:-
- Advertisement of meetings.
  - Conflicts of interest.
  - Procedures for new committees.
  - Records of meetings.
  - Clarity and comprehensiveness of reports to committees.
- 2.13 Each recommendation is considered separately below along with the wider issues for improvement identified in paragraph 2.10 above.

### **Advertisement of Meetings**

- 2.14 The decision making process in the Council is set out in the constitution. The Executive is the part of the Council which is responsible for taking most of the major decisions and the business to be considered by the Executive, scrutiny committees and the Council should be published in their respective forward work programmes.
- 2.15 All council meetings are expected to be advertised in line with the Local Government Act 1972, and the constitution states that the council will give at least 3 clear days notice of any meeting (unless called at shorter notice as permitted by law).
- 2.16 Each year a 12 month forward programme of future meetings is published on the website and sent to Members. In addition, each week Democratic Services produce a fortnightly timetable of future meetings which is sent to all Members each Wednesday and published on the Council's website. This document is based on the long-term forward programme of meetings along with any additional or ad-hoc meetings.
- 2.17 Currently the system relies on the meetings being entered into the Council diary. This system has operated reasonably well up to this point, but there is always a risk that changes to the meetings cycle or ad-hoc meetings could be missed in this process. This was the case with the Senior Remuneration Committee. The original meeting date of the Senior Remuneration Committee was postponed and, as the new date was not entered into the council diary due to error, the rearranged meeting date was not transferred onto the fortnightly timetable of meetings published each week.

### ***Recommendations for Improvement:***

- Re-arranged or ad hoc meetings not included in the fortnightly timetable of future meetings must be published in an addendum document on the Council's website and all Members informed as soon as a meeting date is agreed with the Chief Executive or other responsible senior officer.
- The weekly notice of future meetings must be approved and published by the Monitoring Officer who also needs to have access to the planning of such meetings
- The Head of Legal and Democratic Services must introduce a system to ensure that all council meetings have been advertised on the weekly timetable of council meetings. This could be achieved by introducing a 'Meetings Control Record' listing all council meetings. Before each council meeting a Committee Services Officer must check the weekly future meetings list against the 'Meetings Control Record' and sign to confirm the meeting has been properly advertised. Any meetings found not to be advertised must be cancelled and re-arranged in accordance with Local Government Act 1972.

### **Conflicts of Interest**

- 2.18 The Council's constitution contains the Code of Conduct for Elected Members and Co-opted Members and officers, adopted by the Council in May 2008 and there have been no changes.
- 2.19 The Code of Conduct for Members outlines members' obligations in relation to conduct. It includes obligations in relation to the declaration of interests during the course of business. It also requires members to make 'up front' declarations of interest which are published. Members are also expected to declare any offers and/or acceptance of Gifts or Hospitality and reported to the Standards Committee on a quarterly basis.
- 2.20 When a member is elected to serve on the Council, one of the first tasks that they complete is to sign a declaration to abide by the Code of Conduct. The Standards Committee monitors adherence to the Code and any breaches are reported.
- 2.21 Members are required under the Code to declare any interests they may have in a matter to be discussed at the commencement of each meeting as part of a standing agenda item at every meeting. Members may also declare an interest in the course of a meeting. All Declarations of Interest are recorded by a Committee Services Officer and forwarded to the Head of Legal and Democratic Services who maintains and, on a 6 weekly basis publishes an up to date record.
- 2.22 Members are given training on the Code of Conduct following each regular local or by election. Most, but not all, Members have attended training on the Code of Conduct since the last local election in May 2012. There have been strenuous efforts made recently to ensure that all members have attended Code of Conduct training and 69 of the 73 members have now complied. The last four members are due to attend one last session to be held at the end of April.
- 2.23 The Code of Conduct for Officers, also found in the Constitution, is wide ranging and covers a number of areas including standards, interests, hospitality etc.
- 2.24 Officers are expected to adhere to the Code of Conduct but there is no procedure for ensuring that this is signed.
- 2.25 In the past, there has been some training for officers in how to use and apply the Code of Conduct but this has been inconsistent and has not taken place for a number of years. A training programme now needs to be implemented in a systematic way and should include training on both declaration of interests and decision making at meetings and in all aspects of Council business.

2.26 There is also a paper-based system for recording interests and hospitality offered to officers which is the responsibility of Heads of Service to administer. This system is used inconsistently, and in some cases not at all. There is a need for a review of the system, comprehensive training, and better monitoring of its use.

***Recommendations for Improvement:***

- As a matter of urgency, but not later than 30th April 2013, all Members must complete training in the Code of Conduct.
- Following future elections and by-elections, all Members must complete Code of Conduct training within 3 months of the date of the election. (A requirement to this effect will need to be written into a review of the constitution). This training will continue to include detailed guidance on the obligations of members to declare personal/prejudicial interests and the actions that members should take arising from such declarations. Any failure to attend will be reported to the Council's Standards Committee
- Increase the frequency that Members Declarations of Interest are published to monthly.
- A review of the process in place for officers to agree obligations under the Code of Conduct.
- Review the process for declaring interests of a personal/prejudicial nature for both members and officers.
- A full training programme on the Officer Code of Conduct must be established for officers.
- A full review of the system for Gifts and Hospitality offered to officers should be undertaken to improve consistency and compliance.
- The register of Gifts and Hospitality for officers to be reported on a quarterly basis to the Audit Committee (the Members register is already reported to the Standards Committee).
- Guidelines on the procedures for managing conflicts of interests be included in each committee's Terms of Reference - this should then be incorporated into the constitution.

**Procedures for New Committees**

- 2.27 When a new Committee (or panel/group/task and finish group) is set up by the Council, it is anticipated that this will be set out in the constitution, with a clear Terms of Reference, delegated decision making ability, size of committee membership and any co-optee membership arrangements. This has not happened on a consistent basis and the constitution needs to be brought up to date.
- 2.28 Terms of Reference are essential for good governance, and members should formally adopt these at the start of the first meeting. Training needs should be identified at the outset, and programmed in advance so that members and officers are fully equipped to deal with the agenda for each Committee (or other group/panel).
- 2.29 From time to time, the Terms of Reference for Committees can change due to policy decisions, statutory legislation or changes in guidance. One particular example of that is the Local Government Measure implemented by the Welsh Assembly in 2011 which introduced a requirement for a Democratic Services Committee.
- 2.30 It is important that the Terms of Reference for all the committees are reviewed annually for their currency and furthermore, to assess whether appropriate training has been delivered to those members, and whether going forward, the membership have an up to date training programme to enable them to fulfil their duties to best effect. Records of Members

attendance at training and development events are already collated centrally by Democratic Services who review the records for members Individual Development Plans and provide a summary of attendance for the Committee. However, it is important that all Members skills and knowledge are kept up to date to ensure they can contribute effectively when serving as a member of a council committee.

### ***Recommendations for Improvement:***

- The Council's Constitution will be reviewed on an annual basis. The Constitution will then be updated, expanded and revised as necessary to include an up to date list of all council committees, its Terms of Reference, any delegated decision-making ability, political balance requirement, size of committee membership and any co-optee membership arrangements.
- Terms of reference should be agreed at the first meeting of any new committee/panel/group.
- The Monitoring Officer must review the terms of reference for each committee/panel/group on a regular basis and, if necessary, terms of reference should be updated at the Annual General Meeting of full Council to take account of any new legislation, responsibilities or organisational change.
- A Members Training Needs Analysis is undertaken on a voluntary basis every two years. This should be further strengthened with specific training identified and developed to support each council committee/panel/group on a six monthly basis for each Committee.
- Training and development needs must be identified for the membership of each council committee/panel/group on an annual basis. The training offered and attendance should be published on the Council's website.
- Member induction training needs must be identified and delivered prior to the first meeting of any new council committee/panel/group.

### **Records of Meetings**

- 2.31 Democratic Services have responsibility for organising and servicing Council meetings. The Forward Work Programmes for Cabinet and full Council are currently the responsibility of the Corporate Management Team (CMT) with the responsibility for 'sign off' lying with the Chief Executive. Strong procedures around decision-making and accountability are features of good governance and additional checks on the work programme for completeness would assist the process. The Monitoring Officer would be in an ideal position to not only provide an additional check on the completeness of the work programmes, but to also ensure that all reports and decisions are subject to the correct process. Strengthening the process for deciding, agreeing and publishing the work programme along with a framework for decision making would assist the Council in addressing the recommendations in the Public Interest Report.
- 2.32 Work programmes for Scrutiny Committees are published regularly, however, they would benefit from being underpinned by a consistent procedure. In line with the Local Government Measure 2011 Scrutiny Committee forward work programmes should be subject to consultation with stakeholders and local residents (using electronic means), subject to approval by each committee on a regular basis and published on the Council's website (observing the frequency included in expected Welsh Government statutory guidance). Chairs of Scrutiny Committees should meet to discuss their proposed respective work programmes to ensure members consider crosscutting issues, good practice is shared and work is not unnecessarily repeated.

- 2.33 Democratic Services have well established procedures for managing the necessary tasks required to organise council meetings. The agendas and reports for most council meetings are managed and collated by Democratic Services. They ensure that the appropriate Senior Officer(s) approves agendas and consult the Committee Chair (as necessary) and agendas and reports are published in accordance with statutory requirements. That said, there are some meetings of an informal nature that are not open to the public e.g. meetings between CMT and Cabinet Members where sensitive and/or personnel matters can be quite properly debated in a confidential environment before formal decisions are made. These could benefit from a more formal agenda i.e. a list of topics to enable officers to provide the quality of information needed to optimise decision-making even though the meeting can continue to be informal and confidential.
- 2.34 A Committee Services Officer has always attended all formal council meetings apart from Appointments Panels and Appeals Committees that are serviced by HR. The Senior Remuneration Committee referred to was an exception. The officers take comprehensive notes of discussions and accurately record debate and decisions. Following the meetings, minutes are produced in draft and circulated to the appropriate senior officers to check their accuracy. In the case of the Cabinet, a decision note is produced normally within 48 hours of the meeting and published on the website and distributed to all members. to facilitate the call-in process. An action sheet is produced following every scrutiny committee meeting and distributed to officers, normally within a week following the meeting. Draft minutes are finalised ready for agreement at the following meeting.
- 2.35 The Auditor's Report recommends that 'records of meetings should be sufficiently detailed to provide information on the matters discussed'. The minutes of meetings are currently a balance between brevity and a full transcript, but consistency could improve in terms of the amount of information included in minutes. The Council plan to shortly begin the process of implementing the webcasting of meetings of full council, cabinet, scrutiny and planning committee. The webcast will be a complete and unedited audio and video recording of council meetings (other than for the recording of exempt items) published on the Council's website. This innovation is welcomed as it will significantly increase public access to Council meetings and transform openness and transparency and provide a full record of proceedings. It is acknowledged that due to this increased transparency when council meetings are webcast the format of Council minutes will be reviewed to record an outline of the issue under consideration and the decision made.
- 2.36 Unless Members request a recorded vote in line with the rules in the Council's constitution, individual members votes are not recorded. When the Council offices were constructed in 2008, the Council installed an electronic voting system that is able to record all individual votes at meetings in the Council Chamber. The system will enable individual votes to be recorded and displayed in the Council Chamber in real time and voting records published on the Council's website following the meeting. This system has not been used to date due to ongoing technical issues, however, these have recently been remedied and the electronic voting system can be brought into use to provide a clear record of how each Member has used their vote.
- 2.37 Meetings held outside of the Council Chamber cannot use the same system. However, the voting record can be improved with minutes recording whether any vote passed is unanimous or by majority decision.

***Recommendations for Improvement:***

- Forward Work Programmes for Cabinet and full Council will be published quarterly on the Council's website. To ensure that work programmes are accurate, the Chief Executive and Monitoring Officer will have responsibility for developing Forward Work Programmes for Cabinet and full Council.

- The Monitoring Officer will have responsibility for ensuring all reports contained in these forward work programmes are subject to the correct decision making processes.
- Agendas must be produced for all 'informal' meetings of CMT and Cabinet to record issues discussed.
- Work programmes for scrutiny committees will be further improved by introducing a consistent procedure for their development.
- In line with the Local Government Measure 2011 scrutiny committee forward work programmes should be subject to consultation with stakeholders and local residents (using electronic means), subject to approval by each committee and published on a regular basis (observing the frequency included in expected Welsh Government statutory guidance).
- Chairs of scrutiny committees must meet regularly to discuss their proposed respective work programmes to ensure crosscutting issues are considered by Members, good practice is shared and duplication is avoided.
- Democratic Services must provide the necessary support in the preparation of agendas, collation of reports, minuting meetings etc. and preparation of action sheets as necessary for all formal full Council and committee meetings.
- The electronic voting system available in the Council Chamber must be used for all council meetings held in the Council Chamber.
- Minutes of Council meetings held outside of the Council Chamber must record whether any vote passed is unanimous or by majority decision.
- The Council's intention to start webcasting council meetings is welcomed. In preparation for this new innovation Democratic Services should review its style of recording minutes to ensure consistency. Given the increased transparency that webcasting will provide it is acknowledged there maybe a difference in style between meetings that are webcast and those that are not.
- Following each meeting of full Council, the voting record (listing the way each Member has voted) must be published on the Council's website.

### **Clarity and Comprehensiveness of Reports to Committees**

- 2.38 As described above, meetings of Cabinet and Scrutiny Committees are scheduled on a forward programme of future meetings and forward work programmes are developed for these committees.
- 2.39 A great deal of Council business is conducted through the reports to meetings and a suitable timeframe is in place to ensure that appropriate scrutiny and/or consultation is undertaken. All reports are written to a standard template. However, within the parameters of the template, there is a wide variation in the content of the material, a lack of consistency and the purpose of some items are not always as clear as they could be.
- 2.40 There is an element of confusion surrounding; the level of detail required in reports, actions to be taken, compliance with the statutory consultation process, the need for background papers and the comments of the statutory officers. It is also important that any report gives those who are relying on it for information, sufficient detail about options and the impact of those options, in order for them to make an informed decision. This is particularly important where expert or third party advice has been obtained to inform the eventual options and decision. It is also important that there is clarity over what the key issues are and what decision is required. An executive summary for each report setting out clearly what the issues are, the



decision and any comments to be taken into account could overcome some of these issues, along with additional training for officers and members.

- 2.41 Guidance is available in the constitution for members and officers on decision-making and the appropriate processes to follow, but in order to create a sustainable system that complies with good governance principles, it may be helpful to consider reviewing the processes and creating a more robust framework within which to operate the business of the Council.
- 2.42 There is currently a requirement to ensure that the statutory officers are made aware of reports that are deemed to be within their domain i.e. having legal or financial implications. Legal Services have set up a separate system to ensure that they are able to review draft reports for Cabinet and Full Council that are going to CMT, but occasionally, late reports (with the permission of the Chief Executive) could miss this process. There is an opportunity in reviewing the whole system of reporting to consider how the statutory officers are enabled to attach comments to the report prior to the report submission.
- 2.43 A number of reports are produced late and there has been an increase in the number of reports that are marked 'to follow'. It is understandable in a fluid, dynamic environment that issues crop up from time to time that demand an urgent response and flexibility has to be built into the system to accommodate those situations. However, this comes with a risk that proper procedures could be forgotten in the haste to deliver and CMT must ensure that these late reports are kept to a minimum.
- 2.44 A well worked up forward programme that is refreshed on a periodic basis should cover most of the areas where decisions are required. Input from the politicians should be captured from both Cabinet and Scrutiny, possibly by utilising a Scrutiny Chairs Group (recommended above) or similar.
- 2.45 One of the 6 principles (referred to in Paragraph 2.8) states that good governance means taking informed, transparent decisions and managing risk. The Council has historically had good member and officer relationships demonstrated by continued delivery of services through different administrations, but it is important to still ensure that appropriate levels of scrutiny and challenge are in operation. There is an opportunity to build on this culture by ensuring that senior Councillors from all political groups are informed on key decisions coming forward that will have significant impact.
- 2.46 One of the key roles of scrutiny is to ensure that the members are able to contribute to policy and also to scrutinise potential or agreed decisions. This process ensures that the decision makers i.e. in most cases, the Cabinet Members, are held to account and able to take the wider membership's views into account in formulating policy.
- 2.47 Under the 'Executive and Scrutiny' model of governance operated across all councils in Wales Cabinet take most of the important decisions within the Council's policy framework. In modern councils such as Caerphilly the Cabinet Member role carries significant responsibilities. Therefore, it is important that Cabinet Members are able to work productively with senior managers and are able to discuss issues constructively to ensure outcomes of potential decisions (e.g. service impacts, risks, benefits and costs) are understood. Likewise, officers at all levels should expect and encourage dialogue from Cabinet Members before seeking a decision.
- 2.48 Scrutiny committees give the opportunity to ask questions of the Cabinet Member and Officers and to ensure that his/her decisions are taken in the light of as much information as possible. The Scrutiny Committee Forum provides a 'fresh pair of eyes' and can add value to any decision-making process, but especially 'decisions of a significant nature'. While there is evidence of challenging and scrutiny of officers, scrutiny of Cabinet Members is much more limited. The Council will review how this can be achieved to ensure that there is a better separation of officers from the scrutiny process, and that a balance is achieved with some

officers attending to give evidence by invitation and then leaving once the evidence session is complete and others, as appropriate, attending the whole Committee session.

- 2.49 Good governance requires organisations to take informed transparent decisions and to manage risk and as such, it is key for members to be aware of important policy decisions and sensitive issues. The informal meetings such as Management Information Group (MIG) are an opportunity for the Executive to be briefed by officers on key facts, and to give a steer as to how things should be taken forward.
- 2.50 Briefing the wider cadre of members is also vital to ensure that there is ample opportunity for scrutiny of key decisions, opportunities to call-in decisions should that be appropriate, and a forum for alerting all political leaders to the major policy changes and key sensitive issues. We currently have workshops and seminars for all elected members, but overall attendance at such events is inconsistent and the Council needs to consider how processes can be strengthened to ensure that members are aware of key sensitive matters and the process for decision-making.

***Recommendations for improvement:***

- Review the reporting template and consistency of reporting and format to include an executive summary and key decisions.
- A framework will be developed to give greater clarity over delivery of reports with different levels of significance.
- Both statutory officers must have an opportunity to comment on reports prior to submission, as routine, with a mandatory pre-determined format in the report for comments by both the Monitoring Officer and S151 Officer.
- Consideration must be given to all options for strengthening the process for making members aware of key policy decisions and sensitive issues.
- Training for officers and members to ensure consistency on the level of detail required in reports being considered at meetings and the timescales for the democratic process.
- CMT to monitor the level of late reports.
- Scrutiny members be encouraged to ask questions of both the Cabinet members and officers.
- To achieve a balance between some officers attending scrutiny by invitation and leaving once their session is completed and others attending for the whole scrutiny meeting.

**3. EQUALITIES IMPLICATIONS**

- 3.1 The principles of good governance outlined in 2.8 previously, particularly (i) and (vi) are directly linked to the Council's Strategic Equality Objectives, stemming from duties under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 and the Welsh Language (Wales) Measure 2011.
- 3.2 Since February 2011, Equalities Implications are a standard part of all committee reports in order to ensure that due consideration has been given to the views of individuals and groups from the communities of Caerphilly county borough, regardless of their backgrounds and circumstances.
- 3.3 A full list of those policies and reports that have had Equalities assessments can be found on the Council's website in the Equalities section, on the Assessing the Services page.

- 3.4 Consultation and Engagement practices also reflect this due regard for gathering as much opinion and information from people who come under one or more of the protected characteristics and wider Equalities and Welsh Language issues.
- 3.5 Guidance documents and a comprehensive training programme are available to staff members and elected members on the Equalities and Welsh Language aspect of undertaking their roles duties. Elected members are also scheduled to have a targeted Equalities awareness training session Early in 2014.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 There will be financial implications associated with the implementation of the recommendations contained in this report; particularly, staff costs, member training and development and webcasting. Further reports will follow outlining how a number of the recommendations can be implemented along with the specific financial implications.

#### **5. PERSONNEL IMPLICATIONS**

- 5.1 There are no personnel implications associated with this report.

#### **6. CONSULTATIONS**

- 6.1 There are no consultation responses that have not been reflected in this report.

#### **7. RECOMMENDATIONS**

- 7.1 Full Council accept the Wales Audit Office Public Interest Report and its recommendations.
- 7.2 The recommendations for improvement contained in this report are approved.

#### **8. REASONS FOR THE RECOMMENDATIONS**

- 8.1 To respond to the Wales Audit Office Public Interest Report.

#### **9. STATUTORY POWER**

- 9.1 Local Government Act 1972 and 2000.

Author: Nigel Barnett, Acting Chief Executive  
Consultees: Gill Lewis, Seconded/Consultant  
Corporate Management Team  
Monitoring Officer

Appendices:  
Appendix 1 WAO Report in the Public Interest - Summary Report  
Appendix 2 Nolan Committee - First Report on Standards in Public Life  
Appendix 3 Action Plan