

16 December 2021

Agenda Item: 8

## **REPORT OF THE SERVICE DIRECTOR, CUSTOMERS, GOVERNANCE AND EMPLOYEES**

### **THE COUNCILLOR'S DIVISIONAL FUND – ESTABLISHMENT OF WORKING GROUP**

#### **Purpose of the Report**

1. To establish a working group of the Committee to carry out a review of the CDF Policy and procedures relating to the Councillor's Divisional Fund (CDF).

#### **Information**

##### **Background**

2. The CDF is a specific budget allocation which enables each County Councillor to put forward proposals for expenditure in their electoral divisions which accord with the strategic objectives of the Council. Such payments are subject to compliance with the requirements of the agreed CDF Policy.
3. The CDF Policy was last updated by Policy Committee on 18 July 2018, following prior consideration by Governance and Ethics Committee.
4. Governance and Ethics Committee maintains an overview of how the scheme operates, including:
  - a. all payments made;
  - b. the findings of the annual dip sample audit undertaken by Democratic Services officers;
  - c. the planned development of a new electronic system.
5. In light of recent concerns raised about the operation of the CDF scheme, Internal Audit undertook an audit earlier in 2021. The findings of this audit have been shared with members of this Committee.
6. In order to fully consider the findings of that audit and any possible ways of improving how the scheme operates, it is proposed that a cross party working group be established.

7. The proposed membership of the working group is the Chairman and Vice-Chairman of Governance and Ethics Committee, the Business Manager or their nominee from each political Group of the Council and the Council's non-aligned member.

### **Other Options Considered**

8. For officers to undertake a review of the policy and procedures for the Committee to consider but this would not enable Members' views to help shape the development of any new proposals.

### **Reason/s for Recommendation/s**

9. To ensure that the CDF Policy and procedures are reviewed enable the aims and objectives of the scheme and the strategic objectives of the Council to be fully met.

### **Statutory and Policy Implications**

10. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION**

- 1) That a cross party CDF Review Working Group be established as outlined in the report with the membership being the Chairman and Vice-Chairman of Governance and Ethics Committee, the Business Manager or their nominee from each political Group of the Council and the Council's non-aligned member.
- 2) That a report detailing the proposed changes to the policy and procedures resulting from the Working Group be submitted to a future meeting of the Committee for consideration and approval.

**Marjorie Toward**

**Service Director, Customers, Governance and Employees**

**For any enquiries about this report please contact:**

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### **Constitutional Comments (HD – 18/11/01)**

11. The proposals within the report fall within the remit of Governance and Ethics Committee who are responsible for policy development and approval matters within their remit (subject to any necessary approvals by Policy Committee or the Full Council) and are also responsible for monitoring the Councillors Divisional Fund. This matter does not have significant policy or other impacts to require Policy Committee approval and is not otherwise reserved to Full

Council, so the decision to establish a working group to change the Policy and procedures may be taken by the Governance and Ethics Committee.

### **Financial Comments (RWK 06/12/21)**

12. There are no specific financial implications arising directly from the report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Internal Audit Report – Councillor's Divisional Fund - October 2021

### **Electoral Division(s) and Member(s) Affected**

- All