

**Subject:** Changes to Political Management Arrangements

**Status:** For Publication

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**Report to:** The Council

**Date:** 26<sup>th</sup> March 2008

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**Report of:** Chief Executive

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**Portfolio**

**Holder:** Leader of the Council

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**Key Decision:** No – constitutional matter reserved to the Council

Forward Plan

General Exception

Special Urgency

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**1. PURPOSE OF REPORT**

1.1 To seek approval for changes to the Council's political management arrangements.

**2. CORPORATE PRIORITIES**

2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.

- Well Managed Council (Improvement, Community Network)

**3. RISK ASSESSMENT IMPLICATIONS**

3.1 There are no specific risk issues for members to consider arising from this report.

## 4. BACKGROUND AND OPTIONS

4.1 Following the publication of the revised standard for corporate governance in local authorities last summer and in light of the Council's experience of operating its current political management arrangements for approximately three years it is appropriate to consider some specific changes. The changes recommended in this report aim to:

- Specifically respond to the requirement to reinforce the independence of the Audit Committee role.
- Address legislative changes in relation to the Standards Committee.
- Address issues which have arisen in relation to call ins and put in place arrangements for dealing with the new councillor call for action.
- Strengthen the role and focus of Full Council.
- Formalise what is currently accepted practice in some areas.
- Attempt to have some impact on issues of member workload.

4.2 The revised Governance Standard "*Delivering Good Governance in Local Government*" was published last summer. This standard forms the basis for elements of the external assessment of the Council, in particular within the Use of Resources assessment. The Council's local code of corporate governance has been amended to take the new standard into account. Most of the changes are in detail. However, there is one significant issue arising which requires changes to the Council's political management arrangements. This is a requirement that the committee carrying out the role of an Audit Committee be independent of the Council's scrutiny arrangements. Independence in this case implies reporting directly to the Council and no overlap in membership with a scrutiny committee. The current situation in Rossendale is that this role is carried out by the Audit Scrutiny Committee which reports to the Overview and Scrutiny Management Committee on which all its members sit. Thus while no issues with regard to the independence of the Audit Committee role have emerged the role is currently fully integrated within the Overview and Scrutiny arrangements. This arrangement is clearly not in accord with the revised standard and it is therefore suggested that the current Audit Scrutiny Committee be renamed as the Audit Committee and in future report directly to the Council, and that the Constitution be amended to prohibit sitting on the Audit Committee and a scrutiny committee.

4.3 If members are minded to accept these recommendations in relation to the Audit Committee then it is appropriate to consider the consequences for the remaining elements of the Overview and Scrutiny arrangements. In particular the Overview and Scrutiny Management Committee was originally conceived as a means both of coordinating the work of the three committees, and of creating a forum where members could debate issues of significance (such as the potential closure of fire stations) in a slightly less formal environment. While the Committee has been successful it has, to a degree, been at the expense of the Full Council which has become a pro-forma meeting to consider recommendations in relation to issues reserved to the Council rather than the show piece within the Council's democratic arrangements. In terms of the coordination of activity this is difficult through a meeting of 21 councillors, or 14

as it would be after the changes in relation to the Audit Committee. In light of this it is suggested that members consider reallocating the function of debate in relation to matters of significance to the Full Council and that a programme of and format for such debates be agreed by the Council itself. If this is accepted then it would be more appropriate to coordinate the work of the two Overview and Scrutiny Committees and monitor the progress of Task and Finish Groups through meetings of the two chairs together with two representatives of those political groups which do not hold the chairs. While not formal public meetings the papers for such meetings could be made available through the intranet.

- 4.4 Given that this change would reduce the number of members who have the opportunity to directly hold members of the executive to account members may wish to consider the option of introducing a member question time as part of the Cabinet agenda. This would provide an additional somewhat less formal opportunity for the executive to be held to account by the rest of the Council. This would be in addition to the usual accepted practice of all members being able to participate in discussion at Cabinet.
- 4.5 In relation to Task and Finish Groups while these have been valuable and have been instrumental in delivering a number of important service improvements there is a need to ensure that the work of these groups is properly project managed. It would therefore seem sensible to agree some working practices for these groups. These could include a limit on the number operating at any one time of two which is as many as can be effectively supported and a requirement for the parent Overview and Scrutiny Committee to agree terms of reference and a project plan before work starts.
- 4.6 Members will be aware that recent legislation introduces a new councillor call for action, in addition to the existing call in arrangements. It is necessary for the Council to allocate responsibility for dealing with such calls for action, while recent experience indicates that there is a need to review the arrangements for handling call ins. In order to reduce the risks of not being able to have a quorate meeting to consider a call in or call for action it is suggested that the practice adopted in a number of other councils is adopted. This would require the 14 members of the two Overview and Scrutiny Committees to be treated as a pool with a politically balanced panel of 5 members considering each call in, or call for action. Members requesting either the call in or call for action would be unable to sit on the panel. It is suggested that as call ins are usually about Policy matters these Panels usually be chaired by the Chair of the Policy Overview and Scrutiny Committee. Similarly as calls for action are intended to address service failure of some sort these panels be chaired by the Chair of the Performance Overview and Scrutiny Committee.
- 4.7 In addition to these various changes affecting Overview and Scrutiny Committee there are a number of other issues in terms of the Council's political management arrangements where discussion with members has indicated a desire for change or where some tidying up or formalization is desirable.
- 4.8 The first such area is the size of the regulatory committees. Currently Development Control has 11 seats and Licensing 15. The latter arose because it was assumed that the new Licensing Act would generate a significant number

of hearings which need to be held in front of smaller panels drawn from the Committee. This has not been borne out by reality. While it is common for a Development Control Committees to be slightly bigger than other committees there is no requirement for this. Having larger committees of this sort can result in negative impacts in terms of members' workloads, particularly when the inevitable need to provide substitutes occurs, and there is no reason to believe that larger committees are likely to make better decisions than smaller ones. Members are asked to consider reducing the size of each of these committees to 7 in line with the Overview and Scrutiny Committees, and formalising the current accepted practice that members neither sit on nor substitute on these committees without having undertaken the appropriate training.

4.9 The current arrangements for the Appointments and Appeals Committee are anomalous in that the pool for constituting the Committee consists of the whole council. The Committee is responsible for the making of those officer appointments which are reserved to members and for dealing with items such as disciplinary and grievance appeals. It is important that members sitting on the committee receive regular and up to date training, It is clearly not practical to achieve this for all councillors given the limited number of occasions on which the Committee is required to meet. For this reason it is suggested that a politically balanced panel of 9 members is agreed as the pool with the Committee consisting of a politically balanced group of 3 members for appeals and 5 members for appointments which reflects current practice, although this is not codified in this way. Again it would be appropriate to write into the constitution the requirement to undergo training before sitting on this Committee.

4.10 Recent legislation means that many more of the allegations of misconduct made against councillors will fall to be investigated and decided upon locally. This work will fall within the remit of the Standards Committee. The current membership of the committee is 6 councillors, 3 independent members and 1 Parish Council representative. In order to carry out this new role the Committee will need to have a number of panels to:

- Stage 1 – Consider whether there appears to be a case to answer and an investigation should be undertaken.
- Stage 2 – Reviewing the results of an investigation to determine whether it should proceed to a hearing.
- Stage 3 – Conducting a hearing and determining sanctions if required.

4.11 It would be appropriate for the panels at each stage to have 3 members, including one independent member. In order to ensure that sufficient councillor members are available it is suggested that councillor membership be set at 7. Also in order to ensure that the potential for issues around conflict of interest and to ensure the ability to have a parish councillor involved throughout any process related to a parish council it will be necessary, as recommended by the Standards Committee to increase the number of parish councillors to 2. This gives a total pool of 12. In addition appropriate procedure rules for the conduct of the various stages of the process by the Standards Committee will need to be written in to the Constitution.

- 4.12 Members are also asked to consider allocating the Vice Chair of the Standards Committee to an Independent Member. This serves to reinforce the independence of the committee from the political process which given its new responsibilities is extremely important.
- 4.13 As with the other committees considering specialist areas it is recommended that no member (either councillor, independent, or parish councillor) sit on this committee without having undergone the relevant training.

#### **COMMENTS FROM STATUTORY OFFICERS:**

### **5. SECTION 151 OFFICER**

- 5.1 Initially there will be no financial implications of this decision, though these changes would feed into the requested review of members allowances and any subsequent financial implications will be reported in budget monitoring reports during the coming financial year.
- 5.2 The proposed amendments to the constitution of the Audit Committee follow the CIPFA guidance on governance standards.

### **6. MONITORING OFFICER**

- 6.1 These are important constitutional changes which will help the Council deliver its corporate priorities.

### **7. HEAD OF PEOPLE AND ORGANISATIONAL DEVELOPMENT (ON BEHALF OF THE HEAD OF PAID SERVICE)**

- 7.1 Unless specifically commented upon within the report, there are no implications for consideration.

### **8. CONCLUSION**

- 8.1 The Council needs to respond to the new Governance Standard by making the Audit Committee fully independent of the Overview and Scrutiny function. While doing this it is opportune to give consideration both to strengthening the role of the Full Council and providing increased opportunities for members to hold the executive to account. There is also the opportunity to take steps to even up the size of various committees and incorporate current accepted practice within the constitution, together with incorporating required changes as a result of new legislation..

### **9. RECOMMENDATIONS**

- 9.1 The Council are recommended to approve the following changes to the Overview and Scrutiny arrangements to take effect from the commencement of the next municipal year:

- a) The disestablishment of the Overview and Scrutiny Management Committee.

- b) The renaming of the Audit Scrutiny Committee as the Audit Committee with a reporting line directly to the Council.
- c) The institution of a prohibition on members of the Audit Committee serving on either the Performance, or Policy Overview and Scrutiny Committees.
- d) The renaming of the Performance and Policy Scrutiny Committees as the Performance and Policy Overview and Scrutiny Committees with a reporting line directly to the Council.
- e) Agree to the institution of arrangements for dealing with call in and councillor calls for action based on consideration by a 5 member panel drawn from the membership of the two Overview and Scrutiny Committees and chaired by the Chair of Policy Overview and Scrutiny Committee (for call ins) and of the Performance Overview and Scrutiny (for calls for action).
- f) Agree to adopt working practices whereby no more than two Task and Finish Groups are in operation at any one time and the terms of reference and project plan for such groups are agreed by the parent Overview and Scrutiny Committee before they commence work.
- g) Agree that the work of the two Overview and Scrutiny Committees be coordinated through regular meetings of the two Chairs and two opposition members, with the detailed arrangements to be confirmed with the various political groups following the elections. The papers for such meetings to be made available to all councillors through the intranet.

9.2 The Council are recommended to approve the following changes in relation to other committees:

- a) To set the membership of the Development Control Committee at 7 members
- b) To set the membership of the Licensing Committee at 7 members.
- c) To set the size of the pool of members for the Appointments and Appeals Committee at 9 members (including the Leader of the Council and Leader of the Opposition) with the panels drawn from the pool being either 3 members for employment and other types of appeal and 5 members for appointments.
- d) To agree to write in to the Constitution a requirement that no member may sit as a member, or substitute on the Appointments and Appeals, Development Control, Licensing, or Standards Committees without first having undergone appropriate training.
- e) To agree that arrangements be put in place for an agreed programme of debates on major issues to be held at meetings of the Full Council and that officers be asked to present proposals for such a programme to the first ordinary meeting of the Council following the elections.
- f) To agree to add a Members Question Time to the agenda of the Cabinet to provide an additional opportunity to hold the executive to account.
- g) To agree a composition of the Standards Committee of 7 Councillors and 3 independent members and 2 parish council representatives with the Chair and Vice Chair held by Independent members.

9.3 The Council are recommended to instruct the Chief Executive to include any amendments necessary to give effect to these changes in the Constitution to be adopted at the Annual Meeting of the Council.

## 10. CONSULTATION CARRIED OUT

10.1 Leaders of the political groups and Chair of Overview and Scrutiny.

## 11. EQUALITY IMPACT ASSESSMENT

Is an Equality Impact Assessment required No

Is an Equality Impact Assessment attached No

## 12. BIODIVERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required No

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No background papers