

REPORT OF THE LEADER OF THE COUNCIL**CHANGE TO GOVERNANCE ARRANGEMENTS****Purpose of the Report**

1. To seek approval to change the governance of the Council from the Leader/Cabinet Executive arrangement to a committee system.
2. To agree the constitutional changes required in order to operate a committee system.

Information and Advice

3. The Localism Act 2011 permits Councils to return to a committee system. The relevant provisions of the Act were brought into force by a Statutory Instrument dated 15th January 2012. A letter has been received from the Department of Communities and Local Government confirming this and advising that further regulations are expected in April. At its meeting on 26th January 2012, Council agreed that detailed proposals on changing the Council's governance arrangements to a committee system should be developed. This report sets out the changes which will need to be agreed if a new system is introduced.
4. A committee system form of governance is the most democratic form of decision making for the Authority. It enables all Councillors to be involved in decision making and gain an experience of the areas covered by the committees on which they serve. Committees rather than individuals will make all decisions, except for day-to-day operational decisions which will continue to be made by officers. These operational decisions will be reported to committees on a regular basis to ensure accountability. For the public, the committee system is more transparent as it is clear who is taking the decisions, with the papers being publicly available in advance.
5. Following the meeting in January the Council informed partners of the intention to return to a committee system and sought comments on the proposals. Details were posted on the Council's internet site and comments sought. At the time of this report's production, although a limited number of comments have been received, they have been generally in support of the proposed change. Some have indicated that there should be no additional costs from the new arrangements. Further details of the responses are set out in Appendix A.
6. In order to change existing governance arrangements to a committee system a resolution of the Full Council meeting is required. The new system would then be introduced with effect from the Annual Meeting in May 2012. Councillors should be aware that the law does not

permit the passing of a further resolution to alter governance arrangements for a period of 5 years from the date of the original resolution. It is possible to change the governance arrangements before the expiration of 5 years but only by means of a public referendum.

7. A chart showing the proposed new committee structure, and a table showing the proposed size of committees and the political balance are attached at Appendix B. The Monitoring Officer has confirmed that this allocation of seats meets the requirements of political balance.
8. The Constitution is being re-drafted in two phases to ensure it is fit for purpose. Phase 1 contains the key elements which need to be approved to introduce the new system. These are set out in Appendix C as follows:-
 - Introduction
 - Terms of Reference of the Council, committees and sub-committees
 - Scheme of Delegation to officers
 - Procedure Rules for Full Council meetings
 - Procedure Rules for other meetings
 - Urgency Procedure Rules

It is intended that Phase 2 will be brought to the Annual Meeting in May for approval. In relation to the Procedure Rules for meetings, Members should be aware that the sections regarding Declarations of Interests will need to be revised when changes to the Standards regime under the Localism Act come into effect. A separate report will be brought on this to a future meeting.

9. The proposed Constitution has been developed by officers with contributions from all departments. The work has been shared with a Cross Party Member Reference Group consisting of the Group Leaders of all four Political Groups, the Deputy Leader of the Council and the Cabinet Member for Finance and Property.
10. It remains the position that amendments can only be made to the Constitution by Council. It is however proposed that minor amendments required as a result of any future restructuring should be delegated to the Council's Monitoring Officer.
11. Members should be aware that there is no intention to increase the current staffing establishment as a result of any change to a new governance system. The new system, if approved, will be operated within existing budgets.
12. Some concern has been expressed as to how scrutiny will operate under a committee system. Scrutiny was introduced in the Local Government Act 2000 as a means of holding the executive to account and to assist the executive in formulating policy. Under a committee system, in which all committees have political balance, this method of collective decision making negates the necessity of a separate mechanism to ensure accountability. Each committee will be responsible for contributing towards the development of policies. Policy Committee or Full Council will be responsible for final approval.
13. It is intended that the Joint City/County Health Scrutiny Committee will continue to conduct scrutiny of health issues in the urban towns in the south of the county. In addition, it is proposed that a separate health scrutiny committee be established covering health issues in the rest of the county. It is planned that this new committee will include District Council

representation. Discussions will take place on this with the Districts and firm proposals will be brought back to Full Council. Both health scrutiny committees will be examining other areas than those which will be reserved to the Health and Wellbeing Board. The remaining statutory overview and scrutiny powers will be allocated to the Policy Committee which may set up task-and-finish sub-committees to deal with specific issues if necessary.

14. In order to ensure Councillors can be satisfied that services for which they are responsible are performing satisfactorily, performance information relating to relevant services will be provided to committees on at least a quarterly basis. Policy Committee will be responsible for monitoring the overall performance of the Council.
15. A number of issues have been identified through the existing scrutiny committees as possible matters for future investigation. These are set out in Appendix D which also identifies the most appropriate committee to consider them.
16. There are also a number of reviews which have recently been completed and a response from the Cabinet Member is awaited. It is intended that the response will now be presented to the most appropriate Committee over the forthcoming months as part of the move to the new system. These are also listed in Appendix D.
17. A Forward Plan to identify key decisions is not required under a committee system. Each committee, however, will be required to agree a work programme which will include details of the frequency and type of information it needs.
18. Minutes of all committee meetings will be available through the website. The agenda for Full Council meetings will include an opportunity for any members to seek clarification on any item set out in those minutes.
19. Details of the intended frequency of meetings are attached at Appendix E. This meeting cycle has been produced following an analysis of decisions taken by portfolio holders, officers and Cabinet over the last two years. If there is no business for any scheduled meeting it will be cancelled. Information about any cancellations will be used to review the frequency of meetings.
20. Regulations under the Localism Act are expected to be issued in the near future. To comply with these regulations it may be necessary to make alterations to the proposed Constitution. If so, a further report will be brought to Full Council as soon as possible. In any event it is intended to review the arrangements in full after six months of operation, and to bring a further report to Full Council.
21. If the proposals in the report are agreed it will be necessary for a meeting of the Independent Remuneration Panel to be convened to make recommendations on Special Responsibility Allowances for Councillors under the new system. The Panel will be asked to ensure that the overall cost of allowances does not increase. A report will be brought to Council as soon as possible with the Panel's recommendations.

Other Options Considered

22. Council could decide that there is insufficient benefit in introducing a different system of governance at this time.

Reason/s for Recommendation/s

23. The rationale for a committee system is that it is the most democratic and transparent form of governance. It ensures all 67 democratically elected Councillors are able to fully participate in decision-making and shaping the policy of the Council. It ensures greater transparency in that all reports are publicly available prior to any decision being made, and all decision-making meetings are held in public.

Statutory and Policy Implications

24. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1. That the Council adopts a committee system form of governance with effect from the Annual Meeting on 17th May 2012 and ceases to operate the Leader/Cabinet Executive arrangements from that date.
2. That the following parts of the Constitution as set out in Appendix C be approved to operate with effect from the Annual Meeting on 17th May 2012:-
 - Introduction
 - Terms of Reference of the Council, committees and sub-committees
 - Scheme of Delegation to officers
 - Procedure Rules for Full Council meetings
 - Procedure Rules for other meetings
 - Urgency Procedure Rules
3. That the size of the Committees and Sub-Committees and proportionality be as shown in Appendix B of the report.
4. That the establishment of a health scrutiny committee be agreed in principle and that a further report be brought to Full Council following discussions with District Councils.
5. That arrangements be made to convene the Independent Remuneration Panel to make recommendations on Special Responsibility Allowances for Councillors under the new system and that a report on this be brought back to a future meeting.
6. That the Council's Monitoring Officer be authorised to make minor changes to the Constitution as a result of any future departmental restructuring.

Councillor Kay Cutts
Leader of the Council

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Constitutional Comments (SLB 19/03/2012)

Full Council has the authority to adopt and change the Constitution and is the appropriate body to consider the matters set out in this Report.

Financial Comments (MB 19/03/12)

Any costs associated with the change of governance arrangements will be contained within existing budgets.

Background Papers

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.

The County Council report of 26th January 2012 is published on its website.

Letter to partners/stakeholders inviting comments on proposals, and responses received.

Letter from the Department of Communities and Local Government to the Chief Executive dated 9th March 2012.

Electoral Division(s) and Member(s) Affected

All