

**Committee: Full Council**

**Agenda Item**

**Date: 19<sup>th</sup> October 2010**

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**Title: Executive Governance**

**Author: John Mitchell**

Item for decision

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## Summary

At their meeting of 30<sup>th</sup> September 2010 Members resolved as follows: “that the Council agree in principle to an executive form of government and that officers work up a model to put before a special meeting of the Council on 19 October 2010.”

This report and appendices set out officer’s response to that resolution.

## Recommendation

Members consider and agree the provisions of the appended draft Proposals for Executive Governance, having regard to the Equalities Impact Assessment

## Financial Implications

- 1 The estimated cost of implementing the recommendations can be absorbed from current budgets but the ongoing costs will not be known until the Council adopts a model for an executive. Adopting an Executive model of decision making will alter the roles and responsibilities of some Members and therefore a review of the Members Allowances Scheme will be required. The nature and number of committee meetings will change which could have an effect on administrative costs and Members’ travel expenses. Although any increase in cost is unlikely to be significant, and there may even be a saving, it would be appropriate to adopt an objective of cost neutrality or better
- 2 At present each member has an allowance of £5,019.96pa. Special Responsibility Allowances are based on a ratio proportionate to the basic Member allowance. Chairs of the three policy committees and the four regulatory/scrutiny and review committees have additional allowances of £3,754.84, as does the Chairman of the Standards Committee. An equivalent allowance is payable to the deputy leader of the Council, but at present is not paid as the holder of that office also chairs the Development Control Committee. Chairs of the two area forums have a smaller allowance. Vice chairmen have no allowance. The Chairman of the Council, vice Chairman, Leader and group leaders all have special responsibility allowances.
- 3 The proposed new model retains four regulatory/scrutiny and review Committees, plus the area forums. A cabinet would comprise the Leader with between two and nine portfolio-holders. The Leader must appoint one of the cabinet as deputy leader. Assuming existing special allowances are transferred to the four new committee chairmen as outlined above then a

cabinet comprising the Leader and four portfolio-holders (including the deputy leader) would be cost-neutral, provided that portfolio-holders were paid the same as chairmen.

- 4 There are, however, many permutations and combinations of allowances and responsibilities however and much will depend on the cabinet selected by the Leader. Comparison with neighbouring councils and councils of a similar size indicates that cabinet members have a higher allowance than the regulatory and scrutiny chairmen. The weight, and therefore proportionate allowances, given to the roles of portfolio holders and chairmen will be a matter of policy for members to determine, having regard to the views of the Independent Remuneration Panel.

### Background Papers

The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

### Impact

Communication/Consultation	Consultation started on 4 March 2010 with a press release and advert in local newspapers. A leaflet was produced and sent to partner organisations and parish councils with a letter asking them to comment. The leaflet included a link to information on the Council's website, and also included a telephone number and dedicated email address for those wishing to comment. An invitation to comment was sent to every household via Uttlesford Life, and invitations to comment were also made at the Community Forums. The consultation period ended on 31 <sup>st</sup> May but comments received after then were also taken into account.
Community Safety	None
Equalities	An impact assessment is appended. There are no equalities impacts that would not apply to the current Committee system
Health and Safety	None

Human Rights/Legal Implications	If approved the proposals will need to be advertised and sent to the Secretary of State (although government approval is not required). A decision to move to executive arrangements must be taken by 31 December 2010. If a resolution to move to executive arrangements is not passed by that date then absent any changes to the legislation the council will not have a further opportunity to review its governance arrangements until 2014.
Sustainability	None
Ward-specific impacts	All
Workforce/Workplace	Changes to the working patterns and practices of committee support officers will be required

## Situation

- 5 There are three appendices which effectively comprise this report. The first is the proposal for executive arrangements. The second is the draft constitution, and the third is the Equality Impact Assessment.
- 6 Appendix 1 – The draft proposals – sets out how the executive will work. It describes the role of the Leader, the appointment of the Executive, the role of the deputy Leader, delegation arrangements, timetabling, and other matters. If members agree then this will form the basis of the publicity prior to the council meeting of 14<sup>th</sup> December 2010
- 7 Appendix 2 is the Equalities Impact Assessment which shows that moving to executive governance would be neutral in terms of equalities.
- 8 Appendix 3 is the draft constitution. This is a detailed document in exactly the same format as the current constitution. Under the present constitution certain constitutional amendments require to be moved and seconded but are then adjourned to the next meeting of the council. At the meeting on 14 December 2010 members will take a decision as to whether to adopt executive arrangements. In the event that members do so resolve members will need to propose and second the necessary replacement of the constitution which will then lay on the table until the meeting on 17 February 2011 when the new constitution can be adopted to take effect from 8 May 2011
- 9 The report considered by Council on 30<sup>th</sup> September set out characteristics which an executive model could demonstrate. These are considered below.

Offers a role for all members	The regulatory functions of Development Control and Licensing would remain, as would Scrutiny and the equivalent of Performance Select Committee. Working groups would remain. Outside the cabinet there is a committee role for any member who would want one. Members would also be entitled to attend cabinet and, at the discretion of the leader, table questions.
Enhances the Council's tradition of consensual decision making	The Council's approach to decision making is cultural rather than encapsulated in the constitution. The checks and balances of the executive model give greater assurance that this culture will continue.
Is easily understood	The executive model is used by the great majority of councils and is readily understood. There will be greater clarity for the public as matters will not need to be referred from one committee to another before a decision can be made.
Is adaptable	There will most likely be teething problems as the cabinet model is implemented, and will in any event require adaptation as circumstances and priorities change.
Gives confidence through transparency	The cabinet model encourages transparency. The four month work programme gives certainty about the issues cabinet will be considering.
Demonstrates cost neutrality or better	This is discussed above

- 10 The Council must have regard to the provisions of the Local Government Act, 2000, which requires the Council to consider the extent to which the proposals, if implemented, are likely to assist in securing continuous

improvement in the way in which the authority’s functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

- 11 An executive administration would offer:-
- a. More responsiveness to changing events than the current committee system whereby committees meet 5 times a year with virtually no meetings during the months of July and August and with decisions frequently needing to be referred to more than one committee and full council.
  - b. More responsibility for individual portfolio holders who would drive policy and direction by presentation of reports.
  - c. More checks and balances through enhanced scrutiny review.
  - d. A common system of governance with partner authorities.
  - e. Greater opportunities for other members and guests to inform debate.
  - f. A better foundation for shared service working with other executive run councils.
  - g. Greater confidence for portfolio holders in representing the council.
- 12 It is considered that the council will demonstrate greater improvement under these proposals than it has achieved under the alternative arrangements and that the leader and executive model offers the best value for residents, businesses and visitors in Uttlesford.
- 13 Having regard to all these factors, Members are invited to consider the appended draft proposals.

### Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to comply with statutory requirements.	1 – there is an awareness of statutory requirements	2 – could render the decision making process ultra vires	Through the Council’s Monitoring Officer, ensure that the necessary procedures are followed.
Retaining committee system will hinder partnership and shared services	Dependent on outcome of debate	4 – confusing and inconsistent governance arrangements would be a disincentive for councils to partner with	Adopt an executive model

		UDC, leading to financial difficulties for the Council	
Cabinet model may not work	1 – it works elsewhere	2 – the model can be changed	Adapt the model as problems arise, support legislation that allows for flexibility of arrangements
Retaining committee system will bind the council for 4 years	4 – legislation will prevent a change to cabinet until the 2015 council elections	4 – the council will suffer reputational damage	Adopt an executive model

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.