



**REPORT of  
CORPORATE GOVERNANCE WORKING GROUP**

---

to  
**COUNCIL (EXTRAORDINARY)  
25 JULY 2019**

**NEW COUNCIL STRUCTURE AND CONSTITUTION – TRANSFORMATION  
PROGRAMME**

**1. PURPOSE OF THE REPORT**

- 1.1 To receive and consider the further report of the Corporate Governance Working Group and its recommendations on detailed arrangements to support the previously agreed principles of a new committee structure as part of the Council's Transformation Programme, and also a review of key constitutional documentation.

**2. RECOMMENDATIONS**

- (i) That the Council approves the terms of reference and operating protocols for the Appointments Board, Area Planning Committees, Joint Standards Committee, Investigating and Disciplinary Committee and Panel as part of the new structure and Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX A**);
- (ii) That the Council approves the revised terms of reference/operating protocol for the Licensing Sub-Committee as part of the new structure and Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX B**);
- (iii) That the Council approves the updated General Provisions document including Proper Officer designations which, subject to further updating as required to reflect internal changes in functional responsibility, will become part of the new Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX C**);
- (iv) That the Council approves the updated Council and Committee Procedure Rules document to become part of the new Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX D**);
- (v) That the Council approves the new Officer Employment Procedure Rules document to become part of the new Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX E**);
- (vi) That the Council approves the reallocation of the functions and responsibilities currently delegated to the Head of Paid Service, with consequent updating of

the Scheme of Delegation, to become part of the new Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX F**);

- (vii) That the Council approves the updated draft terms of reference and operating protocol for the Overview and Scrutiny Committee as part of the new structure and Constitution of the Council to be adopted to take effect in October 2019 (see **APPENDIX G**);
- (viii) That the Council notes the arrangements for the operation of the new committee structure and approves the revised schedule of meetings to take effect from October 2019 (see **APPENDIX H**).

### **3. SUMMARY OF KEY ISSUES**

3.1 The Council has given the following specific brief to the Working Group:

*That the Corporate Governance Working Group be instructed to commence work in line with its existing terms of reference to consider and report on a committee structure and associated governance arrangements including constitutional documentation and report back to the Council*

3.2 Upon the report of the Working Group following its meetings in January 2019, the Council on 14 February 2019 decided on the principles of a revised committee structure and membership, with associated functional responsibilities and prospective cycle of meetings. The Council also endorsed the concept of an incremental approach to approval of elements of a new Constitution being provided for the Council with a view to their taking full effect in October 2019 following its completion and adoption. The Council further agreed that the principles of membership of the new Committees be reviewed towards the end of the current municipal year.

#### **3.3 Committee Terms of Reference and Operating Protocols**

3.3.1 The Working Group has met several times since to look at terms of reference and operating arrangements for the new Committees, being the Strategy and Resources Committee, the Performance, Governance and Audit Committee and the Licensing Committee and Sub-Committee. Further to the report to the last meeting of the Council in June, the Working Group has met again to review the terms of reference and operating arrangements for the remaining Committees which are largely unaffected by the changes but will remain as part of the new structure and Constitution.

3.3.2 The reviewed versions are re-presented in the new format and can be seen at **APPENDIX A**. Significant features being recommended are:

- Appointments Board continuing to be a Committee of the Council and appointing all statutory officers without reference to the Council.
- Appointments Board no longer having an involvement in appointment of Independent Persons as this is within the remit of the Joint Standards Committee.

- Area Planning Committees - Annex A Member Call-In – Members to provide a justified or substantive reason.
- Area Planning Committees – Planning Performance Agreement (PPA) criterion under definition of Development of Strategic Interest deleted as PPAs now in wider use.
- Investigating and Disciplinary Panel – remit to include Directors in a non-statutory role.

3.3.3 The Working Group also reviewed two further arising in connection with the Licensing Committee and in particular the constitution and membership of the Sub-Committee. It is recommended that the Sub-Committee consists of four members (being called) with a quorum of three, and also the removal of the restriction on a Ward Member sitting on the Sub-Committee when the subject application involves premises in his or her Ward. The resultant further changes are at **APPENDIX B**.

### 3.4 **General Provisions**

3.4.1 The Working Group has reviewed the General Provisions section which currently overlays the Committee Terms of Reference and Scheme of Delegation. This has been updated for inclusion in the new Constitution and is at **APPENDIX C**. Attention is drawn to part 6 of the Scheme of Delegation section which sets out a list of Proper Officer appointments including a number of revisions linked to what are considered appropriate current posts. These require the approval of the Council. Also included is a consolidated and updated version of the arrangements for public participation at meetings of the Council, Planning Committees, and other Committees.

### 3.5 **Council and Committee Procedure Rules**

3.5.1 The Working Group reviewed an updated version relative to the new structure and this is at **APPENDIX D**. Particular mention is made of the inclusion within Rule 1 of those matters contained in the current Political Parties and Associated Arrangements document and which are geared to the lead-up to the statutory annual meeting of the Council. Procedure Rule 16 is recommended for deletion as it does not relate to the procedure and processes of meetings. Some of its content is outdated, and where appropriate will be dealt with elsewhere in the Constitution or otherwise be a matter for HR policy. Procedure Rule 15(2) is recommended for deletion as it is in conflict with the provisions of the Council's adopted Local Code of Conduct and Planning Guidance and Good Practice document. In connection with Procedure Rule 17, it was felt that the membership of the Overview and Scrutiny Committee should exclude the Vice-Chairmen as well as the Chairmen of the two Committees.

### 3.6 **Officer Employment Procedure Rules**

3.6.1 In order to provide clearer definition as to the boundaries of responsibility for the appointment, discipline and dismissal of staff, and the statutory requirement for a 'standing order' relating to disciplinary action resulting in dismissal of a statutory officer, a separate Officer Employment Procedure Rules document has been produced and is at **APPENDIX E**.

### 3.7 **Head of Paid Service – review of role and implications for Scheme of Delegation**

3.7.1 A separate report is being submitted to the Council at this meeting on the review of this interim appointment. Fundamental to the review is to redefine the role along the lines of the statutory one. This involves a reallocation of the responsibilities and functions previously ascribed to the Chief Executive which under the current interim arrangements set up last year were transferred en-bloc to the Head of Paid Service. In the absence of a Chief Executive post, these responsibilities are considered to go well beyond the statutory role of the Head of Paid Service and should therefore be reallocated among the Corporate Directors in line with their service and functional responsibilities. Most of these will be either Proper Officer designations mentioned in 3.6 above or otherwise be within the Scheme of Delegation. A revision to the Scheme of Delegation proposing a reallocation of functions currently delegated to the Head of Paid Service is at **APPENDIX F**.

### 3.8 **Overview and Scrutiny Committee**

3.8.1 The Council at its last meeting decided to defer consideration and approval of draft terms of reference for this Committee as part of the new structure, together with some operating principles for the Committee. Reference was made to the very recent publication by the Government of statutory guidance on Overview and Scrutiny in Local and Combined Authorities, which it should be reviewed.

3.8.2 Local authorities must have regard to the statutory guidance in the arrangements it makes for overview and scrutiny. The new Guidance appears largely to update existing Guidance and has particular regard to the conclusions of a House of Commons Select Committee which reported in December 2017.

3.8.3 The Working Group was content that there was nothing seen in the Guidance that would obviously require a change to the draft terms of reference for the Committee in the new structure. Subject to a minor revision, and the incorporation of the previously identified principles and the need for induction training within its operating protocol, the draft terms of reference at **APPENDIX G** are again recommended to the Council. It is also recommended that the Committee has regard to the Guidance in approaching its work and considers this as a special matter at its first meeting.

### 3.9 **Operational arrangements for the new committee structure**

3.9.1 The Working Group received details of the operational arrangements for and associated with the new committee structure. The Council in February 2019 agreed that the new committee structure would run on a six weekly committee cycle with no regular scheduled meetings on weeks four and five. To accommodate the requirements for statutory deadlines and the new structure, the proposed schedule of meetings at **APPENDIX H** is proposed. This includes Thursday meetings to allow for bank holidays and required deadlines.

3.9.2 The representatives on the outside bodies list does not consistently translate to the new structure. It is proposed that this will be mapped to the relevant Committee where possible and will be submitted to the October meeting of the Council for fresh appointments.

3.9.3 Based on the new terms of reference for the committees, the proposed constitution of the corporate working groups is as follows, and nominations will be sought at the October Council meeting:

<b>Working Group</b>	<b>Current</b>	<b>Proposed</b>
Asset Management Working Group	Two members from each of the three programme committees	Three members from Performance, Governance and Audit Committee  Three Members from the Strategy and Resources Committee
Corporate Projects Task and Finish – to be renamed Corporate Projects Board	Two members from each of the three programme committees	Six members from Strategy and Resource Committee
Corporate Governance Working Group	Seven members of the Council	Seven members of the Council
Strategic Housing Board	Two members from each of the three programme committees	Three members from Strategy and Resources Committee  Three members from Performance, Governance and Audit Committee
Transformation Programme Board	Four members of the Council	Four members of the Council

3.9.4 The operating protocols for the new committees include some training requirements, and Committee Services will be co-ordinating a timetable of member training for the year, with the aim of it being administered in ModGov as it progresses. The topics will include:

- Mandatory:
  - Induction every 4 years / election cycle;
  - Planning training and updates for committee members;
  - Licencing training and updates for committee members.
- Good practice sessions:
  - New constitution training;
  - Chairman training;
  - ICT and general support training.

#### **4. IMPACT ON STRATEGIC THEMES**

4.1 The New Council Structure proposals, support the Councils Performance and Efficiency Theme, and Planning For the Future Theme, specifically contributing to,

‘An open and transparent organisation’, and in bringing forward a more cost-efficient structure contributes to ‘Continuing to work sustainably’.

## 5. IMPLICATIONS

- (i) **Impact on Customers** – It is important that the Council is able openly to explain, through well-presented and user-friendly constitutional documentation, the way in which it is set up and operates, and how it conducts its business. It is important that the Council’s procedures are seen as open and transparent.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – None.
- (iv) **Impact on Resources (financial)** – The new council committee structure will operate more efficiently, in staff time, and Member time and will require one fewer Committee Chair and Vice Chair, giving a financial saving, supporting the financial benefits outlined in the Future Model.
- (v) **Impact on Resources (human)** – The reduction in the number of committees and overall meetings will reduce the staff resource required.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Stuart Jennings, Corporate Governance Project Officer (Tel: 01621 875745).