

HERTFORDSHIRE COUNTY COUNCIL

REPORT OF THE POLICY COMMITTEE 14 OCTOBER 1999

NOTE: A copy of the reports mentioned below have been sent to all members of the Policy Committee and other members who have requested them. Further copies are available from Janet Purcell, Room 222, County Secretary's Department, County Hall, Hertford. (Telephone: 01992 555562)

1. THE PROPOSED ESTABLISHMENT OF A REGIONAL LOCAL GOVERNMENT ASSOCIATION

1.1 Background

The East of England Conference at their AGM on 16 July 1999 resolved that all 54 local authorities in the East of England should be asked to formally consider making an approach to the LGA for the Conference to be designated as a Regional LGA.

The constitution of the LGA states that:

“If more than half the authorities in a region in full membership of the Association so request by giving formal notice to the Chief Executive, the Association acting through the LGA Executive shall form a Regional LGA to which all member authorities in that region shall be entitled to belong”.

[As at 1 November 1999 23 authorities had confirmed their support for a Regional LGA which indicates that the creation of a Regional LGA is very likely.]

1.2 The East of England Local Government Conference

The aims of the East of England Local Government Conference are

- (i) To secure a strong regional voice for the Region of the East of England in relation to regional, national and international issues.
- (ii) To act as the regional arm of the Local Government Association and, through the mechanism of the Local Government Association, determine and promote a regional perspective on national issues affecting local government.
- (iii) To undertake regional collaboration in policy areas where regional working will add value.

The establishment of the Conference as a Regional LGA will enable aim (ii) to be achieved.

1.3 Expansion of Conference Functions

Proposals to expand the functions of the Conference were considered at the meeting of the East of England Local Government Conference Executive Committee on 7 September 1999. It is proposed that the Conference integrates the functions of the Regional Employers' Organisation and that responsibility for regional planning for all authorities in the East of England is transferred to the Conference from SERPLAN (which is currently responsible for regional planning for Hertfordshire, Bedfordshire and Essex) and SCEALA (which is currently responsible for regional planning for all other authorities in the East of England). This would result in a need to amend the Conference constitution to include the following:

- i) To act as the regional arm of the Local Government Association and, through the mechanism of the Local Government Association, determine and promote a regional perspective on national issues affecting local government.
- ii) Assume the role of a Regional Planning Body for the East of England and establish effective cross-boundary mechanisms to ensure co-ordination of policy with neighbouring regions.
- iii) Initiate and co-ordinate a regional response for local authorities in relation to national and European policy.
- iv) Provide the focus for the views of local authorities in relation to other regional organisations to undertake regional collaboration in policy areas where a regional perspective adds value (e.g.: GO-East, EEDA, The Regional Cultural Consortium, Environment Agency, English Heritage).
- v) Through its integration with the Regional Employers' Organisation, the Conference would take responsibility for human resources matters including the representational links with the LGA and other national agencies and the provision of training and advice in these areas.
- vi) The Conference would continue to provide the Secretariat to the East of England Regional Assembly, a body which will assume responsibility for the wider regional strategy to include social exclusion, sustainable development, skills and life-long learning and the health agenda.

1.4 Proposed Staffing

At present the only paid staff employed to support the functions of the Conference are a Regional Officer and administrative support. It has been proposed that a Regional Director, two additional second tier officers (Head of Regional Planning and Head of Regional Strategy), three third tier officers and three clerical officers are appointed at a total cost of £490,000. The Executive Committee agreed to the appointment of the Regional Director who would then be responsible for recommending an appropriate staffing structure to a future meeting of the Executive Committee. The Regional Employers Organisation staff would also be subsumed into this structure.

1.5 Financial Implications

The Conference's designation as a Regional LGA will have no immediate financial implications as it will not affect the amount of subscriptions payable by members of the East of England Local Government Conference. In the longer term, it may be argued that the establishment of a Regional LGA will help to secure a stronger voice for the East of England region at a national level and thereby help to secure additional resources for the region.

Any decisions made by the East of England Local Government Conference to take over the regional planning responsibilities of SERPLAN and SCEALA and to create a new staffing structure are likely to have financial implications for the County Council and will need to be considered in detail at that time.

The new staffing structure would need to be funded by subscriptions payable by local authorities to the East of England Local Government Conference. At present Hertfordshire County Council's subscription is £6,000. However, the County Council also pays a subscription of £52,786 to SERPLAN, the current regional planning body for Hertfordshire. If the Conference takes over responsibility for regional planning, this subscription would no longer be payable. Four models for determining the level of subscriptions payable by each authority in the East of England to meet the costs of the proposed new staffing structure have been suggested. The financial implications of each model for the County Council range from increasing the total subscription payable by £6,000 to decreasing the total subscription payable by £38,200. This is further complicated by uncertainty about the level of staff time Hertfordshire would need to devote to supporting the new Regional Planning body. The light touch organisation currently envisaged may require more support than SERPLAN currently requires and this could increase our costs. Until more detail is known we cannot definitely say what the impact on HCC will be.

1.6 Conclusion

The Committee agreed as follows:-

- (1) That the proposal to approach the LGA for the East of England to be designated a Regional LGA be supported provided that the principles of the LGA's Political Conventions are adopted by the Regional LGA as far as practicable.
- (2) That the County Council supports the East of England Local Government Conference Executive's proposals to expand the functions of the Conference to take on regional planning and the Regional Employers' Organisation provided that:-
 - (a) the mechanism through which the Conference discharges its regional planning functions allows the strategic planning authorities for the region to be represented as of right and to determine their own representation.
 - (b) the activities of the Conference and the Assembly are in future focussed on:-

regional planning
economic development
Europe

- (c) the bureaucratic cost of supporting the wider remit is kept to a minimum, by ensuring (inter alia) that the new Regional Director leads on regional planning issues.
- (3) That the Chief Executive be instructed to discuss the proposals further with the Region in order to ensure that the County Council's interests are safeguarded; and to report back to the Committee as he considers necessary.

2. SCHEME OF DELEGATION TO COMMITTEES– REMIT OF SCRUTINY & AUDIT PANEL

2.1 Background

The current Scheme of Delegation describes the arrangements and terms of reference for the Scrutiny and Audit Panel as follows:-

"The Scrutiny and Audit Panel has been established to ensure that there is a degree of independent review and evaluation of the impact of the Council's policies. It will be chaired by a member of the Opposition and have a membership of eight. The Panel may report to Policy Committee or to the Council when they consider it appropriate.

The Terms of Reference of the Panel are to:-

- review the strategic control processes within the Authority
- monitor the adequacy of arrangements for achieving value for money
- monitor implementation of audit recommendations"

This remit was developed before the most recent changes in member structures and specifically before the Improvement and Review Committee came into being.

The Committee have agreed that, in order to avoid double-handling between the Panel and the Committee, the terms of reference for the Panel should be re-written to follow the CIPFA and Audit Commission best practice guidance on Audit Committees in Local Government. The proposed terms of reference are set out in the recommendation below.

2.2 RECOMMENDATION

That the terms of reference of the Scrutiny and Audit Panel be amended to read as follows:-

"The Scrutiny and Audit Panel will be chaired by a member of the Opposition and have a membership of 8. The Panel may report to the Policy Committee or to the Council when they consider it appropriate.

The Terms of Reference of the Panel are to:-

- review the adequacy of internal control systems
- review, with management, financial statements
- review the internal audit strategy and plan, including effective use of audit resources
- review the annual report of the Chief Internal Auditor
- receive a report on the implementation of Internal Audit recommendations
- discuss the annual external audit plan with the District Auditor
- discuss key issues and management responses arising from District Audit reports
- review the District Auditor's management letter and management's response."

**Robert Ellis
Chairman
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Hertford**

14 October 1999