

HERTFORDSHIRE COUNTY COUNCIL

TUESDAY 28 NOVEMBER 2000 AT 10.30 A.M.

Agenda Item No:

8

NEW POLITICAL STRUCTURES

Report of the County Secretary

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1. Purpose of Report

- 1.1 To enable the Council to review the Constitution adopted in May 2000 in the light of experience to date, and make any necessary changes.
- 1.2 To advise the Council of the changes which will be required to the Constitution to meet the requirements of the Local Government Act 2000.
- 1.3 To ask the Council to agree a process to meet those requirements.

2. Summary

- 2.1 The new Constitution came into effect on 1 August 2000. The Council may wish to consider some changes in the light of experience, particularly in relation to the remits of the Select Committees and Audit Committee, the composition of the Executive Committee and the introduction of a Question Time at Select Committee meetings.

The Council also has the opportunity to update the Scheme of Delegations to Officers, which is included in the Constitution, to reflect recent changes.

- 2.2 The current Constitution will need to be amended in the light of the Local Government Act 2000. The Council must take account of the public's views before deciding what model of executive arrangements to adopt. The Act will also eventually require the Council to introduce a new system of dealing with members allowances, and to appoint a Standards Committee.

3. Conclusions

- 3.1 The Council may wish to accept the changes to member processes summarised in para. 4.2 of the report and set out in detail in Appendix 1 and authorise the County Secretary to make the necessary changes to the Constitution.
- 3.2 The Council may also wish to accept the changes to the Scheme of Delegations to Officers set out in para. 4.3 of the report and authorise the County Secretary to make the necessary changes to the Constitution.
- 3.3 The Council may wish to ask the New Member Structures Panel (R. Ellis, D. Ashley, R. Mays, C. White) to report to Council on February 2001 with:
- Draft proposals for executive arrangements which take account of the results of public consultation and the requirements of the Local Government Act 2000.
 - A suggested timetable for implementation.
 - Recommendations for meeting the new requirements for members allowances and appointment of a Standards Committee.

4. Review of the Constitution

- 4.1 The new Constitution has been in operation since 1 August 2000. The Cabinet and Executive Committee will have met 3 times; there has been one cycle of Select Committee meetings.
- 4.2 Some changes to member processes are proposed for consideration in the light of experience. These are set out in detail in Appendix 1. In summary, they are:
- a)
 - Executive Committee. Amend the composition to make clear it is 18 members of the Council, appointed proportionally. The amendment will enable the majority group to use the substitution rules.
 - b)
 - Amend the remit of the Resources Select Committee to include relations with the Region as well as with Europe; and to make it clear that the Select Committee's remit covers the Community Strategy and Asset Plan.
 - c)
 - Amend the remit of the Audit Committee to make it clear that value for money issues arising out of District Audit reports should go to the appropriate Select Committee rather than the Audit Committee.

- d)
 - Introduce a Question Time at each Select Committee meeting. The procedure will require written copies of the answer to be available at the meetings and will allow one supplementary question to be asked.
- 4.3 The Constitution also includes the Scheme of Delegation to Officers. Some amendments are required to reflect recent changes:
- Change of title of the Chief Financial Officer to Finance Director (there are no changes in duties)
 - Responsibility for sport and recreation to rest with the Director of Community Information who is responsible for the culture strategy of which sport and recreation forms part.
 - Make clear that the Corporate Director (People & Property) can only agree property disposals for self-financing schemes where the appropriate member level decisions have been taken through Cabinet and Select Committees (a change which should have been made when the current Constitution was adopted).

5. Requirements of the Local Government Act 2000

- 5.1 The Local Government Act 2000 received Royal Assent on 28 July 2000. It requires the County Council to adopt a new Constitution, centred on executive arrangements based on one of the three Models:
- Leader and Cabinet
 - Elected Mayor and Cabinet
 - Elected Mayor and Council Leader.
- 5.2 The Council must consult the public on these options before taking a decision on which to adopt.
- 5.3 The County Council's current Constitution is based on the proposals for the Leader and Cabinet model set out in the Bill which preceded the Act. As a consequence, if the Council were to adopt the Leader and Cabinet model after considering the results of the public consultation, no significant changes would be required to the structure of the current Constitution. A summary of changes which would need to be made is contained in Appendix 2.
- 5.4 The Act will introduce a new regime for members allowances. This will include the following:
- The Council must set up an independent allowances and remuneration panel to make recommendations. The composition of the panel will be governed by Regulations.
 - The Scheme of Allowances must be approved by the full Council
 - Attendance Allowance is abolished.

- Basic and Special Responsibility Allowances may be pensionable.

The Government's original intention was to bring in the new regime from April 2001. It now appears however that there will be a delay in issuing the necessary Regulations.

5.5 The Act will introduce a new ethical framework, probably from 1 April 2001. This will include the following:

- The Council must appoint a Standards Committee with at least one independent member.
- The Council must adopt a local Code of Conduct for Members which the Standards Committee will help draw up, based on a national Model Code.
- A national Ethical Standards Board will deal with complaints of impropriety by members.

The Council already has a Standards Panel which could become the Standards Committee under the new arrangements.

6. Proposed Way Forward

6.1 The Council is already consulting the public on their views on the three options for executive arrangements through:

- The County Newspaper, Herts Direct; which invited people to send for a detailed Information Pack. The Pack contains a questionnaire.
- A survey on the County Council's Website.
- A series of focus groups.
- A Citizens Panel survey.
- A letter to the partners and shareholders seeking their comments.

6.2 The Council should consider proposals for executive arrangements at its meeting on February 2001. That report will come from the New Member Structure Panel (R. Ellis, D. Ashley, R. Mays, C. White). It will reflect the results of public consultation and the detailed requirements of the Act. As stated above, if the proposals are for a Leader and Cabinet model, no significant changes would be required to the current Constitution.

6.3 The Council would need to agree a timetable for introduction of the new arrangements. If the option chosen included an Elected Mayor, a Referendum would have to be held. Otherwise, the Council would decide on its own timetable.

- 6.4 The Council has to give notice to the Secretary of State that it has adopted the proposals. It does not require his consent; but he has powers to intervene and order a Referendum to be held if, for example, he does not believe that sufficient account has been taken of the public's views.
- 6.5 The Council will in due course need to implement new arrangements for members allowances and appoint a Standards Committee, when the necessary Regulations have been made. They can consider these issues at their February meeting.

7. Financial Implications

None arising directly from this report.

Background Papers used by the author in compiling this report:

The Constitution dated 1 August 2000

Proposed Changes to the Constitution

a) Executive Committee, Appendix B A1(2)

Current: “the Executive Committee shall be an even number of members of the Council comprising the Leader of the Council and all Executive (Cabinet) members, together with other members appointed according to the rules of proportionality”.

Proposal: “The Executive Committee shall be 18 members of the Council appointed according to the rules of proportionality”.

b) Resources Select Committee Appendix C (8)

Proposal: Amend the remit to read as follows (new words in italics)

“The policies and Services of the Council for

- overall resource allocation
- the Best Value Performance Plan
- *the Community Strategy*
- Community leadership
- central support services
- personnel matters
- property resources *including the Asset Plan*
- public consultation
- crime & disorder reduction
- economic & social regeneration
- relations with *the Region and Europe*
- equality of opportunity
- any other matter which does not fall within the remit of any other Select Committee.

c) Audit Committee, Appendix C (9)

Proposal: Amend the remit to read as follows (new words in italics):

“In relation to all services of the Council

- the adequacy of internal control systems
- financial statements
- the internal audit strategy & plan
- the annual report of the Chief Internal Auditor
- the implementation of Internal Audit recommendations
- the annual External Audit Plan *except in so far as they relate to value for money issues, which shall fall within the remit of the relevant Select Committee*
- management’s response to key issues and recommendations in District Audit reports and the District Auditor’s management letter *except in so far as they relate to value for money issues, which shall fall within the remit of the relevant Select Committee*

d) Question Time at Select Committee, Appendix C Select Committee Standing Order SC8

Proposal: Add new SC8 (4) and renumber accordingly

“(4) At each Select Committee meeting there shall be an opportunity for members to put questions to relevant Executive Members and Chief Officers on items which are not the subject of reports on the Agenda. A member who wishes to ask a question shall give written notice of it to the County Secretary at least 3 clear working days before the meeting, stating to whom the question is to be put. Written copies of the questions and answers shall be available at the meeting. Questions will be answered at the meeting in the order in which notice was received. The members asking the question may ask one supplementary question. The person responding may choose to answer such a supplementary question, or promise a written reply within 7 days. The period allotted for questions shall not exceed 10 minutes. Any questions remaining after that period has elapsed shall be answered in writing within 7 days.”

Leader and Cabinet Model – Changes to the current Constitution

1. The Executive Committee disappears. The Cabinet becomes a decision-making body, exempt from the political proportionality requirements. It is responsible for all decisions within the overall policy framework approved by the Council.
2. A 4 month Forward Plan will be required, setting out the “key decisions” to be taken by Cabinet, or by officers under delegated powers. The Plan must be updated monthly.
3. Where the Cabinet is considering a key decision, their meeting must be open to the press and public; otherwise the Cabinet decides whether a meeting is open or not.
4. An individual member of a Select Committee must be able to secure inclusion of an item on a committee agenda.