



Report to: Council, 21st February 2017

Report of: Monitoring Officer

Subject: CHANGE OF GOVERNANCE ARRANGEMENTS TO THE COMMITTEE SYSTEM

1. Recommendation

- 1.1 That Council note the progress that has been made in formulating proposals for the change of governance arrangements to the Committee System.**
- 1.2 That Council approve the design principles for the Committee System as set out in section 4 of this report.**
- 1.3 That Council note the additional work that will be carried out as preparation for the implementation of the Committee System from Annual Council in May 2017.**

2. Background

- 2.1 At its meeting on 22 November 2016, Full Council resolved to change its governance system from the Cabinet model to the Committee System with effect from Annual Council on 16 May 2017.
- 2.2 Full Council also requested that the Monitoring Officer work with the three group leaders to draw up by February Council detailed proposals for the operation of the Committee system.
- 2.3 This report outlines the work that has been undertaken since the decision of 22 November 2016 as preparation for the change to the Committee system, it sets out the principles that will underpin the operation of the Committee System which Full Council needs to agree and it identifies the further work that will be needed between now and Annual Council to ensure a smooth transition to the Committee System.

3. Progress to Date

- 3.1 Following the decision of Full Council on 22 November 2016, Group Leaders met with the Managing Director and the Monitoring Officer to undertake preparatory work on a Committee Structure. It was acknowledged at this early stage that a successful transition to the Committee System would need to ensure engagement with all elected members. With that in mind, a consultation document was prepared and distributed to all elected members in December 2016 and a follow up briefing session was held with all elected members in January 2017. The feedback from the member consultation and the member briefing sessions has informed the design principles that are outlined in this report.

- 3.2 In addition, discussions with Group Leaders have recognised that a Committee Structure and the distribution of seats on committees needs to take account of the fact that the Council is currently in a position of “No overall control”.

4. Design Principles for the Committee System

- 4.1 There are a number of key design principles that Full Council needs to approve. This section of this report scopes out the detail of these principles under the following headings:

- Structure of Committee System
- Function of Committees and membership
- Role of and appointment of Leader of the Council
- Role of and appointment of Chairs and Vice-chairs of Committees

4.2 Structure of Committee System

The proposed structure of the Committee System is set out in **Appendix 1** to this report. The structure envisages two types of committees: ‘Policy’ Committees and ‘Regulatory’ Committees. There will be three/four ‘Policy’ committees: Policy and Resources, Communities and Environment which will replace the existing Cabinet structure. There will continue to be four ‘Regulatory’ committees: Licensing and Environmental Health, Planning, Audit and Governance and Standards. It should be noted that there are no proposed changes to the structure of the ‘Regulatory’ committees at this stage.

4.3 Functions of Committees and Membership

Identifying and agreeing the Functions and Responsibilities of Committees is a key element in the creation of a Committee System. As the ‘Policy’ Committees will replace the existing Cabinet functions, it is essential that the functions previously undertaken by Cabinet are carried out by one of the ‘Policy’ committees. In addition, whilst the Committee System removes the requirement for there to be an explicit scrutiny function, there is nevertheless a need for an external scrutiny role as well as the strategic and operational scrutiny of the performance and financial management of the Council’s functions within the relevant committee.

The membership of committees will be based on the principle that all members of the Council will have an opportunity to serve on at least one of the ‘Policy’ committees as well as one of the ‘Regulatory’ committees, subject to the political balance rules. An indicative distribution of seats on committees based on the structure outlined in this report is set out in **Appendix 2** of this report.

It is anticipated that each of the ‘Policy’ committees will meet on at least a quarterly basis, however additional meetings could be convened in accordance with the Council’s Rules of Procedure should it be necessary to do so, for example around the preparation of the budget. The ‘Regulatory’ committees will continue to have the same frequency of meetings as at present.

It is proposed that the ‘Policy’ committees will have the following functions.

Policy and Resources Committee

The Policy and Resources Committee will have the following functions:

- Macro-level policy making and resource allocation (i.e. ICT, property, HR, media/comms)
- Preparation of a draft budget and recommendation to Full Council
- Strategic level budget monitoring
- Strategic level performance monitoring
- Appointments to Outside Bodies
- Oversight of relevant shared services/outsourced contracts, i.e. Civica (Revs and Bens/HUB contracts)
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of City Plan

It is anticipated that the Policy and Resources (P&R) Committee will have a membership of between 12 and 13 members.

The membership of this committee will be made up as follows: All Group Leaders and the chairs of the Environment and Communities Committees. The remaining seats on this committee will be allocated in accordance with the political balance rules.

On the basis that the Council is currently in a situation of No Overall Control, it is proposed that for the first year of the operation of the Committee System that the Chair of the P&R Committee shall not be a member of the two largest political groups on the Council. It is also proposed that there will be two vice-chairs of the P&R Committee and that these roles shall be allocated to each of the two largest political groups on the Council. The election of the Chair and Vice-Chairs of the P&R Committee will be formally made at Annual Council.

It is proposed that the P&R Committee will have three sub-committees as follows:

- Place and Economic Development Sub-committee
- Income Generation Sub-committee
- Personnel and General Purposes Sub-committee

Place and Economic Development Sub-committee

The Place and Economic Development Sub-committee will have the following functions:

- Place shaping
- Economic Development
- Tourism
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Tourist Information Centre Contract

The membership of the Place and Economic Development Sub-committee will be agreed at Annual Council and it is anticipated that the Sub-committee will have a membership of 6.

Income Generation Sub-committee

The Income Generation Sub-committee will have the following functions:

- Oversight of asset reviews (i.e. One Town Review)
- Development of income generation proposals
- Feasibility work for income generation
- Approval and oversight of projects under the Small Development Fund
- Reviewing Fees and Charges

The membership of the Income Generation Sub-committee will be agreed at Annual Council and it is anticipated that the Sub-committee will have a membership of 6.

It is anticipated that the members of P&R Committee will be allocated one seat each on either the Place and Economic Development Sub-committee or the Income Generation Sub-committee and that these appointments will be made at Annual Council. It is proposed that the Chairs of these two sub-committees will be shared equally between the two largest political groups and that the vice-chairs of each sub-committee will be from a different political group.

Personnel and General Purposes Sub-committee

Personnel and General Purposes Committee will be a standing sub-committee of the P&R Committee. It will continue to exercise the same functions as it does at present. All members of the P&R Committee are eligible to sit on the Personnel and General Purposes Committee and it is anticipated that it will have a membership of 7.

There will be an appointments panel that will make recommendations to Full Council in respect of the appointment to the top two tiers and statutory officers, i.e. Managing Director, Corporate Directors, Head of Paid Service, Monitoring Officer and S.151 Officer. All members of the P&R Committee are eligible to sit on the Appointments Panel and it is anticipated that it will have a membership of 5.

Communities Committee

The Communities Committee will have the following functions:

- Housing and homelessness
- Sport and Leisure
- Museums, Heritage and Culture
- Community safety
- Health and Well-being
- CCTV
- Service level financial and performance management
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Museums and Freedom Leisure contract

It is anticipated that the Communities Committee will have a membership of between 11 and 12 members.

Environment Committee

The Environment Committee will have the following functions:

- Parks and open spaces
- Play areas
- Cemeteries and Crematorium
- Allotments
- Domestic refuse collection
- Trade Waste
- Garden Waste
- Street Cleansing
- Car parking
- Service level financial and performance management
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Regulatory Services

It is anticipated that the Environment Committee will have a membership of between 11 and 12 members.

It is proposed that the Chairs of the Environment Committee and the Communities Committee will be shared equally between the two largest political groups and that the Vice-chairs of each of these committees will be from a different political group.

It is also proposed that where there are cross-cutting issues that potentially fall within the remit of two or more 'Policy' committees, then P&R Committee will identify the appropriate decision maker as part of the forward planning process for meetings, so that members, officers and the general public are clear where particular cross-cutting issues will be considered.

Each of the 'Policy' Committees will be able to set up their own informal Task and Finish Groups and Working Parties to consider issues within their remit.

It should be noted that there are no proposed changes to the functions of the 'Regulatory' committees at this stage, save that it is proposed that the Audit and Governance Committee shall become responsible for the approval of the Annual Accounts.

4.4 Role of and appointment of Leader of the Council

The Council will continue to have a Leader of the Council. It is proposed that the Leader of the Council will be appointed on an annual basis at Annual Council.

As the Council is currently in a situation of No Overall Control, it is envisaged that a Group Leaders' Protocol will be developed and incorporated into the Council's Constitution. This protocol will set out in detail the roles of the Leader of the Council and the Deputy Leader of the Council as well as the roles of the Chairs and Vice-chairs of committees. In particular, the protocol will identify and agree the sharing of responsibilities for the wide range of external facing roles that will continue to be required under the Committee System.

At the time of writing, it is anticipated that the Leader of the Council shall have the following functions:

- Council representative on external bodies, i.e. Worcestershire Leaders' Board, BID, LEP, City Plan Delivery Board
- Spokesperson for the Council

4.5 Role of and appointment of Deputy Leader of the Council

Full Council will also appoint a Deputy Leader of the Council, who will be able to act in the absence of the Leader of the Council. As the Council is currently in a situation of No Overall Control, it is proposed that the Deputy Leader of the Council shall be from a different political group to the Leader of the Council. It is also proposed that the Deputy Leader of the Council will support the Leader through attendance at certain external bodies as the Council's representative and that these responsibilities will be set out in the Group Leaders' Protocol referred to above.

4.6 Role of and appointment of Chairs and Vice-chairs of Committees

The Chairs and Vice-chairs of Committees play a vital role in the effective conduct of Council business. Under the Committee Structure the Chairs of the 'Policy' committees will have the following roles and responsibilities.

- Special responsibility for the strategic priorities as determined by Full Council, including responsibility for services and budgets relating to them
- Regular meetings with officers to monitor and review the progress of the Council's strategic priorities and approved projects
- To answer questions at Council on matters relating to the functions of the Committee

In addition, there is an opportunity for the Council to enhance the role of the Vice-chairs of all committees to ensure that there is wider cross-party engagement in the setting of agendas, the timely sharing of information in respect of decision making across political groups, as well as a recognition of the externally facing role that all committees have. It is proposed that the Vice-chairs of all committees take on an enhanced role under the Committee System to support the Chair of their committee with the effective management and running of the committees' business. In addition, they will take a lead in some areas of work as agreed with their Chair.

The appointment of the Chairs and Vice-chairs of committees will continue to be made by Full Council, however, the appointment of Chairs and Vice-chairs should be based on the principle that no single political group should have the chair of all the 'Policy' committees.

It is recognised that there should be a fair distribution of Chairs and Vice-chairs based on the principles of the political balance rules, but also recognising that the Council is currently in a situation of No Overall Control. Building on those principles, as identified above, it is proposed that for the first year of the operation of the Committee System that the Chair of the P&R Committee shall not be a member of the two largest political groups on the Council. It is also proposed that there will be two Vice-chairs of the P&R Committee and that these roles shall be allocated to each of the two largest political groups on the Council.

It is also proposed that the Chairs of the Environment Committee and the Communities Committee will be shared equally between the two largest political groups and that the Vice-chairs of each of these committees will be from a different political group to the Chair of that Committee.

Furthermore, the chairs of the 'Regulatory' committees shall also be apportioned on a proportionate basis in line with the political balance rules. In addition, the Vice-chair of a 'Regulatory' committee shall be from a different political group to the Chair of that committee.

5. Scope of additional work prior to Annual Council

5.1 The motion to Council in November 2016 also identified a number of other matters that would need to be considered as part of the change of governance from the Cabinet model to the Committee System. This section of this report summarises the additional areas of work that will be focussed on between now and Annual Council:

- A review of the Constitution
- A review of Members' Allowances
- Take note of any pertinent results from the cross-party scrutiny review of governance arrangements
- Public consultation/engagement
- Training for Members and Officers

5.2 Review of Constitution

The Council's Constitution is the key governance document setting out the roles, responsibilities, decision-making procedures and other rules of procedure and codes of practice. There are a number of areas of the Council's Constitution that will be reviewed and updated in advance of Annual Council. The details in this report will inform that review and a new Constitution will be presented to Annual Council for adoption.

5.3 Review of Members' Allowances

Preliminary work has been carried out in respect of Members' Allowances and officers have engaged with the Independent Remuneration Panel to advise them that the Council is making a change to the Committee System. The details in this report in respect of the functions of committees and the chairs and vice-chairs of committees will inform the on-going dialogue with the IRP and it is anticipated that they will be in a position to report for Annual Council.

5.4 Results of scrutiny review

The cross-party scrutiny review made a number of recommendations and the work to date has already taken into consideration a number of the matters that have been raised by that review. The results of the cross-party scrutiny review are the subject of a separate report to the same Council meeting. Once approved, the pertinent results of the scrutiny review will continue to inform the transition to the Committee System.

5.5 Public engagement

It is recognised that members of the public need to be informed of the detail of the proposals as set out in this report. A period of public engagement and information sharing will be carried out to ensure that members of the public understand the changes that are being implemented and to provide an opportunity for members of the public to raise any questions.

This public engagement will continue into the early months of the Committee Structure to ensure that the public do not see any noticeable difference in how they are able to engage and participate in the Council's democratic processes.

5.6 Training for Members and Officers

It is essential that the Committee System is able to function effectively from the outset. Training will be developed for Members and Officers which will focus on the new structure and changes to procedures. In addition, it is proposed that there will be specific training on Chairing meetings.

6. **Implications**

6.1 Financial and Budgetary Implications

It is anticipated that the transition to the Committee System will be cost-neutral and that the work that will be undertaken to make the transition will be carried out within existing resources.

6.2 Legal and Governance Implications

Decisions relating to the structure of the Committee System and the roles and functions of individual committees, chairs and vice-chairs of committees and the role of the leader of the Council are matters reserved to Full Council.

6.3 Risk Implications

None directly arising from this report.

6.4 Corporate/Policy Implications

None directly arising from this report.

6.5 Equality Implications

None directly arising from this report.

6.6 Human Resources Implications

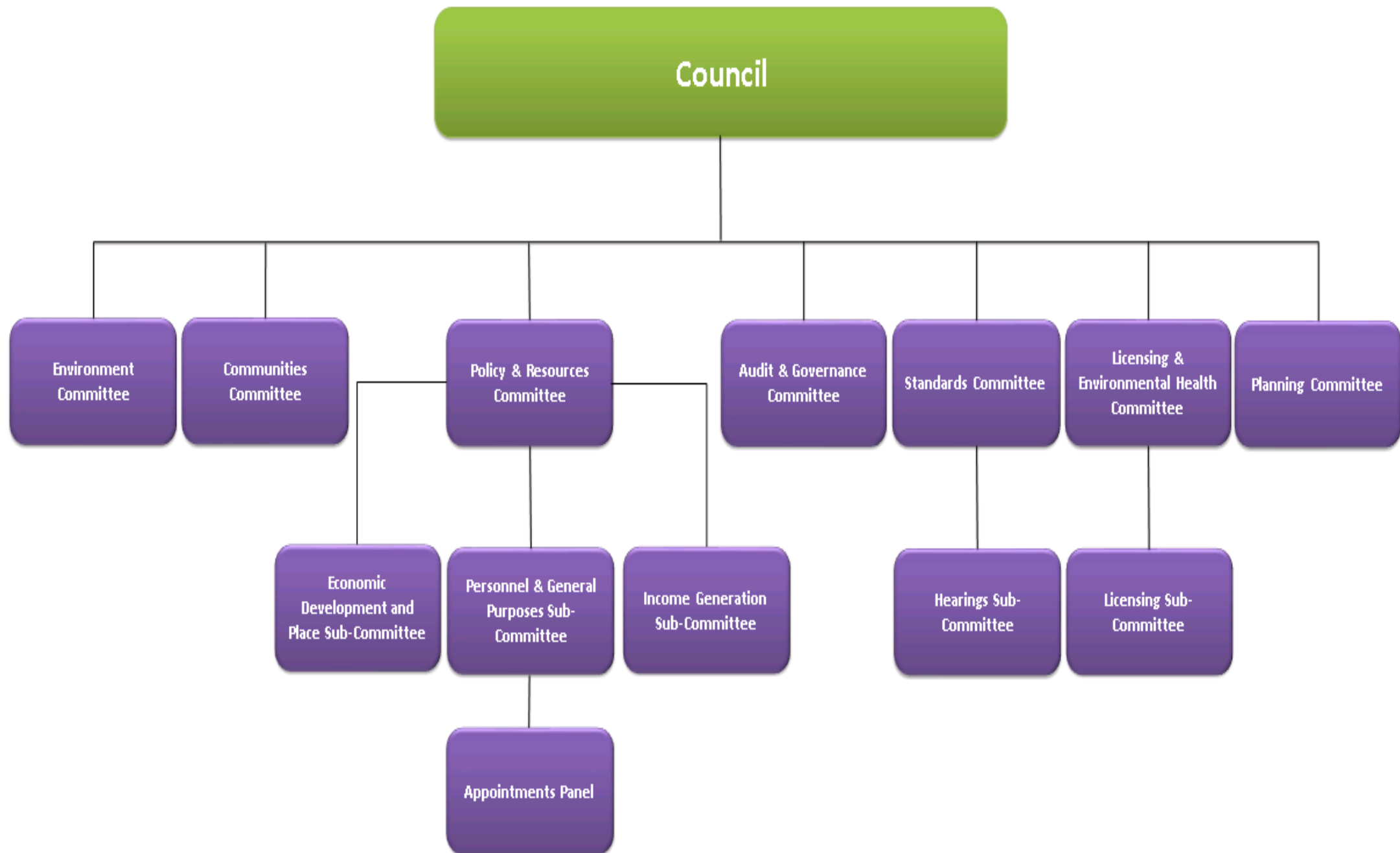
The administrative work to enable the transition to the Committee System will be undertaken within existing staffing resources.

6.7 Health and Safety Implications

None directly arising from this report.

Ward(s):	All wards
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Background Papers:	None

Committee System Governance Structure



Political Balance on Committees and Sub-Committees 2017-18 - Proposal Compliant with Political Balance Regulations

Committee		Overall Allocations (Gateway 2)			Allocations by Committee (Gateway 3)		
					Con Target %	Lab Target %	Green Target %
Title	New Membership	Con	Lab	Green	48.57%	45.71%	5.71%
Policy & Resources	13	6	6	1	46.15%	46.15%	7.69%
Communities	12	6	6	0	50.00%	50.00%	0.00%
Environment	12	6	5	1	50.00%	41.67%	8.33%
Planning	11	5	5	1	45.45%	45.45%	9.09%
Licensing & Environmental Health	10	5	5	0	50.00%	50.00%	0.00%
Audit & Governance	8	4	3	1	50.00%	37.50%	12.50%
Standards	6	3	3	0	50.00%	50.00%	0.00%
Actual Seats	72	35	33	4			
Actual %	100.00%	48.61%	45.83%	5.56%			
Target %	100.00%	48.57%	45.71%	5.71%			
Target Seats	72	35	33	4			

Group	Members	Target
Conservative	17	48.57%
Labour	16	45.71%
Green	2	5.71%