



TITLE: EXECUTIVE ARRANGEMENTS

TO/ON: FULL COUNCIL 27TH MAY 2005

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LEAD MEMBER: DAVID HANCOCK

STATUS: FOR PUBLICATION

1. PURPOSE OF THE REPORT

1.1 To inform Members of the various options as set out in the Local Government Act 2000 for political management arrangements, and how the Council will be consulting on these.

2. RECOMMENDATIONS

2.1 That the Council carry out consultation in respect of the new proposed Governance arrangements as set out in paragraph 3.15.3 of this report.

2.2 That when the public consultation process has been completed that a report be brought back to Council on 3rd August 2005 for Council to consider the results of the consultation exercise and to draw up proposals for its new political management arrangements.

3. REPORT AND REASONS FOR RECOMMENDATIONS AND TIMETABLE FOR IMPLEMENTATION

3.1 The Council on the 16th February 2005 resolved that it be minded to move to permanent Executive arrangements and that a report be brought to a future Council meeting setting out an Action Plan with a view to implementing permanent Executive arrangements and that the Council continues with its pilot Executive arrangements until the Council is able to move to a permanent arrangement.

3.2 Full Council on the 30th March approved the Project Plan for the transfer to new Governance arrangement as set out in the attached Appendix.

- 3.3 The Government White Paper of July 1998, "In Touch with the People", summarised its criticisms of Councils' then existing arrangements as follows:-

"Traditional Committee Structures, still used by almost all Councils, lead to inefficient and opaque decision making. Significant decisions are, in many Councils, taken behind closed doors by political groups or even a small group of people within the majority group. Consequently many Councillors, even those in the majority group, have little influence over Council decisions.

Councillors also spend too much time on committee meetings which, because the decisions have already effectively been taken, are not productive. Councillors attend too many Council Meetings. The evidence is that many wish to spend much more time in direct contact with those whom they represent. They may have had little say in the decisions taken but they are required to explain the actions of the Council or their party group to the people they represent. The emphasis ought to be on bringing the views of their community to bear on the Council's decisions and on scrutinising their performance.

Equally there is little clear political leadership. This is not a reflection on the qualities of Council Leaders. It is caused by the structures within which they work.

People often do not know who is really taking the decisions. They do not know who to praise, who to blame or who to contact with their problems. People identify most clearly with an individual, yet there is rarely an identifiable figure leading the local community.

This is not a basis for modern, efficient and responsive local government."

- 3.4 As a way forward, the Government argued for separating the executive and representational functions of Councillors. It believed that such a separation of roles would mean:-

- (1) Greater clarity about who is responsible for decisions;
- (2) Greater clarity about who has taken, and who should be held to account for, decisions;
- (3) Sharper scrutiny of those decisions.

- 3.5 The Local Government Act 2000 placed a duty on local authorities to consult on, and prepare proposals for, political arrangements which had to include one of four broad new forms of arrangements as follows:-

- (1) A directly elected Mayor with a cabinet of Councillors appointed by the directly elector Mayor;
- (2) A Council Leader appointed by the Council with a cabinet appointed by the Council or the Leader;
- (3) A directly elected Mayor with an Officer appointed by the Council (known as a Council Manager), who is responsible for the Executive's functions.
- (4) Shire districts with a population of less than 85,000 whereby such authorities could recommend the introduction of political models without

a separate executive although any such proposals had to include overview and scrutiny arrangements.

- 3.6 The Act also required an authority's executive arrangements to include arrangements for Overview and Scrutiny Committees to hold the Executive to account and to assist in developing the Council's policy.
- 3.7 Rossendale as a Council with a population of less than 85,000 adopted a modified traditional Committee system however in April 2003 the Council moved to a pilot Executive decision making model.
- 3.8 Options
- 3.9 The Council has now been operating its Pilot Executive Arrangements for over a year and the arrangements have assisted the Council in delivering its priorities and objectives.
- 3.10 A brief explanation of this and the other options is set out below:-
- (1) **A directly elected Mayor with a Cabinet** – Under this model the Mayor would be elected directly by the electorate for a four year term. Once elected, the Mayor would select a cabinet of no more than 10 Members (including him/herself) from among the Councillors. The Mayor would decide the decision making powers within the Cabinet. The Mayor, and other Cabinet members, could have responsibilities for which they would take executive decisions acting alone, although all decisions could be taken by the Cabinet as a whole. The Mayor would be the political leader for the community, proposing policy for approval by the Council and steering implementation. The Cabinet would not have to reflect the political make-up of the Council.
 - (2) **A directly elected Mayor and Council Manager** – Under this model a Mayor would be directly elected by the electorate of the whole district. The Council would appoint a "Council Manager". The Executive would be the Mayor and the Council Manager. The Mayor would provide political leadership and the Council Manager would have powers to take most day-to-day decisions. The Mayor's role would be primarily one of influence, guidance and leadership rather than direct decision taking. Using a private sector analogy, the Mayor might resemble a non-executive chairman of a company, the Council Manager its powerful chief executive.
 - (3) **An Executive with a Leader, elected by the Council** – Under this model one of the Councillors would be elected as Leader by the Council. An Executive (of up to ten Members) would be made up of the Leader and other Councillors, either appointed by the Leader or by the Council. The model is similar to the Mayor with an Executive model except that the Leader would rely on the support of the Members of the Council rather than the electorate for his or her authority and could be replaced by the Council. The Council as a whole could appoint the Executive or leave it to the Leader to do this. Where the Executive is appointed by the Leader, he/she will determine the scheme of delegations, whereas if Council appoints the executive it will also determine the scheme of

delegations. Portfolio holders could be given powers to take decisions acting alone, or there could be collective decision making by the Cabinet. The Executive would not have to reflect the political make-up of the Council.

3.11 If either of the Mayoral options is supported, the Council would need to conduct a referendum throughout the district. If a proposal incorporating an Executive with Leader is supported, a formal consultation process is required followed by a submission to the Office of the deputy Prime Minister.

3.12 In spite of its concession in respect of the alternative arrangements option, the Government still strongly favours a move away from any committee system and, with it, the separation of the executive from other functions. It is felt that this will increase the efficiency, transparency and accountability of local authorities, as follows:-

- (1) Efficiency – where decisions can be taken quickly, responsibly and accurately to meet the needs and aspirations of the community;
- (2) Transparency – where it is clear to people who is responsible for decisions;
- (3) Accountability – where people can measure the actions taken against the policies and plans on which those responsible were elected to office.

3.13 The Government also believes that, under an executive arrangement, Councillors will have more time to represent their communities because they will not be spending as much time in committee meetings. However, perceived disadvantages of such a system include heavier workloads for the Leader and Executive Members and the fact that non-Executive Members might feel left out of the democratic process.

3.14 The Leader and Executive Approach

3.14.1 The Council, following its decision on 30th March 2005, is minded to pursue executive arrangements. Experience elsewhere would suggest that the most appropriate model would be the Leader and Executive option. This view is supported by your Officers.

3.14.2 The introduction of the Council's pilot executive arrangements has played an important part in the continued improvement of the Council. The Audit Commission's progress assessment report dated December 2004 states:- ' The introduction of the Pilot Executive Committee and Member Development Programme with the IDeA have improved decision making.'

3.14.3 The pilot arrangements has enabled the council to increase the speed of its decision making, consider fully cross cutting issues, provide greater transparency and accountability. It has assisted the Council in developing its priorities.

3.14.4 The key elements of such an approach are as follows:-

(1) Full Council

- Continues to be the supreme decision making body
- Adopts and changes the Constitution
- Approves the policy framework, the budget and sets the Council Tax
- Decides on issues which are not consistent with the policy and budget framework
- Appoints the Leader
- Agrees/amends the Terms of Reference for Committees, decides on their composition and makes appointments to them
- Appoints representatives to outside bodies
- Agrees any Scheme of Members' Allowances
- Confirms the appointment of the Head of Paid Service

(2) Elected Leader

- Provides political leadership

(3) Executive

- Implements policy framework

(4) Councillors Outside the Executive

- Assist the Executive in policy development
- Propose new policy to the Executive or the Council
- Represent electorate
- Review and scrutinise policy and Executive decisions
- Sit on Regulatory/Overview and Scrutiny/Standards Committee

(5) Other Committees

- The Council would have to keep the following Committees:-

- (1) Development Control Committee
- (2) Licensing Committee
- (3) Overview and Scrutiny Committees
- (4) Standards Committee

- These Committees must reflect the overall political balance of the Council.

(6) Overview and Scrutiny Committees

- Can have one or more Committees
- Could cover thematic areas of work.

- Focus on three main aspects - namely holding the Executive to account; policy development and review; performance monitoring and service improvement
- Appoint 'Review Terms' for detailed investigation work

(7) Accountability

- Scheme of delegations to be published
- Executive/Leader to publish programme of work for next four months in Forward Plans
- Executive/Leader to give advance notice of, and consult on, Key Decisions (i.e. those which have a significant impact on expenditure, income or communities)
- Public access to papers and decision-making
- Decisions made by Executive, its Members or Committees have to be recorded and published together with reasons for the decision and background papers

3.15 Process

3.15.1 Existing Regulations enable a Council which is operating alternative arrangements to draw up proposals to operate executive arrangements in place of existing alternative arrangements.

3.15.2 The Regulations also require that, before drawing up such proposals, a Council must take reasonable steps to consult local electors for, and other interested parties in, its area. When undertaking this consultation, a Council must:-

- (1) describe and represent each of the forms of executive and alternative arrangements available in a fair and balanced way;
- (2) ensure that all consultees have an opportunity to express a preference for any of those forms of executive or types of alternative arrangements;
- (3) ensure that all local electors for, and other interested parties in, the area have an opportunity to respond to the consultation;
- (4) use a combination of quantitative and qualitative methods of consultation.

3.15.3 The following consultation elements are proposed:-

- (1) an article in the Free Press;
- (2) an article in the Council's Community newsletter;
- (3) an e-mail survey;
- (4) a letter and information to a wide range of stakeholders, including community and voluntary organisations, the County Councillors for the area, Chambers of Commerce, partner organisations, educational establishments, Whitworth Town Council and local businesses covering a geographical and size;
- (5) consultation with staff;
- (6) information/feedback form on the Council's website.

3.15.4 Informal discussions with officers from the Office of the Deputy Prime Minister have confirmed that the arrangements proposed would satisfy the requirements of the Regulations.

3.15.5 If, following consideration of the consultation responses, the Council then wishes to proceed, a submission will need to be sent to the Office of the Deputy Prime Minister including:-

- (1) a statement of the form of the proposed Executive;
- (2) a description of the roles and functions of the Executive;
- (3) a description of the roles of full Council;
- (4) a description of the Overview and Scrutiny arrangements;
- (5) a timetable for implementation.

3.15.6 In addition, any proposals must be accompanied by a statement which describes both the consultation process and the outcome of the consultation, and the extent to which such outcome is reflected in the proposals.

3.15.7 It has been confirmed that there will not be a positive affirmation of any proposals from the Council. Instead, if the Council does not receive any objection within a specified time it will be free to operate its arrangements from a given date.

4. CORPORATE IMPROVEMENT PRIORITIES

4.1 FINANCE AND RISK MANAGEMENT

4.1.1 £40,000 have been identified in the budget for consultancy advice and for the costs of consultation in respect of this exercise.

4.2 MEMBER DEVELOPMENT AND POLITICAL ARRANGEMENTS

4.2.1 Member training will be given in respect of any new Governance arrangements that are adopted.

4.3 HUMAN RESOURCES

4.3.1 It will be noted from the Action Plan that a period of time has been set aside for training officers in respect of any new Governance arrangements.

4.4 ANY OTHER RELEVANT CORPORATE PRIORITIES

4.4.1 None.

5. RISK

5.1 There is a risk that the consultation process may highlight that residents of the Borough want a different Governance arrangements to the preferred option of the Council.

6. LEGAL IMPLICATIONS ARISING FROM THE REPORT

6.1 The Local Government Act 2000 and subsequent Regulations need to be adhered to in the move to any new form of Governance arrangements.

7. EQUALITIES ISSUES ARISING FROM THE REPORT

7.1 The consultation exercise should ensure that all sectors of the Council's community are consulted.

8. WARDS AFFECTED

8.1 All.

9. CONSULTATIONS

9.1 None

Background documents: None

For further information on the details of this report, please contact: Mark Weston, Head of Legal and Democratic Services on 01706 244502 markweston@rossendalebc.gov.uk