

## **PROPOSED GOVERNANCE ARRANGEMENTS**

### **COUNCIL – 23 April 2013**

Report of the: Leader of the Council

Status: For Decision

Key Decision: No

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**Executive Summary:** At the meeting of the Modern Local Government Group on 20 November 2012, the Leader reported that he intended to conduct a review of the Council's current governance arrangements. Following this, in response to a question asked at the Council meeting on 27 November 2012, the Leader gave notice of his intention to launch a governance review that would report back to the Council meeting in April 2013.

The basic premise of the Governance Review was the need to review both member and officer resource in response to the future challenges facing Sevenoaks, the efficiency and transparency of decision-making, and in part the extended governance opportunities afforded by the Localism Act 2011.

This report sets out the proposed structure taking on board comments arising from the Governance Review.

The new Governance Committee that is being proposed will enable options requiring more detailed consideration, such as the Committee System or a Hybrid Model requiring Secretary of state approval, to be investigated during the next municipal year.

Members may also wish to consider undertaking a review of the new arrangements and report back to Full Council in April 2014.

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### **This report supports the Key Aim of effective management of Council resources**

**Recommendation:** That Full Council be Recommended to

- (a) Approve the proposed governance structure attached at Appendix B and for Officers to bring back to the May Council meeting the detailed mechanisms to enable the implementation of the structure;
- (b) Delegate authority to the Leader of the Council, in consultation with Members to work with the Monitoring Officer and the Chief Executive, to make consequential amendments to the Constitution as appropriate.
- (c) Undertake a review of the new governance arrangements and report to Full Council in April 2014.

**Reason for recommendation:** To introduce a new governance model that will provide for greater involvement of non-executive members in the routine decision making at the Council.

## **Introduction**

1. As part of the Governance Review, three meetings were held with Members to discuss options for future Governance Arrangements. The meetings were held on 30 January 2013, 28 February 2013 and 20 March 2013. The last session on 20 March 2013 was facilitated by Ed Hammond, Research and Information Manager at the Centre for Public Scrutiny. The purpose of the meetings was to gather the views of Members and reach a consensus on basic design principles for any new governance arrangements.
2. The purpose of this paper is to finalise proposals for the restructure of the Council's decision making process. The proposals focus on the routine decisions taken by the Cabinet and will allow non-executive Members to have a greater input into the decisions taken by Cabinet. The proposed structure also includes changes to the Council's committees. Whilst the Development Control Committee and the Licensing Committee are largely unaffected, the proposed structure introduces an Audit Committee and the work of the Modern Local Government Group and the Electoral Arrangements Committee would be incorporated into a new Governance Committee.

## **The Current Governance Structure at Sevenoaks District Council**

3. The starting point for the review was the Council's current structure. Sevenoaks currently operates under the Leader and Cabinet model. The Cabinet is currently composed of the Leader (who is Chairman) and six Portfolio Holders. Cabinet also appoints Members to sit on the Finance Advisory Group and the Local Development Framework Advisory Group.
4. Members are appointed to three Select Committees (Environment Select, Services Select and Social Affairs Select), each with nineteen Members and these Committees fulfil both the Overview and Scrutiny function and a Policy Development function. The Select Committees can also establish "In-depth Scrutiny" Working Groups and these Groups have considered issues such as Universal Credit and Housing Need.
5. In addition to this, Members are appointed to the Performance and Governance Committee, Development Control Committee, Licensing Committee, Appointments Committee, Standards Committee, Homelessness Review Board, Modern Local Government Group and Electoral Arrangements Committee by Full Council to fulfil quasi-judicial functions. Members are also appointed to represent the Council on groups such as the Sevenoaks Joint Transportation Board and the Sevenoaks District Kent Locality Board.
6. The Committees listed above are all administered by the Democratic Services Team and supported by Officers and Departments across the Council.
7. The current structure is attached at **Appendix A**.
8. The Leader and Cabinet model operated at Sevenoaks District Council is based on "pre-decision scrutiny". In practice, this means that where possible all decisions taken by Cabinet are considered by at least one Select Committee in advance of the decision being taken.

9. In very broad terms, the general tenor of Members' concerns with the current Cabinet/Scrutiny structure arising from the Governance Review meetings may be summarised as follows:
- perception of remoteness/inaccessibility of portfolios;
  - feeling of disengagement from influence and decision-making;
  - lack of training and development (succession planning for future Cabinet members); and
  - need to streamline the system to match the resource available.

### **The Proposed Governance Structure for Sevenoaks District Council**

10. Following the Governance Review meetings the Leader has produced a draft model of governance to address the views expressed by Members at the three governance review meetings. A diagram of the proposed model is attached at **Appendix B**. The new features of the proposed model are:

#### Advisory Committees

The role of Advisory Committees would be to participate in the development of executive decisions and to help develop the policy framework which is recommended to Council by the Cabinet. The Advisory Committees would be composed of both non-executive Members and Cabinet Members. Meetings would be open to the public and all aspects of their administration would be subject to Access to Information Regulations. The terms of reference for the Advisory Committees should be approved at the start of each municipal year to enable the structure to be flexible and accommodate any changes that may be made to Cabinet Portfolios. The Advisory Committees are not Overview and Scrutiny Committees and would therefore not be able to consider call-ins.

#### Scrutiny Committee

The number of overview and scrutiny committees has been reduced to one. The Scrutiny Committee would be responsible for the call-in function as well as post-implementation review of decisions.

11. The suggested size of the Committees is outlined in the table below:

**Table 1: Number of Members on Committees**

<b>Current System</b>	<b>No of Members</b>	<b>Proposed System</b>	<b>No of Members</b>
Council	54	Council	54
Performance & Governance	14	Audit Committee	9
Standards	7	Standards Committee	7
Modern Local Government	10	Governance Committee	7
Electoral Arrangements	10		
Licensing	15	Licensing Committee	13
Development Control	19	Development Control Committee	15
Cabinet	7	Cabinet	7
Environment Select	19	Scrutiny Committee	9*
Services Select	19		
Social Affairs Select	19		
Finance Advisory Group	6	Advisory Committees <sup>1</sup>	7 each**
LDF Advisory Group	6	LDF Advisory Group	11
Joint Transportation Board	7	Joint Transportation Board	7
Locality Board	7	Locality Board	7

\*Chair/V.Chair \*\*Including Portfolio Holder

12. It is intended that the proposed model would encourage greater involvement from non-executive Members in the development of policy and executive decisions. They would be engaged in decisions at an earlier stage than at present. The fundamental principle is that executive decisions will be formulated and developed by the relevant advisory committee prior to consideration by Cabinet. This should enable greater participation in, and ownership of, the decisions taken by the Council.
13. What is being proposed at this time is the concept for a new structure that will address the concerns raised by a number of Members during the governance review process. Further details will emerge between April 2013 and May 2013 for final approval at the Annual Council meeting on 14<sup>th</sup> May 2013.
14. The new Governance Committee that is being proposed will enable options requiring more detailed consideration, such as the Committee System or a Hybrid Model requiring Secretary of state approval, to be investigated during the next municipal year.

### **Next Steps**

15. Should Council approve the proposed structure on 23 April 2013, it is intended that the new governance arrangements would be implemented from the Annual Council meeting on 14 May 2013 and members appointed to the newly formed Advisory Committees.

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<sup>1</sup> Advisory Committees equate to the current Cabinet Advisory Groups and would be composed of 8 Members plus the relevant Portfolio Holder. The Advisory Committees would mirror the Portfolios.

16. The following actions will need to be taken before the Annual Council meeting to enable the new structure to be implemented:
- Details of the titles and remit of Portfolio Holders to be agreed;
  - Details of the names and terms of reference of the Advisory Committees to be agreed;
  - Memberships of Committees to be considered prior to Annual Council
  - A new Calendar of meetings to reflect the structure to be drafted and circulated to Members;
  - Joint Independent Remuneration Panel to begin work on reviewing the Members' Allowances Scheme;
  - Constitution to be redrafted to reflect changes to the Governance Structure
17. Members may also wish to consider undertaking a review of the new arrangements and report back to Full Council in April 2014.

### **Key Implications**

#### Financial

18. Value for money was one of the concerns raised by Members during the Governance Review meetings with Members suggesting that the introduction of any new system should be cost neutral.
19. The proposed governance model represents a streamlined approach and should naturally lead to a reduction in formally constituted meetings. An indicative comparison of the possible number of meetings is outlined in the table below:

**Table 2: Number of Meetings**

<b>Current System</b>	<b>No of Meetings</b>	<b>Proposed System</b>	<b>No of Meetings</b>
Council	7	Council	4
Performance & Governance	5	Audit	2
Standards	1	Standards	1
Modern Local Government	4	Governance	2
Electoral Arrangements	2		
Licensing	5	Licensing	4
Development Control	17	Development Control	13
Cabinet	12	Cabinet	10
Environment Select	5	Scrutiny	2 +
Services Select	5		
Social Affairs Select	4		
Finance Advisory Group	5	Advisory Committees	4 each*
LDF Advisory Group	3		
Joint Transportation Board	4	Joint Transportation Board	4
Locality Board	4	Locality Board	4
<b>TOTAL</b>	<b>83</b>	<b>TOTAL</b>	<b>80+</b>

\*Formal meetings excluding ad hoc working groups.

In addition to these meetings there are also Licensing Hearings and ad hoc committees such as the Appointments Committee.

20. The proposed model would have an impact on Members' allowances and the Independent Remuneration Panel would have to review the Members Allowances Scheme and make recommendations in light of the proposed changes.

#### Community Impact and Outcomes

21. The proposed governance model would increase openness and accountability.

#### Legal, Human Rights etc.

22. The proposals being put forward are legally compliant. In implementing any change in governance it will be necessary to ensure all legal requirements of Local Government Acts are complied with. Any changes will necessitate the Council's Constitution being updated to reflect the changes.
23. The Joint Independent Remuneration Panel would be required to review the Members' Allowance Scheme and make new recommendations in light of the proposed changes.

## Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	The proposed model is intended to be more inclusive and allow greater participation in the decision making process.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	Yes	The proposals should provide greater opportunity for involvement in the decision making process.
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		

### **Appendices**

Appendix A – Current Structure

Appendix B – Proposed Structure

### **Background Papers:**

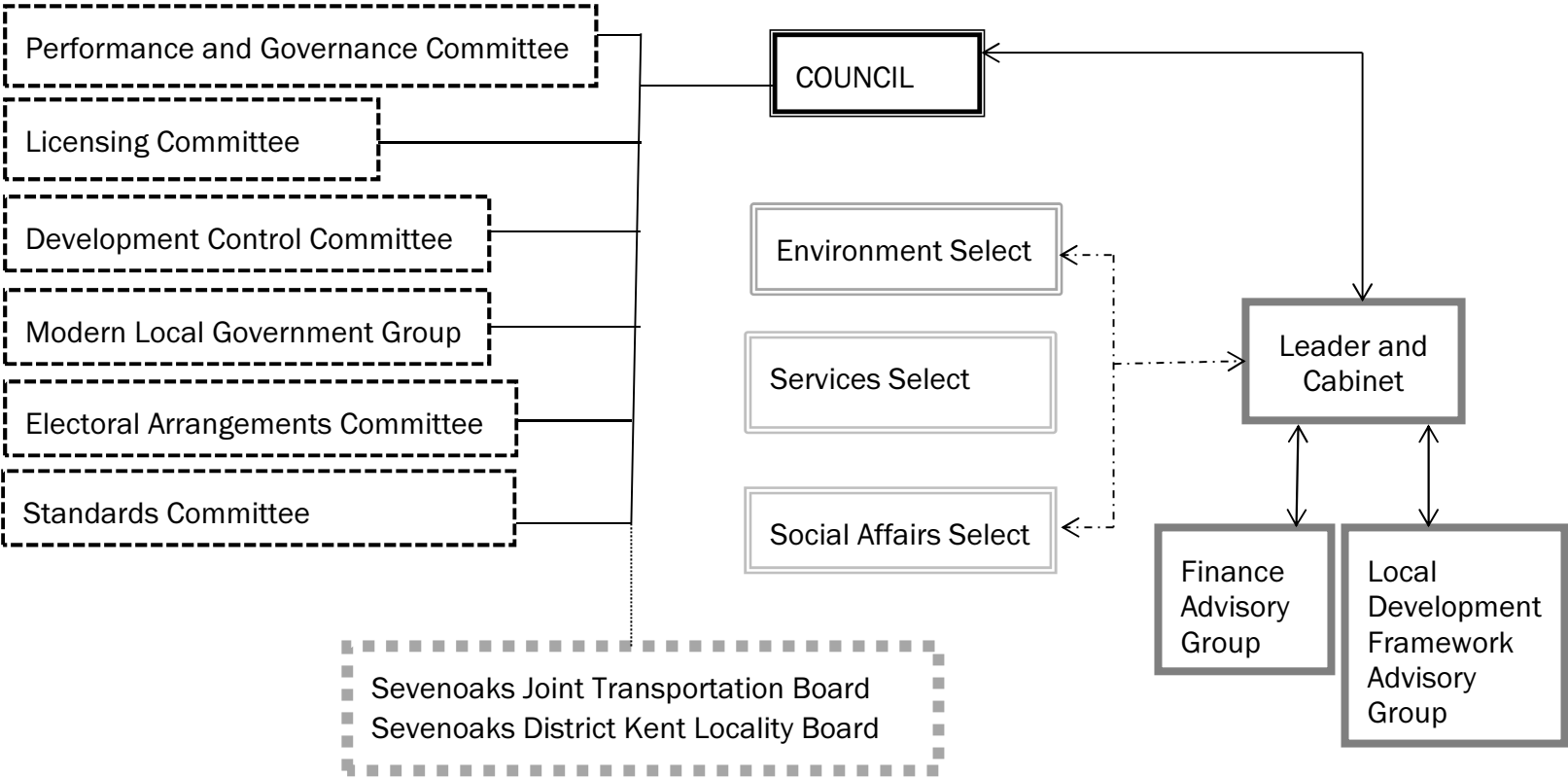
Localism Act 2011

Notes from Governance Review meetings

**Councillor Peter Fleming**

**Leader of the Council**

Current Structure





Proposed Structure

