

Subject: Governance Review
Report to: Council
Report by: Monitoring Officer
Date: 20 February 2020

RECOMMENDATIONS

That Council approve the actions proposed by the Monitoring Officer following consultation with the Constitution Working Party (CWP) in relation to:

1. Streamlining of the Committee System, as set out in paragraphs 3.1.2, 3.1.3, 3.1.4, 3.1.5 and 3.1.6;
2. Member Working Groups as set out in paragraphs 3.2.2 and 3.2.3;
3. Pre Agenda Meetings as set out at paragraph 3.4.2;
4. Outside Bodies as set out at 3.5.2 and 3.5.3 and
5. amendments to the Constitution set out in 3.6 and the associated appendices.

1. INTRODUCTION/BACKGROUND

On 1 November 2018 Council resolved to undertake a governance review and allocated the work to a Governance Review Task & Finish Group comprising officers and members. On 18th December 2018 the Group participated in a workshop with a consultant from the Centre for Public Scrutiny (CfPS). Many members of the Group had experience of both Cabinet and Committee governance systems. The workshop examined the strengths and weaknesses of the current committee system, asking participants to reflect on existing system design, culture and practices and to identify actions to enhance the current arrangements.

This report incorporates conclusions from the workshop and reflects on issues around the Council's current governance arrangements, including the committee system. It is not intended substantively to address any potential reversion to the cabinet system, as this will be the subject of a separate report to follow in February 2020 (see paragraph 3.8) but rather to identify changes and improvements which might be made to the existing system for as long as it remains in place. It is best practice, prior to the consideration of system change, to examine what adjustments might be made to improve the current system, and to reconsider the position following implementation of those adjustments.

2. MAIN BODY

For noting: the CfPS workshop identified the following points around the committee system:

2.1 Participants' views of the strengths of the current system

- Committee system helps clarify goals and purpose - reflects the 'corporate journey'
- Committees are multi-group and can offer and support different perspectives
- Offers continuity – Committees endure after political change
- Inclusive – the Committees offer a range of participation and involvement
- Builds better member / officer relationships
- The system can be reviewed and adjusted
- Provides transparency in decision-making for members and for the public and thus improves 'customer perceptions' of the Council
- Ensures every member feels a 'stake' in the Council
- Offers a clear, departmentalised focus and promotes in-depth debate on topics
- Enables a wider variety of members to bring knowledge, expertise and insights
- Being part of Committees builds the knowledge and confidence of members
- Members are better informed about the full range of council business

2.2 Summary of participants' top priorities for improving the committee system

- 2.2.1 Improve reporting – provide clear, accessible summaries of key issues
- 2.2.2 Ensure members have enough reading and preparation time to engage in the committees in a meaningful way
- 2.2.2 Ensure the efficient timetabling of committee meetings
- 2.2.3 Ensure agendas are focused and streamlined
- 2.2.4 Improve chairing of meetings – support chairs and vice chairs – offer training
- 2.2.5 Enable everyone to feel they have an opportunity to speak at meetings
- 2.2.6 Ensure the reporting processes for committees (both before and after meetings) is transparent and members have full access to briefings
- 2.2.7 Agree a collective way to 'manage the politics' to support effective committee meetings
- 2.2.8 Ensure that members who are also involved in the governance of outside bodies (for example in health and other local agencies) and organisations are supported to feed back to and interact with the committees

3. MONITORING OFFICER RECOMMENDATIONS FOR TARGET AREAS

Having consulted the Constitution Working Party, the Monitoring Officer makes the following proposals:

3.1 Streamlining of the Committee System

Issue identified: some committees have excessive programmes while others do not carry a substantial workload.

Actions proposed:

- 3.1.1 The Monitoring Officer had proposed to CWP that a **Shareholder Committee** should be created to represent all of the Council's shareholding interests in

companies it owns wholly or in part (GYBS, GYN, Equinox Enterprises Ltd, Equinox Property Holdings Ltd). Reporting lines for these companies currently sit either with P&R (the Equinox companies) or with the Liaison Boards (GYBS/GYN). It should be noted that while accountability for GYBS/GYN in theory sits with the respective Liaison Boards, membership for the liaison boards replicates the company boards, thus rendering scrutiny/accountability ineffective. Members should note that while some limited powers are reserved to the Shareholder role within a company's constitution, it is the Directors who run the companies and make both operational and strategic decisions. However a Shareholder Committee would have a role of oversight and monitoring, with all companies reporting regularly on performance and future business plans. The requirements for reporting and performance monitoring plans should be written into each individual company's governance arrangements, or may be achieved via Shareholder Agreements. It is proposed that the new Shareholder Committee should report to Full Council annually with its findings.

- 3.1.2 CWP did not approve this proposal, as it was felt the existing arrangement should not be terminated.

The following action, put forward by CWP is now proposed: that the membership of the Liaison Boards and Directorships of the companies should be changed, so that different members sit on the company boards and the liaison boards respectively. This would provide for separate of the roles and therefore a more effective method for oversight and scrutiny. It was proposed that the Vice Chair of a service committee be appointed to the Company Board, with the Chair being appointed to the Liaison Board, to separate the functions.

- 3.1.3 **Area Museums Committee** to be redesignated as a Working Group with a reporting line to Economic Development Committee (which is already responsible for the Council's Museums and Heritage and Arts & Cultural strategies).

CWP approved this proposal.

- 3.1.4 **Appeals Committee** (which currently deals with staffing matters only) also to deal with Housing Appeals and the dedicated **Housing Appeals Committee** to be abolished. The current Appeals Committee rarely meets, and this means that members may not build skills and experience in these areas.

CWP approved this proposal. Members proposed a 4:3 political split for the combined Appeals Committee.

- 3.1.5 Consideration of whether the **Area Committees** remain necessary, by reference to business conducted and any decisions taken over the past year.

CWP proposed that any Area Committee should be treated as a non-decision-making public forum. As such, they need no longer be formally constituted as committees, with member appointments not required to be Widdecombed.

- 3.1.6 Consider whether **Policy and Resources Committee** should delegate more work to **Economic Development Committee**. The latter carries a low workload. Members should decide whether to pass on more responsibility from Policy and Resources, which has a heavy agenda, or to remove Economic Development Committee altogether.

CWP approved this proposal, adding that Economic Development Committee should be given its own threshold for expenditure up to £200,000, (consequential amendment to be made to the Constitution) with more work being directed to it – including referrals by the Chair of Policy and Resources Committee as appropriate.

3.2 Review of Member Working Groups

- 3.2.1 For noting: the Council currently has 11 member working groups. Meetings may be held on an ad hoc or regular basis. Corporate Services officers are responsible for minuting meetings of the groups and contacting relevant officers for any actions required. Working Groups are not decision-making bodies. They have a consultative role. They need not be politically balanced (although they often are). Nominees may, if members agree, be selected on the basis of 'best person for the job', i.e. those with particular expertise, experience or interest.

- 3.2.2 It is proposed that Corporate Services be asked to undertake an annual review of member working groups to ensure that activity is sufficient to require a continued use of resource and that the group's terms of reference are clear and remain relevant to the Council's corporate objectives, with the outcome of the review to be reported to Constitution Working Party annually.

CWP approved this proposal.

- 3.2.3 Members are asked to consider whether the work of Civic Twinning Group and Civic Working Party WWI (which is residual) could be taken on by another Working Group or Committee.

CWP approved this proposal. The three Civic Working Groups (marked with asterisks on Appendix 1) should be combined to form one single group.

3.3 Increased use of Task & Finish Groups in place of Working Groups

For noting: members are asked to consider whether on occasion the authority's objective might be effectively met by a Task & Finish Group rather than a Working Group. When a Task & Finish Group is proposed, clear terms of reference and a set end date should be established, sometimes in relation to a specific event.

3.4 Pre Agenda Meetings

3.4.1 Issue identified: during the workshop both members and officers commented on the duration and detailed discussion taking place at some PAMs, to the extent that may be a risk that these meetings become a 'pre-run' of the meeting proper. PAMs are being used to raise complaints, queries or referrals which members have received from members of the public. The content of a PAM should relate to proposed agenda items only. Members should feel that they can locate and contact the relevant officer (or Head of Service in the first instance) at any time during to raise a query or complaint, or to make a referral as part of day-to-day business, rather than during a PAM.

3.4.2 Proposed action: following consultation with CWP the proposal is that PAMs as *a matter of course* be restricted to the following Committees only: **Council, Policy & Resources, Economic Development, Development Control, Housing & Neighbourhoods, Environment and Audit & Risk** while the following Committees would have PAMs on a need only basis, i.e. if there was a particularly challenging, technically difficult or controversial item on the agenda: **Licensing, Standards, Appeals, the Area Committees, Employment Committee**. For these Committees the proposal is that unless a full PAM was determined to be required, the Chair would have a scheduled telephone conversation with the relevant Head of Service or team manager to provide an outline as to the proposed agenda content. PAMs will not be held for working groups, task groups or liaison boards.

3.5 Audit and Review of Outside Bodies

3.5.1 Issue identified: GYBC's CMIS (Committee Management Information System) lists connections with 60 outside bodies (see Appendix 2) to which GYBC makes appointments and/or provides support in some other way. This is a significant number and with limited resource in the Corporate Services Team, it has become challenging to maintain appropriate oversight and ensure that the relationship with each outside body continues to be of mutual benefit and aligned with the Council's corporate objectives. The reason for the original

appointment or connection may have become unclear over time and there is now a need for audit of existing relationships, with the removal of any which are no longer relevant. This should be followed, on an ongoing basis, by annual review of the outside bodies' activities.

3.5.2 Proposed action: the Council must establish and maintain a clear understanding of the terms of reference and governance of any outside bodies to which members are appointed or to which funding or other support is provided. The reporting lines and accountability for GYBC's input for such groups and any financial contributions are not always clear. Currently there is no central oversight of the Council's relationships with outside bodies, and they are not managed sufficiently to give the Council reassurance as to the continuing status of the outside body. It is proposed that this be undertaken within Corporate Services, with a specific officer to be identified to take ownership of the management of this ongoing task. The officer will also be responsible for supporting members and officers who sit on outside bodies to report back regularly through the committee system.

3.5.3 Proposed action: following consultation with CWP it is understood that the following groups should be removed from the list as they are no longer active or relevant to the Council's priorities:

Economic Reference Group
Enterprise GY Board
Great Yarmouth Development Company
Great Yarmouth Marketing Initiative
Great Yarmouth Sports Council
Great Yarmouth Sports Partnership
Nelson Museum Management Board

Questions were raised as to whether the following should remain listed and members of CWP agreed to make enquiries and confirm with Corporate Services whether they might be removed from the list:

East Anglia Port Welfare Committee
Great Yarmouth Seafarers Centre
Norfolk Rail Group

3.6 Review of Constitution

Particular areas of the constitution require review and updating. Proposed

actions follow:

Article 23 Joint Arrangements – see Appendix 3

Reason: details of joint arrangements are not currently provided.

Article 30 Scheme of Delegation – see Appendix 4

Reason: Heads of Service did not have a clear general delegation and the list of Heads of Service is out of date.

Article 32 Financial and Contract Procedure Rules (see below)

Article 44 Management Structure – see Appendix 5

Reason: The management structure is out of date.

The s151 officer has proposed a draft replacement for Article 32, the Financial and Contract Procedure rules. This will need to be considered by Constitution Working Group and Policy and Resources Committee and will come forward under a separate report.

Replacements/amendments for the other articles listed are attached in the relevant appendices as noted above.

3.7 Review of Report Templates and report-writing practices

For noting:

- 3.7.1 New templates have been created and are being rolled out for officer use via Corporate Services. A unique registration number (URN) is to be incorporated into each report from the date it is taken to ELT. This will enable reports and decisions (and therefore any follow-up action) to be traced more easily.
- 3.7.2 It is proposed that a deadline for submission of reports should be set and adhered to. Corporate Services need to receive reports sufficiently in advance to enable them to be quality checked, particularly in terms of the clarity of purpose, summary and recommendations, as well as the application of any confidentiality provisions. Some reports may require s151 officer or legal input.
- 3.7.3 Relevant officers should be required to attend training for report writing, and guidance issued.

3.8 Consideration of Return to Cabinet System

I have been asked by group leaders to provide advice about a potential return to the cabinet system. Council was previously advised on this in November 2018. In

summary, the 2018 advice was that the authority was effectively “locked in” to the committee system until May 2021, i.e. the Council could not make such a decision to revert to cabinet system by resolution, but would need to hold a public referendum. If the outcome of that referendum did not support a return to cabinet system this would cause a further ‘lock in’ period of 10 years. It was decided by leaders at the time that due to the cost of holding a stand-alone referendum and the risk of causing a further lock-in period, that the authority should defer any potential system change until after May 2021. However, it was recommended that the Governance Review Task and Finish Group/CWP should further discuss the rationale for system change substantially ahead of that date, to establish whether political will existed to make the change by resolution post May 2021. A separate report on the legal and procedural implications of the change, and the practical steps involved will be taken to the CWP in February 2020. The outcome of that consultation and the CWP’s decision as to whether there is a rationale for change will trigger a recommendation to full Council (April 2020) from the Monitoring Officer on system change and any associated proposal. If system change were to be agreed by Council in April 2020 this would enable some preparation to take place in advance of the expiry of the lock in period in May 2021.

4. FINANCIAL IMPLICATIONS

The steps proposed as part of governance review will require additional resource within Corporate Services.

5. RISK IMPLICATIONS

If its relationships and involvement with outside bodies are not given thorough oversight, this may put the Council at reputational risk.

6. CONCLUSIONS

There is a need for the authority to address governance issues within the Committee system, regardless of whether system change is proposed to occur. The Constitution needs to be updated to reflect the Council’s current joint arrangements and to clarify the Scheme of Delegation under the current management system. The committee system would benefit from some degree of streamlining to improve the progress of business. Reporting lines need to be strengthened to ensure effective accountability and follow-up of actions. Working Groups and Outside Bodies both require initial audit and review on an ongoing basis. Members have identified that improvements need to be made in report writing, guidance and briefing, support for chairs and timetabling of meetings.

7. RECOMMENDATIONS

That Council approve the actions proposed by the Monitoring Officer following consultation with the Constitution Working Party (CWP) in relation to:

- 7.1 Streamlining of the Committee System, as set out in paragraphs 3.1.2, 3.1.3, 3.1.4, 3.1.5 and 3.1.6;
- 7.2 Member Working Groups, as set out in paragraphs 3.2.2 and 3.2.3;
- 7.3 Pre Agenda Meetings, as set out at paragraph 3.4.2;
- 7.4 Outside Bodies, as set out at 3.5.2 and 3.5.3 and
- 7.5 amendments to the Constitution, set out in 3.6 and the associated appendices.

8. **BACKGROUND PAPERS**

None

Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?

Area for consideration	Comment
Monitoring Officer Consultation:	N/A
Section 151 Officer Consultation:	At ELT
Existing Council Policies:	None
Financial Implications (including VAT and tax):	
Legal Implications (including human rights):	
Risk Implications:	Inconsistency or discrepancy in governance may lead to challenge. Ineffective oversight of relationships with outside bodies creates reputational risk.
Equality Issues/EQIA assessment:	N/A
Crime & Disorder:	N/A
Every Child Matters:	N/A

APPENDIX 1 – LIST OF WORKING GROUPS

Civic Working Group*

Civic Twinning Group*

Civic Working Party WWI*

Constitution Working Party

Joint Consultative Working Group

Local Plan Working Group

Middlegate Estate Member Working Group

Great Yarmouth Town Centre Masterplan Working Group

Marina Centre Members Working Group

Wellesley Recreation Ground Working Group

Wintergardens Working Group

APPENDIX 2 – LIST OF OUTSIDE BODIES (AS SHOWN ON CMIS)

A47 Alliance

Bowls Tournament Working Party

Broads Authority

Broads Internal Drainage Board

Chamber of Commerce - Norfolk (Great Yarmouth Committee) Chamber Council

Coastal Partnership East

Community Association Management Committee - South Yarmouth

Community Association Management Committees - Claydon Pavilion

Community Rail Partnership

Community Safety (Great Yarmouth) Ltd (CCTV Co)

East Anglia Port Welfare Committee

East of England LGA

Economic Reference Group

EnterpriseGY Board

Gorleston Poor Land Trustees

Great Yarmouth and Rambouillet Twinning Association

Great Yarmouth Development Company

Great Yarmouth in Bloom

Great Yarmouth Marketing Initiative

Great Yarmouth Municipal Charities

Great Yarmouth Preservation Trust

Great Yarmouth Racecourse

Great Yarmouth Seafarers Centre

Great Yarmouth Sports Council

Great Yarmouth Sports Partnership

Great Yarmouth Transport and Infrastructure Steering Group

Greater Yarmouth Tourism & Business Improvement Area Ltd / Interim Board of

Directors **Members of the Greater Yarmouth Tourism & Business Improvement Area Ltd

GY Norse Company Board

GY Norse Liaison Board

GYB Services Company Board

GYB Services Liaison Board

High School Foundation

James Paget Healthcare NHS Trust (Governors' Council)

Local Government Association - Coastal Issues

Local Government Association - General Assembly

Neighbourhood Management Board - MESH (Gorleston)

Neighbourhood Management Board - Yarmouth

Neighbourhood Management Boards - Make It Happen (Southtown, Cobholm and Halfway House)
Nelson Museum Management Board
New Anglia Local Enterprise Partnership
Norfolk Coast Partnership (Joint Advisory Panel)
Norfolk County Joint Museums Committee
Norfolk Countywide Community Safety Partnership
Norfolk Health & Wellbeing Board
Norfolk Health Overview & Scrutiny Committee
Norfolk Parking Partnership Joint Committee
Norfolk Rail Group
Norfolk Records Committee
Norfolk Strategic Planning Framework
Norfolk Waste Partnership
Nplaw Board
Older Peoples Partnership
Parking and Traffic Regulations Outside London Adjudication Joint Committee (PATROL AJC)
Police and Crime Panel
Sea Change Board
Sentinel Leisure Trust
Sentinel Leisure Trust Partnership Board
Town Centre Company (Great Yarmouth) Ltd
Waveney, Lower Yare and Lothingland Internal Drainage Board
Youth Advisory Board

APPENDIX 3 – Replacement for Article 23 – Joint Arrangements

ARTICLE 23 - JOINT ARRANGEMENTS

23.1 Joint Arrangements

The Council has made joint arrangements with one or more other local authorities under Section 101 (5) of the Local Government Act 1972 for the exercise of certain of its functions. These arrangements are described below

23.2 Joint Committees

The Council also appoints with those other authorities Joint Committees to exercise these functions. The membership, terms of reference and functions of these Joint Committees and the rules governing the conduct and proceedings of their meetings are also described below.

23.3 Delegation

The arrangements with the Borough Council of King's Lynn and West Norfolk in respect of the civil enforcement of parking contraventions involves the delegation of responsibility for off-street penalty charge processing and appeals (Traffic Management Act 2004) to the Borough Council of King's Lynn and West Norfolk.

DESCRIPTION OF JOINT ARRANGEMENTS

1. The Council has established the joint arrangements described below and for this purpose has joined in appointing the following Joint Committees:-

Norfolk Joint Museums Committee
Norfolk Records Committee

each of which exercise functions of the Council under Section 101 (5) of the Local Government Act 1972.

2. The membership, terms of reference and functions of the Joint Committees and the rules governing the conduct and proceedings of their meetings and the public's right of access to these meetings are set out below:-

a) Norfolk Joint Museums Committee

(i) Membership

Norfolk County Council, Breckland District Council, Broadland District Council, Great Yarmouth Borough Council, King's Lynn and West Norfolk Borough Council, North Norfolk District Council, Norwich City Council, South Norfolk District Council

The County Council appoints 9 members, Norwich City Council 3 members and the remaining Councils 1 member each.

This Committee has also established Area Committees for Breckland, Great Yarmouth, King's Lynn and West Norfolk, North Norfolk and Norwich.

The Chair and Vice-Chair of the Joint Museums Committee shall be ex-officio, non-voting members of the Area Committees. The Chair and Vice-Chairs of the Area Committees must be voting members of the Joint Museums Committee.

(ii) Terms of Reference

The Joint Museums Committee is responsible for:-

- the effective operation of the Norfolk Museums Service
- advising all the participating Councils on the strategic framework for museums in Norfolk
- agreeing policies for the Norfolk Museums Service in accordance with national and local guidelines
- agreeing an annual budget for the Museums Service

The Area Committees are each responsible for:-

- advising the Joint Committee on museums issues within their area
- agreeing and reviewing on a regular basis a museums strategy for their area
- developing and agreeing a yearly action plan
- advising on the terms of any service level agreement with the Norfolk Museums Service for the provision of museums services within their area

(iii) Functions

The Joint Museums Committee exercises the functions of the participating local authorities under Section 12 of the Public Libraries and Museums Act 1964 with regard to the provision and maintenance of museums and art galleries in their areas, except to the extent specifically provided for in the current agreement constituting the Committee dated 6 January 1999.

(iv) Rules governing the conduct and proceedings of meetings

The conduct and proceedings of meetings of the Joint Museums Committee are governed by the rules relating to meetings of Norfolk County Council Committees.

The standing orders of the relevant District Council apply to meetings of the Area Committees.

(v) Rules relating to access to meetings

The right of the public to attend meetings of the Joint Museums Committee are set out in paragraph 2 of the Access to Information Procedure Rules of Norfolk County Council.

b) Norfolk Records Committee

(i) Membership

Norfolk County Council, Breckland District Council, Broadland District Council, Great Yarmouth Borough Council, King's Lynn and West Norfolk Borough Council, North Norfolk District Council, Norwich City Council, South Norfolk District Council

The County Council and the City Council appoints 3 members each and the remaining District Councils 1 member each. There are also non-voting members as follows:

Custos Rotolorum

A representative of the Bishop of Norwich

A representative of the Norfolk Records Society

3 co-opted members

(ii) Terms of Reference

The Norfolk Records Committee has the responsibility for carrying out the functions of the participating local authorities under the Local Government (Records) Act 1962 and for the control of the Norfolk Records Office with a view to ensuring as far as possible that:-

a) storage and maintenance facilities are provided to it for archives relating to or deriving from the areas of the participating local authorities; and

b) there is at the Record Office an adequate means of reference to the archives and facilities are provided for the public to inspect and take copies of deposited documents

(iii) Functions

The Norfolk Records Committee exercises functions of the participating local authorities under the Local Government (Records) Act 1962.

(iv) Rules governing the conduct and proceedings of meetings

The conduct and proceedings of meetings of the Norfolk Records Committee are governed by the rules relating to the meetings of Norfolk County Council Committees.

(v) Rules relating to access to meetings

The rights of the public to attend meetings of the Norfolk Records Committee are set out in paragraph 2 of the Access to Information Procedure Rules of Norfolk County Council.

APPENDIX 4 – Replacements for:
Article 30.1 – General Delegations and
Article 30.5.3.3 Heads of Service

Existing Article 30.1 to be removed and replaced with the following:

Article 30.1 - General Delegations

The Council under section 100 of the Local Government Act 1972 has resolved to delegate to each Director and Head of Service the power to manage and operate the department and the services for which s/he is responsible provided that any action taken is within the operational plans, budgets and policy and financial guidelines set by the Council and relevant committee/s and subject to the conditions and requirements in or implied by the Council's Constitution and the Scheme of Delegations.

Each Director and Head of Service is also authorised as follows:

Existing Article 30.5.3.3 to be removed and replaced with the following:

Article 30.5.3.3 - Heads of Service

Head of Communications and Marketing
Head of Customer Services
Head of Environmental Services
Head of Inward Investment
Head of Planning and Growth
Head of Property and Asset Management

APPENDIX 5 – Article 44 – Management Structure

Removal of the existing chart and replacement with the attached