



Haringey Council

Full Council

January 2011

Report Title: Haringey Governance Review

Report of: Kevin Crompton, Chief Executive

Signed :

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Wards(s) affected: **All**

Report for: **Full Council – January 2011**

1. Purpose

- 1.1 To report the final report of the Haringey Governance Review undertaken by Shared Intelligence.
- 1.2 To report to full Council the results of the public consultation undertaken on the governance review.
- 1.3 To outline next steps in how the recommendations will be developed further to implement from May 2011.

2. State link(s) with Council Plan Priorities and actions and /or other Strategies:

- 2.1 The report links to the Council Plan Priority: 'Driving change, improving quality – customer focussed, cost effective services achieving high levels of satisfaction.'

3. Recommendations

- 3.1 Agree that members and officers develop further the proposals contained in the report (appendix 1) in order to implement changes from May 2011.
- 3.2 Note the results of the public consultation as outlined at appendix 2

- 3.3 Agree to establish an informal Delivery Group of Members, as described in paragraph 5.3.3 of this report and in accordance with Article 15.03(a) of the Constitution, to consider in detail all proposed text changes to the Constitution outlined in, or related to, the report at Appendix 1 with a view to making recommendations for adoption by full Council and implementation as from Annual Council in May 2011.
- 3.4 Agree that the Delivery Group give special consideration to those issues set out at paragraph 5.3.4 of this report having regard to the concerns expressed by Members and in the public consultation.
- 3.5 Agree that changes as a result of the governance review be reviewed 12 months after implementation by the Delivery Group.

4. Reason for recommendations

- 4.1 The report makes a number of recommendations which in order to implement will require further consideration by members before being adopted.

5. Summary

5.1 Introduction

- 5.1.1 The review started in July 2010. The Leaders of both groups identified a need to examine governance arrangements in Haringey to ensure the effectiveness of arrangements and relevance given wider changes Leader and Cabinet model brought about by the Local Government and Public Involvement in Health Act 2007 which Haringey adopted.
- 5.1.2 The review was also identified as timely given wider national debated about localism which have resulted in the publication of the Government's Localism Bill (2010).
- 5.1.3 The following areas of the Council's governance review were highlighted for the review to focus on were:
- Full Council
 - The Mayoralty
 - Overview and Scrutiny
 - Area Assemblies
 - Council Committees
 - Special Responsibility Allowances
- 5.1.4 The following outcomes were identified as being important to the review:
- Increase public engagement in decision making, giving local people a greater say over the changes in their community
 - Ensure decisions are taken as close to the ground as possible
 - Facilitate the community leadership role of members

- Ensure the member allowance scheme accurately reflects the responsibilities of different roles and places appropriate emphasis on those councillors undertaking specific community leadership roles
- Achieve a reduction in the total sum spent on member allowances.

5.1.5 A reference group of members and officers was established to oversee the review and provide direction to the proposals which the review was focused on.

5.1.6 In developing the report Shared Intelligence, supported by officers from Local Democracy and Members Services, have organised a number of workshops. These have focused on the key aspects of the report.

5.1.7 The workshop involved both political groups, members with an interest in scrutiny, area assembly chairs, committee chairs, the cabinet, officers from across the council, external partners which are regularly involved and have experience of Haringey's existing governance arrangements.

5.1.8 Therefore the analysis of the report and emerging proposals reflect the Haringey experience and combined with Shared Intelligence's experience from other boroughs.

5.2 Consultation

5.2.1 The reference group identified as part of the review for there to be a public consultation as part of the review. The consultation would be a means of testing out views on some of the emerging proposals and also wider

5.2.2 An online survey was launched on 9 December 2010 and ran until the 8 January 2011. A press release was issued via the Council's website and a targeted mail out to voluntary sector and key partners was also sent to highlight the opportunity to participate in the review.

5.2.3 In addition over 2,000 members of the public were written too as part of the consultation process. These members of the public were identified from the Area Assembly data base of people who had attended area assembly meetings. These letters encouraged members of the public to complete the survey and were invited to attend a public consultation meeting on the governance review.

5.2.4 There were in total 99 responses to the questionnaire. In addition 14 members of the public attended a public meeting to discuss the governance review. The key issues headlines from the consultation response were:

- 68% of respondents agreed that the council's decision-making processes could be streamlined to be more effective.
- 77% of respondents answered that they would support a proposal for 3 out of five council meetings to include a 'Haringey Debate'
- 69% of respondents supported the proposal to change the council's committee structure to include Overview & Scrutiny, Corporate, Regulatory Committees and remove others.

5.2.5 A summary of the public consultation can be found at appendix 2 to this report.

5.3 Delivery Group

- 5.3.1 In order to implement the proposals outlined in the report following both member and public consultation that further detailed consideration is required of key proposals contained in the governance review.
- 5.3.2 As such it is proposed to establish a Delivery Group of members with the remit to develop further the proposals in order to implement by May 2011.
- 5.3.3 The Delivery Group would comprise of the two group Leaders, a further two councillors from each group and the Chief Executive. The Delivery Group will be supported by officers as and when required from Local Democracy and Member Services, Legal Services and Corporate Resources.
- 5.3.4 It is proposed that the Delivery Group would focus on resolving those matters identified as part of the member and public consultation of being of concern. In particular:

Area Committees

- Clarification on the decisions which will be devolved, what budgets, officer support, how will reporting lines work, and how possible tensions between area committees and the council's Cabinet will be resolved.
- Consideration of terms of reference for area committees and around access to information – agendas, reports and minutes of such meetings.
- Arrangements for agreeing area committee chairs – particularly in split wards
- How agendas for both area committees and assemblies are agreed.

Scrutiny

- How do backbenchers hold cabinet members to account on specific topics/issues in public
- How to ensure back bench councillors are involved in scrutiny reviews
- Consideration of work load and practicalities of combining the Scrutiny and Area Assembly role.
- Who is the chair of the area assembly, how is the chair elected?

Other matters to be considered

- The links between revised governance arrangements and emerging neighbourhood management and one frontline service.
- Work load for councillors (and how within the parameters of reducing the number of SRAs) workload can be shared amongst members and how members will be supported in their new roles.
- Further opportunities to consult on specific changes the public via either area assemblies or focus groups.
- Two changes are proposed to the Shared Intelligence report: that the position of vice-chair of the overview and scrutiny committee should be a minority group member and that the deputy mayor should remain as a majority group member.

5.4 Review

- 5.4.1 Throughout the course of the review a number of members have made clear that the Council's governance arrangements should be reviewed more regularly to ensure their on-going effectiveness.
- 5.4.2 In addition the reference group considered that given the breadth of proposals of the governance review the effectiveness of changes should be assessed in light of the outcomes initially established for the review (paragraph 6.1.4). It is proposed therefore the new arrangements implemented would be subject to review within 12 months.

5.5 Conclusion

- 5.5.1 The progress of the governance review has been achieved due to the involvement and commitment of members of both groups via the member workshops and also the reference group meetings held.
- 5.5.2 The recommendations contained within the report seek Council's approval to continue the governance review.

6. Chief Financial Officer Comments

6.1 Corporate Committee

- 6.1.1 The suggested corporate committee would cover the duties (amongst others) currently covered by the Audit Committee, General Purposes Committee and Pensions Committee. These cover in particular audit and risk management, pensions and treasury management.. The timings of meetings will need to be carefully planned to fit with externally determined timescales and the statutory final accounts timescales.

6.2 Audit & Risk Management

- 6.2.1 By discharging the audit function through a formal committee of the council the CIPFA guidance and Code of Practice for Internal Audit can be shown to be complied with. The suggested Corporate Committee meets this requirement.

6.3 Treasury Management

- 6.3.1 The Code of Practice on Treasury Management which most local authorities comply with requires the mid-year review and outturn reports to go to full Council for noting. It should be possible for the officers supporting the implementation of the governance proposals to find a way of addressing this..
- 6.3.2 The Code of Practice on Treasury Management requires a separation of the body which monitors treasury management and the one which scrutinises it. The merging of the Audit Committee and General Purposes Committee who are currently responsible will mean that monitoring will need to be undertaken elsewhere. This could be Cabinet and the scrutiny could be undertaken by the Corporate Committee as part of its audit committee role.

6.4 Pensions

6.4.1 When the Corporate Committee considers pension matters it will need to act as Administering Authority for the whole pensions fund, this is distinct from other roles it may have when it is acting for the council. The agendas of the committee would need to be clear in what capacity the members are acting to assist in this..

6.5 Training of Committee Members

6.5.1 In respect of treasury, pensions and audit there is clear guidance about the training and skills required of members involved. In the case of pensions, this is statutory guidance against which compliance would need to be published. The members of the corporate committee would therefore have to undertake training to ensure they can fulfil their roles on these matters...

6.6 Financial Implications

6.6.1 A reduction in special responsibility allowances is estimated to save £125k in a full year.

6.6.2 A reduction in the number of Committees and frequency of meetings will give savings in terms of officer time supporting those meetings. However these are difficult to quantify until more detailed work is undertaken on the implementation plan.

6.6.3 The introduction of Area Committees will require support, the level of which will depend on their terms of reference and responsibilities. Any formal decision making responsibilities will need to be supported by appropriate service, financial and legal advice, formal reporting and clerking. If Area Committees have budgets and spending powers these will need to comply with appropriate financial regulations and contract standing orders.

7. Head of Legal Services' Comments

7.1 The report at Appendix 1 proposes a series of far reaching changes to the non-executive Committee structure. While this structure is mostly a matter for Members' discretion, legal advice will be needed to ensure: (i) compliance with requirements in Licensing and Planning legislation, (ii) an appropriate remit and structure for the Area Committees and Assemblies and (iii) proper provision for scrutiny of the work of Area Committees and Assemblies. Legal advice may well be necessary on other points and to ensure proper drafting of text changes to the Constitution. The proposed Delivery Group would satisfy Article 15.03 (a) of the Constitution as an informal Member Group making recommendations to the full Council on constitutional amendments.