CABINET - 13 OCTOBER 2010

PRINCIPAL SCRUTINY COMMITTEE -18 OCTOBER 2010

SPECIAL COUNCIL - 3 NOVEMBER 2010

LEADERSHIP ARRANGEMENTS - OUTCOME OF CONSULTATION

REPORT OF CORPORATE DIRECTOR (GOVERNANCE)

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RECENT REFERENCES:

<u>CAB1591</u> - Local Government and Public Involvement in Health Act 2007 – 16 January 2008

CAB1803 – Review of Electoral Arrangements – 20 April 2009

<u>CAB2025</u> – Leadership Arrangements and Electoral Cycle – 9 July 2010

EXECUTIVE SUMMARY:

The Local Government and Public Involvement in Health Act 2007 requires all councils to consider changing the system by which they take executive (Cabinet) decisions about council policies and services, by re-considering its decision making structures. The two options are:

- (a) a strengthened role and more powers for the Leader, in the Leader with Cabinet model or
- (b) a directly Elected Mayor with Cabinet.

Retaining the current Leader with Cabinet system is not available under the 2007 Act.

The coalition Government has announced that it is considering allowing councils to revert to the traditional committee system. However, further details are not yet available and new legislation will be necessary. It is anticipated this would take effect for the 2012/13 municipal year.

The previous Government had also asked councils to consider whether they wish to change the frequency with which elections are held, by holding whole council elections on a four year cycle. At its meeting on 9 July 2010 Cabinet recommended to Council that it did not include a review of its electoral cycle in the consultation, and this was subsequently agreed by Council on 21 July 2010. The Boundary Commission has also indicated that it does not intend to undertake a ward review in this District in its 2011/12 work programme.

A consultation exercise has been undertaken with the Winchester public on the leadership options. Items on "How we run the council – Have Your Say" have been published in the September 2010 autumn edition of Perspectives (including a cut out and return voting slip) and in Parish Connect. In addition, members of the Winchester District Strategic Partnership have been asked to express their preference and an on-line voting facility has been published on the front page of the Council's website. This publicity campaign has currently generated 216 preferences being cast.

The final decision to implement the proposals has to be taken at a special meeting of the Council, to be held on 3 November 2010, with a majority of at least two thirds of those Members voting in favour.

If the decision is taken to move to an Elected Mayor, the arrangements and processes for an election in 2011 will also need to be drawn up. A Leader with Cabinet model would require the Council to elect its Leader for the next four years (or if earlier, until next due for re-election) at the post-election annual meeting of Council 18 May 2011.

Currently, approximately 71 percent of respondents have expressed a preference for the strong Leader with Cabinet model and therefore it is recommended that this model of Executive Arrangements be approved by Special Council on 3 November.

An update on any further representations received from the public consultation will be given at the meeting.

RECOMMENDATIONS:

THAT CABINET RECOMMENDS TO SPECIAL COUNCIL ON 3 NOVEMBER 2010:

That subject to any further representations being received on the consultation exercise:

- 1. That the outcome of the consultation exercise be noted and consequently the Council does not hold a referendum on the options for its future executive arrangements.
- 2. That the Council adopts the strengthened Leader with Cabinet model for its executive arrangements, in accordance with the Local Government and Public Involvement in Health Act 2007, with effect from the 2011/12 municipal year.
- 3. That a Report be presented to Cabinet and Council on the consequential changes to the Constitution prior to the introduction of the new Executive arrangements in May 2011.

TO PRINCIPAL SCRUTINY COMMITTEE:

To consider whether to offer any comments or recommendations to Council on the issues raised in this report.

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DETAIL:

- 1 Introduction
- 1.1 The Local Government and Public Involvement in Health Act 2007 introduced a range of devolutionary and deregulatory measures to ensure a local government system in England that:
 - gives local people more influence over the services and decisions that affect their communities;
 - provides effective and accountable strategic leadership;
 - operates in a performance framework for local authorities working alone or in partnership – which supports citizen empowerment and secures better outcomes for all, and;
 - leads local partnerships to provide better services for citizens.
- 1.2 The 2007 Act builds on the Local Government Act 2000 which radically overhauled the decision making structures and accountability mechanisms in local government. Central to these reforms was the clear separation between executive councillors 3 to 10 councillors in an authority (with the option that these might operate under a directly elected Mayor) and the majority of councillors.
- 1.3 This Council adopted the Leader and Cabinet executive model in 2001.
- 1.4 The Council is now required by the 2007 Act to review its decision making arrangements. Under the requirements of the Act, a public consultation exercise has been undertaken for the executive options.
- 1.5 The decision to implement the proposals after the consultation exercise has to be taken at a special meeting of the Council, with a majority of at least two thirds of those Members voting in favour. The resolution for change must be made before 31 December 2010, with implementation at the May 2011 elections.

2 <u>Executive Decision Making Arrangements</u>

2.1 Under the provisions of the 2007 Act, the City Council has to make a change in its decision making arrangements. The current Leader with Cabinet model will no longer be available as the Act introduces a strengthened role for the Leader, as set out below. The Council has to consider the following decision making options.

(a) The Leader with Cabinet Executive

The new strong Leader with Cabinet Executive model has the following components:

Leader is elected by Council following the City elections and is one of the City's 57 Councillors.

The Leader:

- Is elected for a four year term (where whole council elections are adopted) or until their term of office as a Councillor expires (where the Council operates elections by thirds).
- Determines the size of the Executive (two or more up to a maximum of 10) for a term of up to 4 years.
- Appoints/dismisses a Deputy Leader.
- Appoints/dismisses Executive Members.
- Is responsible for all Executive functions.
- Can exercise all the Cabinet functions themselves or may delegate functions to the Cabinet, Cabinet members individually, other Committees or Officers.

The role of the traditional civic Mayor remains unchanged.

The Council as a whole is able to remove a Leader provided the Authority's Constitution (and Executive arrangements) provide for this.

The main differences from the current Leader with Cabinet system are:

- The Leader is normally appointed for a period of office longer than the current annual term.
- The Leader, rather than Council, appoints the Cabinet.
- The Leader determines the scheme of delegation for executive functions to portfolio holders and officers – without input from Council.

(b) Directly Elected Mayor with Cabinet

The directly Elected Mayor:

- Is elected for a four year term and is directly elected by local government electors.
- Is not a City Councillor and is in addition to the 57 City Councillors.
- Appoints/dismisses a Deputy Elected Mayor from the councillors.
- Determines the size of the Executive (two or more up to a maximum of 10).
- Appoints and removes Cabinet Members (from Councillors) for a term of up to 4 years.
- Is responsible for all Executive functions.
- May delegate functions to the Cabinet, Cabinet members individually, other Committees, Officers.
- Cannot be removed from Office by the Council. The Mayor however, could choose to resign or could be disgualified if in breach of the National Code of Conduct.
- Has his/her own mandate, independent of majority group and continues to serve his/her own 4 year term of office, even if there is a change in the political balance of the City Council, for example following a by-election or if elections by thirds continue.
- May or may not be a member of the majority party.

A District Councillor could also stand as a candidate for the Elected Mayoralty, but if elected would need to stand down as a District Councillor. The law does not permit an individual to hold both roles simultaneously. The traditional, non-political role now fulfilled by the civic Mayor can continue, but the position may need to be given another name to differentiate the Elected Mayor's role from the civic Mayor. This would need particular consideration bearing in mind the historical significance of the Mayor of Winchester - which arises from ancient charters and unlike newer Boroughs would allow the title of Mayor to be retained. The new position of Directly Elected Mayor is normally a full time role and an allowance would need to be paid accordingly at a rate to be determined by the Independent Remuneration Panel.

3 Consultation

- 3.1 The Council can now take a final view on the new Executive arrangements as the results of consultation have been received.
- 3.2 Consultation has taken place via the City Council's website from late July 2010 and runs until 8 October 2010. An update on the final returns under the consultation will be provided at Cabinet. A press release has been issued and an article was included in September's Perspectives delivered to all households in the District. An article was also included in Parish Connect. Partners in the Local Strategic Partnership have also been asked for their views, principally by using the website facility. Supporting documentation was made available on the website to explain the Executive options and a contact provided within the Democratic Services to answer gueries. Although provision for additional comment was not provided, some residents did choose to contact the Democratic Services with their views as to why they supported their choice of Executive arrangement or to state that they supported neither option but would like to see a return to the traditional committee system.
- 3.3 As a result of the consultation, as at 1 October 2010, 216 expressions of preference have been made. Of these 154 support the Leader with Cabinet model, 56 support the Directly Elected Mayor option and 6 have expressed no Preference. In terms of those responding, 130 were made by voting on the website facility and 86 responses were made by returning the cut-out section from Perspectives.

4 Constitution

4.1 The Constitution will subsequently need to be reviewed to reflect the new Executive arrangements. The Council will need to consider the extent to which the proposals would be likely to assist in securing continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Report on consequential changes to the Constitution will be presented to Cabinet and Council prior to the introduction of the new Executive arrangements in May 2011.

5. Referendum

- 5.1 The Council now has discretion whether or not to make its proposals subject to a referendum. Previously a referendum was a statutory requirement. A referendum would require registered electors to endorse the proposed Executive option.
- 5.2 The English Democrats have written to a number of authorities, including Winchester City Council, saying that they intend to petition for a Directly Elected Mayor. The petition threshold is 5% of the electorate of the Council, which would mean the authority would have to hold a referendum. It is not known if the English Democrats wish to pursue this option.

5.3 However, subject to the above, given the level of interest shown by the public about the leadership arrangements, it may be considered that there is insufficient justification to incur the substantial costs which would arise. Further legislative change in the next year will also mean that the Council will need to re-consider its decision-making arrangements in the next 12 months.

6. Review of Member Allowances.

6.1 A review of the Members' Allowances Scheme will shortly be undertaken by the Independent Panel. This is in accordance with the legal requirement that a review takes place at least every four years. In the event the Council adopts the strong Leader Model, this review will be included in the review to be undertaken during the Autumn 2010.

OTHER CONSIDERATIONS:

- 7 <u>COMMUNITY STRATEGY AND CORPORATE BUSINESS PLAN</u> (RELEVANCE TO):
- 7.1 The proposals are intended to reinforce the Council's practices as an Efficient and Effective Council.

8 RESOURCE IMPLICATIONS:

- 8.1 The Council is no longer required to hold a referendum if it selects the directly Elected Mayor option after the consultation exercise. A referendum would cost in the order of £100,000. As the Council decided not to make specific provision in the 2010/11 budget for additional costs for the consultation exercise on executive arrangements, the consultation programme did not include an option for a referendum. The procedure by which a petition signed by 5% of the electorate can trigger an Elected Mayor referendum still exists in certain circumstances.
- 8.2 If the Council implemented the Elected Mayor option then there would be additional election costs in every fourth year. Assuming this takes place at the same time as the District elections this could be in the order of £50,000 approx.
- 8.3 The Elected Mayor option could potentially involve additional costs for Members Allowances and officer support if the postholder operated on a fulltime basis but this cannot be assessed at this stage.
- 8.4 The strengthened Leader with Cabinet Model is not likely to result in any significant changes in the existing budget requirement. However, significant officer time will be needed initially to change the constitutional arrangements.

9 RISK MANAGEMENT ISSUES

9.1 None, provided correct procedures are followed and any changes are accurately reflected in the Constitution.

BACKGROUND DOCUMENTS:

File in Democratic Services Division

APPENDICES:

None