

## Committee report

Committee	<b>ANNUAL COUNCIL</b>
Date	<b>25 MAY 2016</b>
Title	<b>COMMITTEE STRUCTURE AND APPOINTMENTS, SCHEME OF DELEGATIONS AND CONSTITUTIONAL AMENDMENTS</b>
Report of	<b>HEAD OF LEGAL SERVICES AND MONITORING OFFICER AND STRATEGIC MANAGER FOR ORGANISATIONAL CHANGE AND CORPORATE GOVERNANCE</b>

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### EXECUTIVE SUMMARY

1. This report sets out a number of actions required at the Annual Council meeting relating to certain items such as the terms of reference of committees, appointment of committee chairmen and to reaffirm the scheme of delegation. Additionally the Audit Committee are recommending some changes to the Contract Standing Orders (which are part of the constitution) and the report sets out a suggested process for a full review of the constitution over the next ten months.

### BACKGROUND

2. In accordance with various legislative requirements and our constitution Annual Council is required in addition to those items dealt with elsewhere on the agenda for the meeting to:
  - (a) appoint at least one Scrutiny Committee and such other committees as the council considers appropriate;
  - (b) decide the size and terms of reference for those committees;
  - (c) appoint the chairman of the Scrutiny Committee and the chairman and vice chairman of any other committees or sub committees appointed by council;
  - (d) receive nominations of councillors to serve on outside bodies that are required to be appointed by the council (if any);
  - (e) re-affirm the scheme of delegation.

### Appointment of committees, their size and terms of reference

3. Broadly there are no changes proposed to the establishment, size and terms of reference of those committees currently within the constitution, with the exception that it is suggested that there be a small change to the terms of reference of the Scrutiny Committee and the Health and Adult Social Care Scrutiny Sub Committee.

4. When the Health and Adult Social Care Scrutiny Sub Committee was originally established the view was taken that in addition to the health scrutiny function (which the council has a statutory duty to provide) that the sub committee would also have responsibility for the other two areas that we are required by statute to scrutinise: crime and flooding.
5. It is suggested that for these last two functions there is little connection with the main role of the sub committee (health and adult social care) and therefore the statutory function of scrutinising crime and flooding should transfer to the main Scrutiny Committee.

#### Appointment of chairmen and vice chairmen

6. It is for council to appoint the chairmen of committees. Included at Appendix 1 is a list of the available positions of the current committees mentioned above. All committees and panels can appoint their own vice chairman unless the council so chooses to appoint a vice chairman

#### Nominations to outside bodies

7. All appointments to outside bodies were made at annual council in 2013 and positions filled in accordance with the framework. These were for the life of the council. Where a vacancy does arise as part of the framework all members will be consulted in accordance with current practice and this is then filled by the strategic manager for organisational change and corporate governance in consultation with the relevant executive member. Members are reminded that these should be shown on their register of interests.

#### Scheme of delegation

8. The council is asked to affirm the scheme of delegation of powers as set out in the constitution. The scheme is attached within Appendix 2. This remains the same as for last year other than the titles for officers have been amended to reflect the existing senior management structure of the council.

#### Other constitutional matters

9. At its meeting on the 9 May the Audit Committee made the following recommendation:

THAT the committee notes the report and, that subject to the wording of the second bullet point under paragraph 2.1.2 being amended to make it clear that the transparency applies to the procurement process, recommends to Full Council that the Contract Standing Orders set out in the Appendix to the report be implemented on 1 June 2016 and that the head of legal services be delegated to make minor amendments to the CSOs as required from time to time.

10. These revised Contract Standing Orders (amended to reflect the above recommendation from the Audit Committee) are attached at Appendix 3 to this report.

11. In terms of the wider constitution it is acknowledged that while this is based on the model constitution set out in 2000 it has since then received many changes and updates and now covers more than 240 pages. Some of the changes that have been made now create ambiguities with other parts of the constitution and some other parts are not as clear as they could be. This does lead to the situation where members and officers need to take time and energy to try to ensure that the constitutional requirements are followed.
12. It has therefore suggested that rather than make a number of changes now (that without due thought may add to the problems listed above) that over the next ten months the strategic manager for organisational change and corporate governance, with the assistance of a member from each group, undertakes a full review of the constitution with the aim of reducing its size but ensuring that the appropriate level of governance and 'checks and balances' are in place to ensure the effective operation of the council. In undertaking this work, examples of how other councils deal with the various components of the constitution will be taken into account along with the views of the members in the operation of the constitution since 2013.
13. The outcome of this work will be reported to the March 2017 meeting of the council so that the incoming administration will have recommendations on a new constitution as from the 2017 Annual Council, which will also give the incoming administration an opportunity to amend the constitution to reflect their wishes.

#### STRATEGIC CONTEXT

14. Good governance arrangements are essential to the delivery of the council's services and the decision making process that supports this.

#### CONSULTATION

15. As this report is not proposing any significant changes to the constitution no specific consultation has been undertaken.

#### FINANCIAL / BUDGET IMPLICATIONS

16. There are no known additional costs associated with the proposals contained in this report relating to committee structure, appointments and scheme of delegations. The recommendations accord with the resources available within the overall budget agreed by Full Council in February 2016.
17. Under the members allowance scheme (as set out in the constitution) a number of council appointments are entitled to receive a special responsibility allowance (SRA) in recognition of undertaking a role. Any expenditure on members' allowances must be met from within the existing budget.

18. If the council wishes to agree to additional meetings or change the committee structure or limit existing delegations to officers significantly, the resource implications will need to be fully assessed before any final decision on implementation can be taken.

### LEGAL IMPLICATIONS

19. The committee structure, appointments and scheme of delegations are all requirements specified within the council's constitution and the Local Government Act 2000 and subsequent legislation.

### EQUALITY AND DIVERSITY

20. Given that this is a paper that seeks no changes to the current arrangements other than that required by law no equality and diversity issues arise.

### OPTIONS

21. Appointment of Committees etc

- (a) To agree that the existing arrangements (as set out in the constitution) remain; or
- (b) To agree that the existing arrangements (as set out in the constitution remain) but that there be an amendment to the terms of reference of the Scrutiny Committee and the Health and Adult Social Care Scrutiny Sub Committee so that the statutory function of scrutinising crime and flooding transfer to the main Scrutiny Committee.

22. Appointment of chairmen and vice chairmen of committees etc

- (a) To appoint the chairmen, and where required vice chairmen, to the positions contained in Appendix 1.
- (b) Not to appoint to these positions.

23. Scheme of delegations

- (a) To agree to the revised scheme of delegations to take into account the recent senior management restructure (as set out at Appendix 2).
- (b) To agree the revised scheme of delegations, but with amendments, to take into account the recent senior management restructure.

24. Contract Standing Orders

- (a) To adopt, as recommended by the Audit Committee, the Contract Standing Orders (CSOs) set out in the Appendix 3 to this report to be implemented on 1 June 2016 and delegate to the head of legal services to make minor amendments to the CSOs as required from time to time.

- (b) To further amend the Contract Standing Orders.

25. Review of the Constitution

- (a) That a group of members (to be nominated by the various groups) work with the strategic manager for organisational change and corporate governance to review the constitution in its totality over the next ten months and report back to the March 2017 meeting of the council on a suggested revised constitution.
- (b) Not to undertake a full review of the constitution.

RISK MANAGEMENT

26. All the recommendations are to ensure that the council meets its corporate governance requirements and responds to changing requirements and demands. These should lessen the risks arising from any challenge to the decision making process by way of judicial review or other such legal action.

EVALUATION

27. The majority of the recommendations are required under the council's constitution. However, an effective governance system for the council is essential to enable business to be transacted openly and in a timely manner. The appointment of the various committees and the implementation of the supporting processes seeks to do this. Failure to appoint the various chairmen and vice chairmen would lead to difficulties in the calling of meetings.
28. The modest suggested amendment to the terms of reference of the Scrutiny Committee and the Health and Adult Social Care Scrutiny Sub Committee will better enable the sub committee to focus on the major priorities of health and adult social care while ensuring appropriate scrutiny of the crime and flooding functions.
29. The revised contract standing orders are recommended by the Audit Committee to take account of the changing nature of the council and to ensure the rules governing the purchase of goods, services and the commissioning of works are fit for purpose for the foreseeable future and reflect the new regulations.
30. The proposed review of the constitution is aimed at recommending a constitution that is simpler, contains no ambiguities and reduces the bureaucracy needed while ensuring the appropriate governance 'checks and balances' are in place. This is a piece of work that needs to take a bit of time and care to achieve these outcomes. It will also mean that the incoming administration will have the recommendations generated by the experience of this administration as to what is an appropriate constitution.

## RECOMMENDATION

31. To agree that the existing arrangements (as set out in the constitution remain) but that there be an amendment to the terms of reference of the Scrutiny Committee and the Health and Adult Social Care Scrutiny Sub Committee so that the statutory function of scrutinising crime and flooding transfer to the main Scrutiny Committee.
32. That appointments be made to the positions of chairman, and vice chairman where appropriate, of the committees as set out in Appendix 1.
33. That the scheme of delegations, as set out in Appendix 2, be approved.
34. To adopt, as recommended by the Audit Committee, the Contract Standing Orders (CSOs) set out in the Appendix 3 to this report to be implemented on 1 June 2016 and delegate to the head of legal services to make minor amendments to the CSOs as required from time to time.
35. That a group of members (to be nominated by the various groups) work with the strategic manager for organisational change and corporate governance to review the constitution in its totality over the next ten months and report back to the March 2017 meeting of the council on a suggested revised constitution.

## APPENDICES ATTACHED

36. [Appendix 1](#) - List of council committees and chairmen.
37. [Appendix 2](#) - Scheme of delegations.
38. [Appendix 3](#) – Revised contract standing orders as recommended by the Audit Committee.

## BACKGROUND PAPERS

39. Council Constitution - <http://www.iwight.com/Council/how-it-works/Democratic-Services/Constitution1>

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