

## **REPORT OF POLICY AND RESOURCES COMMITTEE**

(Meeting held 26 September 2000)

### **1. FINAL ACCOUNTS 1999/2000 (REPORT A) (MINUTE NO. 30)**

The Account and Audit Regulations, 1996, require local authorities formally to adopt their Statements of Accounts, Income and Expenditure Accounts and Balance Sheets within six months of the end of the period to which they relate. This Council's final accounts need to be published by 31 December 2000.

The Consolidated Final Accounts for the year 1999/2000 have been adopted, subject to audit.

### **2. NEW POLITICAL STRUCTURE – GOVERNMENT'S MODERNISING AGENDA**

The Committee has considered a number of proposals relating to the new arrangements to be adopted under the Government's Modernisation Agenda. All of the reports had been considered by the Modernisation Working Party and most relate to the draft Council Constitution, which has been circulated separately to members. The Committee's recommendations need to be considered in conjunction with that document. For that reason, members are requested to bring their copies of the draft Constitution to the Council meeting.

All members of the Council were invited to attend the meeting of the Modernisation Working Party on 5 September and the meeting of the Policy and Resources Committee in order to give them opportunities to debate the issues fully.

#### **(i) Local Government Act 2000 (Report B) (Minute No. 32)**

The Committee has noted the proposed timetable for implementation of the Local Government Act 2000. Some parts of the Act, mainly provisions allowing the Secretary of State to make Regulations, came into effect immediately. Regulations will need to be made before any new structures can be implemented fully. An appendix to the report showed the earliest dates upon which the Government is expected to produce Regulations and Guidance on the Act, and the anticipated stages for the implementation of new structures. Further reports will be made to Members as the Regulations and Guidance are issued.

#### **(ii) Final Draft Constitution (Report C) (Minute No. 33)**

The Committee has considered the adoption of the Draft Constitution for implementation, on a pilot basis, following the Council's ordinary meeting on 30 October 2000. Some work remains to be done to take account of the latest information from the Government and on issues such as a revised Statement of Partnership with Parish and Town Councils, but the draft Constitution, as circulated, provides the basis on which the pilot scheme may be implemented.

Further public consultation on the structures needs to take place and consideration given to the response to the consultation prior to final implementation in May 2001.

A recommended amendment to the Council's security policy on the Internet, Intranet and Electronic Mail being recommended for approval by the Central Services Committee to the Council on 30 October, was circulated to those present at the Committee meeting. The amendment was agreed for incorporation in the final draft Constitution.

It was noted that the possibility of inviting external representatives to serve on the Standards Committee would be considered further during the pilot stage.

**RECOMMENDED:**

- (a) ***That the Constitution circulated separately to all members of the Council be approved for implementation following the ordinary meeting of the Council on 30 October 2000, subject to the amendment of Annex 1 to Schedule 34 – ICT Security Policy and Annex 5 to Schedule 24 – Security Policy on the Internet, Intranet and Electronic Mail, to include the following additional paragraphs:***

***Member use of the Internet will be fully monitored.***

***E-mail and files created or received by members will not be routinely monitored. The appropriate Group Leader will be asked to give consent to monitoring only as part of an investigation relating to conduct or probity.***

- (b) ***That, during the trial period, no appointment be made to the position of Portfolio Holder without Specific Responsibility;***
- (c) ***That further consideration be given to the structures to be adopted following the public consultation to be undertaken prior to May 2001; and***
- (d) ***That the possibility of co-opting external representatives to serve on the Standards Committee be considered further prior to May 2001.***

**(iii) Delegations (Report D) (Minute No. 34)**

The Committee has considered and recommends approval to an initial Scheme of Delegations to the Cabinet, Committees and Panels once the requisite legislation is fully in force, as well as to officers grouped under the new structure.

Delegations to individual Portfolio Holders are not permitted under current legislation, but will be possible with effect from May 2001. The Committee suggests that proposed delegations to Portfolio Holders be developed during the pilot phase, following the arrangements set out in Appendix 1 to this report.

**RECOMMENDED:**

- (a) ***That the arrangements as shown in Appendix 1 to this report be approved for determining delegations to Portfolio Holders;***
- (b) ***That the Scheme of Delegations as contained in Schedule 2 to the draft Constitution be approved; and***

(c) ***That any delegations to officers approved during the remainder of the current cycle be incorporated in to Schedule 2 to the draft Constitution.***

**(iv) Financial Regulations (Report E) (Minute No. 35)**

The Committee noted that under the Local Government Act 1972, Section 151, each local authority is required to nominate one officer to be responsible for the proper administration of its financial affairs. The Director of Finance undertook this role via powers delegated to him by Policy and Resources Committee and, to facilitate the day-to-day administration of the Council's financial affairs, the general parameters within which both officers and members worked was set out in the Council's Financial Regulations.

The Committee considered amended draft Financial Regulations which set out a financial framework within which members and officers could operate with a reasonable level of flexibility, without prejudicing the role of the Council in setting its policies and budgets.

***RECOMMENDED:***

***That the draft Financial Regulations as set out in Schedule 23 of the draft Constitution be approved.***

**(v) Interim Structures (Report F) (Minute No. 36)**

The Committee has considered the pilot format of new structures to operate from 31 October 2000, reflecting the provisions of Local Government Act 2000 as far as is possible under the current legislation. The report detailed interim decision making processes, including the roles of Policy and Resources Committee, the Advisory Cabinet, Portfolio Holders, other Committees and Panels.

***RECOMMENDED:***

(a) ***That the structure shown at Appendix 2 to this report be approved; and***

(b) ***That members be appointed to each of the bodies shown in Appendix 3 to this report, such appointments to take effect from 31 October 2000.***

In order to ensure that the Council continues to operate within the law, the Committee recommends that the Policy and Resources Committee be re-established on a proportionate basis, to be responsible for all executive decisions of the Council, other than those which are the specific responsibilities of other Committees or Panels. It is considered appropriate for this new Committee to comprise 20 members, including all members of the Advisory Cabinet.

Recommended Terms of Reference for the new Policy and Resources Committee and the Advisory Cabinet are set out in Appendices 4 and 5.

It is proposed that reports to Policy and Resources Committee be submitted to the Advisory Cabinet for comment in the first instance, to allow it to express its views prior to decision by Policy and Resources Committee. To this end, each report will need to include an additional paragraph outlining the Advisory Cabinet's observations and any amendments which it wishes to make.

**RECOMMENDED:**

- (c) ***That the Terms of Reference of Policy and Resources Committee and the Advisory Cabinet as shown in Appendices 4 and 5 respectively to this report be approved; and***
- (d) ***That the arrangements to provide for the Advisory Cabinet to comment on officer reports be approved.***

The Committee noted that revised arrangements for discharging all of the non-executive functions of the Council could be implemented immediately.

**RECOMMENDED:**

- (e) ***That the Committees and Panels referred to Appendices 2 and 3 be appointed in accordance with the draft Constitution and commence their duties upon adoption of that Constitution with effect from 31 October 2000.***

Portfolio Holders may not be given any decision-making powers at present. Nevertheless, it is appropriate for them to be involved in the preparation of reports in the same manner as Chairmen and Vice-Chairmen of current Committees. This will ensure continuity of the present arrangements for informal political advice to be given to officers. Ward Members will continue to be consulted in accordance with the present arrangements.

In cases where the Advisory Cabinet reaches a contrary view to that shown in an officer's report, the appropriate Portfolio Holder will be expected to put the Advisory Cabinet's case at Policy and Resources Committee. Officers will continue to make initial introductions to each report at the Policy and Resources Committee.

**RECOMMENDED:**

- (f) ***That the arrangements for the involvement of Portfolio Holders during the pilot period be approved.***

Once the necessary legislation is in place which will allow the Cabinet and Portfolio Holders to take executive decisions, the decisions of the Cabinet and Portfolio Holders will need to be notified to Councillors prior to implementation of a decision in order that decisions could be subject to the call-in process. During the pilot period arrangements need to be put in place that will enable all members of the Council to know of issues to be considered and decisions taken by, the Policy and Resources Committee.

**RECOMMENDED:**

- (g) That copies of all agendas and reports to Policy and Resources Committee be circulated to all members of the Council; and**
- (h) That, within two days of the date of each meeting of Policy and Resources Committee, a note of decisions taken be circulated to all members to facilitate the use of the call-in procedures of the Constitution.**
- (i) That where members of the Council have an interest in an item, their attendance at Policy and Resources Committee be encouraged strongly, to reduce the need to utilise the call-in procedure.**

Although the draft Constitution had been prepared on the basis that all legislation is in place, subject to a limited number of issues set out in the recommendation below, the Constitution can apply during the pilot period. The Committee recommends this approach. It has been noted that changes will be necessitated by further Guidance or Regulations issued by the Government.

**RECOMMENDED:**

- (j) That, subject to the following, the whole of the Constitution apply during the pilot period:**
  - (i) Schedule 1 and Annex 1 – Terms of Reference of Cabinet - Throughout the whole of this Schedule and Annex, references to “Cabinet” should be construed as references to the “Policy and Resources Committee”;**
  - (ii) Schedule 2 – Delegations  
Any references to Cabinet should be construed as references to Policy and Resources Committee;**
  - (iii) Schedule 3 – Portfolio – Leader  
Subject to the acceptance that the Leader may only have an advisory role and cannot make executive decisions in his own right, this Schedule can be adopted in full;**
  - (iv) Schedule 4 and Annexes – Portfolios for Portfolio Holders  
Similar limitations as applied to the role of the Leader in Schedule 3 applies to Portfolio Holders;**
  - (v) Schedule 7 – Decision Making by Portfolio Holders  
Generally, this will not apply since Portfolio Holders will not have executive decision making powers. However, during the pilot period some further executive powers may be delegated to Officers in consultation with Portfolio Holders. Schedule 7 should, therefore, apply to Officers where their delegated powers are extended during the pilot period; and**
  - (vi) Schedule 9 – Call-In Procedures  
References to Cabinet or Executive should be construed as references to Policy and Resources Committee**

**(vi) Sub-Committees and Working Parties (Report G) (Minute No. 37)**

The Committee has considered recommendations relating to future arrangements for Sub-Committees and Working Parties and supports the disbanding of most.

The Consultative Committees for the work of the Recreation Centres, Dibden Golf Centre and Keyhaven River will need to be maintained, but officers are to report on alternative consultative mechanisms.

The Committee considers that the Modernisation Working Party will still have a role to monitor and make recommendations for modifications to the Constitution and procedures in the light of the operation of the pilot scheme. The Working Party will need to be appointed on a proportionate basis.

It is accepted that there might be a need for some Sub-Committees and Working Groups to be re-appointed in due course.

**RECOMMENDED:**

- (a) That the following Sub-Committees and Working Parties be disbanded:**

<b>Committee</b>	<b>Sub-Committee/Working Party</b>
<b>Central Services Committee</b>	<b>Expenditure Plans Working Party Council Standards Sub-Committee Standards Panel Rate Relief Sub-Committee Ward Boundary Review Working Party</b>
<b>Environmental Services and Licensing Committee</b>	<b>Crime and Disorder Sub-Committee ES and Licensing Expenditure Plans Working Party ES and Licensing Policy and Performance Review Sub-Committee Licensing Panel Waste Management Sub-Committee</b>
<b>Housing Committee</b>	<b>Housing Policy and Performance Review and Client Sub-Committee Housing Project Control Sub-Committee Housing Special Sub-Committee</b>
<b>Leisure Services Committee</b>	<b>Arts Sub-Committee Client Catering Sub-Committee Leisure Services Policy and Performance Review Sub-Committee</b>

<b>Committee</b>	<b>Sub-Committee/Working Party</b>
<b>Planning and Transportation Committee</b>	<b>Development Control Sub-Committee New Forest District Local Plan Sub-Committee Planning and Transportation Review Sub-Committee Planning and Transportation Committee Site Visit Working Party Tree Preservation Order Sub-Committee</b>
<b>Policy and Resources Committee</b>	<b>Discipline and Grievance Appeal Panel Economic Development Sub-Committee Emergency Executive Sub-Committee Employee Structure Sub-Committee Housing Stock Transfer Review Sub-Committee Industrial Relations Consultative Committee Public Relations Sub-Committee Strategic Performance Review Sub-Committee Voluntary and Charitable Organisations Sub-Committee Benefit Review Board Panel</b>

**(b) That a report be submitted to a future meeting of Policy and Resources Committee on alternative consultation processes for leisure facilities; and**

**(c) That when Policy and Resources Committee is newly appointed, it be requested to reappoint the Modernisation Working Party on a proportionate basis.**

**(vii) Programme of Meetings (Report H) (Minute No. 38)**

The Committee has considered options for a timetable of meetings for the Council, the Advisory Cabinet, Planning Development Control Committee, General Purposes and Licensing Committee and the Portfolio Performance and Review Panels in the pilot period.

**RECOMMENDED:**

**(a) That the Council continues to meet on the basis of six meetings each year;**

**(b) That the Planning Development Control Committee meets on a monthly basis using the existing Development Control Sub-Committee's programme;**

- (c) *That the General Purposes and Licensing Committee meets on five occasions in each year;*
  - (d) *That Portfolio Performance and Review Panels meet on five occasions in each year to deal with programmed work and that additional meetings be called to deal with reactive issues, if necessary; and*
  - (e) *That the Appeals, Standards and Industrial Relations Consultative Committees determine their own frequency of meetings, subject to a maximum of five programmed meetings in each year.*
- (viii) **New Democratic Structures – Interim Arrangements (Report I) (Minute No. 39)**

The Committee considered the timing of the Advisory Cabinet and Policy and Resources Committee meetings and the eligibility of non-executive Policy and Resources Committee members to serve on Portfolio Performance and Review Panels.

**RECOMMENDED:**

- (a) *That the Advisory Cabinet and the Policy and Resources Committee meet monthly, with a period of a fortnight between meetings;*
- (b) *That the Advisory Cabinet and Policy and Resources Committee meet on Wednesdays at 10.00 a.m. subject to the retention of the cycle relating to the Development Control Sub-Committee for the new Planning Development Control Committee; and*
- (c) *That non-Advisory Cabinet members serving on Policy and Resources Committee be permitted to serve on, but not chair, Portfolio Performance and Review Panels.*

**3. OPENNESS AND ACCOUNTABILITY (MINUTE NO. 43)**

The Committee considered a motion referred to it from the Council on 17 July 2000 under Standing Order No. 7. The Motion read as follows:

“This Council deplores the loss of openness and the lack of accountability and transparency which will result from the Government’s imposition of decision making mechanisms which negate the influence of all members”.

Whilst some members had misgivings about the way in which the Modernising Agenda had been enforced by the Government on local authorities, others felt that the opportunities it gave the Council to revise its procedures would lead to a satisfactory level of openness, transparency in decision making and increased accountability.

The success of the Council’s recent Democracy Roadshow was also raised, particularly in view of the chance it had given for members of the public to raise issues of concern and for the Council to address these immediately.

The motion was not adopted.



**4. APPOINTMENT OF MONITORING OFFICER (REPORT M) (MINUTE NO. 44)**

The Committee considered the Council's legal requirement to designate an officer as its "Monitoring Officer" following the retirement of the Assistant Director - Member Services.

It was noted that the Government was likely to require local authorities to separate the roles of Chief Executive and Monitoring Officer, although this did not apply at the moment. Because of the current workload on the Head of Legal and Democratic Services, the Committee considered that the role of Monitoring Officer should transfer temporarily to the Chief Executive.

**RECOMMENDED:**

- (a) That Mr D Yates, Chief Executive, be appointed as the Council's Monitoring Officer for a temporary period, following the retirement of the Assistant Director – Member Services; and**
- (b) That the role of Monitoring Officer be transferred permanently to the Head of Legal and Democratic Services by May 2001, or earlier if required by legislation.**

**5. EARLY RETIREMENT PAYMENT (REPORT O) (MINUTE NO. 47)**

Members considered details of proposals to resolve an early retirement payment and agreed an officer's recommendation to that end.

Members noted that a further report would be produced in due course, setting out revised procedures for the approval of any future Chief Officer's retirement.

**Councillor S A Hayes  
CHAIRMAN**

(PR260900/Report)