

Governance & Constitution Committee

Agenda

Date: Monday, 14th July, 2008
Time: 2.00 pm
Venue: East Committee Room, Municipal Buildings, Earle Street,
Crewe, Cheshire, CW1 2BJ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. Apologies for Absence

2. Declarations of interest

To provide an opportunity for Members and Officers to declare any personal and prejudicial interests in any item on the agenda.

3. Public Speaking Time/ Open Session

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

Note: In order for officers to undertake any background research it would be helpful if questions were submitted at least one working day before the meeting.

4. Minutes of Previous Meeting (Pages 1 - 2)

To consider the Minutes of the meeting held on 9 June 2008

5. Cheshire East Work Plan (Pages 3 - 6)

To consider a plan of work for the Committee.

Report from the Governance Group attached

6. Members' Allowances Scheme (Pages 7 - 22)

To receive the report and recommendations of the Independent Remuneration Panel on the Members' Allowances Scheme for the Shadow period.

Report from the Governance Lead Officer East attached.

7. Independent Remuneration Panel (Pages 23 - 26)

To consider requirements for appointing an Independent Remuneration Panel so that a Scheme of Members Allowances can be brought forward for 2009-10 and beyond.

Report from the Governance Lead Officer East attached

8. Indemnities for Members and Officers (Pages 27 - 36)

To consider the current powers available to local authorities in relation to the provision of indemnities to elected Members and Officers and prior to Vesting Day, to agree an indemnity for the Shadow Council.

Report of the Governance Group attached

9. Appointments to Outside Bodies (Pages 37 - 44)

To consider issues relating to the appointments to outside bodies by Cheshire East Council from 1 April 2009 and agree a process for dealing with them.

Report of the Governance Group attached.

CHESHIRE EAST COUNCIL

Minutes of a meeting of the Governance & Constitution Committee
Held on Monday, 9th June, 2008 in the Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach

PRESENT

Councillor A Ranfield (Chairman)
Councillor D Topping (Vice-Chairman)

Councillors C Beard, Mrs S Bentley, D Cannon, R Cartlidge, Mrs S Jones, A Kolker,
Mrs G Merry, A Moran and R Walker

Apologies

Councillors B Moran and P Whiteley

1 APPOINTMENT OF CHAIRMAN

RESOLVED – That Councillor T Ranfield be appointed Chairman of the Committee for the ensuing year.

2 APPOINTMENT OF VICE CHAIRMAN

RESOLVED – That Councillor D Topping be appointed Vice Chairman for the ensuing year.

3 DECLARATIONS OF INTEREST

No declarations of interest were reported.

4 TERMS OF REFERENCE

The Committee considered the Terms of Reference of the Governance and Constitution Committee. Responsibilities included reviewing the constitution and overseeing and monitoring the Members Allowances budget. The Committee was informed that a review of outside bodies was being undertaken and a report would be submitted in due course.

RESOLVED – That the Terms of Reference of the Governance and Constitution Committee be received.

5 MEMBERS ALLOWANCES

Note:- In accordance with the Shadow Council Procedure Councillor Mrs L Smetham attended the meeting and spoke on the following item of business.

The Committee considered a report of the Governance Lead Officer regarding a members allowance scheme for the shadow period. In accordance with the Cheshire (Structural Changes) Order 2008 Cheshire County Council's members' allowance scheme was applied to Cheshire East Council. However, the order included the power to amend or revoke the scheme. Both the Cheshire East and Cheshire West and Chester Joint Committees had requested that the County Council's Independent Remuneration Panel review the scheme. Cheshire County Council's current members allowances scheme, as well as the recommendations of the Independent Remuneration Panel were attached to the report.

The recommendations of the Independent Remuneration Panel were based on the current political management scheme. However, there was scope for development of the members allowance scheme. The Council would need to consider a policy on the payment of one or more Special Responsibility Allowance (SRA) to members. The Council would also have to consider whether the members allowance scheme should be applied retrospectively to the beginning of the financial year.

It was noted that Council would need to consider the appointment of its own Independent Remuneration Panel to consider and advise on the scheme of allowances to apply from Vesting Day for 2009-2010 and beyond.

The Committee discussed the perception of the public with regard to the payment of allowances to members and the workload and responsibilities of members during the shadow period.

- RESOLVED – 1. That the report be deferred to the next meeting of the Committee
2. That the Governance Lead Officer submit a report to the next meeting on the appointment of an Independent Remuneration Panel for Cheshire East Council.

6 CONSTITUTIONAL ISSUES

Note:- In accordance with Shadow Council Procedure Councillor Mrs L Smetham attended the meeting and spoke on the following item of business.

The Committee considered a report of the Governance Group regarding the development of a constitution for Cheshire East Council. On 13 May 2008 Council adopted its constitution which formed an adequate basis for governance of its business for the period up to 1 April 2009. During the coming months Council would have to adopt a more developed constitution which would address issues such as schemes of delegation and area working arrangements. Attached to the report were the proposed stages of development for a draft Cheshire East Unitary Authority constitution. It was suggested that a work plan be submitted to the Committee which included target dates and key milestones for the development of the constitution.

At a meeting of the Cheshire East Joint Committee various issues had been raised for consideration by the Governance and Constitution Committee. Such issues included the development of an Officer Code of Conduct and the time limit which applied to Member speaking.

- RESOLVED:- 1. That the report be received.
2. That the Governance Group submit a workplan for the development of the Cheshire East Unitary Authority constitution to the next meeting on 14 July 2008.

The meeting commenced at 2.00 pm and concluded at 3.20 pm

TONY RANFIELD
CHAIRMAN

CHESHIRE EAST

Governance and Constitution Committee

Date: 14th July 2008
Report of: LGR Governance Group
Title Cheshire East Work Plan

1.0 Purpose of Report

- 1.1 To present to the Committee a plan of work for consideration.

2.0 Decision Required

- 2.1 That the Committee:

- 1 agree the first version of its Work Plan as the basis for its work during the remaining life of the Shadow Council; and
- 2 note that this will be developed and periodically brought back to the Committee for approval.

3.0 Implications for Transitional Costs

- 3.1 There are no implications for transitional costs.

4.0 Background and Information

- 4.1 At its meeting on 9th June 2008, the Committee agreed a programme of work which provided for reports on the development of a Constitution to be brought to the Committee in stages during the life of the Shadow Council. This would enable the Committee to make a recommendation to the first meeting of the unitary authority in April 2009 upon the adoption of its Constitution.
- 4.2 However, the Committee asked for the programme of work to be developed into a more comprehensive work plan containing details of other work which would need to come before the Committee. Whilst the Work Plan will need to be developed during the course of the remaining life of the Shadow Council, the first version is appended to this report as Appendix A. As further work areas emerge, the Work Plan will be updated and brought back to the Committee for approval.
- 4.3 In order to recommend a Constitution to the first meeting of the new Council, the Committee will also need to receive periodic reports on various core documents, such as Procedure Rules. Some of the work on these documents will tie-in with other work referred to in Appendix A to this report and can, therefore, form the basis of additional reports to the Committee at appropriate meetings.

5.0 Conclusion

- 5.1 The Committee is asked to agree the first version of the appended Work Plan as the basis for its work, and to note that the Work Plan will be developed and periodically brought back to the Committee for approval.

For further information:-

Officer: Brian Reed
Tel No: 01244 972205
Email: brian.reed@cheshire.gov.uk

Background Documents:-

*Documents are available for inspection at the Cheshire East Support Office:
Town Hall
Macclesfield
SK10 1DX
And at www.cheshireeast.gov.uk*

| | Work Area |
|---------------|--|
| 14 July 08 | Work Plan |
| | Members Allowances |
| | Indemnity for members |
| | Representation on outside bodies –1 st report |
| 8 Sept 08 | Special Responsibility Allowances |
| | Overview of Audit/Corporate Governance |
| | 1 st report on possible delegation scheme to individual portfolio holders |
| | 1 st report on developing scheme of delegation to officers and decision making bodies such as: <ul style="list-style-type: none"> • Planning • Building Control • Licensing • Environmental Health • Housing • Land and Property • Human Resources • Executive Functions • Legal and Democratic Services |
| | Whistleblowing Policy |
| | Support for Party Groups |
| | 1 st report on development of Area Working arrangements |
| | Shadow Financial procedures and mechanisms |
| 6 Oct 08 | Protocol for rights of members to obtain information |
| | Recommend the planning and licensing committee structure |
| | Arrangements for Setting up Members' Remuneration Panel for new council |
| | Report back on scrutiny arrangements from working group |
| 3 Nov 08 | Criteria/protocol for approval of members' absences |
| | Review of reps on outside bodies by the new authority |
| | School Governors |
| | Recommend to Council Area Working political structure & decision making |
| | The Policy and Planning Framework and Budget Procedure Rules determine how these documents are adopted and changed: <ul style="list-style-type: none"> • Budget • BVPP • Community Strategy • Local Transport Plan • Development Plan |
| 1 December 08 | Review constitution for new council |
| | Consider overall committee structure for new authority |
| | Financial and Contract Procedure Rules |
| 12 Jan 09 | Delegation to individual members - in principle (to Exec for consultation) |
| | Boundary Review Preparations |

| | |
|------------|---|
| | Procurement Rules |
| | Code of Corporate Governance |
| | Audit arrangements & recommend an Audit Plan |
| 9 Feb 09 | Recommend a Scheme of Delegation to Officers |
| | Recommend a Scheme of Delegation to individual members |
| | Timetable for meetings 2009/10 |
| | Code of conduct for officers (including TU consultation) |
| | Protocol on member/officer relations (possible TU consultation) |
| 9 March 09 | Decide on representation on outside bodies |
| | Recommend a constitution for the new Council |
| | Recommend a committee structure for the new council |
| | Recommend Members Allowances for the new council |

CHESHIRE EAST**Governance and Constitution Committee**

Date: 14 July 2008
Report of: Governance Lead Officer (East)
Title Members' Allowances Scheme

1.0 Purpose of Report

1.1 To advise the Committee and the Shadow Council on the recommendations of the County Council's Independent Remuneration Panel concerning the Members' Allowances Scheme for the Shadow period.

2.0 Decision Required

2.1 To receive the report and recommendations of the Independent Remuneration Panel and recommend the appropriate rates and application of allowances to the full Council for payment from 2 May 2008.

3.0 Implications for Transitional Costs

3.1 The impact on transitional costs cannot be finalised until the Shadow Council has considered and, as appropriate, approved the recommendations of the Independent Panel, noting that the adopted scheme can be applied retrospectively to the beginning of the Shadow Council period. The estimated cost of the Scheme based on the Panel's recommendation is £680K for the Shadow period.

4.0 Background and Information

4.1 The Cheshire (Structural Changes) Order 2008 applies Cheshire County Council's member allowances scheme to the Shadow Councils for the duration of the Shadow period. The Order in addition confirms that the powers to amend or revoke a Scheme under the Members' Allowances Regulations also apply.

4.2 Both the Cheshire East and the Cheshire West and Chester Joint Committees had requested the County Council's Independent Remuneration Panel to review the Scheme and make recommendations for its application and the allowances arrangements which should apply during the Shadow period.

4.3 The Remuneration Panel has met on four occasions and has consulted Members of the Joint Committees on the considerations to apply to the Scheme as an aid to producing their report. The Panel completed its work at the meeting on 5 June, and their report and recommendations for the application of the County Scheme are attached. This Committee received a summary of the Panel's recommendations at the meeting on 9 June, and deferred detailed consideration until this meeting.

4.4 It is open to the Shadow Council to adopt in full or in part the Independent Panel's recommendations, which may result in further amendments to the County Council's scheme. Under the allowances regulations, the scheme in its final form may be applied retrospectively to the beginning of the financial year. Accordingly, it is possible for the adopted scheme to be backdated to cover the interim period (May-July), and for any necessary adjustments to be made to Members' remuneration.

4.5 It should be noted that the Shadow Council will need in the near future to appoint an Independent Remuneration Panel to consider and advise on the Scheme of Allowances to apply from Vesting Day for 2009-10 and beyond. A separate report is included in this agenda to enable Members to address this requirement.

For further information: -

Officer: Mike Flynn, Governance Lead Officer East
Tel No: 01244 972260
Email: mike.flynn@cheshire.gov.uk

Background Documents: -

- ***The Cheshire (Structural Changes Order) 2008***
- ***The Local Authorities (Members' Allowances) (England) Regulations 2003***

Documents are available for inspection at:
Shadow Council Support Office
Town Hall
Macclesfield
SK10 1DX

**Report of Cheshire County Council's
Independent Remuneration Panel**

**Shadow Unitary Councils' Allowances Scheme
June 2008**

Introduction

1 The Implementation Order for Unitary Local Government in Cheshire applied Cheshire County Council's Scheme of Member Allowances to the Shadow Unitary Councils for the period May 2008 - March 2009 inclusive. The County Scheme was adopted on 18 May 2006 and has subsequently been uprated for annual inflation (summary details are attached). Once the two Unitary Councils become fully functional from 1 April 2009, a new Scheme will need to be brought forward by a newly constituted Independent Panel, whose work would be separate from the interim scheme for the Shadow period.

2 Both Cheshire East and Cheshire West and Chester Implementation Joint Committees invited this Panel to review the County Council's Scheme and to advise on its application to the Unitary Councils in the Shadow period only.

3 The Panel consists of the following Members:-

Helen Carey (Chair)
Rev. Christopher Burkett
Simon Cussons
Basil Jeuda
Ron Lewis
David Routs

4 The Panel met on 4 occasions (18 April, 6 & 9 May, and 5 June) and this report sets out the Panel's recommendations for consideration by the Shadow Unitary Councils.

The Panel's Approach

5 The Panel was very conscious of the exceptional nature of the task, bearing in mind the short and clearly defined period which the Shadow arrangements would cover. The Panel sought to achieve a balance in considering the allowances which should apply between the major developmental task facing the new Councillors, and the fact that the Unitary Councils would not be fully functionally during the shadow period. The Panel therefore decided to focus on the following broad issues:-

(a) the exceptional circumstances of Shadow Authorities operating for a period of only eleven months and progressively developing their structures including the political management arrangements

(b) the fact that the Shadows would not be "functional" Councils delivering services during this period

(c) the nature of the roles and responsibilities which Members would undertake during this period eg:

(i) the significant responsibilities of Executive Members and Committee Chairs in leading on and developing the new Councils, including the Corporate Plan and budget for 2009/10

(ii) the role of Scrutiny in Shadow mode

(iii) the “constituency” role of local members in Shadow mode, bearing in mind there are three Members per Ward

(iv) the prime responsibility placed on all Members to participate fully in Induction and the personal development required to take on challenging new areas of responsibility by April 2009

(v) the fact that some Shadow Councillors may be serving on two or three Councils during the Shadow period, whilst others will be entirely new Members.

6 The Panel was particularly keen to seek the views of Councillors from both Joint Committees on these issues, and any other relevant considerations which Members felt should apply. Accordingly discussions took place with representative groups of Members from the Joint Committees, and written comments were also submitted and taken into account.

7 In addition, further information and evidence was received which helped the Panel to reach their conclusions, including:-

- (a) the expectations of the Government for the new Unitary Councils, (as set out in a letter from John Healey MP)
- (b) comparative information on the allowances currently paid to Members in similar Unitary Councils.
- (c) the likely development of the political management structure during the Shadow period, and the roles to be progressively undertaken by Members.

Conclusions

8 The Panel was of the view that as the Implementation Order applied the County Council's Scheme in full, any recommendations should only focus on those aspects which the Panel felt were clearly in need of variation. However, the Panel was mindful in relation to Special Responsibility Allowances (SRA's) that the County Council had not implemented the Panel's original recommendations in full for 2008-9. Accordingly the Panel based their advice for SRA's in the Shadow Councils on the higher amounts proposed in the Panel's original report of March 2006, rather than the County Council's actual SRA's for 2008-9.

9 The Panel's approach on SRA's has been to recommend the appropriate level of allowance to all relevant posts in the structure, leaving it to the Councils to decide which posts should receive these allowances.

10 The SRA's as proposed for Committees and Panels can be applied to any new such bodies as may be constituted by the Councils in future.

11 The Panel recognises that in recommending SRA's, it would be possible for individual Members to receive more than one SRA. The Panel has left it to the Councils to determine their policy on whether SRA's should be limited to one per Member or otherwise. The Panel would, however, advise the Shadow Councils to have

regard to the public perception of Members receiving multiple SRA's, particularly where they are already in receipt of such allowance from other local authorities.

12 The Panel would also advise the Shadow Councils to recognise the importance of providing adequate support to the minority groups on the authority, including support through the allowance arrangements.

13 Given that it was not possible to produce this report until after the Shadow elections and the initial meetings of the Unitary Councils, the Panel recommends that the allowances scheme, as approved, should be applied retrospectively.

14 Bearing in mind the exceptional nature of the arrangements required for the Shadow period, the Panel recognises that a newly-constituted Remuneration Panel in considering the arrangements to apply for 2009-10 and beyond may reach different conclusions on any aspect of the future Allowances Scheme.

Recommendations

15 Summary details of the County Council's Members' Allowances Scheme for 2008-09 are attached. The Remuneration Panel recommends the adoption of the allowances arrangements as set out in the County Scheme, subject to the following amendments concerning Basic Allowance and SRA's:

| | £ (per annum) |
|--|----------------------|
| Basic Allowance | 4,800 |
| Council Chairman | 3,000 |
| Vice Chairman | 1,500 |
| Council Leader | 15,000 |
| Deputy Leader | 10,000 |
| Cabinet Member | 7,500 |
| <i><u>Committees (excluding Joint Liaison Committee)</u></i> | |
| Chair | 4,000 |
| Vice Chair | 1,500 |
| Spokesperson | 1,500 |
| <i><u>Panels (Cabinet Advisory and other Panels)</u></i> | |
| Chair | 2,000 |
| Vice Chair | 1,000 |
| Spokesperson | 1,000 |
| Opposition Group Leaders | 4,000 |
| Deputy Leaders | Nil |
| Administration Group Whip | 3,000 |
| Deputy Administration Group Whip | 1,500 |
| Opposition Group Whip | 1,500 |
| Opposition Group Deputy Whip | Nil |

Helen Carey
Chair
Independent Remuneration Panel

Mike Flynn
County Secretary
(Secretary to the Panel)

MEMBERS' ALLOWANCES SCHEME

2008/09

MEMBERS' ALLOWANCES

Introduction

The Local Government Act 1989 (as amended) makes provision covering the allocation and payment of basic, special responsibility and dependants' carers' allowances for Members of local authorities.

In the Local Government Act 2000 the Secretary of State was allowed to make provision in relation to the payment of travel and subsistence allowances for Members of local authorities. Previously, these allowances were set by the Government whereas the Secretary of State could now agree to them being determined locally by Councils.

The Secretary of State gave effect to these provisions in the Local Authorities (Members' Allowances) (England) Regulations 2003. These regulations allow each Council to decide its scheme and the amounts to be paid under each allowance.

Schemes must include a basic allowance payable to all Members of the Council. Payment of Special Responsibility Allowances and Dependants' Carers' Allowance may be provided for. Travel and subsistence allowances are also discretionary and must be included in the scheme, if paid. Schemes may also provide for Members, who are eligible, to join the Local Government Pension Scheme if they wish to do so.

Basic and Special Responsibility Allowances

Basic

Each elected Member must be paid a basic allowance which has to be the same for each Member. This allowance recognises the time commitment of all Councillors including attending meetings, attending member learning and development events, dealing with constituency matters, representing the Council on external bodies, and the use of their homes. The rate of Basic Allowance for 2008/09 is £9,349 for each Member.

Special Responsibility (SRA)

This is payable to those Councillors who have significant responsibilities and can cover for example:

- Leader/Deputy Leader of a political group
- Executive membership
- Chairman and Vice-Chairman of Committees/Sub-Committees
- Membership of a Committee/Sub-Committee which meets with exceptional frequency or for long periods
- Representing the Shadow Council on another body
- Political Group Spokesperson on a Committee/Sub-Committee

For the County Council, SRAs are currently paid across all Groups. The SRA's in 2008/09 range from £935 to £22,746. Full details of these Allowances are set out in Appendix 3.

Dependants' Carers' Allowance

The Council's Scheme provides for the payment of such an allowance to Councillors who incur expenditure for the care of their children or dependants whilst undertaking their duties as Councillors. A claim here must be related to specific duties such as attendance at prescribed meetings or for particular duties.

The Council will reimburse the actual cost of expenses on the production of a receipt up to £5,722 per Member in any financial year. The carer must not be a member of the claimant's household. This allowance is seen as an incentive to encourage people to enter local government as Councillors and to assist them in the performance of their duties.

Travel and Subsistence

Provision has been made in its scheme for reimbursing Members for the cost of travel and subsistence in performing their duties including where non-motorised transport is used. The allowances can only be claimed in respect of meetings and duties as prescribed in the Scheme.

For car travel, payment is based on the rate per mile depending on engine size. The rates reduce considerably over 8,500 miles of travel in any one financial year. It is unlikely that any Member will reach this threshold. There is a motorcycle and bicycle allowance which is again based on a rate per mile.

For rail travel the reimbursement is based on the open standard class fare unless exceptional circumstances apply. A Member may travel first class if there is a business case to do so as outlined in the Scheme.

Taxi and bus fares are reimbursed on an actual basis on production of a receipt (if £5.00 or over)

Subsistence payments range from up to £8.05 for a breakfast to £33.57(London only) for dinner subject to certain bandwidths and the duty must last more than four hours. Receipts are required for all claims of £5 and above.

For hotel accommodation, including breakfast, reimbursement up to £138.17 in London and up to £115.15 out of London is available subject to the production of receipts.

Reimbursement of telephone/email/fax rental costs is provided for subject to limitations.

'Nominated Member' Duties

The Chairman and Vice-Chairman of the Council, Party Group Leaders, and Deputy Leaders and Party Group Whips are able to claim travel and subsistence allowances for attendances at the Headquarters building (County Hall) in order to carry out their particular responsibilities.

Members' Pensions

Elected Members can become members of the Local Government Pension Scheme if they wish to do so. It is not a compulsory requirement. As it is a contributory scheme, any Member joining must contribute 6% of their basic allowance and any special responsibility allowance they receive. Details of the benefits can be supplied.

Members Surgeries

Members may claim up to a maximum of £32 for room hire in connection with the conduct of a Member's Surgery, subject to a maximum of twelve claims per annum.

Review of the Scheme

Consideration will be given as to any need to keep the Members Allowance Scheme under review and to make changes/ alterations in response to amendments to the Regulations or changes to its political structure and local circumstances.

CURRENT ALLOWANCES / REIMBURSEMENTS (as at 1/4/08)

1. Basic Allowance £9,349

2. Special Responsibility Allowances

See Appendix 3 attached

3. Travelling Reimbursement

(1) Car Rate per Mile

| | | | |
|----------------------|--------------|----------------|----------|
| Miles per Annum | 451 – 999 cc | 1000 – 1199 cc | 1200 cc+ |
| per mile first 8,500 | 42.9p | 46.9p | 58.7p |
| per mile after 8,500 | 32.3p | 13.6p | 15.8p |

| | | | |
|-----|---|--------------------|------------------------|
| (2) | Motor cycle or moped allowance | Rate per mile | Rate per mile |
| | Motorcycle | | |
| | For the first 1,500 per annum | 126 - 250cc 27p | 251 - 500cc 35 .5 p |
| | Moped | 500cc+ 39.2p | |
| | For the first 1,500 per annum | | |
| | | Up to 50 cc 12.4p | Up to 125 cc 18.8p |
| | Non motorised transport e.g. bicycle | 11 pence per mile | |
| (3) | Additional rate for each passenger, not exceeding 4, to whom a Travelling Allowance would otherwise be payable: | 1.0 pence per mile | |
| (4) | Expenditure on tolls, ferry or car parking: | Actual Amount | |
| (5) | Overnight garaging supplement, where the Member is absent overnight: | Actual Amount | |

3. Subsistence Reimbursements

Breakfast Allowance for a duty of more than 4 hours concluding before 12 noon
£8.05

Lunch Allowance for a duty of more than 4 hours concluding after 12 noon £10.33

Dinner Allowance for a duty of more than 4 hours concluding after 6 p.m. £16.21

Dinner Allowance (London and abroad) for a duty of more than 4 hours concluding after 6 p.m. £33.57.

Overnight outside London: £115.15 (to include breakfast)

Overnight in London - £138.17 (to include breakfast).

The limitations on reimbursement are:

- (i) Absence of more than 4 but less than 8 hours, the cost of 1 main meal.
- (ii) Absence of 8 hours or more but less than 12 hours, the cost of 2 main meals.
- (iii) Absence of 12 hours or more, the cost of 3 main meals.

(Receipts should be submitted with such claims)

4. Telephone/E-mail/Fax Allowance

| | |
|------------------------|---|
| Telephone line: | Reimbursement of quarterly standard rental (excluding any upgrades) |
| Telephone calls | Nil |
| Fax / Email Line | Reimbursement of quarterly standard rental (excluding any upgrades) |
| Fax calls | Nil |
| Emails / On Line calls | Reimbursement (before VAT) of all calls up to a maximum of £100 per quarter upon production of a fully itemised invoice. |
| ISDN | Where ISDN lines have been installed in Members' homes with the prior approval of the Authority, reimbursement of the full monthly charges will be made upon production of an invoice. |
| Broadband Connection | Where Broadband connection has been installed in Members' homes with prior approval of the Authority reimbursement of the full monthly charges will be made upon production of a receipt. |

| <u>Members Allowances from 2008 - 2009</u> | 2008/09 SRA with RPI |
|--|-------------------------------------|
| | £ |
| Basic Allowance | 9,349 |
| Chairman (Civic) | 12,723 |
| Deputy Chairman (Civic) | 6,363 |
| Carers Allowance | 5,722 |
| | |
| Council Leader | 22,746 |
| Deputy Council Leader | 14,551 |
| Executive | 11,130 |
| P&O - Chair | 7,880 |
| P&O - Vice Chair | 3,081 |
| P&O - Spokes | 2,053 |
| Scrutiny Select-Committee - Chair | 6,534 |
| Scrutiny Select-Committee - Vice Chair | 2,723 |
| Scrutiny Select-Committee - Spokesperson | 1,813 |
| Scrutiny Review Panel - Chair | 6,534 |
| Regulatory Committee - Chair | 6,148 |
| Regulatory Committee - Vice Chair | 2,370 |
| Regulatory Committee - Spokesperson | 2,370 |
| Organisation Committee - Chair | 6,148 |
| Organisation Committee - Vice Chair | 2,370 |
| Organisation Committee - Spokesperson | 2,370 |
| Governance Committee - Chair | 6,148 |
| Governance Committee - Vice Chair | 2,370 |
| Governance Committee - Spokesperson | 2,370 |
| Special Committees - Chair | 6,148 |
| Special Committees - Vice Chair | 2,370 |
| Special Committees - Spokesperson | 2,370 |
| Standards Committee - Chair | 6,148 |
| Standards Committee - Vice Chair | 2,370 |
| Standards Committee - Spokesperson | 2,370 |
| CCC/Wirral Jt Scrutiny Committee - Chair | 1,869 |
| CCC/Wirral Jt Scrutiny Committee - Vice Chair | 935 |
| Policy Development Panels - Chair | 2,805 |
| Policy Development Panels - Spokesperson | 1,402 |
| Opposition Leader | 10,517 |
| Opposition Deputy Leader | 5,611 |
| | |
| Whips | 3,507 |
| Deputy Whips | 2,104 |

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CHESHIRE EAST

Governance and Constitution Committee

Date: 14 July 2008
Report of: Governance Lead Officer
Title Independent Remuneration Panel

1.0 Purpose of Report

- 1.1 To advise on the requirements for appointing an Independent Remuneration Panel, in order that a Scheme of Member Allowances can be brought forward for 2009-10 and beyond.

2.0 Decision Required

- 2.1 To determine the arrangements for the appointment of an Independent Remuneration Panel, either specifically for Cheshire East Council or whether a Joint Panel should be established to advise both Unitary Councils.

3.0 Implications for Transitional Costs

- 3.1 There are no implications for transitional costs at this stage.

4.0 Information and Background

- 4.1 Under the Allowances Regulations, the Unitary Councils must establish and maintain an Independent Remuneration Panel. The purpose of this panel is to make recommendations to the authority (or authorities in the case of a joint panel) about the allowances to be paid to members. Panels will make recommendations about the level of basic allowance for all members, the level of special responsibility allowances and to whom they should be paid, and on whether dependants' carers' allowance, travel and subsistence allowances and co-optees' allowances should be paid, and the levels of these allowances.
- 4.2 Two or more local authorities are able under the Regulations to establish and maintain a joint Independent Remuneration Panel to advise them on their scheme. Such a panel must make separate recommendations to the appointing authorities. Local authorities may consider whether establishing such a joint panel would be an appropriate and cost effective arrangement in their local circumstances. In particular, where councils are considering a joint panel they will need to ensure that it would command public confidence in the areas of the local authorities concerned. This report is also being considered by Cheshire West and Chester Shadow Council.
- 4.3 The Shadow Council will need to appoint an Independent Panel to consider and advise on the Scheme of Member Allowances for 2009-10 and succeeding years.

Appointment of the Panel

- 4.4 The Regulations require that independent remuneration panels have at least three members. A local authority will need to consider the appropriate size for its panel to discharge its functions effectively given the particular local circumstances. Councils should avoid unduly large panels which would be unable to be an effective and publicly accountable source of clear recommendations. The members of the Independent Remuneration Panel cannot be members of any local authority in respect of which that panel makes recommendations including co-opted members.
- 4.5 The Regulations do not specify how a local authority may go about finding members of its remuneration panel. A local authority will need to consider carefully and plan its appointments process having regard to the Government's guidance on the process. The Council should adopt an appointments process which it considers is best able to result in the membership of its Independent Remuneration Panel being truly independent, well qualified to discharge the functions of the panel and representative of the diversity of the communities in the local authority's area.
- 4.6 The Guidance suggests that councils may wish to advertise for candidates in local papers or may wish to ask particular stakeholders, eg the voluntary sector or the local business community, if they wish to put forward nominations. It should be borne in mind that a significant number of experienced Independent Panel Members already sit on the current Councils' Remuneration Panels, and consideration could be given to inviting such members to form new Panels.
- 4.7 The Guidance says that a local authority should give very serious consideration not only to ensuring the independence of its independent remuneration panel but also the public perception of this independence. To maintain the credibility of its panel a local authority will need to consider the extent to which some, if not all, of its panel members are recognisable members of the local community.

Factors which the Guidance identifies to be taken into account include:

- the extent of any candidate's connections to a political party,
- candidates' knowledge of local government and the way it works,
- whether to appoint one member of the Independent Remuneration Panel as chair, or whether to allow the panel itself to decide which of its members will act as chair,
- the term of office of members of the panel, where it is suggested that members of the panel be appointed for a term of office of several years, perhaps 3-5 years ideally on a "phased" basis,
- whether to pay allowances to panel members,
- provision of appropriate administrative support.

The Work of the Panel

- 4.8 The regulations provide for Independent Remuneration Panels to have the following functions upon which they may make recommendations:-
- the amount of basic allowance that should be payable to all of the Council's elected members,

- the responsibilities or duties which should lead to the payment of a special responsibility allowance and the amount of such an allowance,
- the duties for which a travelling and subsistence allowance can be paid and the amount of these allowances,
- the amount of co-optees' allowance,
- whether an allowance should be paid in respect of the expenses of arranging for the care of children and dependants and if it does make such a recommendation, the amount of this allowance,
- whether annual adjustments of allowance levels may be made by reference to an index, and, if so, for how long such a measure should run,
- which members of an authority are to be entitled to pensions, and as to treating basic allowance and special responsibility allowance as amounts in respect of which such pensions are payable.

4.9 In order to support the Panel effectively, Panels should be provided with information about the roles of councillors in the authority and the way in which the authority operates and discharges its functions. The panel will need information about the business of the council, research on the role of councillors and the work and conclusions of other Independent Remuneration Panels. This support will need to be provided through the officer support arrangements for the Shadow Council(s). Work will need to commence shortly to constitute the Panel(s) and to bring forward recommendations for the Unitary Council's allowances scheme for 2009/10 and beyond.

For further information:-

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Background Documents:-

Government Guidance on Consolidated Regulations for Local Authority Allowances (July 2003)

Documents are available for inspection at:
EC JIT Support Office
Town Hall
Macclesfield
SK10 1DX

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CHESHIRE EAST

Governance and Constitution Committee

Date of meeting: 14 July 2008
Report of: Governance Group
Title: Indemnities for Members and Officers

1.0 Purpose of Report

- 1.1 This reports sets out the current powers available to local authorities in relation to the provision of indemnities to elected Members and Officers and proposes that the Shadow Council prior to Vesting Day, agree an indemnity.

2.0 Decision Required

- 2.1 The Committee agree that Members and those acting in a representative capacity on behalf of the Authority be indemnified to the maximum extent permitted by the Local Authorities (Indemnities for Members and Officers) Order 2004 and Section 111 of the Local Government Act 1972.

3.0 Financial Implications for Transition Costs

- 3.1 The provision of an indemnity is a contingent liability and so at this stage cannot be quantified, dependent upon whether events arise which would require the giving of such an indemnity at some stage in the future. Insurance provision has already been put in place for Members and Officers as part of the preparations for Vesting Day following a tendering exercise which has recently been completed.

4.0 Financial Implications 2009/10 and beyond

- 4.1 As stated above, the provision of an indemnity is a contingent liability which at this stage cannot be quantified either now or in future years depending on events. The premia required to be payable to sustain the policies of insurance for Members and Officers will continue to be payable and will need to be factored into the budget for the new Council.

5.0 Legal Implications

- 5.1 Power to give an indemnity arises by virtue of regulations made under sections 101 and 105 of the Local Government Act 2000, section 111 of the Local Government Act 1972, the Local Authorities (Indemnities for Members and Officers) Order 2004, and the Cheshire (Structural Changes) Order 2008.

6.0 Risk Assessment

- 6.1 The need for Members and Officers to be protected by indemnities is important, bearing in mind the range of activities that Members and Officers, both in the run up to Vesting Day and after Vesting Day (once all of the Local Government

functions are vested in the new Council) will be undertaking. Proper public administration dictates that Members and Officers should be so protected when they are acting on behalf of their Authority and properly and lawfully going about pursuing the business of the Authority.

7.0 Background and Options

- 7.1 The Local Authorities (Indemnities for Members and Officers) Order 2004 provides for circumstances in which a relevant authority in England (which includes the Shadow Council and the Council post Vesting Day) may provide an indemnity to any of their Members or Officers. The powers are in addition to any other existing powers that such authorities may have, such as powers under Section 111 of the Local Government Act 1972 – which is relevant in relation to ensuring that any indemnity is extended to those who are acting within the extent of their delegated authority on behalf of the authority (eg individuals who may not be Members or Officers but who have been appointed to act as a representative of the authority most commonly on any outside bodies with which the Shadow Authority or the Unitary Authority post Vesting Day have an involvement). It is proposed that any indemnity agreed include these individuals.
- 7.2 A copy of the text of the Order is reproduced in Appendix 1 to this report.
- 7.3 Article 4 of the Order makes it clear that an indemnity may be provided by means of the authority securing the provision of an insurance policy for the Member or Officer. As stated, insurance arrangements have already now been put in place in anticipation of a formal agreement that an indemnity be introduced.
- 7.4 Article 5 sets out the cases in which indemnities (including those provided by insurance) may be provided. This Article restricts the power to cases in which the Member or Officer is carrying on any function at the request of, with the approval of, or for the purposes of, the authority. However, it does also extend to cases when exercising the function in question, the Member or Officer does so in a capacity other than that of a Member or Officer of the authority. So, this would permit an indemnity, for example, to cover a case where a Member or Officer acts as a Director of a company at the request of the authority, and thus is acting in a capacity as a Director/Trustee. This is particularly relevant in the case of Members who are nominated to serve on outside bodies on behalf of the Council.
- 7.5 Article 6 prevents the provision of an indemnity (or securing of insurance) in relation to criminal acts, any other intentional wrong doing, fraud, recklessness, or in relation to the bringing of (but not the defence of) any action in defamation.
- 7.6 Article 7 gives a limited power to provide an indemnity (including any indemnity provided by insurance) where the action or inaction complained of is outside the powers of the authority itself or outside the powers of the Member or Officer who acts. It also covers cases in which a Member or Officer makes a statement that certain steps have been taken or requirements have been fulfilled but it later becomes clear that this is not the case. This power is, however, limited to cases in which the person indemnified:

- a. reasonably believes that the matter in question was not outside the powers in question, or
 - b. where a document has been issued containing an untrue statement as to the authority's powers, or as to the steps taken or requirements fulfilled, reasonably believed that the statement was true when it was issued or authorised.
- 7.7 Article 8 gives the authority freedom to negotiate such terms for any indemnity or policy of insurance as it thinks appropriate but requires that those terms include repayment for sums expended by the authority or the insurer in cases where a Member has been found to be in breach of the Code of Conduct applicable to him as a Member of the Authority (following proceedings instituted as a result of a complaint to the Standards Board/the authority) or if a Member or Officer has been convicted of a criminal offence (if the indemnity or insurance policy will otherwise cover the proceedings leading to that finding or conviction). Any sums recoverable by the Council may be recovered as a civil debt.
- 7.8 The Councils constitution has delegated the power to approve the details of arrangements for Members to be indemnified and insured in these circumstances to this Committee. It is suggested that this Committee agree that Members should be indemnified to the maximum extent permitted by the 2004 Order and that similar arrangements be extended to those individuals who act on behalf of the authority and represent the authority's interests (other than Officers or employees of the authority). In relation to Officers/employees, the Council's constitution requires the agreement of the Executive to the giving of such an indemnity and a report in similar terms to this report will be submitted to the Executive separately to seek their authorisation to provide a similar indemnity to Officers/employees.
- 8.0 Overview of Day 1, Year 1, and Term 1 Issues**
- 8.1 It is not considered that this is relevant.
- 9.0 Reasons for Recommendation**
- 9.1 So as to ensure that an appropriate arrangement is made to indemnify Members and those acting on behalf of the authority in a representative capacity.

For further information:

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Background Documents:

None.

APPENDIX 1

2004 No.3082

LOCAL GOVERNMENT, ENGLAND AND WALES

The Local Authorities (Indemnities for Members and Officers) Order 2004

Made 22nd November 2004

Coming into force 23rd November 2004

The First Secretary of State, in exercise of the powers conferred upon him by sections 101 and 105 of the Local Government Act 2000^[1] and having consulted representatives of relevant authorities, representatives of employees of relevant authorities and such other persons as he considered appropriate hereby makes the following Order, of which a draft has been laid before, and approved by, resolution of, each House of Parliament:

Citation, commencement and interpretation

1. - (1) This Order may be cited as the Local Authorities (Indemnities for Members and Officers) Order 2004.

(2) It shall come into force on the day after that on which it is made.

(3) In this Order -

"Part 3 proceeding" means any investigation, report, reference, adjudication or any other proceeding pursuant to Part 3 of the Local Government Act 2000; and
"secure", in relation to any indemnity provided by means of insurance, includes arranging for, and paying for, that insurance and related expressions shall be construed accordingly.

Application

2. This Order applies to relevant authorities in England^[2] and to police authorities in Wales^[3].

Indemnities

3. The authorities to whom this Order applies may, in the cases mentioned in article 5 below, provide indemnities to any of their members^[4] or officers.

Insurance

4. In place of, or in addition to, themselves providing an indemnity under article 3 above, any authority to whom this Order applies may, in the cases mentioned in article 5 below, provide an indemnity by securing the insurance of any of its members or officers.

Cases in which an indemnity may be provided

5. Subject to article 6 below, an indemnity may be provided in relation to any action of, or failure to act by, the member or officer in question, which -

(a) is authorised by the authority; or

(b) forms part of, or arises from, any powers conferred, or duties placed, upon that member or officer, as a consequence of any function being exercised by that member or officer (whether or not when exercising that function he does so in his capacity as a member or officer of the authority) -

(i) at the request of, or with the approval of the authority, or

(ii) for the purposes of the authority.

Restrictions on indemnities

6. - (1) No indemnity may be provided under this Order in relation to any action by, or failure to act by, any member or officer which -

(a) constitutes a criminal offence; or

(b) is the result of fraud, or other deliberate wrongdoing or recklessness on the part of that member or officer.

(2) Notwithstanding paragraph (1)(a), an indemnity may be provided in relation to -

(a) subject to article 8 below, the defence of any criminal proceedings brought against the officer or member; and

(b) any civil liability arising as a consequence of any action or failure to act which also constitutes a criminal offence.

(3) No indemnity may be provided under this Order in relation to the making by the member or officer indemnified of any claim in relation to an alleged

defamation of that member or officer but may be provided in relation to the defence by that member or officer of any allegation of defamation made against him.

Matters that exceed the powers of the authority or member or officer

7. - (1) Notwithstanding any limitation on the powers of the authority which grants an indemnity, the authority may provide an indemnity to the extent that the member or officer in question -

(a) believed that the action, or failure to act, in question was within the powers of the authority, or

(b) where that action or failure comprises the issuing or authorisation of any document containing any statement as to the powers of the authority, or any statement that certain steps have been taken or requirements fulfilled, believed that the contents of that statement were true,

and it was reasonable for that member or officer to hold that belief at the time when he acted or failed to act.

(2) An indemnity may be provided in relation to an act or omission which is subsequently found to be beyond the powers of the member or officer in question but only to the extent that the member or officer reasonably believed that the act or omission in question was within his powers at the time at which he acted.

Terms of indemnity or insurance

8. - (1) Subject to paragraphs (2) and (3) below, the terms of any indemnity given (including any insurance secured), under this Order may be such as the authority in question shall agree.

(2) Paragraph (3) applies where any indemnity given to any member or officer (including any insurance secured for that member or officer) has effect in relation to the defence of -

(a) any criminal proceedings; or

(b) any Part 3 proceedings.

(3) Where this paragraph applies, the indemnity shall be provided, and any insurance secured, on the

terms that -

(a) in the case of criminal proceedings, if the member or officer in question is convicted of a criminal offence and that conviction is not overturned following any appeal, and

(b) in the case of Part 3 proceedings -

(i) if a finding is made in those proceedings that the member in question has failed to comply with the Code of Conduct and that finding is not overturned following any appeal, or

(ii) if the member admits that he has failed to comply with the Code of Conduct,

that member or officer shall reimburse the authority or the insurer (as the case may be) for any sums expended by the authority or insurer in relation to those proceedings pursuant to the indemnity or insurance.

(4) Where a member or officer is obliged to reimburse an authority or insurer pursuant to the terms mentioned in paragraph (3) above, those sums shall be recoverable by the authority or insurer (as the case may be) as a civil debt.

Signed by authority of the First Secretary of State.

Nick Raynsford

Minister of State in the Office of the Deputy Prime Minister

22nd November 2004

A regulatory impact assessment has been prepared in relation to these Regulations. A copy may be obtained from Local Government Legislation Division, Office of the Deputy Prime Minister, Zone 5/D1, Eland House, Bressenden Place, London, SW1E 5DU (telephone 020

7944 4148; [e-mail lgl@odpm.gsi.gov.uk](mailto:lgl@odpm.gsi.gov.uk)).

Notes:

[1] 2000 c. 22. [back](#)

[2] For the meaning of "relevant authority", see section 49(6) of the Local Government Act 2000. [back](#)

[3] For powers in relation to relevant authorities in Wales, see section 105(2) of the Local Government Act 2000. [back](#)

[4] For the meaning of "member", see sections 49(6) and 101(5) of the Local Government Act 2000 and, in relation to elected mayors, the Local Authorities (Elected Mayors) (England) Regulations 2004 (S.I. 2004/1815). [back](#)

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*Prepared 26
November 2004*

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CHESHIRE EAST

Governance and Constitution Committee

Date of meeting: 14 July 2008
Report of: Governance Group
Title: Appointments to outside bodies

1.0 Purpose of Report

- 1.1 To highlight the issues relating to appointments to outside bodies by Cheshire East Council from 1 April 2009 and agree a process for dealing with them.

2.0 Decisions Required

- 2.1 To agree option 4 (set out in paragraph 9.1) as the preferred approach to appointments to outside bodies.
- 2.2 To agree the actions outlined in paragraph 9.2
- 2.3 To agree that the remit of the working party includes attendance at annual conferences, bodies of the nature outlined in paragraph 7.2, 7.3 and 7.5 and the appointment of both officers and members.
- 2.4 To agree that the appointment of members to outside bodies by the shadow authority be addressed as part of the work outlined in this report.

3.0 Financial Implications for Transition Costs

- 3.1 None

4.0 Financial Implications 2009/10 and beyond

- 4.1 None

5.0 Legal Implications

- 5.1. The appointment of representatives to outside bodies can have implications for appointees, particularly those appointed as trustees or company directors. It is essential that members are made aware of their roles within outside bodies and their legal responsibilities. A structured approach to appointments, following good practice outlined in Appendix 2 will limit potential risk for both elected members and the new authority. Appendix 2 includes reference to indemnities for members which are addressed in a separate report on this agenda.

- 5.2. Certain steps may be required to exit from an outside body – for example, resignation by written notice in the case of directors. Alternatively, to ensure continued representation by the new authority, changes to a body's governance arrangements may be required. In case of the latter, sufficient notice must be given to these bodies to enable them to make the necessary changes within their decision making structure.

6.0 Risk Assessment

- 6.1 There are currently a very large number of appointments to outside bodies spread across the Cheshire authorities, which the new authority will be unable to support unless steps are taken to rationalise and prioritise the approach taken.
- 6.2. The new authority may be unable to participate in key outside bodies if it fails to identify the bodies themselves and the steps required to secure future representation, such as changes to constitutional arrangements for those bodies to take account of LGR.
- 6.3. Failure to properly support members and officers appointed to outside bodies may leave them unclear as to their roles and responsibilities and diminish the potential benefits to the new authority which may be derived from effective partnership working.

7.0 Background

- 7.1. All Cheshire authorities make appointments to outside bodies. The reasons for doing so are as varied as the nature of those outside bodies. Appointments are made, for example, for strategic reasons, to influence a body where the council is a major funder, or to represent the views of the electorate at ward level. In a national context, appointments demonstrate partnership working and engagement with the local community, which is likely to be a key feature of the new Comprehensive Area Assessment framework.
- 7.2. Examples of outside bodies and the number of appointments currently made by existing authorities are set out at Appendix 1. Some outside bodies are entirely independent of the local authority. Others may have been set up by an authority, for example to manage a public facility such as a leisure centre, or to provide public services, such as a housing trust. Some are examples of public/private sector partnerships set up and supported by a local authority but intended to engage various sectors of the community – bodies which regulate themselves but for which an authority acts as Accountable Body. Nominees are usually members but may also include officers.
- 7.3. There are some bodies of which existing councils (rather than individuals) are trustees. There are also joint working arrangements, such as shared use agreements whereby facilities are shared with local schools. Whilst not strictly outside bodies, it is recommended that they

are included in the appointments process to ensure they are not otherwise overlooked.

- 7.4. As well as reviewing the process of making appointments to outside bodies, changes which are required to ensure that the new authority can continue its involvement should be identified, such as amendments to governance arrangements, or to exit from the organisation.
- 7.5. Finally, members and officers attend various conferences throughout the municipal year – for example the LGA Annual Conference. It is suggested that attendance at conferences is included within the remit to ensure that maximum benefit is derived to officers, members and the new authority.
- 7.6. The Performance and Capacity Block is looking at Local Strategic Partnerships, to which representatives of some outside bodies are appointed and it is recommended that a link is established with that group to ensure consistency.

8.0 Future appointments

- 8.1. To maximise future benefit to the community and the new authority, it is therefore recommended that it;
 - (a) develops a process for making appointments in the future which is rational, manageable and is compatible with corporate objectives;
 - (b) identifies legal and other issues to be addressed which will enable representation on key outside bodies to continue.
- 8.2. It would also seem opportune to improve on current practice over the next 12 months to develop a more business like approach. Examples of what may encompass good practice are set out at Appendix 2.
- 8.3. Representations have been made to the Department of Communities and Local Government for regulations to allow existing appointees to continue as representatives of the new authority, post 1 April 2009, to facilitate the transition. Any update will be provided at the meeting.

9.0 Options for future appointments

- 9.1. There are a number of options open to the new authority;

Option 1 – continue with existing appointments

The new authority to re-appoint in 2009 to all existing outside bodies. This is the simplest option but in view of the number of current appointments against the overall reduction in the number of councillors for across Cheshire, it would seem unworkable.

Option 2 – existing authorities to rationalise existing appointments prior to 2009

Existing authorities to undertake a review of current appointments with a view to rationalising them as far as possible, working together to identify duplication. The new authority then re-appoints to those bodies remaining on the list in 2009. Identifying criteria in advance as a rationale for appointments would assist this process. A review of appointments could be progressed after 2009, depending on the priorities of the new authority.

Option 3 – officer led review of appointments process

Officer team set up to address the issues set out above to develop best practice. Work programme drawn up with necessary approvals sought from the appropriate committee. Main drawback is lack of member involvement during development of process and possible lack of ownership.

Option 4 – member led review of appointments process

Advisory or similar committee based on a small number of members set up as a working party to devise a work programme and develop recommendations to deal with appointments and implement best practice. A key advantage is ownership at member level due to involvement in process.

- 9.2. The work involved should not be underestimated and if options (3) or (4) are preferred, to assist the process it is recommended also that

(a) existing authorities be requested to prioritise current appointments for review as;

- (1) Key strategic appointments which an existing authority considers essential to continue; or
- (2) Appointments which are important to an existing authority but not crucial; or
- (3) Those not falling into (a) or (b)

(b) existing authorities be requested to take all necessary steps to enable the new authority to make appointments to those falling within category (1) with effect from 1 April 2009. This may include, for example, changes to the constitution of that body or seeking consent to changes from the Charities Commission.

(c) existing authorities be requested to notify outside bodies falling with categories (2) and (3) that appointments are likely to cease with effect from 1 April 2009, and to take all necessary steps to give effect to cessation, for example the service of notices of resignation.

10.0 Appointments by the Shadow Authority

- 10.1. The shadow authority may receive requests to appoint representatives to outside bodies over the next 9 months as part of the transition process. It is recommended that such appointments are dealt with as part of the work outlined in this report. If appointments are made by the shadow authority, then the role and responsibilities of the representative are clarified at the time of the

appointment, to both the shadow authority and the outside body. It is also recommended that the continuation of the appointment after 1 April 2009 is dealt with as part of the process outlined in this report.

11.0 Reason for Recommendations

To put in place an effective and manageable process for appointments to outside bodies from 1 April 2009.

For further information:

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Tel No:

Email: J.openshaw@macclesfield.gov.uk

Background Documents:

Documents are available for inspection at:

Shadow Council Support Office

Town Hall

Macclesfield

SK10 1DX

Appendix 1

In this paper reference to outside bodies includes;

Charities/trusts – e.g. local hospice
 Companies – e.g. Visit Chester and Cheshire
 Voluntary organisations – e.g. CAB, local community centre association
 Unincorporated local government organisations – e.g. CWHIC
 Statutory bodies and partnerships – e.g. Community safety partnership, North West Regional Assembly
 Strategic lobbying organisations – e.g. LGA

It does not include bodies to which a council is required by statute to make appointments, such as LEA appointed governors to schools.

Details of current appointments to outside bodies by existing Cheshire authorities

| Authority | No. of elected members | No. of outside bodies | No. of appointed representatives |
|---|------------------------|-----------------------|----------------------------------|
| Chester City Council | 60 | 85 | 199 |
| Cheshire County Council | 51 | 225 | 530 |
| Congleton Borough Council | 48 | 41 | 78 |
| Crewe and Nantwich Borough Council | 56 | 75 | To be confirmed |
| Ellesmere Port and Neston Borough Council | 43 | 59 | 148 |
| Macclesfield Borough Council | 60 | 58 | 129 |
| Vale Royal Borough Council | 57 | 44 | 79 |

Appendix 2

The following identifies good practice in making appointments to outside bodies;

- (a) there are agreed criteria to justify appointments, for example in terms of how they work towards corporate objectives;
- (b) the role of each representative is clearly identified so that councillors are fully aware of their legal responsibilities;
- (c) the expectations of each council in respect of its representatives are clearly set out along with the means for ensuring accountability;
- (d) clear information on each outside body is collated and kept up to date by each authority;
- (e) there is a manageable process for making appointments, for example making use of an advisory or appointments panel;
- (f) relevant guidance is issued to representatives on roles and responsibilities, allowances, insurance and indemnities, code of conduct, confidentiality etc.

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