

Appendix 1

Outside Organisations Panel Terms of Reference - REVISED

Consultation

- To take place with members appointed to outside organisations, Group Leaders, Whips and elected members to understand the role of Councillors in these organisations and the time commitment.
- With organisations to establish the role they see for Councillors in their organisation and the time they would expect Councillors to devote to that role.

List of organisations

- Review Council representation on the organisations set out in paragraph 6.2
- Assess which of the current organisations' purposes align with the Council's aims and objectives as outlined in the Corporate Plan.
- Assess the role a councillor has in each organisation and assess its value to the Councillor and the Council.
- Provide a revised list of outside organisations to which councillors should be appointed.

Openness and Transparency

- To consider how a member appointed to an outside organisation reports back on the activity of that body to Council and what mechanism should be used, how frequently reports should be made and to where/ whom.
- To consider an appropriate method for the publication of remuneration received by members from outside organisations.

Legal Obligations

- Review the guidance to members appointed to outside organisations.
- Consider how the Council can minimise risk and protect the interests of itself and the members who represent it on outside bodies.

Appointment Process

- In the light of the change to a new governance model, review the procedure for making appointments to outside organisations (excluding statutory and constitutional appointments).
- Review the procedure for dealing with casual vacancies.

Report of the Outside Organisation Panel:

Review of Outside Organisation Appointments for 2023

1. INTRODUCTION

- 1.1 The Council's appointments procedure was agreed by the Governance and Constitution Committee in 2009. The Constitution Working Group had been tasked with conducting a review in time for the next round of appointments, due to be made after the local elections in 2023. A Panel of three Members (Councillor Mick Warren Chair, Councillor Marc Asquith, and Councillor Laura Crane) was appointed to conduct the review, Councillor Amanda Stott being co-opted onto the Panel.
- 1.2 The Panel met on six occasions between August and December 2022, the primary focus being to review the Council's representation on the organisations previously appointed to, by Council, Cabinet and Constitution Committee and provide a revised list to which formal appointments should be made.
- 1.3 The Panel was also asked to:
- review the procedure for dealing with casual vacancies
 - consider arrangements for Members appointed to an outside organisation to report back to Council on the activities of that body, and what mechanism should be used
 - Identify an appropriate method for the publication of remuneration received by Members from outside organisations
 - Review the legal obligations of Members appointed to an outside organisation

2. SUMMARY OF RECOMMENDATIONS

- 2.1 The organisations set out in the Local List appended to the report, be removed from the formal appointments to outside organisations procedure, and that a communications plan be developed to assist with this transition.
- 2.2 The organisations set out in the Statutory List appended to the report be retained as requiring a formal appointment.
- 2.3 The organisations set out in the Retention List appended to the report, be retained as requiring a formal appointment.
- 2.4 The organisations set out in the Organisations to be Removed List appended to the report, be removed from the procedure for the reasons stated.

- 2.5 The organisations set out in the Organisations to be Added List appended to the report, be removed from the procedure for the reasons stated.
- 2.6 Appointments to outside organisations to be made every four years (quadrennially), following the local elections.
- 2.7 The draft casual vacancy procedure (Appendix 3) be adopted for determining casual vacancies and the addition/removal of organisations from the lists.
- 2.8 Subject to each organisation's confidentiality arrangements, a communications plan be developed to enable Member nominees to feedback information to the Council, to enable issues of importance or interest to be discussed i.e., Democratic Services officers to identify key service department officer contacts for each nominated member; officers to then determine whether this would then give rise to a report on a formal decision to a service committee, action by the officer under delegated powers, or issues of wider Council importance to be brought to the attention of Members via the Members' Bulletin.
- 2.9 Remuneration received by Members appointed to the Peak District National Park Authority, Cheshire Fire and Rescue Authority, Cheshire Police and Crime Panel and the Council's wholly owned companies (ASDV's) be recorded as part of the published annual Record of Members' Allowances.
- 2.10 The Councillor's Guide to Outside Organisations, be reviewed and refreshed to i) reflect the new governance and procedural arrangements; and ii) ensure that the Council can minimise risk and protect the interests of itself and the Members who represent it on outside organisations.

3. REVIEW METHODOLOGY

- 3.1 To inform its review, the Panel sent out a survey to all the organisations on the current appointments list, seeking information as to their aims and objectives, their legal status, the value to the organisation of the appointment and the benefits to the Council (i.e., borough wide or local). A corresponding survey was also sent to all elected Members, which asked similar questions, particularly in respect of the benefits of representation and whether this should continue.
- 3.2 The survey feedback was submitted to the Panel. Where a response had not been received, follow up correspondence was sent to the organisation and/or the Member appointee. The survey data was supplemented with information taken from the organisations' websites (which included subscription fees), constitutions, articles of association and memorandums of understanding, and from historical data held by Democratic Services.

4. CATEGORISATION OF ORGANISATIONS

- 4.1 At the start of the review, the Panel concluded that the organisations could be regarded as belonging to one of four categories:

Organisations considered to be local in nature i.e., of importance to a specific locality
Statutory organisations required to be retained
Organisation of corporate importance which should be retained
Organisations that were inactive, no longer existed or the appointment should be made by another body

- 4.2.1 Local organisations: The Panel recognised and was strongly supportive of the beneficial relationship between local organisations (i.e., those of importance to a specific locality) and the Council through elected Member representation and it wished to develop this further. The Panel considered that local organisations would be best served by allowing them to approach who they believed would best contribute to their work, which might be the local ward member or a Councillor with specific expertise or interest in the organisation's work, rather than the Council determine who the representative should be by way of a formal appointment.
- 4.2.2 In practice this would mean that, when an organisation not on the formal appointment list, approaches the Council to nominate a Member to it, based upon a presumption in that organisation's own constitution/terms of reference that this will be the case, it would become the responsibility of that organisation to approach such Member or Members as it saw fit, to seek to secure their participation in the activities of that organisation.
- 4.2.3 In making its recommendation, the Panel wished to stress that it was not seeking to devalue the representational role of the Member, rather to strengthen that local connection, as in most cases, it was anticipated that the organisation would approach the local ward Member.
- 4.2.4 The Panel therefore recommends that the organisations set out in the Local List appended to the report, be removed from the formal appointments to outside organisations procedure, and that a communications plan be developed to assist with this transition.
- 4.3.1. Statutory bodies: The Panel considered the statutory list which was made up of two elements: those bodies where there was a statutory obligation placed on the Council to make appointments to it (such as Cheshire Fire Authority or the Adoptions Panel) or organisations and bodies defined by a formal law or statute at a national or regional level.

- 4.3.2 The Panel reviewed the list to ensure that those bodies designated as such, still met this criterion. For those which did, the Panel recommends that the organisations set out in the Statutory List appended to the report be retained as requiring a formal appointment.
- 4.4.1 Organisations of corporate importance: To ensure the interests of both the Council and the wider community were well represented, a significant number of organisations had been added to the list since the Council was formed in 2009. Since that time, the strategic objectives of the authority had changed.
- 4.4.2 Going forward, the Panel considered that the organisational objectives of a body to which a formal appointment would be made, should reflect the authority's strategic aims and objectives. Accordingly, when evaluating organisations for retention, the Panel gave weight to those bodies whose aims and objectives supported the Council's Corporate Plan or were aligned to the work of the service committees, or where the Member had voting rights and could influence the organisation on the Council's behalf.
- 4.4.3 The list of organisations recommended by the Panel includes those organisations which meet this criterion, and therefore should be retained as requiring a formal appointment.
- 4.5.1 Organisations to be removed: During the course of the review, several organisations were found to be inactive, no longer required representation or had ceased to exist. Others were identified which the Panel considered, should have alternative representation Cheshire Local History Association or the Council was no longer a member.
- 4.5.2 Accordingly, the Panel recommends that the organisations set out in the Organisations to be Removed List or alternative representation list, be removed from the procedure for the reasons stated.
- 4.6.1 Organisations to be added: As well as seeking to rationalise the current list of appointments, the Panel was mindful that there may be new organisations
- on which the Council was required to be represented
 - who may wish to seek representation from the Council
 - on which the Council would wish to be represented
- 4.6.2 The Panel considered that priority should be given to statutory appointments; and added the Cheshire East Health & Care Partnership Board to the statutory list. With regards to other nominations, the Panel considered that this should be carried out under the new procedure, assuming that Corporate Policy Committee endorsed its recommendations.
- 4.7 The recommendations of the Panel were based on the information provided at the time of the review, and legal advice relating to the organisations' nomination requirements, where known. Where limited information was available, the Panel applied a 'best fit' approach, preferring to retain the organisation until further information became available.
- 4.8 If subsequent information comes forward, which might be worthy of consideration after the meeting of the July 2023, a further report will be submitted to Corporate Policy Committee.

5. FREQUENCY OF APPOINTMENT

- 5.1 Appointments to outside organisations are currently made every four years (quadrennially), following the local elections and the Panel recommends that this arrangement should continue.

6. CASUAL VACANCY PROCEDURE/ADDING NEW ORGANISATIONS TO THE PROCESS

- 6.1 Where vacancies arose during the quadrennial, a casual vacancy procedure was employed. The existing procedure was submitted for consideration, having been modified to reflect the committee governance model.
- 6.3 As there would also be a need for decisions to be made on the addition of a new outside organisation, or the removal of an existing one, during the quadrennial, where an appropriate business case is made for its inclusion or removal from the formal list, the Panel recommends that the modified procedure be used for both. The suggested procedure is set out at the end of the Panel's report.

7. FEEDBACK ARRANGEMENTS

- 7.1 The Panel was asked to consider how a Member appointed to an outside organisation could report back on the activity of that body to Council, and what mechanism should be used.
- 7.2 Different options were discussed, one of which was to require Member representatives to submit an annual report, but the Panel considered that a formal mechanism would be too onerous and did not lend itself to time sensitive issues.
- 7.3 Instead, it was suggested that an arrangement be put in place which would allow Members to provide feedback to a nominated officer, so that appropriate action could be taken on matters which would have an impact on the Council e.g., a report to a committee or a briefing for Councillors.
- 7.4 Subject to each organisation's confidentiality arrangements, it was recommended that a communications plan be developed to enable Member nominees to feedback information to the Council, to enable issues of importance or interest to be discussed i.e., Democratic Services officers to identify key service department officer contacts for each nominated member; officers to then determine whether this would then give rise to a report on a formal decision to a service committee, action by the officer under delegated powers, or issues of wider Council importance to be brought to the attention of Members via the Members' Bulletin.

8. RECORDING OF REMUNERATION

- 8.1 Within its terms of reference, the Panel was tasked with considering an appropriate method for the publication of remuneration, received by a Member from an outside organisation. Although the number of organisations which did so was limited, the Panel was in favour of reporting this information, in the interests of openness and transparency, as part of the annual Record of Members' Allowances.

- 7.2 The Panel recommends that remuneration received by Members appointed to the Peak District National Park Authority, Cheshire Fire and Rescue Authority, Cheshire Police and Crime Panel and the Council's wholly owned companies (ASDV's) be recorded as part of the published annual Record of Members' Allowances.

8. LEGAL OBLIGATIONS

- 8.1 In 2011, the Council produced a Councillor's Guide to Outside Organisations, which provided advice and guidance to Members on their different roles and obligations, which included information relating to indemnities.
- 8.2 Given the age of the document, the Panel recommends that the Councillor's Guide to Outside Organisations be reviewed and refreshed to i) reflect the new governance and procedural arrangements; and ii) ensure that the Council can minimise risk and protect the interests of itself and the Members who represent it on outside organisations.
- 8.3 The Head of Democratic Services and Governance confirmed that, in response to a request at a previous Panel meeting, a summary document, to include a brief resume of each organisation, the number of places available, voting rights, remuneration etc, would be created to assist the Groups following consideration and approval of the revised arrangements.

Outside Organisations appointments: Revised lists

Statutory organisations to be retained for a formal member appointment to be made:

Adoption Panel, Cheshire Fire Authority, Cheshire Pension Fund, Cheshire Police and Crime Panel, Cheshire East Countryside Access Forum, Cheshire East Health and Care Partnership Board, Federation of Burial and Cremation Authorities, Fostering Panel, Peak District National Park Authority, LGA (General Assembly, People and Places Board, Public Transport Consortium, Councillors Forum), SACRE, Transport for the North (Partnership Board/General Purposes Committee/Rail Committee/Scrutiny Committee).

Organisations of corporate importance to be **Retained for a formal member appointment to be made:**

Alderley Park Ltd, Alsager Partnership, Association for Public Service Excellence (APSE), Charitable Trust for the Assets of the Former Over Alderley Primary School, Cheshire Association of Local Councils, Cheshire Brine Subsistence Compensation Board, Cheshire and Warrington LEP, Cheshire and Wirral Partnership NHS Foundation Trust, County Councils Network, Crewe Town Board, Environment Agency, Holmes Chapel Partnership, iESE Ltd, Marketing Cheshire (CWTB), Mersey Forest Partnership, Mid Cheshire Hospitals Foundation Trust, Nantwich Partnership, Northern Transport Acceleration Council, North West Employers, PATROL, Sandbach Partnership, South Cheshire Chamber of Commerce, Tatton Park Board, Unitary County Network, West and Wales Transport Forum, West Coast Rail 250, White Moss Sand Quarry Local Liaison Group.

Organisations designated as **Local to be withdrawn from the formal member appointments process:**

Alderley Park Liaison Committee, Alms-houses Charity of Sir Edmund Wright, Crewe and other Trusts, Alsager Educational Foundation, Astbury Mere Country Park, Audlem Education Foundation, Brent Sand Quarry Liaison Committee, Citizens Advice Cheshire North, Chelford Sand Quarry Liaison Group, Cheshire Agricultural Society, Crewe and Nantwich Twinning Association (CANTA), Eaton Hall Sand Quarry Liaison Committee, Fence Trust/Stanley and Brocklehurst Alms-houses Trust, Kings School Macclesfield, Linden Bank Community Liaison Group, Lindow Education Trust (Wilmslow), Macclesfield College of Further Education, Malbank School Prize Fund and the Nantwich & Acton Grammar School Foundation, Manchester Airport Consultative Committee, Maw Green Landfill Site Community Liaison Committee, Mere Farm Sand Quarry Liaison Committee, Nantwich Museum Trust Ltd, Rudheath Quarry Liaison Committee, Sandbach School (Boys School), Silk Heritage Trust, Sir John Dean's College Foundation, Sir Thomas Delves Foundation Wybunbury, University of Manchester, Wybunbury United Charities.

Organisations to be **Removed** from the formal process (reason in brackets):

- a. Bridgewater Canal Trust (no engagement with the authority)
- b. Cheshire Association of Local Councils [Quality Accreditation Panel] (no longer exists)
- c. Groundwork Cheshire, Lancaster and Merseyside (engagement is limited with the authority)
- d. LGiU (no longer a member)
- e. Manchester Airport Future Airspace Stakeholder Reference Group (CEC is not authorised to make an appointment)
- f. Peaks and Plains Housing Trust (no longer exists)
- g. Transport Futures (no longer exists).

Organisations to be **Added** to the process (reasons in brackets):

Cheshire East Health & Care Partnership Board (statutory)

Organisations where **Alternative Representation** should be sought:

Cheshire Local History Association (officers from the Archives Team)

Draft Procedure for Dealing with Casual Vacancies on Outside Organisations

The following procedure would apply for dealing with casual vacancies on Outside Organisations or where a change to the statutory or retained list needed to be made.

- (i) When a place becomes vacant/a change was required, the Democratic Services Manager, as the appropriate Officer, would be notified.
- (ii) In respect of a vacancy, the Group Administrator from the appropriate group would be invited to nominate a replacement.
- (iii) A report would be submitted to Corporate Policy Committee to approve the appointment/change to the list; the replacement Councillor would take up the vacancy; the outside organisation would be notified of the change; the outside bodies list would be updated on the website.
- (iv) In cases where a group is unable to make a nomination (or chooses not to appoint, for whatever reason), Corporate Policy Committee may choose to offer the place to one of the other political groups.