

## **Corporate Policy Committee**

**15 June 2023**

### **Annual Review of the Committee System and Medium-Term Financial Strategy Savings**

---

**Report of: David Brown – Director of Governance and Compliance**

**Report Reference No: CP/5/23-24**

**Ward(s) Affected: All**

#### **Purpose of Report**

- 1 This report makes recommendations for changes to the Constitution and recommendations for Council to consider as improvements to the future functionality of the committee system.
- 2 To note the Medium-Term Financial Strategy savings, in relation to printing and postage of agendas and venues for meetings.

#### **Executive Summary**

- 3 By the time Council considers this report, the committee system of governance will have been in place for two municipal years. No changes to the Council's governance arrangements were implemented following the first year of its operation but the experience of the two years of its operation now presents an opportunity to bring improvements and efficiencies to the Council's decision-making arrangements.
- 4 The change in the Council's governance arrangements took place on 4 May 2021. Improvements and alignments of internal and external policies, procedures, internal and external protocols will be reflected in continuing governance and constitutional improvements as a journey of learning and development. This journey is similar to continuous improvement which took place under the Cabinet system, and the description used during the 2018 review that the Constitution was a 'living document' remains apt.

5 The policy parameters relating to the adoption of the committee system were set by Council on [19 November 2020](#). The approach to those parameters reflected the design principles agreed in Appendix G of the 19 November 2020 report. A summary review of the agreed design principles, against delivery, is set out below. The ability of the Council to make timely, lawful decisions during the period of change of governance to a committee system has been achieved.

- **Openness:** Virtually all Members are engaged in the committee process either by membership of a service committee or in an oversight function. Proportional committees allow decisions to benefit from input from most political groups.
- **Quick Decision Making:** The committee cycle is two-monthly. As will be seen from the content of this report, there is now an opportunity to streamline the Council's decision-making structure, which will produce more efficient decision-making arrangements.
- **Affordability:** The cost of a committee system will be kept to a minimum by providing value for money and an efficient decision-making process. If the recommendations of this report are agreed by Council, the cost of the Council's decision-making arrangements will reduce.
- **Legal Requirements:** The Council must comply with all legal requirements, and legal advice will be available to all meetings.
- **A Modern Committee System:** The system provides for equivalent public engagement to that which previously applied.

6 In light of the continuous need for improvement and current budget constraints, it is necessary to review the decision-making structure, and terms of reference of the Council's Committees to ensure that these still meet the design principles, particularly in relation to affordability. This proposal would contribute to the budget efficiency saving in the MTFs which was agreed by Council in February 2023. This is an expected part of a process aimed at establishing whether current arrangements are fit for purpose, when measured against the original policy parameters, and it is timely to do so with the benefit of two years' experience of the Council's decision-making arrangements.

7 This report has been considered by the previous Constitution Working Group and is divided into two parts. Part 1 makes recommendations for changes to the Constitution attached (Appendix 1). Part 2 (Appendix 2) set out the proposed changes to the committee structure.

- 8 It should be noted that due to the impending restructure of senior management, the Monitoring Officer will also be required to make any consequential amendments to the Constitution as he deems necessary to reflect the wishes of the Council.

## RECOMMENDATIONS

That Council be recommended to:

1. Approve the amendments to the Constitution, attached at Appendix 1.
2. Agree that the Public Rights of Way Sub-Committee functions be incorporated into the functions of the Highways and Transport Committee, as shown in Appendix 2.
3. Agree to realign the Planning Committees from 3 to 2, with responsibilities as set out in Appendix 2.
4. Delegate to the Monitoring Officer, the power to make such consequential changes to the Council's Constitution as he deems necessary to give effect to the wishes of Council.
5. Note the savings in relation to venues for meetings and printing and postage of agendas.

## Background

- 9 Since the introduction of the committee system form of governance on 4 May 2021, its operation has been kept under review by the Constitution Working Group, and the Corporate Policy Committee.
- 10 On [22 June 2021](#), following review, Council approved revisions to the following parts of the Constitution: the Introduction, Summary and Explanation in Chapter 1, the Responsibilities for Functions in Chapter 2, the Procedural Rules in Chapter 3 and the Member Allowances Scheme in Chapter 5. Amendments were made to the Constitution to

reflect the management structure of the Council. Delegated authority was given to the Monitoring Officer to make consequential amendments to the Constitution to give effect to the new management structure.

- 11 On [15 December 2021](#) Council considered an Interim Review of the Committee System and approved a revised consolidated text for the Constitution.
- 12 On [27 April 2022](#), Council gave consideration to the first Annual Review of the Committee System and approved revised text to the Constitution. Council agreed that a further annual review would be considered in 2023.

13 **PART 1 Recommended changes to the Constitution**

- 14 Since the first Annual Review of the Committee System report, the Constitution Working Group has met on four occasions. The Working Group has focussed upon, and recommends as follows:

- Public and Member Questions at Council and Committee Meetings - Whilst acknowledging that improvements could be made to the rules, the Working Group's view was that no changes should be made to them at this time, rather operation of the Rules should be allowed a further year to "bed-in".
- Rules of Debate and Notices of Motion proposed changes attached at Appendix 1.
- Following the Corporate Policy Committee meeting on 10 February 2022, the Working Group gave consideration to the question of whether some formal meetings should be "twilight" or evening meetings and to the introduction of a standard commencement time of 10.00 am for all morning meetings of formal bodies. It was agreed that a standard commencement time of 10.00 am for all morning meetings of formal bodies be introduced and that following the elections in May 2023, a survey should be circulated to all Members of the Council, about the potential introduction of twilight/evening meetings. This was ratified by Corporate Policy Committee on 23 March 2023.

15 **PART 2 - Proposed future changes to the Constitution.**

- 16 The Constitution Working Group will continue to review and make recommendations upon further constitutional changes. Proposed future work of the Constitution Working Group includes:
- Financial scheme of delegation
  - Conflicts of Interest

- Officer scheme of delegation
- Improvements to the Scrutiny function to ensure it aligns with the decision-making structure of the Council, meeting legal requirements and needs of residents and partners.
- Improvements to self-scrutiny of the service committees.
- Review of the committee structure.

## 17 **Public Rights of Way Sub Committee**

- 18 Members are asked to consider the inclusion of the functions of the Public Rights of Way Sub Committee, within the functions of the Highways and Transport Committee.
- 19 The Financial Implications section of this report details the Special Responsibility Allowance which applies to the Chair of the Public Rights of Way Sub Committee, together with other meeting-related costs.
- 20 During the period between May 2021 and May 2023, the Sub Committee was scheduled to meet on eight occasions. Of the eight scheduled meetings, two were cancelled. During this period, 30 reports were presented to the Sub Committee, 13 of which being reports for information or “noting”. If reports for information or noting had been circulated to Members electronically, there would have been only 17 reports for formal decision during the two-year period. If an assumption can be made that the pattern above will continue, the Highways and Transport Committee could take-on the responsibilities of the Public Rights of Way Sub Committee, as detailed in Appendix 2 to the report.

## 21 **Planning Committees**

- 22 The Council currently has three committees which discharge planning functions, primarily relating to determining planning applications. There are two “area committees” (Northern and Southern Planning Committees), which both have the same functions and responsibilities, but which generally deal with planning matters on a broadly geographical basis. There is also a Strategic Planning Board, which deals with planning proposals relating to major developments. In addition, the Environment and Communities Committee also has responsibility, in summary, for the development and delivery of matters relating to strategic planning policy and the oversight, scrutiny and performance and other monitoring of the planning service.
- 23 The financial implications section of this report details the Special Responsibility Allowance which applies to the Chairs of the Planning Committees, together with other meeting-related costs.

- 24 Having three planning committees' places great demand upon the planning officers and support officers who service them. Merging the functions of the planning committees would release officer resource, which would allow officers more time to focus on delivering the various demands within the service, as well supporting the implementation Planning Modernisation Plan agreed by Members.
- 25 There would also be a benefit in terms of potential conflicts of interest and overlaps between the planning committees and service committees. With three service committees, having a total membership of 39 members, and three planning committees, with a total membership of 36 members, there may be overlaps and conflicts. Such conflicts could occur if a member of a planning committee has taken part in the determination of a planning matter, and where there is subsequently a related item on the agenda of a service committee, or vice versa. Merging the committees would proportionately reduce the potential number of conflicts.
- 26 This report recommends a reduction in the number of planning committees from 3 to 2, retaining the two area committees, which would also deal with planning proposals relating to major developments in their areas and other matters currently covered by the Strategic Planning Board. This proposal would result in the dissolution of the Strategic Planning Board. The relevant service committee (the Environment and Communities Committee), would oversee the development and delivery of planning policy, including the Local Plan, and the performance of the Planning service as it currently does in order to ensure timely and consistent decision-making at the most appropriate level. The detail is shown in Appendix 2.
- 27 **Further Savings**
- 28 Further efficiency savings of £40,000-£50,000 can be delivered through reductions in print and postage by not routinely printing committee agenda packs, using internal venues and pursuing other efficiencies. All Members have been provided with new laptops to facilitate a digital approach.

## **Consultation and Engagement**

- 29 Throughout the year, feedback from Members has been considered by the Constitution Working Group, as it has arisen.
- 30 The consultation on the 2023/2024 budget and MTFs had a high degree of public support for reducing the costs of democracy.

## Reasons for Recommendations

- 31 To ensure that the committee system remains fit for purpose, meeting the requirements of Cheshire East Council, partners, and residents.
- 32 To meet the savings identified in the Medium-Term Financial Strategy.
- 33 It is best practice to regularly review the Council's Constitution.

## Other Options Considered

| Option  | Impact  | Risk   |
|---|---|--|
| Approve some of the recommendations of this report. | The approval of only some of the recommendations would impact on the proposed MTFS savings.   | Negative impact on the proposed MTFS savings   |
| Do nothing  | The Constitution is a living document, which needs to be kept under review to ensure that it is fit for purpose and that it meets the needs of the Council. Doing nothing is not appropriate, as this would not result in the Council learning from experience and improving. | That the Council will not implement changes to its decision-making structure in response to what it has learned from the experience of the last two years. Failure to meet Corporate Plan Priorities |

## Implications and Comments

### *Monitoring Officer/Legal*

- 34 The proposed amendments to the Constitution are part of the continuing development of the committee system. Although predominately to ensure consistency with a committee style of governance, changes

require approval of full Council such as the editorial amendments to terms of reference.

- 35 The Constitution is the functioning rule book used by all officers and Members in driving forward the business of the Council. Like any set of rules, it needs to remain current and consistent with the intent of Council and practicable in the delivery of the Council's objectives.
- 36 The core elements of the Constitution are set through various legislative regimes and the current Constitution appears to meet the substantive legal requirements. The areas in which the Council has a discretion, the constitution must also remain broadly reasonable and consistent with the objectives of the council.
- 37 Failure to keep the Constitution under review and adapt to the changing needs of the organisation will build in levels of risk into the decision-making process. Those risks may manifest themselves as delay, poor quality decisions or ultimately a challenge to the decision itself.

#### *Section 151 Officer/Finance*

- 38 The Public Rights of Way Sub Committee has 7 Members meeting 4 times a year. The Chair receives an SRA of £4,200 (subject to the established rule of no more than one SRA being paid to any Member). There are also meeting-related costs associated with travel, subsistence, and officer time.
- 39 Each Planning Committee has 12 Members and meets on a 3-weekly basis. The Chair receives an SRA of £7,650, (subject to the established rule of no more than one SRA being paid to any Member). There are also meeting-related costs associated with travel, subsistence, and officer time.
- 40 The reduction in number of committees would have direct impact on the budget in relation to Member allowances, Member and officer time and travel etc. In allowances terms, if all of the proposals were agreed, that would equate to a saving of approximately £11,850 (subject to the established rule of no more than one SRA being paid to any Member).
- 41 The proposals make a contribution to the proposed savings highlighted in the MTFS. Further efficiency savings will be pursued in terms of reducing costs of printing and postage and costs associated with external venues. This is estimated at £40,000 - £50,000. If Members do not agree the proposals contained in this report, consideration would need to be given to additional changes to the MTFS to ensure that its proposals balance.
- 42 There are no direct cost implications of the Constitutional updates.



## *Policy*

- 43 The recommended changes to the Constitution will, if agreed by Council, result in constitutional change.

### **An open and enabling organisation**

Ensure that there is transparency in all aspects of council decision making

## *Equality, Diversity and Inclusion*

- 44 An Equality Impact Assessment was completed for the original decision to change governance. The accessibility and intelligibility of the Constitution has remained at the forefront of the drafting process. Accessibility and transparency are core design principles and additional learning has been incorporated through the changes to and the review of remote meetings.

## *Human Resources*

- 45 There are direct implications for human resources. Staff (and Members) have requested additional training. Training requests include process training on how decisions are made, and practical issues such as additional training on report writing given the change in audience from Cabinet to committee. Members have sought better understanding of how to obtain best results from officers who present reports, consistency in style of recommendations, to process and procedural issues.

## *Risk Management*

- 46 The risks of changing systems of governance were set out in paragraph 1.6 onwards of the November 2020 [report](#). The Council has continued to effectively manage the strategic risks related to the wider pandemic, changes in legislation on meetings, resource constraints and the fixed time frame set by the November decision. At present these risks appear to have been successfully mitigated.
- 47 The review of the operational effectiveness of the committee system and supporting Constitution is an essential component of ensuring the efficacy of corporate decision making which is a key element of continuing risk mitigation.

### *Rural Communities*

- 48 There are direct implications for rural communities, specifically in relation to the proposed retention and bolstering of the responsibilities of the two area planning committees. These committees would, essentially, retain their local focus, but would have enhanced powers, thereby enabling them to exercise those powers with local needs in mind.

### *Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 49 There are no direct implications for children and young people.

### *Public Health*

- 50 The direct implications for public health are set out in the ICS paper previously decided on this agenda.

### *Climate Change*

- 51 There are no direct implications for climate change, although the Council would continue to pursue its climate change response by promoting paperless options to its approach to decision-making. Fewer committees would contribute to this.

| <b>Access to Information</b> |  |
|------------------------------|--|
| Contact Officer:             | Brian Reed, Head of Democratic Services and Governance<br><br><a href="mailto:Brian.reed@cheshireeast.gov.uk">Brian.reed@cheshireeast.gov.uk</a> |
| Appendices:                  | Changes to the Constitution - Appendix 1<br><br>Proposed changes to the committee structure - Appendix 2   |
| Background Papers:           | Previous Full Council reports (as hyperlinked throughout this report)  |