Shadow Strategic Policy and Resources Committee

Report to:	Shadow Strategic Policy and Resources Committee
Subject:	**Overview of the Governance process in preparation for new Council**
Date:	28 November 2014
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1.0	**Background**
1.1	As Members will be aware, the initial one year "shadow period" of the new Council will come to an end on 31 March 2015 with the new Council assuming full powers and responsibilities from 1 April 2015 onwards.
1.2	It will therefore be necessary for the new Council to agree upon a preferred set of governance arrangements (including a suitable form of governance and a new committee structure) for the four year term beginning in April 2015 and ending with the local government elections in May 2019. In order for this to be operational by 1 April Members will need to decide on the following: • the committee structure (including the number, size and role of committees); • the method for filling positions of responsibility; • the method for appointing Councillors to committees; • the remuneration of Councillors (including the allocation of Special Responsibility Allowances); • the Council's Standing Orders and; • A Council Constitution.
1.3	At its meeting on 26th September the Committee agreed that officers should begin, as a first step, to develop options on new political management arrangements based on a traditional committee system, for discussions with party groups.
1.4	This report sets out initial recommendations relating to new committee structures taking account of the feedback from the party group briefings held in November and the work which has commenced with Members to develop the future strategic direction of the organisation and its organisational design
2.0	**Context**
2.1	**Belfast's Strategic Direction**
2.2	We have begun Member, Chief Officer and other stakeholder engagement to help establish a strategic direction for the Council, and already a number of general recommendations on the way forward have emerged.

2.3	Much of the work carried out to date has revealed that the organisation of the future will need to be more outward facing. Members are keen for the Council to operate at a city-wide and neighbourhood level with opportunities to deliver services appropriately within neighbourhoods while working in a coherent way with other agencies in the city. Ultimately this would involve more efficient use of both resources and ratepayers' money.
2.4	In addition, as the planning and future regeneration authority for the city, and with the new convening power of Community Planning, the Council and elected Members will play a more strategic leadership role within the city within a more outward facing organisation, working in partnership to deliver against identified city outcomes.
2.5	Developing strategic relationships with key stakeholders at a city, thematic and area-level will be the cornerstone of the Council's approach to community and strategic planning and will be a key lever to stimulating continued investment and supporting the social, economic, environmental and physical renewal of the city and its neighbourhoods.
2.6	Agreed governance arrangements for 2015 forward will therefore need to reflect the new organisation that Belfast City Council will become. Any model must be considered in the context of the extended city boundary and reflect the additional responsibilities that the Council will acquire.
3.0	**Committee Structure**
3.1	Given the Council's ambitions emerging as part of the Belfast Agenda, and the current and new functions and powers that the Council will be responsible for, Members have agreed that any new arrangements will have to include the following decision making tiers; - Strategic; - City wide / thematic; - Operational; - Regulatory; - Area / Neighbourhood and; - External / Partnerships. Taking this into account a traditional committee system with the following five standing committees were presented at the party group briefings. - Strategic Policy and Resources - Place and Growth - People and Communities - Planning Committee - Licensing Committee
4.0	**Role of the new Committees** A high level overview of the roles of the new committees is detailed in appendix one.
4.1	**Strategic Policy and Resources** The Strategic Policy and Resources Committee would be responsible for setting the strategic direction of the Council through the development of its corporate plan and other key corporate strategies and policies. It would also ensure effective use of resources and value for money for ratepayers, and oversee the Council's relationship with a number of key agencies and partners.

4.2	**Place and Growth Committee** The Place and Growth Committee would be responsible for the development and implementation of strategies, policies, programmes and projects directed to the regeneration and growth of the city in the context of the outcomes agreed in the community and corporate plans and other corporate strategies.

4.3	**People and Communities Committee** The People and Communities Committee would be responsible for the development and implementation of strategies, policies, programmes and projects aimed at improving life at a local level in the context of the outcomes agreed in the community and corporate plans and other corporate strategies.
4.4	**Planning Committee** The Planning Committee shall be responsible for the formulation of the local development plan creating a clear vision of how the council area should look in the future by establishing what type and scale of development should be encouraged and where it should be located within the council area. The Planning Committee shall be responsible for all the Council's planning functions, excepting those matters which are expressly delegated to officers or reserved to full Council.
4.5	**Licensing Committee** The Licensing Committee shall be responsible for the consideration of all matters pertaining to policy and legislation in relation to licensing issues.
5.0	**Overview, Scrutiny and Performance Management**
5.1	As part of the party group briefings some Members raised the need for scrutiny in the new committee structures. Under the Local Government Act Councils opting for Executive/Cabinet arrangements as their permitted form of governance (Part 6, 27(1)), are required to establish one or more overview and scrutiny committees with power to review or scrutinise decisions made or actions taken under executive arrangements. They, therefore, provide part of the system of checks and balances given that not all decisions will be referred to full council. Although this arrangement will not apply in the traditional committee model that Belfast is proposing all decisions made by the Council will be subject to ratification by full Council.
5.2	Members will be aware that, also under the Act, Councils will, from 2015, have a general duty of performance improvement imposed upon them (Part 12). This will require putting in place arrangements for delivering improvement objectives that are relevant to the Council and to local communities while making best use of resources and evaluating the impact of our actions on a continuous basis.
5.3	The proposed Committee structure set out above incorporates an 'outcomes and performance' function for each of the Standing Committees to ensure that this statutory obligation is met. The Committees will do this by monitoring and overseeing the various plans that they are responsible for delivering. At the strategic level this will include monitoring of the implementation of both the Community and Corporate Plans, in terms of the progress of activities and performance indicators, as well as overseeing the work of the new Leisure Trust, for example. At the operational level the Committees will monitor service delivery

	in the context of thematic outcomes and how well, and how efficiently, the organisation's objectives are being supported by our services. The operational committees will also have a role in overseeing how the needs of individual areas are being met as we begin to adapt and tailor services to address need. Further details on the performance role of the committees will be developed in line with the terms of reference for each committee.
5.4	In addition, in undertaking the community planning function, a mechanism will be put in place for agreeing the joint city priorities across agencies enabling elected representatives to both support agencies in meeting these agreements, but also challenge then when agreed actions are not implemented.
6.0	**Audit Panel**
6.1	Within our overall consultation process on governance, a Member workshop was held to review the possible role of an Audit Panel in the new Council. At the workshop Members identified a contining need for the Panel and made the following recommendations: • That it be known as the Audit and Risk Panel; • That it should meet at least four times per year; • That it should remain a Panel, rather than a Committee; • That the Panel should consist of one Member from each of the Political Party Groupings on the Council (up to six Members); • To continue with at least one independent Member on the panel; • That, to raise the profile of the Panel, it will report quarterly to Strategic Policy and Resources Committee with a specific report on the key issues arising at the Panel's last meeting and; • That audit issues requiring the attention of one of the new committees should be reported initially to the Strategic Policy and Resources Committee with a recommendation that they also be referred to the relevant Committee
7.0	**Area decision making**
7.1	Members are already involved in area working groups identifying local needs and priorities. In the new Council, governance structures will have to support the development of local areas plans, work with the operational delivery strand to agree services that might be specifically targeted in certain areas, and ensure that relevant thematic outcomes at city wide level are targeting local need.
7.2	As the lead body for community planning we want to encourage our partners to consider community planning as a way to articulate outcomes and priorities at the city level but also as a process that can inform, in an integrated way, decision-making, priority-setting and planning at the neighbourhood level.
7.3	To do this effectively over the coming months officers will assist Members in their area working groups to review the future role, function and structure of area working groups. Specifically, it is proposed that the following items are discussed: • Consideration of future geographic models of Council governance and what Council could fruitfully plan for on an area, as opposed to a city-wide basis; • And linked to this, local approach to community planning and regeneration, including engagement at a local level; • On-going work with LIF; • Development of the Council's physical programme at a local level;

	• Leisure Transformation Programme at a local level and; • Development of new terms of reference for the area working groups, effective from April 2015.

8.0	**Proposed Governance Structure**
8.1	Taking into account the levels of decision making and proposals set out above it is recommended that Belfast City Council adopts a traditional committee system and agrees in principle with five main standing committees, supported by area working groups (a diagram is attached at Appendix 2). The two regulatory Committees; Planning and Licensing, will have delegated authority to make decisions on behalf of the Council. The three remaining committees, SP&R, Place and Growth, People and Communities will have both internal and external roles and the recommendations from these committees will be referred to full Council for ratification. More detailed proposals on the role and remit of each committee including the review of the names of the Committees will be worked up for further consideration.
9.0	**Size of Committees**
9.1	There is no limit to the size of committees in a traditional committee model, and it is therefore up to individual Councils to determine this. In order to ensure inclusivity, across the Council and within parties, while remaining mindful of Members' time commitments, the optimum committee size to date has been 20 Members. This option allows all Members of the Council to sit on at least one committee.
9.2	Through the party group briefings there was general consensus that Council should retain 20 Members on each committee with the exception of the Planning Committee, where it was recognised that, given the quasi-judicial nature of planning, and the associated statutory requirements placed upon the Council, that this committee will require specific governance arrangements to be put in place in relation to, for example, the optimum size of a planning committee, code of conduct around planning, scheme of delegation etc. It was therefore agreed that the Planning Committee should be smaller and made up of 10 or 14 members.
10.0	**Appointment of Councillors to Committees**
10.1	The appointment of Councillors to committees must be undertaken at the AGM of the Council in accordance with Schedule 2 of the Local Government Act. Standing committees may be supported by working groups as required. Members will be aware that, for the operation of committees during the Shadow Period, the new Council selected the default 'Quota Greatest Remainder' method of appointing councillors to committees.
10.2	Consultation with the party groups during November indicated that this will continue to be the case for the new council.
11.0	**Positions of Responsibility**
11.1	The new Council will be required to decide upon a method for filling positions of responsibility and must then proceed to allocate each position over the full four year term (April 2015 to May 2019) at the AGM in March 2015 in accordance with Schedule 1 of the Local Government Act. The number of positions of responsibility will be dependent on the number of committees and also the number of Council representatives on external bodies.
11.2	The Act provides three possible methods for filling positions of responsibility - d'Hondt, Sainte Lague, and the Single Transferable Vote. The Council currently uses the d'Hondt method however a notice of motion was referred to the committee to *give due consideration to adopting the Sainte Laguë method.* This was discussed at party groups with the majority of parties still recommending d'Hondt. The d'Hondt method is the default method unless a qualified majority of Members decide to select one of the other options.

11.3	For the forthcoming four year term, the positions of responsibility will be extended to include external representatives of the Council. It is not possible to calculate the total number of external positions of responsibility until the DOE have completed an exercise to identify those outside bodies which will require councillor representation.
12.0	**Next Steps**
12.1	**Remuneration and Special Responsibility Allowances**
12.1.1	The new Council will be required to agree upon the breakdown of the £108,000 Special Responsibility Allowance (SRA) between Members of the Council during the first year (2015/2016). The Minister for the Environment has already agreed the scheme of allowances payable to Members of the new Councils in April 2015 (basic allowance, travel and subsistence, caring or dependent carer's allowance, etc) so no decision is required on that aspect of Member's remuneration.
12.1.2	The division of the Special Responsibility Allowance is based upon the positions held by individual Members either as Chair and Deputy Chair of Committees or as Officers within the Political Parties. The Shadow Council agreed upon a SRA allocation during the shadow period which was based on the same general principles that have been used to determine SRA allowance in the past.
12.1.3	These same principles were discussed with Members during party briefings in order to determine a suitable allocation of SRA during the first year of the new Council (2015/2016). Following feedback from the party groups the allocation model will be brought to committee for approval.
12.2	**A new Council Constitution**
12.2.1	The new Council will be required to publish a Council Constitution by the 30th April 2015.The key supporting governance related frameworks required by the date of the AGM will be (i) agreed **Standing Orders** which will set out how the new Council and associated Committees will operate; and (ii) a **Scheme of Delegation** outlining the delegated authority from Council to Committee and from Committee to Officers
12.2.2	Members shall note that the DoE has now issued a model constitution for consultation and a formal response is the subject to a separate report at this committee.
12.2.3	A draft standing orders document, based on both the regulations emerging from the DoE and the current Belfast City Council arrangements, will be issued to party groups for consultation in December with a view to bringing a revised set of standing orders for consideration by committee in January 2015.
12.2.4	Work to agree a new Scheme of Delegation to officers, as well as a Scheme of Delegation to the Planning Committee, is also ongoing and will be reported to Committee in due course.
12.3	**External Relations – the Council's role**
12.3.1	Fundamental to the work of all elements of the new governance structure will be the Council's connectivity to external partners at all levels in terms of developing and ensuring successful delivery of city and area plans. The internal governance structures will therefore need to input and relate to city wide frameworks, regional structures and local area partnerships.
12.3.2	As a result the standing committees (i.e. excluding the Regulatory Committees) will have a dual role relating to each of their areas of responsibility; the internal delivery of functions and services within each committees' remit and the external scrutiny of the relevant partnerships and outcomes agreed for the

	city and its neighbourhoods through the Belfast Plan and the contribution to key strategic documents including the Programme Government.
12.3.3	This role will evolve as priorities and outcomes are developed and as the new city wide governance structures are developed.
12.4	**Working Groups**
12.4.1	In moving forward and, given both the expanded remit of Members and the associated capacity and resource pressures that this creates, Members will need to explore the future role and status of Member Working Groups.
12.4.2	At this time there is a recommendation to retain the Budget Panel, possibly comprising the Chairs of the three main committees. In addition some form of working group to oversee Good Relations, such as the Good Relations Partnership Panel, will be required. A review of working groups is underway and proposals shall be brought back to committee in the New Year.
12.5	**Support to Members and Party Groupings**
12.5.1	The additional functions and responsibilities of the new Council will place a much greater demand on Members' time and will impact on their capacity to serve their constituents. Initial options for Members around the potential provision of additional political / policy assistance to Party Groups were discussed with the parties and, following feedback on these, further proposals will be developed.
13.0	**Resource Implications**
13.1	None
14.0	**Equality and Good Relations Implications**
14.1	None
15.0	**Call in**
15.1	This report is subject to call in.
16.0	**Recommendations**
16.1	It is recommended that Members: 1. Agree, in principle, the adoption of five standing committees; Strategic Policy and Resources, Place and Growth, People and Communities, Planning and Licensing, as detailed in the report and outlined in Appendix 1 2. Agree that four committees; Strategic Policy and Resources, Place and Growth, People and Communities and Licensing, shall each comprise 20 Members 3. Decide if the Planning committee should have 10 or 14 members 4. Agree the establishment of an Audit and Risk Panel 5. Agree the Quota Greatest Remainder method of appointing councillors to committees 6. Agree D'Hondt as the method for selecting positions of responsibility 7. Note and agree next steps in respect of ongoing work on area decision making, working groups,

	the development of the Council's Constitution and support to party groups
17.0	**Documents attached**
17.1	Appendix 1 – Draft Roles and Responsibilities of Committee Appendix 2 - Proposed Committee structure