

Wolverhampton City Council

Committee / Panel **STANDARDS COMMITTEE**

Date **19 November 2009**

Originating Service Group(s) **OFFICE OF THE CHIEF EXECUTIVE**

Contact Officer(s) **LINDA BANBURY**

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Title/Subject Matter **EXECUTIVE ARRANGEMENTS – LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007**

1.0 Recommendation

- 1.1 To note the options set out in the attached report for the adoption of one of two models of Leadership, either a directly elected Mayor and Cabinet , or a new style Leader and Cabinet, which are the subject of consultation.

1.0 PURPOSE

1.1 To note:-

- the requirement to adopt a model of governance in accordance with the Local Government and Public Involvement in Health Act 2007;
- the decision of Council on 4 November 2009 that, in accordance with the recommendation of the Special Advisory Group the Council determine that its' preferred model for the future governance arrangements of the Council, for the purposes of consultation, is the Leader and Cabinet Executive, where the Leader is elected from among the Members of the Council for a period of four years,

or until the Leader's current term of office as a Councillor ends. Cabinet Members are appointed by the Leader from Members of the Council

or unless the Leader is removed (by resolution of the Council) during the Leader's term of office.

[Note: Upon any change in the political control of the Council, there is a general acceptance amongst the political groups that the Leader would resign from that position thereby obviating the need for passing the necessary resolution. The Chief Legal Officer is currently drafting an appropriate revision to the Constitution to give effect to that arrangement.]

- that, following the period of public consultation, a further report will be submitted to the Special Advisory Group on a date to be determined and to an extra ordinary meeting on 16 December 2009 to consider the outcomes of public consultation and to determine its future governance arrangements and pass the necessary resolution.

2.0 IMPLICATIONS

2.1 This covering report has no equalities, financial or legal implications.

Wolverhampton City Council

Special Advisory Group

Date: 22 October 2009

Originating Service Group(s) Office of the Chief Executive/Customer and Shared Services

Contact Officer(s)/ Paul Tedstone/Susan Kembrey

Telephone Number(s) 5043/ 4910

Title **Executive Arrangements - Local Government and Public Involvement in Health Act 2007**

Recommendation

- (a) That the Council note the options set out in paragraph 2.5 of this report, which are the subject of public consultation.
- (b) That the Special Advisory Group propose to the full Council a preferred model for the Council's future governance arrangements for the purposes of public consultation
- (c) That, following the period of public consultation, a further report be submitted to the Special Advisory Group on a date to be determined and at an extra ordinary Council meeting on 16 December, 2009 to determine its future governance arrangements and pass the necessary resolution.

1.0 PURPOSE

1.1 To consider the requirement to adopt a model of governance in accordance with the Local Government and Public Involvement in Health Act 2007.

2.0 BACKGROUND

2.1 The Local Government Act 2000 put in place a new decision-making framework that introduced a separation of the decision-making and scrutiny roles of local authorities. Wolverhampton, in common with the majority of councils, adopted a Leader and Cabinet style of executive.

2.2 The Local Government and Public Involvement in Health Act 2007 contains provisions to require local authorities to choose one of two models of Leadership, either a directly elected Mayor and Cabinet, or a new style Leader and Cabinet.

2.3 The 2007 Act does not change the requirement for the Council to have arrangements to review and scrutinise executive decisions and any actions taken as a result of them (i.e.: Scrutiny Panels). Other 'non-executive' functions (e.g. development control, regulatory functions and Standards) also remain unaffected.

2.4 For metropolitan Councils, this change in governance must come into force from May 2010. The Council must pass a resolution giving effect to the change by 31 December, 2009, having first consulted with the public and other interested persons and drawn up of formal proposals for governance arrangements.

2.5 The amendments introduced by the Local Government and Public Involvement in Health Act 2007 make provisions for Executive Arrangements in that the Executive of the Council must take one of two forms:

- A Leader and Cabinet Executive, where the Leader is elected from among the members of the Council for a period of four years, or until the Leader's current term of office as a Councillor ends. Cabinet Members are appointed by the Leader from members of the Council.
- A Mayor and Cabinet Executive, where the public directly elects the Mayor for a four-year term and Cabinet Members are appointed by the Mayor from members of the Council.

2.6 The main difference between the two forms of Executive Arrangements is that in the Leader and Cabinet Executive (England) model, the Council may include provisions to allow it to remove the Leader (by resolution) during the Leader's term of office. In the Mayor and Cabinet Executive model, the Mayor is directly elected and cannot be removed by the Council during his or her term of office.

2.7 The adoption of either of the models will represent a change in Executive Arrangements from the current Leader and Cabinet model operated in Wolverhampton. The Act therefore requires that the Council undertake a review of its Executive Arrangements, to come into force on the third day after the Council elections in 2010. If the Council wishes to adopt the Leader and Cabinet Executive model, the Constitution will still need to be amended so that its arrangements are compliant with the new requirements.

2.8 Functions that are within the remit of the full Council remain unchanged by the 2007 Act. The Council will continue to elect a traditional civic ceremonial Mayor and Deputy Mayor of the City on an annual basis and their roles will not be altered by either of the forms of Executive.

2.9 The legislation sets out the following process for change:-

- Before drawing up proposals, the Council must take reasonable steps to consult local government electors and other interested persons in the area.
- The Council should draw up proposals, which will include the proposed changes to the Constitution, the implementation timetable and any transitional arrangements. The Council should consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Once the proposals have been drawn up, the Council must make them available to the public and advertise that they are available, although there is no further requirement for consultation at this stage.
- The Council must resolve to implement the proposals by 31st December, 2009.

The Council is not required to hold a referendum as its current arrangements were not approved by referendum. A referendum would only be required should there be a move to adopt the Mayor and Cabinet Executive model.

2.10 The Council must consult the public and other interested persons before drawing up proposals, and resolve by 31 December, 2009 which of the governance models it proposes to adopt. Following the end of the consultation period, a further report will be presented to the Council seeking formal approval to the changes. This report will include the necessary amendments that are required to the Council's Constitution.

2.11 The Act provides that if an authority fails to implement these provisions, the Secretary of State can intervene in the period before May 2011 and by order, prescribe the application of the Leader and Cabinet Executive (England) model as from May 2011. Such failure would obviously damage the reputation of the Council and be seen as a weakness in the Council's corporate governance arrangements.

2.12 The attached timetable sets out the proposed consultation period which it is suggested should commence on 23 October and run until 20 November 2009.

3.0. **EQUALITIES IMPLICATIONS**

3.1 Changes to the Council's governance arrangements will have no direct implications for the Council's ongoing commitment to equality and diversity. The consultation process is open to all sections of the community, including children and young people.

7.0. **FINANCIAL IMPLICATIONS**

7.1 There is a cost associated with the public consultation exercise, however, this will be minimised as far as possible by using the Council's website and existing channels of communication and consultation. However, the publication of a public notice in the Express and Star will involve moderate expense of up to £500.

7.2 The adoption of the Leader with Cabinet Executive system will have no additional financial implications compared to the present governance arrangements. A directly elected Mayor with Cabinet Executive system would involve an additional substantial cost to the Council due to running a referendum and/or an election.

8.0 LEGAL IMPLICATIONS

8.1 The provisions relating to the Executive Arrangements to be adopted by local authorities are contained in the Local Government Act 2000, as amended by the Local Government and Public Involvement in Health Act 2007.

Timetable

| Action | Who | Date |
|---|------------------------|---|
| Seek comments on preferred model and arrangements for consultation | Special Advisory Group | 22 October 2009 |
| Agree proposals for consultation | Council | 4 November 2009 |
| Carry out public consultation and report back to Special Advisory Group | Chief Legal Officer | Consultation period to run from 23 October – 20 November 2009 |
| Consider outcome of consultation and draft proposals for change in governance arrangements and decision making path | Special Advisory Group | Date to be agreed in December 2009 |
| | Cabinet | 14 December 2009 |
| Approve proposals for a change in governance arrangements | Council | Extraordinary Meeting 16 December 2009 |
| Give public notice of proposals | Chief Legal Officer | 17 December 2009 |
| Inform Secretary of State of change in governance arrangements | Chief Legal Officer | 17 December 2009 |
| Give public notice of change in governance arrangements | Chief Legal Officer | January 2010 |
| Facilitate new governance arrangements | Chief Legal Officer | Preparation in the run up to the May 2010 elections |

PUBLIC NOTICE

NOTICE OF CONSULTATION **LOCAL GOVERNMENT AND PUBLIC** **INVOLVEMENT IN HEALTH ACT 2007**

Pursuant to Section 64 of the Local Government and Public Involvement in Health Act 2007 (the Act) Wolverhampton City Council is conducting consultation between 23 October 2009 and 20 November 2009 with local government electors and other interested parties on the revised forms of Executive Arrangement that are permitted under the Act.

If you would like further information on the forms of Executive Arrangement permitted under the Act or if you would wish to participate in the consultation please visit our website at www.wolverhampton.gov.uk or contact Paul Tedstone, Democratic Services Manager, Tel: 01902 555043 or e-mail: paul.tedstone@wolverhampton.gov.uk

Dated: 23 October 2009

Wolverhampton
City Council



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Wolverhampton City Council - Executive Arrangements

Under changes in legislation, local authorities are having to re-consider their decision-making arrangements which were introduced under the Local Government Act 2000.

Wolverhampton City Council has to make a decision on its arrangements by the end of 2009, so that they will be in place to operate immediately after the Council elections in May 2010.

Currently, the Council's 60 elected Councillors elect both a Leader, and nine other Councillors known as Cabinet Members. The Leader, together with these 9 Members, form the Council's Cabinet.

The Cabinet leads the process of policy development making recommendations to Council on major policies, the budget and the setting of the Council Tax. The Cabinet, or individual Cabinet Members, make most of the operational policy decisions on behalf of the Council. This model has worked well in Wolverhampton since its formal introduction in 2000.

The two options available to the Council in the future are:

- **A Leader and Cabinet Executive**, where (as at present) the Leader is a Councillor appointed by the full Council but (unlike at present) the Leader, and not the Council, appoints the other (maximum nine) Councillors to the Cabinet. Once appointed, the Leader holds that position for four years, or until his/her current term of office as a Councillor expires. The Council can also adopt the power to remove the Leader earlier by a Council resolution to that effect.
- **A Mayor and Cabinet Executive**, where there is a Mayor directly elected by the public who then appoints up to nine Councillors to the Cabinet Executive. Once elected the Mayor cannot be removed from office by the Council and would serve for a full four year term.

The first of these options is similar to the Council's existing arrangements. The Council continues to appoint a civic and ceremonial Mayor and Deputy Mayor, which will not be affected by any future decision.

Since 2000, the Council has considered that the Leader and Cabinet model is best suited to Wolverhampton. It places strong visible leadership in the hands of a Leader chosen by elected Councillors, and supported by a Cabinet with clearly defined areas of responsibility. The Council's Overview and Scrutiny arrangements, through the Scrutiny Board and 6 Scrutiny Panels, will not be affected by these proposals. Similarly, our other Statutory and Regulatory Committees will remain unchanged.

The adoption of the Leader with Cabinet Executive system would have no additional cost implications compared to the present governance arrangements. Pursuing a directly elected Mayor with Cabinet Executive system would require the Council to run a referendum and/or an election.

The Council has to make a final decision about its future executive arrangements by the end of 2009. However, before putting together detailed proposals about the new arrangements, we want to hear from you about the two options available.

You can contact us online, or by writing to the address below.

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