

**Time** 10.00 am **Public Meeting?** Yes **Type of meeting** Advisory group  
**Venue** Committee Room 4 - Civic Centre

## Membership

**Chair** Cllr Alan Bolshaw (Lab)

### Labour

Cllr Ian Brookfield  
Cllr Craig Collingswood  
Cllr Celia Hibbert  
Cllr Milkinderpal Jaspal  
Cllr Rita Potter  
Cllr Sandra Samuels OBE  
Cllr Stephen Simkins

### Conservative

Cllr Wendy Thompson  
Cllr Simon Bennett

Quorum for this meeting is three Councillors.

## Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

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# Agenda

## Part 1 – items open to the press and public

<i>Item No.</i>	<i>Title</i>
1	<b>Apologies for absence</b>
2	<b>Declarations of interest</b>
3	<b>Minutes of the previous meeting</b> (Pages 3 - 4) [To approve the minutes from the previous meeting held on 28 February 2020 as a correct record.]
4	<b>Matters arising</b>
5	<b>Boundary Review - The Next Steps</b> (Pages 5 - 10) [To receive an update on the next steps for phase two of the electoral review.]
6	<b>Modernising the Political Structure</b> (Pages 11 - 42) [To receive a report on the Modernising of the political structure.]
7	<b>Report of the Independent Remuneration Panel</b> (Pages 43 - 68) [To receive the recommendations made by the Independent Remuneration Panel].
8	<b>Any other business</b>

## Attendance

### Members of the Governance Committee

Cllr Alan Bolshaw (Chair)  
Cllr Ian Brookfield  
Cllr Craig Collingswood  
Cllr Rita Potter

### Employees

David Pattison	Director of Governance
Tim Johnson	Chief Executive
Kirsty Tuffin	Democratic Services Officer

## Part 1 – items open to the press and public

*Item No.*    *Title*

- 1 Apologies (If any)**  
Apologies were received from Councillor Celia Hibbert, Councillor Sandra Samuels, Councillor Stephen Simkins.
- 2 Declarations of interests**  
There were no declarations of interest.
- 3 Minutes of the previous meeting**  
That the minutes from the previous meeting on 19 February 2020 be approved as a correct record.
- 4 Modernising the Political Structure**  
Councillor Ian Brookfield, Leader of the Council and Tim Johnson, Chief Executive, presented a presentation on Modernising the Political Structure. The presentation outlined the proposed changes to the political structure to help improve Councillor involvement and influence. The Committee were advised that a comprehensive review of the Scrutiny Structure had taken place and some significant changes were being proposed. It was proposed that six Cabinet Advisory Groups be introduced and the terms of reference for these groups would be determined by the Leader. It was envisaged that each Cabinet Advisory Group would have 3-4 members appointed with the opportunity for other Councillors to be invited to attend.

Following concerns of Councillor attendance, it was agreed that an attendee list be considered at Governance Committee meetings to assess if attendance improved once the new changes had been implemented. It was agreed that a Frequently

Asked Questions document be developed on the proposed governance changes and the full recommendation for Full Council be included in the document.

Following discussion of Special allowances (SIA's) for Councillors, David Pattison, Director of Governance, advised the Committee that a report would be going to the Independent Remuneration Panel on 3 March 2020 and a report from the Panel would be presented at the next Governance Committee. It was agreed that a further update be provided at the next Governance Committee meeting due to take place on Thursday 19 March prior to the report going to Full Council.

Resolved:

1. That the presentation on Modernising the Political Structure be noted.
2. That it be agreed that an attendee list be presented to a future Governance Committee to assess if attendance improved once the new changes had been implemented.
3. That it be agreed that a Frequently Asked Questions document be developed and the full recommendation for Full Council be included in the document.
4. That it be agreed that the recommendations from the Independent Remuneration Panel be presented at the next Governance Committee.
5. That it be agreed that a further update be provided at the next Governance Committee meeting due to take place on Thursday 19 March prior to the report going to Full Council.

CITY OF <b>WOLVERHAMPTON</b> COUNCIL	<b>Governance Committee</b> 19 March 2020
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<b>Report title</b>	Boundary Review – The Next Steps	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield Leader of the Council	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All	
<b>Accountable director</b>	David Pattison: Director of Governance	
<b>Originating service</b>	Democratic Services	
<b>Accountable employee</b>	Isaac Vivian	Project Manager
	Tel	01902 551065
	Email	<a href="mailto:Isaac.vivian@wolverhampton.gov.uk">Isaac.vivian@wolverhampton.gov.uk</a>

**Recommendation:**

The Governance Committee is recommended to agree:

- the planned next steps set out in the report for phase two of the electoral review that is currently being undertaken by the Local Government Boundary Commission for England (LGBCE).
- That a full report, based on the recommendations of the working group, will be brought to Governance Committee in July 2020, outlining the Council's recommended ward boundaries to the LGBCE.

**1.0 Purpose**

- 1.1 To update Governance Committee on the planned next steps for phase two of the electoral review that is currently being undertaken by the LGBCE

**2.0 Background**

- 2.1 As we know the LGBCE routinely carries out reviews of local authorities. An electoral review assesses an authority's council size and number/size of ward boundaries. They are initiated to improve electoral equality by ensuring the ratio of electors to councillors in each ward is balanced.
- 2.2 The LGBCE can be invited at the request of a local authority, or they can perform an intervention where over 30% of wards have an electorate of +/- 10% from the average electorate for the authority. As Wolverhampton has 31% of wards with a variance of +/- 10% of the average electorate the LGBCE have intervened.
- 2.3 Phase One of the project has involved submitting the Council's recommendation on the future Council size of the local authority along with other information requested by the LGBCE. Phase Two will involve the LGBCE consulting on the ward boundaries within the City.
- 2.4 Regarding Phase One, Full Council gave approval on 4 March 2020 to submit the response to the LGBCE. The response was sent to the LGBCE on 9 March 2020 in advance of the deadline of 10 March 2020.

**3.0 Phase One and Two Timelines**

- 3.1 The below timeline outlines the activity taking place concerning the Council Size Submission. This was undertaken as part of phase one of the LGBCE's electoral review.

Dates	Activity
4 March	Council Size Submission presented to Full Council
10 March	Council Size Submission and other required information submitted to the LGBCE
April	LGBCE confirms Council Size

- 3.2 The high level key dates for the remainder of the electoral review, ie Phase 2, are set out on the table below.

Dates	Activity
12 May	LGBCE Community Briefing on ward boundary review.
12 May	LGBCE begins initial consultation on ward Boundaries.
20 July	LGBCE ends initial consultation on ward boundaries.  Council submits its ward boundary recommendations to the LGBCE by this date.
27 September	LGBCE begins second phase of consultation on the draft ward boundary recommendations.
7 December	LGBCE ends consultation on draft ward boundary recommendations.  Council submits its comments by this date.
2 March 2021	LGBCE presents final ward boundary Recommendations.
May 2022	Elections occur with new ward boundaries.

#### 4.0 Proposed next steps to be undertaken by the Council

- 4.1 The next key piece of work is to decide how the Council should work on the producing the response to where the ward boundaries should be, once we have had the details on how many Councillors the Council will have.
- 4.2 The suggestion is that, as happened in relation to the 2003 review, a working group of Councillors should be established with support from officers, to come up with proposals. These proposals will need to be focused on the LGBCE's key tests:
- A. Delivering electoral equality for local voters. This means ensuring that each Councillor represents roughly the same number of voters so that the value of your vote is the same regardless of where you live in the local authority area.*

*B. Interests and identities of local communities. This means establishing electoral arrangements which, as far as possible, avoid splitting local ties and where boundaries are easily identifiable.*

*C. Effective and convenient Local Government. This means ensuring that the wards can be represented effectively by their elected representative(s) and that the new electoral arrangements, including both the council size decision and warding arrangements, allow the local authority to conduct its business effectively.*

- 4.3 It is recommended that the Working Group reports in to Governance Committee but is not a formal sub-committee to ensure that there can be a flexible approach in terms of organising the number of meetings.
- 4.4 It is recommended that the number of Councillors on that working group is kept to a manageable number, e.g. six, and is politically balanced and that it meets on a regular basis e.g. fortnightly to work up the proposals based on key information and evidence from officers to ensure that the key tests above are met. The work on producing the information to support the discussions has already started.
- 4.5 It is also proposed that we will keep discussions with the LGBCE open throughout the process so that we can ensure that they are taking the Council's position into account.
- 4.6 The timeline below details the Council's planned activity during Phase 2 of the electoral review.

<b>Dates (2020)</b>	<b>Activity</b>
2 March to March 25	GIS team to construct tool that enables the working group to alter boundaries and receive live electorate data with every alteration.
19 March	Take planned next steps of the Electoral Review to Governance Committee
19 March	Officers to attend briefing by the LGBCE explaining the ward boundary consultation process
25 March to June 8 (provisional dates)	Working group to discuss and finalise recommended ward boundaries.
10 June (provisional date)	Submit report to Executive Team
15 June (provisional date)	Take draft ward boundary recommendations to Executive Team



24 June (provisional date)	Submit report to Governance Committee
3 July (provisional date)	Take draft ward boundary recommendations to Governance Committee
7 July (provisional date)	Submit report to Full Council
15 July (provisional date)	Take ward boundary recommendations to Council for Approval*
20 July	Recommended ward boundaries submitted to the LGBCE

*\* It should be noted that the LGBCE states in its guidance that the Council's recommendations will be considered on an equal basis to other recommendations proposed by community groups, political groups, residents, etc.*

## **5.0 Financial implications**

5.1 It is anticipated that any activities supporting the Boundary Review process will be undertaken utilising existing budgeted staffing resources.  
[GE/09032020/V]

## **6.0 Legal implications**

6.1 The planned activity has no direct legal implications attached to its delivery.  
[Legal Code: TS/09032020/R]

## **7.0 Equalities implications**

7.1 A full equalities analysis has been completed in light of this report.

## **8.0 Climate Change and Environmental implications**

8.1 There are no Climate Change and Environmental implications attached to this report.

## **9.0 Human resources implications**

9.1 There are no human resources implications attached to this report.

## **10.0 Corporate landlord implications**

10.1 There are no corporate landlord implications to this report.

## **11.0 Health and Wellbeing implications**

11.1 There are no health and well-being implications attached to this report.

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CITY OF <b>WOLVERHAMPTON</b> COUNCIL	<h1>Governance Committee</h1> <h2>19 March 2020</h2>
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<b>Report title</b>	Modernising the Political Structure	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield, Leader	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All Wards	
<b>Accountable director</b>	David Pattison, Director of Governance	
<b>Originating service</b>	Governance	
<b>Accountable employee(s)</b>	David Pattison	Director of Governance
	Tel	01902 553840
	Email	David.Pattison@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Governance Committee	19 March 2020

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**Recommendation(s) for action or decision:**

The Governance Committee is recommended to:

1. Agree that the proposed changes to the Council's Governance structures, set out in the report, are taken to Council on 1 April 2020 including:
  - a. Reduction of the number of Cabinet Committees from 3 to 1.
  - b. Introduction of Cabinet Advisory Groups.
  - c. Realignment of Scrutiny structures so that there is a formal Scrutiny Committee, the Scrutiny Board, with 2 sub-committees namely a health scrutiny panel and an Our Council Performance Panel.
  - d. Introduction of Select Committee Reviews (Review Groups), commissioned by the Scrutiny Board, and reporting to the Board and to Council.

## 1.0 Purpose

- 1.1 To seek to modernise the Council's political structure, in particular;
- a) the way in which scrutiny is carried out, ensuring more focus on key issues.
  - b) providing greater opportunity for wider Councillor involvement in the executive including policy formulation and development.
  - c) reducing the number of Cabinet Committees from 3 to 1.
  - d) Providing emphasis on monitoring and challenging Council performance through a new more robust 'Our Council' Performance Board.

## 2.0 Background

2.1 **Scrutiny** - When the Local Government Act 2000 introduced the new models of Governance, including the model that this Council uses – Leader and Cabinet, it set up a scheme of scrutiny, to ensure that there was an oversight and a way of involving those Councillors who were not members of the Cabinet in certain decisions. However, it is clear, through Government guidance and through feedback nationally, that Scrutiny has not worked as was anticipated.

2.2 The Government's intention is for Scrutiny, as set out in the guidance issued in 2019 see [here](#), to:

- *Provide constructive 'critical friend' challenge;*
- *Amplify the voices and concerns of the public;*
- *Be led by independent people who take responsibility for their role; and*
- *Drive improvement in public services.*

2.3 The Council's current structures for scrutiny are complex and hard to navigate. Whilst a lot of effort and time has been put into the scrutiny reviews and some good results have, at times, been secured, there is a clear view that they could be more focused and that there should be closer link between the reviews and Council/any decisions reached and ultimately on delivery of the Council Plan.

2.4 There is now an opportunity to review how scrutiny works and to ensure that it is focused on the issues that matter, including:

- focus on performance – particularly on how the Council is performing on delivering on the Council Plan this will be through a "Our Council Performance Panel" that will ensure that the Council is held to account on performance and will regularly receive reports on how it is performing against its key priorities (as set by Council).
- focus on statutorily required matters including health/crime and disorder.

- focus on key stand alone topics that can shape the Council's response to key issues/opportunities, particularly on the issues that are covered in the Council Plan – it is proposed that this is through Select Committee style reviews that take the approach adopted in Westminster and will call witnesses, both from inside and outside the Council, and will have clear set terms of reference (by Scrutiny Board) and will then report to Scrutiny Board and Council and will track how the recommendations have been implemented over a period of time.

2.5 This report seeks to set out an alternative approach that will lead to more effective and focused scrutiny, with an easier and more understandable set of rules governing it.

2.6 It is proposed that Scrutiny Board would remain with the current number of members and would have overall responsibility for:

- Developing, co-ordinating and implementing the annual work programme - commissioning 'task and finish' Review Groups via lead members (ie "Select Committees)
- Tracking the outcome of the outcomes set through the Select Committees and of other actions and calling relevant Councillors/Officers to provide an account on progress
- Reviewing executive decisions under the Call-in procedures and pre-decision scrutiny
- Ensuring Education statutory co-optees are provided with the support they require
- Leading consultation on the Budget
- Receiving petitions and consider Councillor Calls for Action (CCfA) as set out in the Constitution
- Taking responsibility for the scrutiny of monitoring reports both external and internal, e.g. reports from OFSTED, the Care Quality Commission (CQC) and Healthwatch.

Terms of reference between Cabinet and Scrutiny Board will be agreed by the Scrutiny Board setting out how the relationship works and the flow of information to and from Scrutiny Board.

2.7 Attached at appendix 1 are a set of Frequently Asked Questions and at appendix 2 is a diagram marking out how the new structure is proposed to operate and at appendix 3 is an example how performance reporting currently takes place and how it would take place under the proposed arrangements. Enclosed at appendix 4 are draft rules for Overview and Scrutiny. Additional changes to the constitution will also be necessary and will be put to Council should the approach be agreed by Governance Committee.

- 2.8 The role of scrutiny is a key one, and one the Council is committed to. It is critical that, as per Government guidance, the Scrutiny Board is able to provide a constructive critical friend challenge. The approach of the Council is, where appropriate, to use pre-decision scrutiny and that will continue. In order to strengthen the ability of the Scrutiny Board to provide that constructive 'critical friend' challenge it is proposed to make it easier for decisions to be called in to Scrutiny Board. Currently the rules provide that only named postholders can call decisions to scrutiny namely; the Chair and Vice Chair of Scrutiny Board and the Leader/Deputy Leader of the Opposition. It is proposed that the rules are amended so that any 3 Councillors can call a decision to Scrutiny or any 2 of the chairs or Vice Chairs of Scrutiny Board or Scrutiny Panel. It is also critical that the meetings are transparent and open and as such any Councillor or officer can attend the meeting of the Scrutiny Board as can any member of the public.
- 2.9 It is proposed that, as set out above at paragraph 2.4, in addition to the 3 established Scrutiny Committees/Sub-Committees that there would also be 3 Select Committees established to focus on key issues that impact on the City and its communities. These would look at issues that reflect the Council's emerging priorities/opportunities. They will in turn then review the progress of previous reviews and keep a rolling account of this. Topics that could be looked at include:
- New Communities
  - Youth Violence
  - International Relations
  - Events within the City
  - Wolves@Work
  - Organisational Development
  - Deprivation- place based approach
- 2.10 It is critical that we keep the changes, if approved, under close review to see if they achieve the key factors identified at para 1.1 of the report. It is intended that the changes would be a standing item on the Governance Committee. As part of the changes the Governance Committee's meetings will be made more regular and a work programme will be set for it. It is also an option for there to be Councillor surveys to find out what is work well and what might need to be changed, the proposed approach is a flexible one so that we can quickly change anything that is not working as we might want.
- 2.11 **Councillor engagement** - Another challenge with the governance structures set up under the LGA 2000 has been the way in which non-executive Councillors (ie not members of Cabinet) can be involved in decisions and in particular policy formulation, at an early stage.
- 2.12 This report also seeks to address this issue and provide a mechanism for improved backbencher involvement and ultimately to provide policy/strategic recommendations and assist in reviewing/supporting cross cutting priorities/opportunities.

- 2.13 It is proposed that a number of Cabinet Advisory Groups are set up, the exact number, remit and anticipated outcome of the Cabinet Advisory Group (CAG) will be determined by the Leader in conjunction with the appropriate Cabinet Member and the appointed CAG Chair. The constitution will provide that the Leader has the power to set up more should up (or to dissolve) a CAG at any point. The generic role of CAG will be to:
- Consider and make recommendations on key policy areas
  - To represent the council on external forums
  - To work with the Cabinet Member to undertake a 'deep dive' or lead 'task and finish' work on key issues or opportunities
- 2.14 It is intended that the Constitution will allow for flexibility in the number of Cabinet Advisory Groups, however, at this stage, it is envisaged that there will be 7, namely:
- An overarching Cabinet Advisory Group for resources (made up of the Chairs from each of the Cabinet Advisory Groups)
  - Cabinet Advisory Group for Climate Change
  - Cabinet Advisory Group for Regeneration
  - Cabinet Advisory Group for Children and Young People
  - Cabinet Advisory Group for Our Residents
  - Cabinet Advisory Group for Healthy Communities
  - Cabinet Advisory Group for Regional Working
- 2.15 The role of the Chair of the Cabinet Advisory Group will be a key one, as they will be responsible for setting the work programme and for shaping the approach taken by the Cabinet Advisory Group. It is intended that this role will attract a Special responsibility Allowance.
- 2.16 As the groups are focused on policy development, ie as Policy Development Groups, they are not formal Cabinet Advisory Committees and there is therefore no requirement for them to be politically balanced or for the meetings to be public. However, there is no reason why any other political group could not set up their own version of a CAG or Policy Development Group, with appropriate support from Council officers. It is also open to the CAG Chair to invite others, not on the relevant CAG, to attend the meeting.
- 2.17 **Cabinet structures** - Currently the Leader and Cabinet model is set up in a way that involves there being a main Cabinet Committee (made up of all 10 members of the executive) and two separate Cabinet Committees (also made up of all 10 members of the executive), these are:
- Cabinet (Resources) Panel
  - Cabinet (Performance Management) Panel
- 2.18 This report seeks to streamline the process for Cabinet and to move from 3 Cabinet Committees to 1, with all of the same issues covered by that one Committee. The responsibility for each of the existing panels would simply be subsumed within the one Cabinet meeting, this may well mean that the current Cabinet meetings are longer but

there will be slightly fewer meetings. It is intended that performance is assessed by a Scrutiny sub-committee, rather than the existing Cabinet (Performance Management) Panel and this would provide greater independent oversight and ultimately greater challenge and monitoring of how the Council is delivering on its plans.

### **3.0 Progress, options, discussion, etc.**

3.1 The Cabinet model of governance, has a number of challenges nationally, in particular:

- a. In some authorities there has been a sense of a disconnect between those Councillors who are in the Cabinet and the rest. At some authorities, this can lead to the majority of Councillors in any Council feeling disengaged from the policy and decision-making processes of the Council;
- b. in many cases, Councils across the country have sought to fill this gap by giving non-executive Councillors a role in scrutinising decisions once they are made. But this is seldom viewed as a fulfilling role by the majority of Members who participate on scrutiny boards or panels. At worst, scrutiny is either ineffective in examining performance or decision making, or over-used, dragging down a Council's decision-making capability;
- c. the combination of a small number of policy makers and a high number of scrutineers can lead to a defensiveness in decision making and a political over-emphasis on routine issues at the expense of giving political direction to the strategic issues facing Councils across the country (and their wider sub-regions) – at a time when the challenges and opportunities facing Councils are more pronounced than ever;
- d. in many Councils there is a perceived lack of transparency associated with the Cabinet model and a view that decisions are taken 'behind closed doors;' and

3.2 The primary goals of any change should, therefore, be to:

- a. Involve more Councillors in the decision-making processes of the Council, particularly those of most strategic importance;
- b. Allow for effective and efficient decision making;
- c. Reduce the amount of time and attention given to scrutiny of decisions once the draft is finalised;
- d. Signal the importance of any changes by explicitly linking new structures to Council Plan priorities;
- e. Allow for more flexible mechanisms to explore, in depth, the most strategic and/or cross cutting issues facing the Council;
- f. Preserving a broad balance of Special Responsibility Allowances as the shift is made away from scrutiny once a draft decision is ready to one that involves Councillors more in policy formulation at an earlier stage.



- 3.3 Options for Change - There are four main options for involving a wider range of Councillors in the formulation and development of policies and in decision making;
- a. Adopting a Committee System rather than the Cabinet model;
  - b. Introducing Area Committees;
  - c. Involving Councillors informally in policy development within the existing Cabinet model;
  - d. Putting Councillor involvement in policy development and decision making on a more formal basis, including revisions to the Constitution.
- 3.4 **Committee System** - There has been renewed interest among Councils across the country in moving to a Committee system although the Cabinet model remains by far the more popular form of governance.
- 3.5 The commonest arguments in favour of a Committee system are that:
- all Members have the opportunity to be directly involved in decision making;
  - decisions are made through politically balanced Committees;
  - the resulting greater cross-party debate leads to better decision making and consideration of all alternatives; and
  - all decisions in are made in a public meeting.
- 3.6 And the most frequent arguments against are:
- decision-making is opaque. It is not always clear which Committee leads on what cross-cutting issue and the early application of the whip limits accountability, consideration of all options and genuine debate;
  - individual responsibility and accountability and the role of a Leader is less clear;
  - Committees lead to silo working and poor external engagement;
  - there are higher costs in officer support and administration; and
  - decision making is slow with and cumbersome.
- 3.7 Councils that have moved recently to a Committee system have sought to minimise the disadvantages by adopting a streamlined Committee system. This has meant, typically, having a small number of Committees with a Policy and Resources Committee having a first among equals role of taking urgent decisions or otherwise resolving differences in views amongst other Committees. There is no requirement to have Scrutiny Committees in a Committee system, though some Councils have retained one or two. SRAs are usually payable to the Chair and Vice Chairs for the Policy and Scrutiny Committees and, as now, Regulatory Committees such as Planning and Licensing.
- 3.8 A move to a Committee system would meet some but not all of the goals set out above. Crucially, however, timing is a major consideration. A resolution changing a Council's form of governance from a Cabinet to a Committee model (or vice versa) may only take effect from the Annual Council meeting in May. Once such a change is made, it is highly

unusual for a change back to the previous model to be made within five years. As a rule of thumb the Centre for Public Scrutiny suggests that Councils need about six-months as a minimum from formal resolution at Council to the “change date” three days following the Council AGM. This would need the Council to approve a proposed change in October/ November. Given the work that would be required to prepare for a Committee system, it is not a realistic option for introduction in 2020 and would take some time and there are more effective approaches that are available to us.

**3.9 Area Committees or Forums** - A number of Councils have set up area based committees or others which give a more visible role for Councillors in leading engagement with their communities. For example:

- Sunderland has 5 area Committees comprising Members from the area’s wards. Their role is to:
  - a. identify the main priorities that reflect the biggest need in the area;
  - b. monitor the quality and effectiveness of services delivered by the council and other main providers in the area;
  - c. develop efficient and effective solutions to local area priorities as well as supporting city wide issues; and
  - d. encourage local residents to become involved in decision making on matters which affect them. Each Area Committee is supported by both a People and Place Board. The Boards are practical, action-oriented panels working to deliver on the priorities set by the Area Committee;

3.10 These initiatives, and some others around the country, have been valuable. However, they have often struggled to give Councillors and residents a fulfilling role. Even where they have been successful in reinvigorating Members’ external engagement with their wards, the very local focus of area forums is unlikely to affect the strategic goals for change identified above.

**3.11 Informal Councillor Involvement in policy development and decision making** - Councils have used informal and formal approaches to countering the criticisms of the Cabinet model of governance. The informal include:

- Portfolio holders giving a report to Full Council that highlight forthcoming decisions and not just those that have been made and/or portfolio holders being explicit with backbench Councillors that they would welcome informal input on proposals at any time,
- Briefings for all Members on important issues. In Coventry, for example, a peer review found that such briefings to inform councillors about topical matters, “*can be resource intensive but they provide for an inclusive and thorough approach that engages councillors at all levels.*” Wyre Forest has something similar, along with a system of Member champions to harness “*the skills, talent and enthusiasm of*

*councillors from all political groups to support key priority areas and major projects – town centres, skills, connectivity and business enterprise;”*

- Residents and external groups being invited in at an early stage of the decision making process in order to increase public engagement and benefit from external knowledge;
- Appointing Assistant Cabinet Members to work with portfolio holders on their areas of responsibility (sometimes with and sometimes without the role attracting an SRA);
- Setting up informal policy groups. In Luton, for example, each political group is able to establish policy groups to explore issues that are important to them. Officers attend to provide input. The agenda for the meetings are shared with the other political groups, reflecting a commitment to support transparency. On the other hand, there is a risk that time and effort absorbed by serving the Policy Groups could become disproportionately burdensome relative to the benefits derived from them, particularly if they fail to consider priority or strategic issues;
- Holding one-off or regular events to involve all Members in policy direction. In Knowsley, for example, this is achieved through an annual Policy Studies meeting that, according to a peer review report, *“provides a valuable opportunity for all members and senior officers to meet informally to explore issues and think ahead about the Council’s future priorities and ways of working.”* In Watford, the peer review found *“good member-led strategic forums for policy development that have helped to create an open and positive culture for discussions about the future.”*

Each of them does something to improve participation and transparency; however, none of them in isolation or even in combination fully meets the goals for change identified above. To do that, some more formal mechanisms would need to be adopted.

3.12 **Constitutionally established mechanisms** - An interesting model is that of advisory groups to the Executive. This model is primarily associated with Kent County Council, although some other Councils have also adopted it. In Kent, the role of the Advisory Committees is formalised in the constitution along the following lines – “They shall:

- *Consider and either endorse or make recommendations on the statutory key and significant decisions to be taken by the Leader, a Cabinet Member, the Cabinet or officers;*
- *Assist and advise the Leader, Cabinet Members, the Cabinet and officers in the development of the policy framework;*
- *Review the performance of the functions of the council that fall within the remit of the Cabinet Committee in relation to its policy objectives, performance targets and customer experience;*
- *Make reports and recommendations to the Leader, Cabinet Members, the Cabinet or officers;*

- *Hold a maximum of 2 debates at each meeting on petitions that have reached the signature threshold.”*

3.13 They have the power to request Cabinet Members and senior managers to attend before them and answer questions and question and gather evidence from any person. The membership, terms of reference and number of Committees are determined by the Leader. Currently there are 6 such committees. Each Committee tends to meet around 6 times a year.

3.14 A peer challenge review of Kent, albeit carried out in 2014, contained the following findings:

*“Cabinet Committees and Standing Committees provide a good forum for engagement and debate for backbench members. Committee Chairs are well informed and enthused about their opportunities to be briefed and to challenge before decisions are taken by Cabinet. They feel that the role of Cabinet Committees in debating decisions that will be put to Cabinet is less adversarial than the more conventional scrutiny model ----- Backbench members spoke very highly of their engagement with the Council --- All members spoke positively about the on-going opportunities for member development, including informal briefings. There was a strong sense that Cabinet members genuinely want backbench members to be informed and that officers understand and respect the role of backbench members and will provide formal and informal briefings that are tailored to the experience and expertise of individual backbench members. Given the political make-up of the Council and a need to collectively deliver the transformation programme this is very positive and significantly better than relationships in many other councils.*

3.15 In large part the power of the Advisory Committees in Kent stems from the Leader’s commitment to their having an influential role in the way decisions were made in the County.

3.16 There are 10 Members of Cabinet in Kent but 6 Cabinet Advisory Committees, comprising:

- Adult Social Care;
- Children’s, Young People and Education;
- Environment and Transport;
- Growth, Economic Development and Communities;
- Health Reform and Public Health; and
- Policy and Resources.

In Hertfordshire, there is one Cabinet Panel for each Executive Portfolio.

3.17 Some other Councils have set up Policy Development Groups (PDGs) to assist portfolio holders in the development of policy or think through the options available in tackling a particular issue. However, PDGs need not be exclusively designed to support Cabinet members. They can also be set up:

- i. Through Full Council asking that a PDG be set up on a particular issue or set of issues – particularly in the context of those policies falling within the Council's policy framework for which the Council has final approval;
- ii. Through a linkage to Scrutiny Committees. Under this model, Scrutiny Committee Chairs would be able to set up and Chair a PDG on a specific issue. This model is akin to the Select Committee system at Westminster, whereby outside experts and bodies can be invited to give evidence and the Minister (or in this case, Executive Member) takes receipt of and responds to the Report, rather than participating in the deliberations of the Committee (though they should not be inhibited from engaging with Scrutiny Chairs if there are particular issues that they think would benefit from the approach of a PDG).

3.18 **The Potential Impact on Scrutiny** - The setting up of Cabinet Advisory Committees, would see a significant shift towards more Councillor involvement in policy formulation and, therefore less need for scrutiny of decisions before they are made. There would be correspondingly less need for extensive post decision scrutiny though some mechanisms would still be needed. Hertfordshire has a Health Scrutiny Committee and just one other Scrutiny Committee of 10 Members. Kent has retained one Scrutiny Committee of 13 Members, whose purpose is to investigate issues affecting Kent County Council and Kent residents and make recommendations to support the improvement of council services. It also sets a Select Committee Work programme (which is endorsed by Cabinet). Topics over the past 4 years have been Knife Crime in Kent; Loneliness and Social Isolation; Pupil Premium; Bus Transport and Public Subsidy; and Grammar Schools and Social Mobility.

3.19 The Hertfordshire and Kent models allow for far fewer scrutiny panels alongside Advisory Committees, shifting the focus to pre-decision from post-decision scrutiny.

#### **4.0 Financial implications**

4.1 The establishment of the new Governance Structure will not increase the overall cost already provided for in the approved budget.

4.2 Special Responsibility Allowances are set through the Councillor Allowance Scheme set by Council. The proposed changes set out in this report would need amendments to the Scheme, this is the subject of a separate report to Governance Committee. [MH/11032020/X].

#### **5.0 Legal implications**

5.1 In line with the Local Government Act 2000, as the Council operates a Leader and Cabinet model the Council is required to have an Overview and Scrutiny Committee. The proposed approach, with a Scrutiny Board and 2 sub-Committees, meets the legal requirements set under s.9F of the LGA 2000. [DP/11032020/A]

## **6.0 Equalities implications**

6.1 The proposed approach has no equalities implications.

## **7.0 Climate Change and Environmental implications**

7.1 The proposed approach will support the Council's commitment on climate change and provide greater focus on this key issue.

## **8.0 Human resources implications**

8.1 There are no human resources implications anticipated at this stage.

## **9.0 Corporate landlord implications**

9.1 There are no corporate landlord implications.

## **10.0 Health and Wellbeing implications**

10.1 There are no health and wellbeing implications.

## **11.0 Schedule of background papers**

11.1 None.

## **12.0 Appendices**

12.1 Appendix 1 – Frequently Asked Questions

12.2 Appendix 2 – Structure Diagram

12.3 Appendix 3 – Example Processes for Decisions

12.4 Appendix 4 – Draft Overview and Scrutiny Rules

## APPENDIX 1 - FREQUENTLY ASKED QUESTIONS

### 1. **Will Cabinet Advisory Groups be public meetings?**

It is not proposed that the meetings are public, the Cabinet Advisory Groups are working groups of Councillors set up to allow early discussion on policy formulation, including looking at all sorts of different options long before they reach the stage of public consideration.

### 2. **Will Cabinet Advisory Group meetings be set up in the schedule of meetings approved by Council in May?**

No – it is proposed that whilst the initial meetings will be set up to ensure that they meet and discuss the proposed approach of the Cabinet Advisory Group Chair for that particular group, the meetings will be arranged as and when they are needed. For some groups focusing on, for example, a new policy they meet more often for a period and then less often when that particular piece of work has been concluded.

### 3. **Who appoints the Cabinet Advisory Groups?**

It is proposed that the power to appoint the membership and the Chairs of Cabinet Advisory Groups is reserved to the Leader under the constitution.

### 4. **Will Cabinet Advisory Groups be politically balanced?**

No – the rules on political balance do not apply as these are not formal committees advising the Cabinet but rather working groups to assist in policy formulation and discussion at an early stage.

### 5. **How many Cabinet Advisory Groups will there be?**

The Constitution will allow for flexibility in the number of Cabinet Advisory Groups, however, at this stage, it is envisaged that there will be 7, namely:

- An overarching Cabinet Advisory Group for resources (made up of the Chairs from each of the Cabinet Advisory Groups)
- Cabinet Advisory Group for Climate Change
- Cabinet Advisory Group for Regeneration
- Cabinet Advisory Group for Children and Young People
- Cabinet Advisory Group for Our Residents
- Cabinet Advisory Group for Healthy Communities
- Cabinet Advisory Group for Regional Working

### 6. **What sort of things will the Cabinet Advisory Groups discuss?**

It is proposed that to give some focus, initially, that a work programme is produced at the start of the Municipal year however the key is that there is flexibility so that the particular Cabinet Advisory Group can focus on the important issues. For example, the Cabinet Advisory Group on Children and Young People could look at:

- The Council's Young People offer
- Co-Production with Children and Young People
- Post 16 Education, Training and Employment



- Considering proposals to re-fresh the Council's "Early Help Offer"

**7. How many Councillors will be on a Cabinet Advisory Group?**

Again the intention is for the Constitution to be flexible enough to allow for the number to change should it be needed, at this stage it is anticipated that there will be up to 6 members, including the Chair.

**8. Will the Cabinet Member be on the Cabinet Advisory Group?**

No, but they will, where appropriate, attend the relevant Cabinet Advisory Group to understand the discussions and will have close liaison with the relevant Cabinet Advisory Group Chair(s).

**9. Can a Councillor not on a Cabinet Advisory Group attend that Group?**

Yes, with the agreement of the Cabinet Advisory Group Chair.

**10. Which officer will be responsible for the Cabinet Advisory Group?**

Each Cabinet Advisory Group will be assigned a lead member of Strategic Executive Board, and where appropriate a lead Head of Service. Those officers will be responsible for ensuring that the right information is provided to the Cabinet Advisory Group.

**11. How will Councillors access the papers for the Cabinet Advisory Group?**

Papers will not always be provided in advance of the meeting, it will depend on what the meeting is focused on, for example if there was to be a discussion on what options there might be for a rapidly emerging issue then it may be that there would simply be a presentation and a discussion. The key is that the approach is intended to be focused on adding value and policy formulation rather than producing papers for the sake of papers. Where papers are provided in advance these will generally be provided through the Council's Committee system, Mod.Gov.

**12. How will Councillors not on the relevant Cabinet Advisory Group know what is going on at that Group?**

It is intended that the Chair of the relevant Cabinet Advisory Group will provide an update to other Councillors on what work is being undertaken.

**13. Who will choose the topics for the Select Committee?**

The Councillors on the Scrutiny Board.

**14. What sort of things will the Select Committee look at?**

The Select Committee will look at issues that reflect the Council's emerging priorities/opportunities. They will in turn then review the progress of previous reviews and keep a rolling account of this. Topics that could be looked at include:

- New Communities
- Youth Violence
- International Relations
- Events within the City
- Wolves@Work



- Organisational Development
- Deprivation- place based approach

**15. Where will the reports of the Select Committee go?**

They will go to Scrutiny Board and then to Council, a response from Cabinet/the relevant Cabinet Member will be provided to Scrutiny Board/Council. However, the report will not be changed by Cabinet.

**16. Will the Select Committee meetings be public?**

Yes. These will be in depth investigations into key issues and as such it is important that the meetings are public.

**17. Will the Select Committee meetings be filmed?**

Generally, yes.

**18. Will the Select Committee be able to invite non-Council officers/Councillors to attend the meetings?**

Yes.

**19. How will we know if the changes have worked?**

Through regular review, focused on the key factors identified at para 1.1 of the report, it is intended that the changes would be a standing item on the Governance Committee. As part of the changes the Governance Committee's meetings will be made more regular and a work programme will be set for it.

It is also an option for there to be Councillor surveys to find out what is work well and what might need to be changed, the proposed approach is a flexible one so that we can quickly change anything that is not working as we might want.

**20. Will the Scrutiny Board change?**

The Scrutiny Board will retain the legal responsibility for Overview and Scrutiny under the legislation. It will be focused on:

- Developing, co-ordinating and implementing the scrutiny and review groups annual work programme - commissioning 'task and finish' Review Groups via lead members
- Reviewing executive decisions under the Call-in procedures and pre-decision scrutiny
- Ensuring Education statutory co-optees are provided with the support they require
- Leading consultation on the Budget
- Receiving petitions and consider Councillor Calls for Action (CCfA) as set out in the Constitution

- Taking responsibility for the scrutiny of monitoring reports both external and internal, e.g. reports from OFSTED, the Care Quality Commission (CQC) and Healthwatch.

Terms of reference between Cabinet and Scrutiny Board will be available setting out how the bodies work and the flow of information to and from Scrutiny Board.

**21. Will Call-in procedures change?**

Yes. Under the revised approach all Councillors will have a greater opportunity to call decisions to Scrutiny Board, namely if 3 or more Councillors, or certain Councillors/officers call a proposed decision to Scrutiny Board it will be scrutinised by the Board.

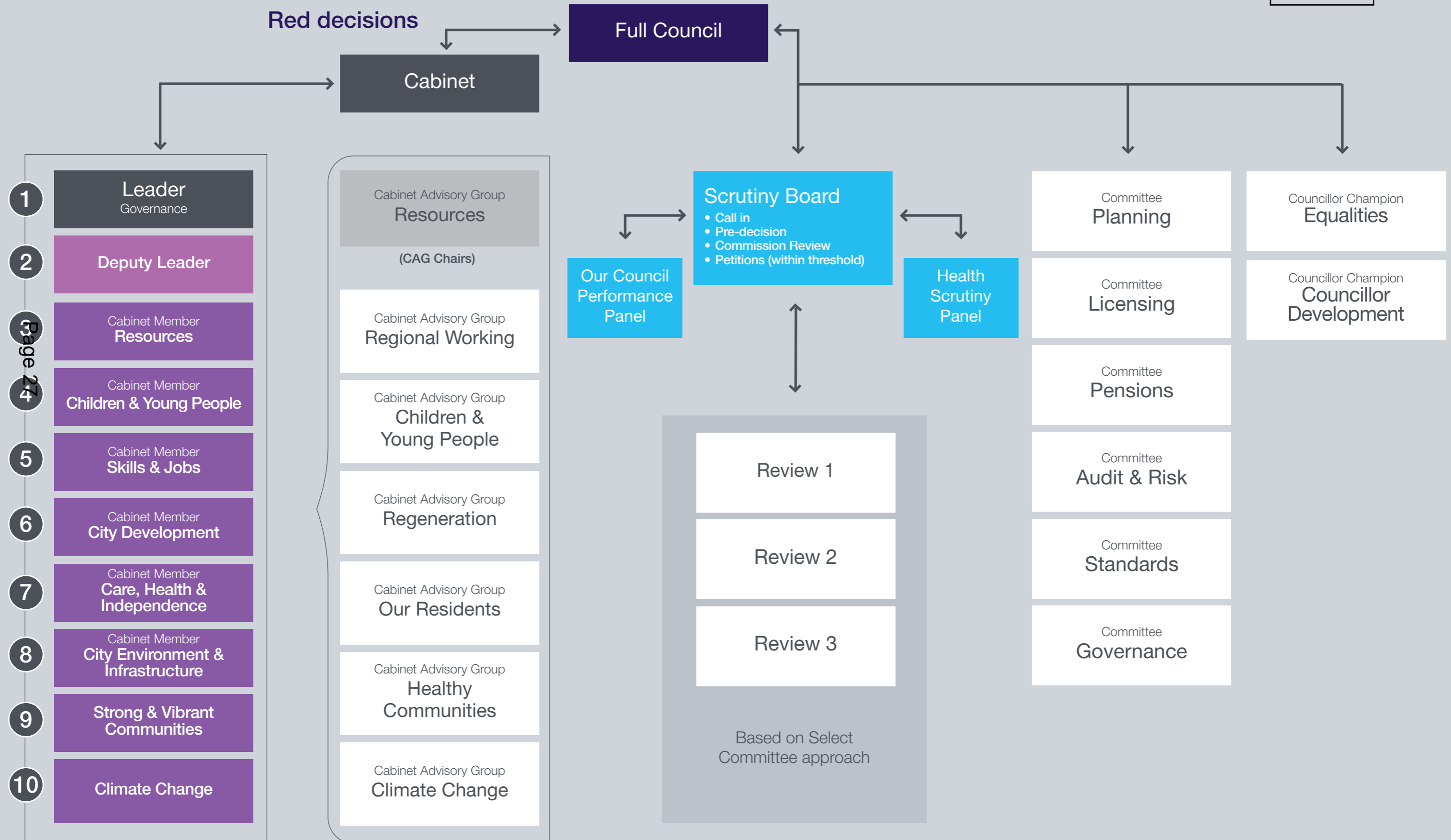
**22. Can a Councillor be on the Scrutiny Board when it is reviewing a policy that was partially formed by the Cabinet Advisory Group that she/he sat on?**

Generally, no. There would be a potential conflict if a Councillor was pivotal in designing a policy and then was there sitting on the Scrutiny Board as the challenge to that policy. There will be power, under the constitution, as there is currently for Declarations of Interest, for the Council's Monitoring Officer to give a dispensation where otherwise a meeting could not be held, eg it would otherwise be inquorate.

# City of Wolverhampton Council

## Modernising democratic structures

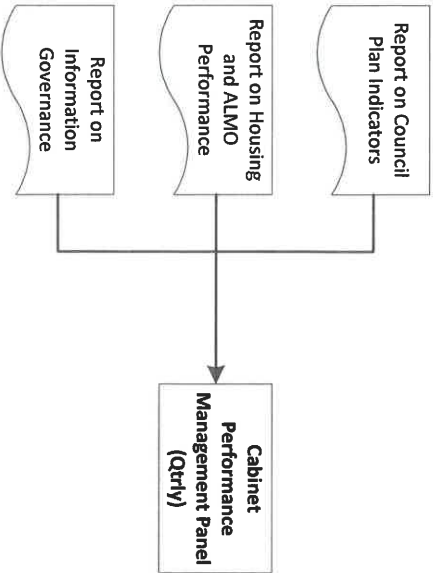
Appendix 2



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# Appendix 3 – Example processes for decisions

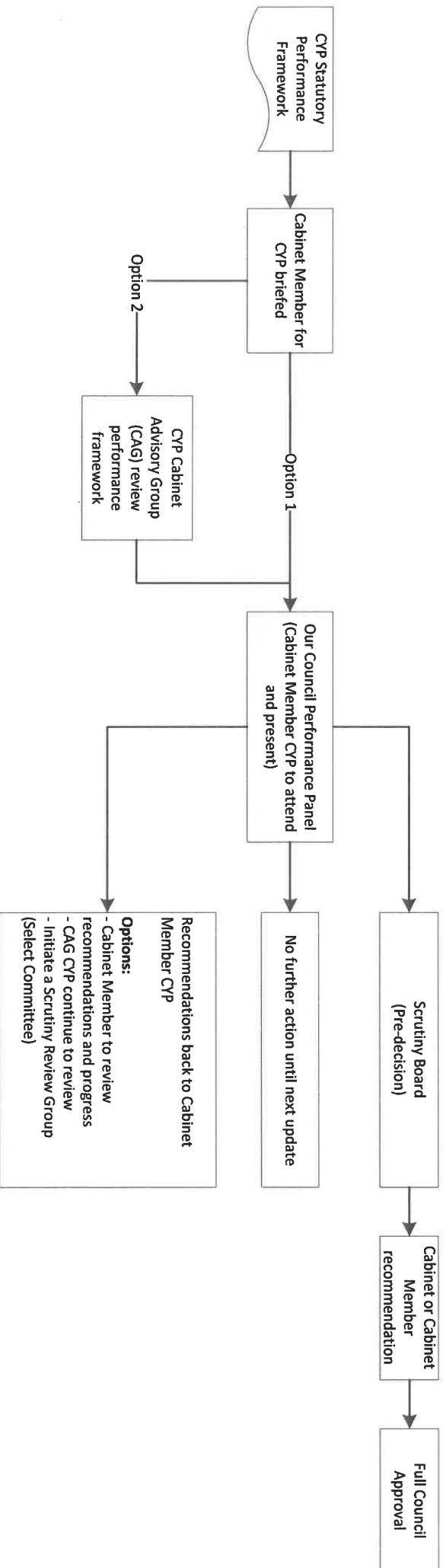
## Current Process for Performance Reporting



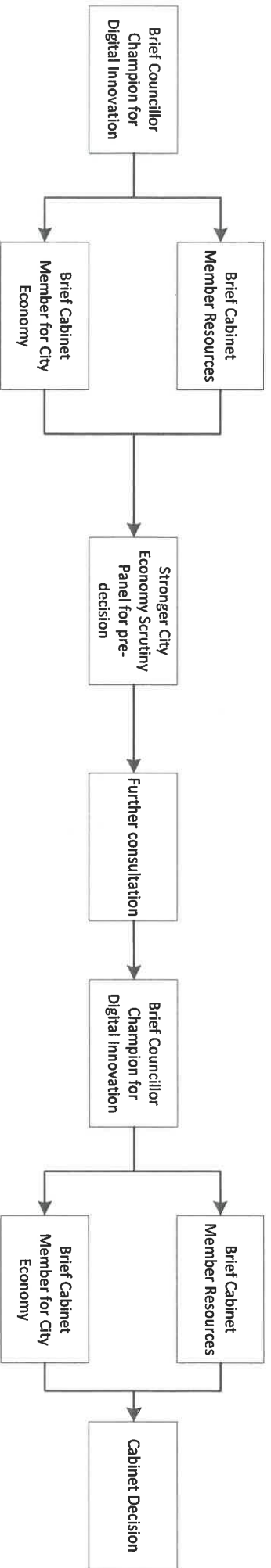
- Summary of issues with current process:**
- No pre-engagement with Cabinet or wider Councillors
  - No pre-cabinet
  - No Scrutiny
  - Cabinet receiving a report that is for information/update - no decisions made

## Proposed Process for Performance Reporting

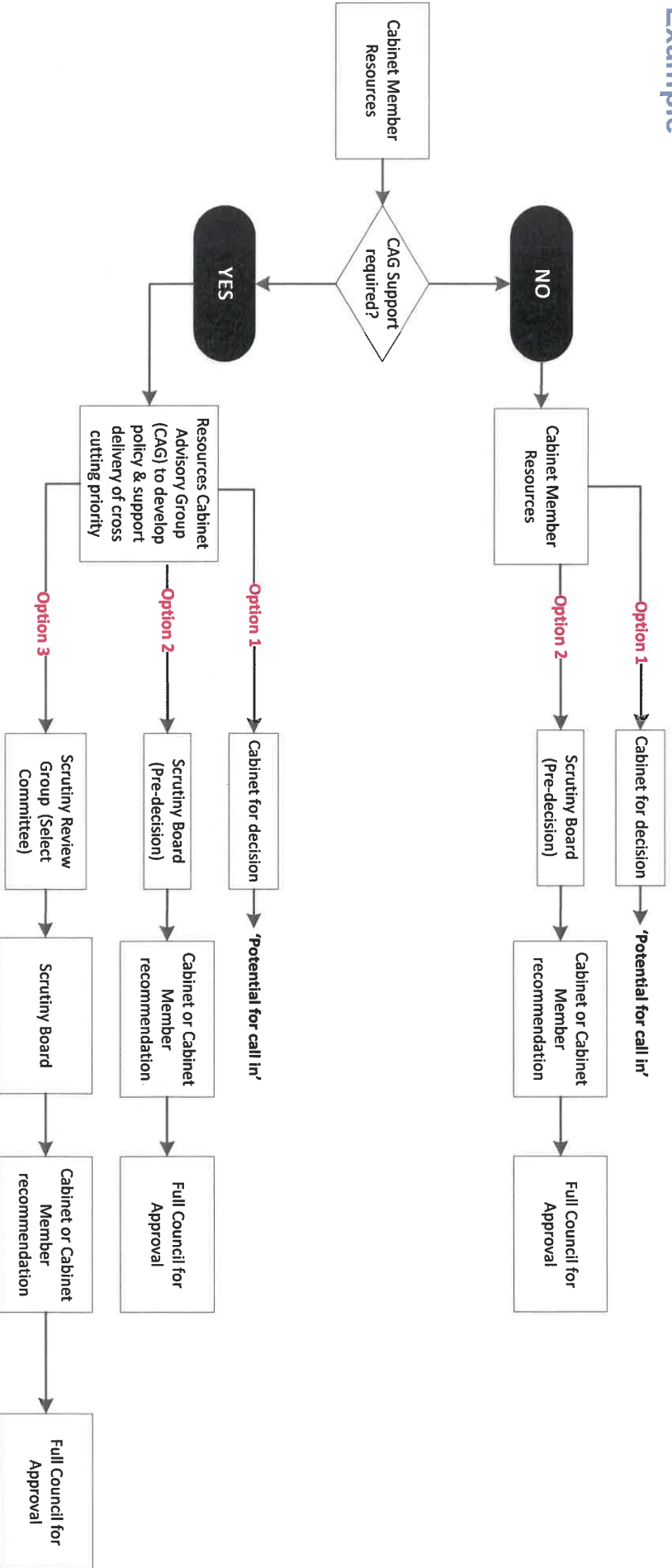
### Children and Young People (CYP) Example



# Current Process for Digital Infrastructure Approval



# Proposed Process for Digital Infrastructure Approval (Amber Decision)



## **Appendix 4 - Overview and Scrutiny Procedure Rules**

### **Overview and Scrutiny Procedure Rules**

#### **1. The number and terms of reference of the Scrutiny Board, Scrutiny Panels and Scrutiny Review Groups.**

- 1.1 The Council will have a Scrutiny Board and two Sub-Committees (“Scrutiny Panels”) namely the Health Scrutiny Panel and Our Council Performance Panel, which the Council will appoint to as it considers appropriate from time to time. The Health Scrutiny Panel may need to undertake joint arrangements with other local authority scrutiny committees as are necessary to facilitate the overview and scrutiny of health functions. Where this is required, these arrangements will be established by Full Council on a case-by-case basis.
- 1.2 The Scrutiny Board will commission three time-limited Scrutiny Review Groups (“Select Committees”) to consider a particular issue in detail. The Scrutiny Review Group Chair and membership will be appointed by Council.
- 1.3 The terms of reference for the Scrutiny Board, Panels and any Reviews are set out in Article 7.
- 1.4 The general responsibilities of each of the Scrutiny Panels are outlined below. Detailed terms of reference, specific to each Panel.
  - a. To assist the Council and the Cabinet in the development of its budget and policy framework by in-depth analysis of policy issues and by liaison and discussion with the Cabinet.
  - b. To conduct research, community and other consultation in the analysis of policy issues and possible options.
  - c. To consider and implement mechanisms to encourage and enhance community participation in the development of policy options.
  - d. To question Cabinet Members and/or Council employees about their views on issues and proposals affecting the area.
  - e. To liaise with individuals and external organisations operating in the area, whether national, regional or local, to ensure that the interests of the citizens of Wolverhampton are enhanced by collaborative working.
  - f. To review and scrutinise the decisions made by and performance of the Cabinet and Council employees both in relation to individual decisions and over time.
  - g. To review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas and to receive and consider other reports received from external auditors and external regulatory Inspectors and to work with the Cabinet to respond to recommendations from reviews and inspections.
  - h. To undertake reviews of the Councillors, Call for Action where referred by the Monitoring Officer.
  - i. To question Cabinet Members and/or Council employees about their decisions and performance, whether generally in comparison with service

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

plans and targets over a period of time, or in relation to particular decisions, initiatives or projects.

- j. To make recommendations to the Cabinet and/or appropriate Regulatory or other Committee and/or Council arising from the outcome of the scrutiny process.
- k. To review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Panel and local people about their activities and performance.
- l. To consider call-ins related to their area of responsibility.
- m. To question and gather evidence from any person (with their consent).
- n. To deal with any other matter which is by law required to be dealt with by an “overview and scrutiny committee”.

### **2. Who may serve on the Scrutiny Board, Scrutiny Panels and Scrutiny Review Groups**

#### **2.1 Councillors**

All Councillors except Cabinet Members may be members of the Scrutiny Board or a Scrutiny Panel or Select Committee. However, no Councillor may be involved in scrutinising a decision in which he/she has been directly involved.

#### **2.2 Co-opted Members**

The term Co-opted Members is restricted to:

- a. Statutory Parent Governor, Church Diocesan and Youth Council representatives, appointed to serve on the Children, Young People and Families Scrutiny Panel by the Annual Council Meeting.
- b. Wolverhampton HealthWatch representatives appointed to serve on the Health Scrutiny Panel.

The membership of Scrutiny Panels and Select Committees by representatives of external organisations or individuals will be restricted to those Co-opted Members appointed at Annual Council.

The Children, Young People and Families Scrutiny Panel shall include in its membership the following representatives:

- a. One voting Church of England diocesan representative.
- b. One voting Roman Catholic diocesan representative.
- c. Two voting parent governor representatives\*.
- d. One non-voting Youth Council representative.

\*Details of the eligibility and appointment arrangements relating to parent governor representatives are set out in section 26.17.



## **Appendix 4 - Overview and Scrutiny Procedure Rules**

When the Panel deals with matters other than those relating to education functions, these representatives shall not vote on those other matters, though they may stay in the meeting and speak.

The Health Scrutiny Panel shall include in its membership three representatives of Wolverhampton HealthWatch.

It is a requirement of accepting a position as a Co-opted Member that those persons should sign and abide by the Councillors' Code of Conduct.

A review, inquiry or task and finish group may appoint representatives of external organisations to support their work as appropriate and may invite 'witnesses' to present evidence to meetings. These are not Co-opted Members.

### **3. Times and locations of meetings of the Scrutiny Board and Scrutiny Panels**

3.1 The Council will approve a programme of Ordinary Meetings for the Scrutiny Board and each Scrutiny Panel. In addition, extraordinary Meetings may be called from time to time as and when appropriate. A Board or Panel meeting may be called by the Chair or one quarter of the total number of voting Councillors or by the Head of Paid Service if he/she considers it necessary or appropriate.

3.2 Meetings shall take place at the Civic Centre or such other location(s) as may be agreed.

### **4. Quorum**

4.1 The quorum for the Scrutiny Board, Scrutiny Panels and Select Committees shall be as set out for Regulatory or other Committees in the Council Procedure Rules in Part 4.

### **5. The Chairs of the Scrutiny Board and Scrutiny Panels**

5.1 The Chair and Vice-Chair will be appointed by the Council from amongst eligible Councillors.

### **6. Work programme**

6.1 Each Scrutiny Panel will, subject to guidance from the Scrutiny Board, be responsible for setting and reviewing their priorities and work programme for the year.

### **7. Agenda items**

7.1 Any member of the Scrutiny Board or a Scrutiny Panel shall be entitled to request that the Head of Paid Service include an item relevant to the Board/Panel's purview at the next meeting, providing an explanation as to why the matter should be considered. The Head of Paid Service will then ensure the item is included on the next agenda or make arrangements for appropriate alternative scrutiny.

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

### **8. Ensuring that overview and scrutiny reports are considered by the Cabinet**

- 8.1 Once a Scrutiny Board or Scrutiny Panel report on any matter which is the responsibility of the Executive has been completed, it shall be included on the agenda of the next available meeting of the Cabinet or, by agreement with the Chair of the Board or Panel, the next meeting of the Cabinet which is scheduled to consider the subject matter of the report. If for any reason the Cabinet does not consider the Board or Panel report the matter will be referred to Council for review, and the Head of Paid Service will call a Council meeting to consider the report and make a recommendation to the Cabinet.
- 8.2 The Scrutiny Board and Scrutiny Panels will have access to the Executive's timetable for decisions and intentions for consultation. The Board and Panels may consider any such item in advance of a decision by the Cabinet and may require the Cabinet to have regard to their views when considering the item. The Board and Panels will also use the decision schedule to identify items for scrutiny prior to decision in accordance with paragraph 12.2.

### **9. Rights of Scrutiny Board and Scrutiny Panel members to documents**

- 9.1 In addition to their rights as Councillors, members of the Scrutiny Board, Scrutiny Panels and Select Committees have additional right to documents, and to notice of meetings, as set out in the Access to Information Procedure Rules in Part 4.
- 9.2 Nothing in this section prevents more detailed liaison between the Cabinet and the Scrutiny Board and Scrutiny Panels as appropriate depending on the particular matter under consideration.

### **10. Councillors and employees giving account**

The Scrutiny Board, Panels and Select Committees may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the scrutiny role, it may require any Cabinet Member, the Head of Paid Service and/or any Designated Officer to attend before it to explain in relation to matters within their remit:

- a. any particular decision or series of decisions;
- b. the extent to which the actions taken implement Council policy; and/or
- c. their performance,
- d. and it is the duty of those persons to attend if so required.

### **11. Attendance by others**

- 11.1 The Scrutiny Board, Scrutiny Panels and Select Committees may invite people other than those people referred to in paragraph 10 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders, contractors or technical experts, Councillors and employees in other parts of the public sector, and may invite such people to attend.

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

### **12. Pre-decision scrutiny**

- 12.1 Although decisions made by the Executive must be open to scrutiny, the Council wishes the primary focus of its scrutiny process to be on shaping and informing decisions through pre-decision scrutiny.
- 12.2 The Scrutiny Board and Panels will have access to the Forward Plan of forthcoming decisions and proposals for consultation. Often, the provision of additional or explanatory data and information can avoid the need for formal consideration of a decision or issue. The initial emphasis, therefore, will be on the free flow of information from Council employees in response to requests for clarification or elaboration from Councillors.
- 12.3 Thereafter, as part of its work programme, the Board or an individual Panel may request a report on any forthcoming decision that falls within its purview, in advance of its consideration by the Executive. Having considered a particular issue, the Board or Panel may require the decision-maker to have regard to its views as part of the decision-making process.
- 12.4 Subject to the proposals considered by the decision-maker being substantially the same as the information previously presented to the Scrutiny Board or Panel, matters that have been considered through pre-decision scrutiny may not be called in for post-decision scrutiny under the provisions outlined in paragraph 12.3.
- 12.5 Any item being considered as pre-decision scrutiny will therefore not be eligible for call-in once a decision is made by the Executive. Reports to be considered as pre-decision scrutiny by the Scrutiny Board or a Scrutiny Panel will include the following statements:

'This item was considered as pre-decision scrutiny on \*insert date\* by \*Scrutiny Board/name of panel\* and will therefore not be available to call in once a decision is made by \*Cabinet/Cabinet (Resources) Panel\*.'

The \*Scrutiny Board/name of panel\* made the following recommendations  
\*detail recommendations and action taken\*.

### **13. Call-In**

#### **13.1 General Procedure**

- a. When a decision is made by the Cabinet or Cabinet Panel, the decision shall be published, and shall be available at the main offices of the Council normally within two working days of the meeting taking place. Copies will be sent to all Councillors of the Council.
- b. That notice will be dated and will specify that the decision will

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

come into force, and may then be implemented on the expiry of three working days after the publication of the decision.

- c. A valid request for call-in is one which is submitted to the Monitoring Officer in writing, including by email, within three working days of the date of publication of the decision by:
- either, three non-executive councillors.
  - or any two of the chairs or vice chairs of Scrutiny Board or Scrutiny Panel.

All requests must:

- give the reason for the call-in.
- specify whether the decision is claimed to be outside the policy or budget framework.

In relation to the reasons for call-in, the Monitoring Officer has a discretion, having consulted with the Chair of Scrutiny Board, to refuse any reasons which are in the view of the Monitoring Officer, requests for information or expressions of opinion or are not directly relevant to the decision being called in.

The Monitoring Officer or Proper Officer shall notify the decision-taker of the call-in and call a meeting of the Scrutiny Board as soon as possible after consultation with the Chair of that Board, and in any case within ten working days of the relevant call-in period. The Scrutiny Board Chair in consultation with the Monitoring Officer may determine to refer the call-in to a relevant Scrutiny Panel.

The relevant Cabinet Member should attend the Scrutiny Board if available. If he/she cannot attend the Cabinet will make every effort to ensure that another Cabinet Member attends instead. Directors or their representative will be expected to attend the meeting.

Having considered the called-in decision the Scrutiny Board may:

- (i) refer it back to the decision-making person or body for reconsideration, setting out in writing the nature of its concerns; or
- (ii) refer the matter to full Council; or
- (iii) support the original decision.

If referred back to Cabinet as the decision maker they shall then reconsider at the next scheduled meeting if the timescale for the decision allows, amending the decision or not, before adopting a final decision.

If the matter is referred to full Council it will be dealt with at the next scheduled meeting, subject to the Access to Information Act requirements, unless there are grounds for urgency which require an extraordinary meeting.

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

If the Scrutiny Board does not meet within the ten working day period required, the decision will take effect on the expiry of that period.

If the Scrutiny Board meets but does not refer the decision back to the decision taker or onto Council then that decision will take immediate effect after the meeting of the Committee.

If the decision is referred to full Council and

(i) the Council does not object to the decision which has been made, then no further action is necessary and the decision will be effective immediately after the meeting;

(ii) they object to the decision it will be referred back to the decision-making person or body, together with the Council's views on the decision. Where the decision was taken by the Cabinet as a whole or its sub-committee, it must meet within seven working days of the Council requestor at its next scheduled meeting (whichever is the sooner) to reconsider the decision.

If the Council does not meet within the period required above the decision will become effective on expiry of that period.

For the avoidance of doubt, if either the Scrutiny Board or the Council refer a matter back to the decision-making person or body, the implementation of that decision shall be suspended until such time as the decision making person or body reconsiders and either amends or confirms the decision, but the outcome on the decision should be reached within 14 working days if being referred.

### **13.2 Exceptions**

Council decisions, decisions taken under the Urgency Procedure and decisions by Council Regulatory bodies will not be subject to call-in.

A decision cannot be called in more than once.

A decision which was considered under pre-decision scrutiny.

### **13.3. Call-In and Urgency**

The call-in procedure set out above shall not apply where the decision being taken by the Cabinet or Cabinet Panel is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interest.

The record of the decision, and notice by which it is made public shall state whether in the opinion of the decision-making person or body, the decision is an urgent one, and therefore not subject to call-in.

The Chair of the Scrutiny Board must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

urgency. In the absence of the Chair, the consent of the Vice Chair shall be required. In the absence of both, the Head of Paid Service or his/her nominee's consent shall be required.

If no agreement is given to the item being treated as a matter of urgency the item shall not be dealt with under the urgency procedure.

Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.

The use of the provisions relating to call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

### **14. Procedure at Scrutiny Board and Scrutiny Panel Meetings**

14.1 The Scrutiny Board and Scrutiny Panels shall consider the following business:

- a. minutes of the last meeting;
- b. declarations of interest;
- c. any matter referred to the Board or Panel in relation to call-in of a decision;
- d. responses of the Cabinet to reports of the Board or Panels and
- e. matters otherwise set out on the agenda for the meeting.

14.2 Where the Board or Panel conducts investigations (e.g. with a view to policy development), it may ask people to attend to give evidence at meetings which are to be conducted in accordance with the following principles:

- a. that the investigation be conducted fairly and all Councillors of the Board or Panel be given the opportunity ask questions of attendees, and to contribute and speak;
- b. that those assisting the Board or Panel by giving evidence be treated with respect and courtesy; and
- c. that the investigation be conducted so as to maximise the efficiency of the investigation or analysis.

14.3 Following any investigation or review the Board or Panel shall prepare a report, for submission to the Cabinet and/or Council as appropriate and shall make its report and findings public.

### **15. Substitution of Councillors at Scrutiny Board**

15.1 Any permanent Councillor of the Scrutiny Board may nominate another Councillor to attend a meeting of the Scrutiny Board where:

- a. the permanent Councillor will be unable to attend for the entire duration of the meeting of the Board;
- b. the permanent Councillor will be unable to attend at the commencement of, or for any part of a meeting or;
- c. the permanent Councillor will be required to be absent from any part of a meeting or during consideration of a particular item as a result of the need to declare a prejudicial interest.

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

15.2 Where a substitute Councillor is nominated to attend a meeting of the Scrutiny Board.

- a. The substitute Councillor will have all the powers and duties of a permanent Councillor of the Board whilst attending the meeting or part thereof in place of the permanent Councillor and may speak and vote.
- b. The substitute Councillor may be replaced during the course of a meeting by the permanent Councillor on the proviso that as far as is practically possible the substitute Councillor will be required to remain in the meeting for the duration that the items(s) for which they are substituting are under discussion.
- c. All substitutions to be notified to the Democratic Services Section by the permanent Councillor as soon as possible prior to the commencement of the meeting either in writing or via email.

### **16. Matters within the remit of more than one Scrutiny Panel**

16.1 Where a matter for consideration by a Scrutiny Panel also falls within the remit of one or more other Panels the decision as to which Panel will consider it will be resolved by the Scrutiny Board.

### **17. Arrangements for the appointment of parent governor representatives**

17.1 Parent governor representatives will be elected in accordance with the Parent Governor Representatives (England) Regulations 2001.

### **18. Councillor Call for Action Protocol**

18.1 In accordance with Section 119 of the Local Government and Public Involvement in Health Act 2007 (the Act) and Sections 19 and 20 of Part 3 of the Police and Justice Act 2006, This is intended only to be used when all the usual channels for resolving such issues have been exhausted.

18.2 Any member of the Council may submit a Councillor Call for Action (CCfA) on a local government or crime and disorder matter.

18.3 A local government matter means a matter which:

- a. relates to the discharge of any function of the Council;
- b. affects all or part of the electoral area for which the Member is elected or any person who lives or works in that area, and;
- c. is not an excluded matter.

18.4 A local crime and disorder matter, in relation to a member of a local authority, means a matter concerning: –

- a. Crime and disorder (including in particular forms of crime and disorder that involve anti-social behaviour or other behaviour adversely affecting the local environment); or
- b. The misuse of drugs, alcohol and other substances.

## **Appendix 4 - Overview and Scrutiny Procedure Rules**

which affects all or part of the electoral area for which the member is elected or any person who lives or works in that area.

- 18.5 Referral is by way of notice to the Monitoring Officer that an item be placed on the next available meeting of the Scrutiny Board and will be dealt with under the procedure set out in these Rules.

The request will include:

- The name of the Councillor and Ward they represent.
- Details of the issue.
- A full summary of action undertaken by the Councillor or community to resolve the issue .
- Clarity on definitive resolution sought by Councillor (action the Councillor is looking for as a result of CCfA to resolve or move forward the issue raised). The guidance states that the Councillor bringing the CCfA should be clear at the outset as to what he or she expects to get out of the process. The Scrutiny Board will focus discussion on these expected outcomes. Further the Scrutiny Board will be expected to challenge these expected outcomes, if they feel that these outcomes are unreasonable.

It should be noted that discussions at scrutiny will not necessarily resolve the issue immediately but may allow members and officers and/or partners to overcome the problem.

Once received, the Monitoring Officer will check that the CCfA request complies with the basic requirements, as set out above, and if so, will then undertake an initial investigation and prepare a report for consideration by Scrutiny Board.

The report will be placed before Scrutiny Board within 15 working days of the initial investigation being completed or the next available Scrutiny Board meeting. Scrutiny Board will consider the summary report and determine whether the issue should be treated as a CCfA. The Councillor who has submitted the CCfA will be invited to attend the Scrutiny Board meeting considering their issue.

If Scrutiny Board decide not to treat the issue as a CCfA, the Monitoring Officer will write to the member concerned confirming the decision with reasons.

If Scrutiny Board decides to treat the matter as a CCfA the Scrutiny Board will deal with the issue.

Once Scrutiny Board has reached a decision, this will be a final decision with no formal right of appeal to the executive arm of the Council.

For issues related to services provided by the Council, the Scrutiny Board will be able to use their existing powers and new powers available from the



## **Appendix 4 - Overview and Scrutiny Procedure Rules**

LGPIH Act 2007.

For partner organisations scrutiny will be able to:

- Request information and attendance.
- Review decisions made/action taken by the Safer Wolverhampton Partnership Board in connection with discharge of their crime and disorder functions (Police and Justice Act 2006).

Issues referred to these bodies will require a response time of 28 days.

### 18.6 Gate keeping process

During the initial investigation phase every attempt will be made to either resolve the issue or to signpost the Councillor to those who may be able to resolve the issue, so that the CCfA request is withdrawn and/or requires no further action.

### 18.7 Excluded Items:

The following issues will be excluded from being dealt with as a CCfA:

- a. any matter relating to a planning decision;
- b. any matter relating to a licensing decision;
- c. any matter relating to an individual or entity in respect of which that individual or entity has a right of recourse to a review or right of appeal conferred by or under any enactment;
- d. any matter which is vexatious, discriminatory

Unless specifically excluded, with regard to crime and disorder matters, the Scrutiny Board has the power to: –

- a. review or scrutinise decisions made, or other action taken, in connection with, the discharge by the responsible authorities of their crime and disorder functions;
- b. to make reports or recommendations to the Safer Wolverhampton Partnership with respect to the discharge of those functions.

***Appendix 4 - Overview and Scrutiny Procedure Rules***

CITY OF WOLVERHAMPTON COUNCIL	<b>Governance Committee</b> 19 March 2020	Agenda Item No. 7
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<b>Report title</b>	Report of the Independent Remuneration Panel	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield Leader of the Council	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All Wards	
<b>Accountable director</b>	David Pattison, Director of Governance	
<b>Originating service</b>	Governance	
<b>Accountable employee(s)</b>	Jaswinder Kaur	Democratic Services Manager
	Tel	01902 55 0320
	Email	Jaswinder.kaur@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	N/A	

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### Recommendations for decision:

The Governance Committee is recommended to:

1. Recommend to Council that:

- a) the report of the Independent Remuneration Panel (IRP) be considered and approve, reject or approve alternative proposals for each of the following recommendations made by the Panel:

**Recommendation 1:** That, should the changes to the Governance structure proceed, then the Chair of a Cabinet Advisory Group be remunerated at £10,000.

**Recommendation 2:** That, should the changes to the Governance structure proceed, the Chair of a Select Committee Review be remunerated at £2,500.

**Recommendation 3:** That the Councillor Allowance Scheme be amended to state '*If a Councillor receives an SRA from the Council and also receives an SRA from another authority or public body to which he or she was nominated by this Council then the SRA from this Council will be discounted by the amount of the SRA from that other authority or public body.*'

**Recommendation 4:** That apart from the recommendations above the current scheme should continue and that the Independent Remuneration Panel undertake a root branch review of the Councillor Allowance Scheme in January 2021.

- b) Delegate authority to the Monitoring Officer to amend the Scheme of Councillor Allowances according to the decisions taken by Council for inclusion in the Council's Constitution.

## 1.0 Purpose

- 1.1 To consider the report of the Independent Remuneration Panel attached as Appendix 1 on a review of Councillor's Allowances and make recommendations to Council.

## 2.0 Background

- 2.1 Local Councils are required by The Local Authorities (Members' Allowances) (England) Regulations 2003 to establish and maintain an Independent Remuneration Panel to make recommendations on the level of basic and special responsibility allowances and associated matters that are paid to Councillors. The IRP has been appointed by Council and constitutes:
- Sylvia Parkin – Deputy Lieutenant
  - Mr Michael Barden – Dean of the Faculty of Arts, Business and Social Sciences, Wolverhampton University
  - Reverend David Wright – The Rector of St. Peters Church Wolverhampton
- 2.2 The previous report of the Panel was considered by Council on 31 January 2018. The scheme of allowances currently in place lasts until 2022.
- 2.3 **Legal Framework for Member Allowances** -The law relating to member allowances changed by virtue of the Local Government Act 2000 (LGA 2000). The LGA 2000 introduced s.99 which altered the law on member allowances replacing s.15 of the Local Government and Housing Act 1989 with a new provision which essentially provides that the details of what can be paid through member allowances scheme is to be set out in subordinate legislation.
- 2.4 The main provision in subordinate legislation is the Local Authorities (Members' Allowances) (England) Regulations 2003. These Regulations have had some amendments, a copy of the current version (as amended), is available from the Monitoring Officer on request.
- 2.5 **Key Provisions in the Law** - The law on member allowances is rigid as to what can and cannot be paid to members in terms of allowances. In short it provides that each authority must have a scheme for payment of member allowances approved each year before 1 April. The schemes can allow for a number of categories of allowance that an authority can chose to pay to its members, these are:
- a. Basic Allowance
  - b. Special Responsibility Allowance
  - c. Carers Allowance
  - d. Travelling and Subsistence Allowance

In deciding what level to set these allowances the authority must take into account the recommendations of that authority's Independent Remuneration Panel (the Panel).

- 2.6 The rules make specific provision about each of these payments to members of the authority. It is important to note that only these payments can be made and no other for the role as a member.

**Basic Allowance** – the rules provide that each member should be paid a basic allowance in respect of their functions along with any other allowance provided for by the scheme. It also provides that if a member is in office for part of the year he/she is to get a proportionate payment.

The allowance is not intended to serve as a salary rather it is intended to be a small contribution to recognise the significant time commitment of all Councillors including calls on their time of meetings, and other council work and a contribution towards the incidental costs of being a councillor such as use of their homes, telephone calls and meetings.

**Special Responsibility Allowance** – a scheme may provide for a special responsibility allowance to be paid (in addition to the basic allowance) to members with certain (specified) roles, these include the leader of a political group, deputy leader of a political group, members of cabinet/leader (and deputy leader) of the Council, chairmen of committees/sub-committee or someone who is required to carry out such other activities as require the member an amount of time greater or equal to the other categories.

**Carers' allowance** – a scheme may provide for the payment to members in respect of expenses for care of children or dependents for attending certain meetings.

**Travelling and subsistence allowance** – a scheme may provide for the payment of an allowance in respect of travelling and subsistence in respect of travel undertaken in connection with or relating to certain specified duties such as attendance of Council/Committee meetings or other functions specified by the authority.

There is no existing Government guidance on the issue – the only guidance is old, i.e. from 2003 and can be found here:

<http://webarchive.nationalarchives.gov.uk/20120920031946/http://www.communities.gov.uk/documents/localgovernment/pdf/157440.pdf>

- 2.7 **Length of a scheme** - Whilst the scheme needs to be made for each year the law provides that a Council may choose to set a scheme for a period of years (subject to being re-approved each year by Council) with an annual adjustment by reference to an index, where it does so it may set the scheme for a period of no more than 4 years without going back to the Panel.

The Council scheme was set in 2018 for a period of 4 years and is approved each year as part of the Council's constitution. It is proposed that a detailed review will take place in late 2020/early 2021 with a view to setting a new scheme for the period from 2021 – 2025.

- 2.8 **Claims by a certain date** - Where payments are made under the Carers' or Travelling and Subsistence Allowances the scheme must provide a date for these payments to be claimed by.
- 2.9 **Publicity for schemes** - There are also detailed rules concerning publicity for the making or amendment of a scheme including advertising it in the local paper and also in relation to the recommendations of the Panel.
- 2.10 **Independent Remuneration Panel** – The Panel is a critical part of the process. The Panel is designed to ensure that there is independent oversight as to how much the allowances are set at. The responsibilities are set out at Regulation 21, the relevant parts of which we repeat below:

*(1) An independent remuneration panel shall produce a report in relation to the authority or authorities in respect of which it was established, making recommendations–*

- (a) as to the responsibilities or duties in respect of which the following should be available –*
- (i) special responsibility allowance;*
  - (ii) travelling and subsistence allowance; and*
  - (iii) co-optees' allowance;*
- (b) as to the amount of such allowances and as to the amount of basic allowance;*
- (c) as to whether dependants' carers' allowance should be payable to members of an authority, and as to the amount of such an allowance;*
- (d) as to whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulation 10(6);*
- (e) as to whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years, before its application is reviewed.*

- 2.11 **Current Scheme for City of Wolverhampton Councillors** - The current scheme (attached at appendix 2) provides for:

- A basic allowance
- Special responsibility allowances
- Carers/Dependents allowances
- Travel allowances

The overall budget for member allowances, inclusive of provision for employers national insurance and pension fund contributions, is currently just under £998,000.

- 2.12 A meeting of the Independent Remuneration Panel has taken place to consider whether amendments should be made to the current scheme and in particular on the levels of the Special Responsibility Allowances (SRA) as a result of changes being proposed to the Governance structure.
- 2.13 In carrying out its review the Panel was keen to ensure that the review was comprehensive and encompassed all aspects of the allowances scheme. The Panel endeavoured to carry out the review in an impartial manner and to base its conclusions and recommendations on the evidence they received. Throughout the review the aim of the Panel has been to produce an allowances scheme that is fair and equitable and which is appropriate for the needs of this Council.
- 2.14 The Panel has used a range of sources of evidence and in particular considered the allowances paid to Councillors of the Black Country, West Midlands Metropolitan Councils and similar sized councils in this Councils CiPFA family group.

### **3.0 Recommendations from the Independent Remuneration Panel**

- 3.1 The Panel reviewed the Council's scheme of Councillor Allowances and Expenses in accordance with the provisions of the Regulations and its terms of reference covered:

#### Review of Special Responsibility Allowances:

- Review whether a Special Responsibility Allowance for the Chair of the Cabinet Advisory Group should be introduced.
  - Review whether a Special Responsibility Allowance for the lead reviewer of the Select Committee Reviews should be introduced.
  - Review whether a rule regarding receipt of SRAs from other authorities should be introduced.
- 3.2 The Panel has made a detailed report of its work, attached at Appendix 1, and made four recommendations.
- 3.3 The decision to approve these recommendations is the Council's following a recommendation from the Governance Committee. The Council must have regard to the recommendations made by the Independent Remuneration Panel before it proposes any changes to the current Councillor Allowances Scheme. The Council should consider each of these recommendations individually and decide whether each recommendation should be approved or rejected. The Council is not bound by the decisions of the Panel and may reject any of the proposals made, but the Council should have regard to the implications of such decisions and alternative provisions can be put forward and agreed.



#### **4.0 Financial implications**

- 4.1 The overall budget for members allowances, inclusive of provision for employers national insurance and pension fund contributions, is currently just under £998,000. Should the Independent Remuneration Panel recommendations be approved, subject to changes in the Governance structure proceeding, it is anticipated that the costs of the amended member allowance scheme can be accommodated within existing budget provision. [GE/1003202/F]

#### **5.0 Legal implications**

- 5.1 Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require the Council to review members' allowances at least once every four years for the purpose of agreeing how it will index link its scheme of allowances. The Council must have regard to the recommendations made by the IRP and determine whether and how these are implemented. The Council must also have regard to the recommendations made by the IRP before it amends any part of the current Councillor' Allowances Scheme. [RP/11022020/A]

#### **6.0 Equalities implications**

- 6.1 The appropriate remuneration for Councillors will contribute towards increasing the diversity of experience, age and background of local authority Councillors.

#### **7.0 Climate Change and Environmental implications**

- 7.1 There are no climate change and environmental implications arising from this report.

#### **8.0 Human resources implications**

- 8.1 There are no human resources implications arising from this report.

#### **9.0 Corporate landlord implications**

- 9.1 There are no corporate landlord implications arising from this report.

#### **10.0 Health and Wellbeing implications**

- 10.1 There are no health and wellbeing implications arising from this report.

#### **11.0 Schedule of background papers**

- 11.1 The following papers were relied upon as part of this review:

Local Authorities (Members' Allowances) (England) Regulations 2003  
City of Wolverhampton Council Constitution Scheme of Councillor Allowances

Benchmarking information for neighbouring authorities and family authorities

## **12.0 Appendices**

12.1 Appendix 1 - Report from the Independent Remuneration Panel

12.2 Appendix 2 - Current Allowances Scheme

# **CITY OF WOLVERHAMPTON COUNCIL**

## **REPORT OF THE INDEPENDENT REMUNERATION PANEL ON COUNCILLORS' ALLOWANCES**

Date: March 2020

## **Independent Remuneration Panel**

The City of Wolverhampton Council (“the Council”) Independent Remuneration Panel “the Panel) was established under the Local Authorities (Members’ Allowances) (England) Regulations 2003 to provide advice and recommendations to the Council on amounts to be paid under its Councillors’ Allowances scheme. Members of the Panel are appointed by the Council and are independent members of the local community.

The Panel has reviewed the existing Councillor Allowance Scheme approved by the Council in January 2018 and recommends that the scheme should remain in place save that it is recommended that some changes are made to the Special Responsibility Allowances should the proposed changes be made to the Council’s Governance Structure. In addition we have made a number of other recommendations.

This report is required by the Local Authorities (Members’ Allowances) (England) Regulations 2003. In conducting this review, the Panel has had regard to the 2006 `Statutory Guidance on Members Allowances.

The Council is required to have regard to our recommendations in deciding what allowances to pay Councillors. Additionally, the Council must also publish our recommendations and conclusions, together with the approved scheme.

Sylvia Parkin, Miceal Barden and Reverend David Wright

The Independent Remuneration Panel

9 March 2020

## 1.0 Panel Membership

1.1 The Panel is composed of three members:

- Sylvia Parkin – Deputy Lieutenant
- Mr Miceal Barden – Dean of the Faculty of Arts, Business and Social Sciences, Wolverhampton University
- Reverend David Wright – Rector of St. Peters Church Wolverhampton

## 2.0 How the Panel Approached the Review

2.1 The Panel chose the following means of gathering evidence.

- **Consideration of relevant legislation and guidance**

Councillor's allowances are paid in accordance with Local Government and Housing Act 1989 and the Local Government Act 2000. Section 18 of the 1989 Act, as amended by Section 99 of the Local Government Act 2000 makes provision in relation to basic, special responsibility and childcare and dependants' carers' allowances for members of local authorities. Section 100 of the 2000 Act allows the Secretary of State to make provision in relation to travel and subsistence allowance for members of local authorities and an allowance for non-councillors who are members of a council's committee or sub-committee.

The Local Authorities (Members' Allowances) (England) Regulations 2003 were made under these provisions. The Regulations provide that it is for each local authority to decide its scheme and the amounts to be paid under that scheme. Councils are required to establish an Independent Remuneration Panel which will provide the local authority with advice on its scheme, the amounts to be paid and the pensionability of allowances where relevant. The Council must have regard to this advice from the Panel.

- **Consideration of the current scheme of allowances**

The Panel were required to review the range of allowances currently paid to members of City of Wolverhampton Council. Details of the current schedule of the allowances are included at **Annex 1**.

- **Review of comparative allowances**

In looking at the allowances paid we sought to understand the level of allowances paid to Councillors performing similar roles at similar sized Councils. As with the previous report we have used the Councils in the CIPFA family group and particular attention has been paid to the allowances paid by the other three Black Country authorities.

### 3.0 Scope of the Report

- 3.1 The report sets out the Panel’s recommendations to enable the Council to agree a revised Councillors’ Allowances Scheme.
- 3.2 These recommendations take account of the Council’s current political composition and political management arrangements. Recommendations should be applied from the start of the 2020 - 2021 municipal year.
- 3.3 The Panel reviewed the Council’s scheme of Councillors Allowances and Expenses in accordance with the provisions of the Regulations and its terms of reference covered:

Review of Special Responsibility Allowances:

- *Review whether a Special Responsibility Allowance for the Chair of the Cabinet Advisory Group should be introduced*
- *Review whether a Special Responsibility Allowance for the lead reviewer of the Select Committee Reviews should be introduced*
- *Review whether a rule regarding receipt of SRAs from other authorities should be introduced*

### 4.0 Background Information – City of Wolverhampton Council

- 4.1 The City of Wolverhampton Council has 60 Councillors representing 20 wards. The current political composition of the Council is:

Party	Number of Seats
Conservative	11
Labour	48

- 4.2 The Council operates a Leader and Cabinet model of governance. The Cabinet is currently made up of the Leader of the Council, Deputy Leader of the Council and eight other Cabinet Members (although we understand that although two posts are currently vacant it is intended that the Cabinet will continue to made up of 10 members). Each of the 10 members of the Cabinet has a specific portfolio of responsibilities.
- 4.3 The Council currently has six themed Scrutiny Panels and an overarching Scrutiny Board whose role is to hold the executive to account, contribute to policy development, carry out reviews and monitor the performance of the Council.
- 4.4 The Council also appoints a number of other Committees to exercise its regulatory functions and other functions that are not the responsibility of the executive.

## **5.0 Proposed Governance Structure**

- 5.1 The Council is currently reviewing its Governance Structure to ensure they are more effective and that non-executive Councillors are more engaged in the decision-making and policy formulation process.
- 5.2 As part of the current proposals we understand that it is proposed that there would continue to be a Scrutiny Board with the number of scrutiny panels reduced from six to two. The Panel were provided with an overview on the role of the Scrutiny Board and the Scrutiny Panels going forward.
- 5.3 As part of the proposed change to its Governance Structure the Council will introduce Cabinet Advisory Groups. The Cabinet Advisory Group (CAG) is intended to provide and make recommendations on key policy areas. These are effectively working groups on key cross cutting areas. The CAG chair will have a pivotal role in leading these groups and will at times represent the Council on external forums.
- 5.4 As part of the proposals it is intended that the Council introduces Select Committee Reviews. The Select Committee will be carrying out detailed reviews of key areas of focus for the Council on behalf of the Scrutiny Board. The findings will be reported to Scrutiny Board and ultimately to Full Council.

## **6. Special Responsibility Allowances**

- 6.1 Each local authority may make provision in its scheme for the payment of special responsibility allowances (SRA) for those councillors who have significant responsibilities over and above the generally accepted duties of a councillor.
- 6.2 The responsibilities remunerated under Wolverhampton's current Scheme of Allowances are:

Leader  
Deputy Leader  
Leader of the Main Opposition Group  
Deputy Leader of the Main Opposition Group  
Cabinet Member  
Chair – Scrutiny Board  
Chair – Scrutiny Panel  
Chair – Planning Committee  
Chair – Licensing Committee  
Chair – Pensions Committee  
Chair – Audit Committee

Vice-Chair – Scrutiny Board and Panels  
Vice-Chair – Planning Committee  
Vice-Chair – Licensing Committee  
Vice-Chair – Pensions Committee  
Vice-Chair – Audit Committee

Leader of a Minority Opposition Group \*

## Councillor Champions

“Special Responsibility Allowance for the Leader of a Minority Opposition Group to be paid only if a Minority Opposition Group comprises five or more Councillors”

- 6.3 In reviewing the SRAs, the Panel carefully considered the national guidance which explains that they may be paid to those councillors of the council who have significant additional responsibilities over and above the generally accepted duties of a councillor. The guidance states that it does not necessarily follow that particular responsibilities given to a particular councillor is a significant additional responsibility for which a special allowance should be paid. Such duties may not lead to a significant extra workload for any one particular councillor above another and that they should be recognised as time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which an SRA should be recommended.
- 6.4 The Panel noted that its responsibility is limited to considering whether any roles should be remunerated under the scheme, not the content and structure of any roles which the Council may choose to establish.
- 6.5 The Panel reviewed evidence about the time commitment and responsibilities involved and considered benchmarking information. It was noted that most of the roles remunerated by Wolverhampton are remunerated by other comparator authorities and the levels of allowances paid by Wolverhampton are at or around the average or significantly higher for certain roles.
- 6.6 The Panel was specifically asked in its terms of reference to consider whether the role of Chair of a Cabinet Advisory Group or the Chair of Select Committee should be remunerated.
- 6.7 The Panel reviewed evidence about the time commitment and responsibilities likely to be involved for the new roles. The Panel was informed that the CAG Chair/Select Committee Chairs will be required to carry out activities that involve an amount of time greater or equal to the other categories of SRAs already paid.
- 6.8 The Panel noted that comparator authorities did not appear to have equivalent roles. However, the Panel was informed that authorities that had equivalent roles remunerated the role.
- 6.9 The Panel were advised that any changes to SRAs needed to remain within existing budget provisions.
- 6.10 The Panel were also asked to consider whether a rule should be introduced regarding receipt of SRAs from other authorities where that SRA is received as a result of the Councillor being appointed by the Council to that role (which provides the other SRA). This would ensure that there was not doubling up of SRAs.
- 6.11 Like many other authorities, Wolverhampton's scheme recommends that only one SRA can be claimed by those councillors who hold two or more different roles each entitled to an SRA and the Panel supported maintaining this approach.



6.12 The Panel took the view that the scheme should be amended to introduce the additional SRAs and the additional rule. It noted that the overall cost to the Council will not increase. It noted that there were a number of areas where the levels of allowances seemed out of step with other comparable authorities, generally significantly lower than those other authorities, and with the introduction of the new allowances it would be appropriate for a route and branch review of the Scheme to take place in 2020/2021 ready for approval in early 2021.

6.13 The Panel made the following recommendations:

**Recommendation 1:** That, should the changes to the Governance structure proceed, then the Chair of a Cabinet Advisory Group be remunerated at £10,000.

**Recommendation 2:** That, should the changes to the Governance structure proceed, the Chair of a Select Committee Review be remunerated at £2,500.

**Recommendation 3:** That the Councillor Allowance Scheme be amended to state '*If a Councillor receives an SRA from the Council and also receives an SRA from another authority or public body to which he or she was nominated by this Council then the SRA from this Council will be discounted by the amount of the SRA from that other authority or public body.*'

**Recommendation 4:** That apart from the recommendations above the current scheme should continue and that the Independent Remuneration Panel undertake a root branch review of the Councillor Allowance Scheme in January 2021.

Details of the proposed schedule of allowances are included at **Annex 2**.

**ANNEX 1****Schedule of Basic and Special Responsibility Allowances**

Basic Allowance (All Councillors) – £9,531.00

<b>Description</b>	<b>From 07.05.18</b>
<b>Special Responsibility Allowance (SRA)</b>	
Leader	25,000
Deputy Leader	20,000
Leader of the Main Opposition Group	15,000
Deputy Leader of the Main Opposition Group	2,500
Cabinet Member	15,000
Chair – Scrutiny Board	15,000
Chair – Scrutiny Panel	10,000
Chair – Planning Committee	15,000
Chair – Licensing Committee	15,000
Chair – Audit Committee	10,000
Chair – Pensions Committee	10,000
Vice-Chair – Scrutiny Board and Panels	2,500
Vice-Chair – Planning Committee	5,000
Vice-Chair – Licensing Committee	5,000
Vice-Chair – Audit Committee	2,500
Vice-Chair – Pensions Committee	2,500
Councillor Champion	2,500
Ceremonial Mayor (inclusive of £2,500 clothing allowance)	20,000
Ceremonial Deputy Mayor (inclusive of £1,250 clothing allowance)	5,000

**ANNEX 2****Schedule of Basic and Special Responsibility Allowances**

Basic Allowance (All Councillors) – £9,531.00 (to be increased by any percentage increase in pay agreed for local government employees)

<b>Description</b>	<b>From 07.05.20</b>
<b>Special Responsibility Allowance (SRA)</b>	
Leader	25,000
Deputy Leader	20,000
Leader of the Main Opposition Group	15,000
Deputy Leader of the Main Opposition Group	2,500
Cabinet Member	15,000
Chair – Scrutiny Board	15,000
Chair – Scrutiny Panel	10,000
Chair – Cabinet Advisory Group	10,000
Chair – Planning Committee	15,000
Chair – Licensing Committee	15,000
Chair – Audit Committee	10,000
Chair – Pensions Committee	10,000
Lead Reviewer (Chair) – Scrutiny Review (Select Committee)	2,500
Vice-Chair – Scrutiny Board and Panels	2,500
Vice-Chair – Planning Committee	5,000
Vice-Chair – Licensing Committee	5,000
Vice-Chair – Audit Committee	2,500
Vice-Chair – Pensions Committee	2,500
Councillor Champion	2,500
Ceremonial Mayor (inclusive of £2,500 clothing allowance)	20,000
Ceremonial Deputy Mayor (inclusive of £1,250 clothing allowance)	5,000

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**Councillor Allowances Scheme (updated for 2018/19)****1.0 Introduction**

- 1.1 This Councillors' Allowances Scheme was made by the Council on 31 January 2018, in accordance with the statutory provisions in the Local Government and Housing Act 1989, the Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003.

The Council has had regard to the Guidance on Consolidated Regulations for Local Authority Allowances issued by the Office of the Deputy Prime Minister and the Inland Revenue in July 2003.

In January 2018, the Council established its own Independent Remuneration Panel under the Local Authorities (Members' Allowances) (England) Regulations 2003.

The Council has had regard to the recommendations of the Panel in approving the levels of allowances set out in this scheme.

- 1.2 A copy of the Panel's report is available from Democratic Services, Civic Centre, St Peter's Square, Wolverhampton, WV1 1SH. Telephone: 01902 550320 and on the Council's website.

- 1.3 Definitions:

"Regulations" means the Local Authorities (Members' Allowances) (England) Regulations 2003 and any Regulations which may from time to time replace, amend or revoke them.

"Regulatory or other Committee" means, in accordance with the Council's Constitution, Committees, Sub-Committee or Panels comprising Councillors or other persons established to deal with functions which are neither reserved to the Council nor are Cabinet functions.

- 1.4 Sections 2 to 16 of this Scheme describe the types of allowances which may be paid to Councillors and the arrangements for administering the Scheme.
- 1.5 Section 17 contains a Schedule of Allowances approved by the Council for 2014/15. The Schedule will be re-issued annually when the annual adjustment has been made and at any time when the Scheme is amended.

**2.0 Basic Allowance**

- 2.1 This is a basic, flat rate allowance payable to all Councillors. The allowance is the same for each Councillor and is paid in instalments through the year.
- 2.2 Where the term of office of a Councillor begins or ends otherwise than at the beginning (1 April) or end of a year (i.e. 31 March), his/her entitlement shall be to payment of such part of the basic allowance as bears to the whole the

same proportion as the number of days during which his/her term of office as Councillor bears to the number of days in that year.

- 2.3 Basic allowance is intended to recognise the time commitment of all Councillors, including such inevitable calls on their time as meetings with employees and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the cost of telephone rental and calls and home office expenses such as postage, stationary and the use of their homes.

### **3.0 Special Responsibility Allowance**

- 3.1 Special Responsibility Allowances (SRAs) may be paid to those Councillors who have significant responsibilities. The Regulations prescribe the categories of responsibility for which SRAs may be paid.

- 3.2 The Council has determined that SRAs be paid to Councillors holding the following posts:-

- Leader
- Deputy Leader
- Leader of the Main Opposition Group
- Deputy Leader of the Main Opposition Group
- Cabinet Member
- Chair – Scrutiny Board
- Chair – Scrutiny Panel
- Chair – Planning Committee
- Chair – Licensing Committee
- Chair – Pensions Committee
- Chair – Audit Committee

- Vice-Chair – Scrutiny Board and Panels
- Vice-Chair – Planning Committee
- Vice-Chair – Licensing Committee
- Vice-Chair – Pensions Committee
- Vice-Chair – Audit Committee

- Leader of a Minority Opposition Group \*
- Councillor Champions

“Special Responsibility Allowance for the Leader of a Minority Opposition Group to be paid only if a Minority Opposition Group comprises five or more Councillors”

- 3.3 Where a Councillor undertakes duties which would entitle him/her to more than one Special Responsibility Allowance under this Scheme then he/she shall receive only the higher allowance.
- 3.4 Where a Councillor does not have throughout the whole of a year any such responsibilities as entitle him/her to an SRA, his/her entitlement shall be to payment of such part of the SRA as bears to the whole the same proportion

as the number of days during which he/she has such special responsibilities bears to the number of days in that year.

#### **4.0 Dependants' Carers' Allowance**

4.1 A dependants' carers' allowance is payable to those Councillors who incur expenditure for the care of their children or other dependants whilst undertaking particular duties. These duties are specified in the Regulations and are as follows:

- a. attendance at a meeting of the Cabinet or of a Committee of the Cabinet (i.e. the Cabinet or a Cabinet Panel)
- b. attendance at a meeting of the Full Council or any Regulatory or other Committee (i.e. a Committee or Sub-Committee or Panel of the Council)
- c. attendance at a meeting of some other body to which the Council make appointments or nominations, including attendance at a meeting of a Committee or Sub-Committee of the body and for the avoidance of doubt shall include attendance at a meeting of the West Midlands Combined Authority
- d. attendance at a meeting which has both been authorised by the Council, or a Regulatory or other Committee of the Council or a Joint Committee of the Council and one or more other authorities, or a Sub-Committee of a Joint Committee and to which representatives of more than one political group have been invited
- e. attendance at a meeting of a local authority association of which the Council is a member
- f. duties undertaken on behalf of the Council in pursuance of any standing order (Contracts Procedure Rules) requiring a Councillor or Councillors to be present while tender documents are opened
- g. duties undertaken on behalf of the Council in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the Council to inspect or authorise the inspection of premises
- h. duties undertaken on behalf of the Council in connection with arrangements made by the Council for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996 (approval of non-maintained special schools)
- i. any other duty approved by the Council in connection with discharging the duties of the Council or its Regulatory or other Committees (i.e. Committees or Sub-Committees).

- 4.2 The amount of the dependants' carers' allowances payable in respect of the duties listed above will be the reasonable actual costs incurred up to a total annual maximum amount of 10% of the basic allowance.

## **5.0 Travelling and Subsistence Allowance**

- 5.1 Travel and subsistence allowance is payable in connection with undertaking duties specified by the Council. The duties specified are those set out in section 4.1 of this Scheme.

- 5.2 Travel and subsistence within the West Midlands County area:

No separate amount will be payable for travel and subsistence. The basic allowance will be deemed to include an element for travel and subsistence.

- 5.3 Travel and subsistence outside the West Midlands County area:

Councillors required to travel outside the West Midlands County area in connection with the duties specified in section 4.1 of this Scheme are encouraged to travel by public transport. The costs of such travel if incurred directly by the Councillor will be reimbursed. Alternatively, the Council will obtain and pay for travel warrants or tickets etc. for use by the Councillor.

Where it is not possible to use public transport, mileage rates applicable to Council employees, equivalent to the cost of standard class rail fare, will be reimbursed. All claims for mileage should be accompanied by a VAT receipt.

Where Councillors are unable to take main meals i.e. breakfast, lunch and dinner, in their normal place then the reasonable costs of purchasing a meal and beverage or appropriate refreshment will be reimbursed.

Councillors must obtain receipts when paying for transport and meals/refreshments. In the case of alcoholic drinks, only expenditure for reasonable refreshment or business purposes will be reimbursed.

- 5.4 Councillors who are required to return to Wolverhampton to attend Council meetings or attend to other Council business while away from home on personal business or in connection with their employment will not normally be reimbursed any travel or subsistence costs by the Council. In exceptional personal, compassionate or other mitigating circumstances, the reimbursement of such travel costs will be considered by the Director of Governance and Section 151 Officer following consultation with the Political Group Leaders.

## **6.0 Co-opted Members and Independent Person's Allowance**

- 6.1 The Council has determined not to pay any allowance to co-opted Members or Independent Persons (i.e. a person who, not being an elected Councillor, has been appointed to membership of a Regulatory or other Committee of the Council) or persons or representatives of external organisations (i.e. a person



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who, not being a Councillor, has been invited to attend a Regulatory or other Committee of the Council) in respect of attendance at meetings.

- 6.2 Co-optees and persons or representatives of external organisations will be entitled to travel and subsistence allowance.
- 6.3 Travel and subsistence within the West Midlands County area – co-optees and persons or representatives of external organisations will be paid on the same basis as that applying immediately before the coming into operation of this Scheme.
- 6.4 Travel and subsistence outside the West Midlands County area – co-optees and persons or representatives of external organisations will be paid allowances on the same basis as Councillors as set out in section 5.3 of this Scheme.

### **7.0 Withholding Allowances**

- 7.1 If a Councillor has been suspended from membership of the Council then his/her basic allowance, any SRA and all travel and subsistence allowances will be withheld during the period of suspension. If a Councillor has been partially suspended e.g. prevented from exercising particular functions or having particular responsibilities, then his/her basic allowance will not be withheld but travel and subsistence allowances and any SRA related to the suspended duties and responsibilities will be withheld.
- 7.2 Where payment of any allowance has already been made in respect of any period during which the Councillor concerned has been suspended or ceased to be a Councillor or is in any other way not entitled to receive the allowance in respect of that period, then any such allowances will be repaid by the Councillor.

**Note:** References to suspension and partial suspension refer to the provisions of Part III of the Local Government Act 2000 and any Regulations made thereunder.

### **8.0 Forgoing of Allowances**

- 8.1 A Councillor may forgo all or any part of any allowances to which he/she is entitled under this Scheme. Notice in writing must be given by the Councillor to the Monitoring Officer.

### **9.0 Backdating of Allowances**

- 9.1 If this Scheme is amended and any amendment is made which affects an allowance payable for the year in which the amendment is made then the entitlement to such allowance as amended may apply (if the Council so determines) with effect from the beginning of the year in which the amendment is made.

**10.0 Annual Adjustments of Allowance Levels**

10.1 Basic and Special Responsibility Allowances for the municipal year commencing 4 June 2014 will be paid as set out in the Schedule to this Scheme.

**11.0 Tax and National Insurance Treatment of Councillors' Allowances**

11.1 For tax and national insurance purposes Councillors and non-Councillors are treated in the same way as any other individual who holds an office or is an employee. Guidance received by the Council will be made available to Councillors who should also contact their tax office for advice as necessary.

**12.0 Amendments and Revocation of the Scheme**

12.1 Before the beginning of each year the Council will make a Scheme as required by the Regulations for the payment of allowances in respect of the year.

12.2 The Scheme may be amended at any time but may only be revoked with effect from the beginning of a year.

**13.0 Claims and Payment**

13.1 Claims for dependants' carers' allowance, travelling and subsistence allowances must be claimed within one month of the date on which entitlement to the allowance arose.

13.2 Unless otherwise agreed payment of basic allowance and SRA's will be made monthly in advance.

**14.0 Records of Allowances**

14.1 The Council will keep a record of payments made by it in accordance with the Scheme. The record will contain the information required by the Regulations.

14.2 As soon as reasonably practicable after the end of a year to which the Scheme relates the Council will publish details in accordance with the Regulations of allowances paid.

**15.0 Publicity**

15.1 The Council will as soon as reasonably practicable after the making of this Scheme or any amendment thereto make arrangements for publication as required by the Regulations.

**16.0 Schedule of Basic and Special Responsibility Allowances**

Basic Allowance (All Councillors) – £9531.00

<b>Description</b>	<b>From 07.05.18</b>
<b>Special Responsibility Allowance (SRA)</b>	
Leader	25,000
Deputy Leader	20,000
Leader of the Main Opposition Group	15,000
Deputy Leader of the Main Opposition Group	2,500
Cabinet Member	15,000
Chair – Scrutiny Board	15,000
Chair – Scrutiny Panel	10,000
Chair – Planning Committee	15,000
Chair – Licensing Committee	15,000
Chair – Audit Committee	10,000
Chair – Pensions Committee	10,000
Vice-Chair – Scrutiny Board and Panels	2,500
Vice-Chair – Planning Committee	5,000
Vice-Chair – Licensing Committee	5,000
Vice-Chair – Audit Committee	2,500
Vice-Chair – Pensions Committee	2,500
Councillor Champion	2,500
Ceremonial Mayor (inclusive of £2,500 clothing allowance)	20,000
Ceremonial Deputy Mayor (inclusive of £1,250 clothing allowance)	5,000

(Note: Where a Councillor undertakes duties, which entitle him/her to more than one SRA under the Scheme, he/she will receive only the higher allowance. However, he/she will still be entitled to the mayoral clothing allowance if they qualify for the Ceremonial Mayor or Deputy Mayor SRA.)

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