

COUNCIL

DATE Thursday 22 December 2016

PLACE Council Chamber, Council
Offices, High Street, Needham
Market

TIME 5:30pm

Contact: Committee Services
Direct Line: (01449) 724673/81
E-mail: Committees@baberghmidsuffolk.gov.uk

14 December 2016

NOTES:

- i) Tea/coffee will be available for Members in the Council Chamber at 5:00 pm
- ii) The Council Chamber is situated on the first floor. There is access via a lift as an alternative to stairs.
- iii) The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and press are not lawfully excluded. Any member of the public who attends a meeting and objects to being filmed should advise the Committee Clerk.

A G E N D A

1. Apologies for absence
2. To receive any declarations of pecuniary or non-pecuniary interests by Members
3. Confirmation of the Minutes of the meeting held on 21 November 2016

Report C/99/16

Pages 4 to 12

4. Chairman's Announcements

Report C/100/16

Pages 13 to 14

5. Public Participation Session

Members of the public are able to ask a question or make a statement during this item – please refer to the 'Guide to the Procedure' – copy available on request.

Prior written notice of the intention to speak must be given to the Monitoring Officer by no later than 5:00 pm on Monday 19 December 2016 (two clear working days before the meeting).

6. To receive notification of petitions in accordance with the Council's Petition Scheme

In accordance with Council Procedure Rule 10, The Chief Executive will report the receipt of any petitions. There can be no debate or comment upon these matters at the Council meeting.

7. Questions by the Public

The Chairmen of Committees to answer any questions from the public of which notice has been given no later than midday three clear working days before the day of the meeting in accordance with Council Procedure Rule 11.

8. Questions by Councillors

The Chairman of the Council, the Chairman of Committees and Subcommittees and Portfolio Holders to answer any questions on any matters in relation to which the Council has powers or duties or which affect the District of which due notice has been given in accordance with Council Procedure Rule 12.

9. Change of Governance – Adopting the Cabinet – Leader Model

Report C/101/16

Pages 15 to 24

10. Draft Timetable of Meetings 2017/18

Members are asked to approve the draft timetable prepared by the Interim Head of Democratic Services

Report C/102/16

Pages 25 to 26

11. Leader's Report

12. Joint Scrutiny Committee Report

Report C/103/16

Page 27 to 28

13. To consider the following motion proposed under Rule 13 of the Council's Procedure Rules

Motion Proposed by Councillor Rachel Eburne

“That in the interest of openness, transparency and accountability, this Council receives:

- i) on at least a quarterly basis, from all Portfolio Holders and Members with Special Responsibilities, a report on the content of the Portfolio Holder Briefings or equivalent, and;
- ii) on an annual basis, from all Members that represent the Council on external bodies a report on the full account of that work”

14. Resolution to Exclude the Public

Recommended Motion

That under section 100(4) of the Local Government Act 1972 the public be excluded from the meeting for item 17 on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act in the paragraph registered against the item:

Note: *Information is exempt only if:*

It falls within one of the 7 categories of exempt information in the Act and; In all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

15. Confidential Minutes of the meeting held on 21 November 2016

Report C/104/16

Page 29

Lindsay Barker
Deputy Chief Executive

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Agenda Item 3

C/99/16

MID SUFFOLK DISTRICT COUNCIL

Minutes of the Council meeting of the **MID SUFFOLK DISTRICT COUNCIL** held at the Council Offices, Needham Market on 21 November 2016 at 5:30 pm.

PRESENT:

Councillors:	Roy Barker	John Levantis
	Gerard Brewster	Sarah Mansel
	David Burn	Wendy Marchant
	James Caston	John Matthissen
	Rachel Eburne	Lesley Mayes
	Paul Ekpenyong	Suzie Morley
	John Field	Dave Muller
	Julie Flatman	Mike Norris
	Jessica Fleming	Derek Osborne
	Elizabeth Gibson-Harries	Penny Otton
	Nick Gowrley	Jane Storey
	Kathie Guthrie	Andrew Stringer
	Lavinia Hadingham	Keith Welham
	Derrick Haley	Kevin Welsby
	Matthew Hicks	David Whybrow
	Glen Horn	Jill Wilshaw
	Anne Killett	

Also present: Sandra Cox, Karen Forster, Ivor Holden (Members of the Independent Remuneration Panel)

In attendance:

Head of Paid Service
Deputy Chief Executive
Interim Strategic Director (KJ)
Interim Assistant Director - Law and Governance and Monitoring Officer
Assistant Director – Investment and Commercial Delivery
Interim Head of Democratic Services
Corporate Manager – Financial Services
Corporate Manager – Commissioning and Procurement
Governance Support Officer (VL/BN)

Note: The Chairman explained the rules and procedures for the Council, members of the public and the press to record/film/photograph or broadcast the meeting when the public and press are not lawfully excluded.

CL129 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors Charles Flatman, Gary Green, Esther Jewson, Diana Kearsley, Timothy Passmore and John Whitehead.

CL130 DECLARATIONS OF INTEREST

There were no declarations of interest.

CL131 MINUTES OF THE MEETING HELD ON 31 OCTOBER 2016

Report C/92/16

The minutes of the meeting held 31 October 2016 were confirmed as a correct record subject to minor typographical amendments, page 6, second and penultimate paragraphs.

By a unanimous vote

RESOLUTION

That the Minutes of the meeting held on 31 October 2016 be confirmed as a correct record.

CL132 CHAIRMAN'S ANNOUNCEMENTS

Report C/93/16

The report was noted.

CL133 PUBLIC PARTICIPATION SESSION

No requests had been received.

CL134 TO RECEIVE NOTIFICATION OF PETITIONS IN ACCORDANCE WITH THE COUNCIL'S PETITION PROCEDURE

No petitions had been received.

CL135 QUESTIONS BY THE PUBLIC

No questions had been received.

CL136 QUESTIONS FROM COUNCILLORS

No questions had been received.

CL137 RECOMMENDATION FROM THE INDEPENDENT REMUNERATION PANEL

Report C/95/16

Interim Assistant Director – Law and Governance

Members were asked to consider a recommendation from the Independent Remuneration Panel in relation to the Special Responsibility Allowance for the Member with Special Responsibility (MSR) role, and to authorise the Monitoring Officer to make necessary amendments to the Members' Allowances Scheme if approved.

Sandra Cox, Chair of the Independent Remuneration Panel, provided Members with background detail considered by the Panel in understanding the roles and scope of the five MSR positions.

The recommendations were proposed and seconded by Councillors Nick Gowrley and Glen Horn respectively.

During the course of the ensuing debate, Councillor Gowrley clarified points raised by Members including:

- A review of all allowances would be carried out if the governance model was changed in the future
- The allowances would be funded from the Democratic Services budget and if this resulted in an overspend from the Transformation Fund

Councillor John Matthissen requested a recorded vote, but this was unsupported.

By a majority vote

RESOLUTION 1

That the Special Responsibility Allowance for the Member with Special Responsibility role be set at 0.75 (£3000) of the current basic allowance

RESOLUTION 2

That the revised Special Responsibility Allowance take effect from the date of creation of the new role (April 2016)

RESOLUTION 3

That a revised Members Allowances Scheme incorporating the recommendation of the IRP as adopted by the Council under Resolution 1 above be prepared by the Monitoring Officer. Further, that the Monitoring Officer be authorised to make any typographical and other minor / consequential amendments prior to publication of the final document

CL138 RECOMMENDATION FROM JOINT AUDIT AND STANDARDS COMMITTEE – 14 NOVEMBER 2016

MID-YEAR REPORT ON TREASURY MANAGEMENT 2016/17

Report JAC90

**Assistant Director – Corporate Resources
Corporate Manager – Financial Resources
Senior Financial Services Officer**

Councillor Suzie Morley, Chairman of the Joint Audit and Standards Committee, reported that at its meeting on 14 November the Committee considered Report JAC90, the Mid Year Treasury Report for 2016/17. Following clarification of various matters by Officers, the Committee approved the recommendation as set out on the agenda.

Councillor Morley proposed the recommendation which was seconded by Councillor Kevin Welsby.

By a unanimous vote

RESOLUTION 1

That it be noted that Treasury Management activity for the first six months of 2016/17 was in accordance with the approved Treasury Management Strategy, and that both Councils have complied with all Prudential Indicators for this period.

CL139 DEVOLUTION FOR NORFOLK AND SUFFOLK

Report C/94/16

Deputy Chief Executive

Councillor Nick Gowrley, Leader, reported that as a result of the decision by King's Lynn and West Norfolk Borough Council not to consent to being included in a draft Order to be laid before Parliament to create a Mayoral Combined Authority for Norfolk and Suffolk to implement the Norfolk and Suffolk Devolution Deal, it was likely that the Government would take the Norfolk and Suffolk Devolution Deal off the table.

In light of this, revised recommendations were circulated at the meeting (Paper C/94/16R), and duly proposed and seconded by Councillors Nick Gowrley and David Burn respectively.

During the course of the ensuing debate the following points were raised and clarification was given by Councillor Gowrley:

- The need to look for other partners if the Government considered a Suffolk only bid too small;
- Deal 1 to focus on growth with areas such as health and sustainability likely to be part of Deal 2;
- Progression of Deal 2;
- Opportunity to negotiate a better financial offer with less Government intervention;
- Consideration should be given to a better democratic system; if Government insist on an elected Mayor there should be the same system of proportionality as with the London Mayor

Members commended the amount of hard work by Officers and Members in putting the deal together.

By a unanimous vote

RESOLUTION 1

To reiterate the commitment, given at its June meeting, to Devolution as a means for delivering accelerated growth in the local and national economy and helping local people and places fulfil their potential;

RESOLUTION 2

To authorise the Leader and Chief Executive to:

- seek an urgent meeting with the Secretary of State to discuss the Government's intentions around devolution;*
- work with Government and local partners to agree an alternative devolution deal as soon as possible*

RESOLUTION 3

That further reports are presented to the Authority, as appropriate, as the Devolution process progresses.

CL140 CONTRACT STANDING ORDERS

Report C/96/16 Corporate Manager – Commissioning and Procurement

Councillor Glen Horn presented the report which set out the proposed amendments to the Council's Contract Standing Orders.

It was noted that there was one change to the report in Appendix A, item 5.3 (page 88), in the title which should have read "The Principle of Proportionality" instead of "The Principle of Proportionately".

The recommendations were proposed and seconded by Councillors Glen Horn and John Levantis.

Councillor John Field questioned the legality of removing reference to the EU at this time. The Corporate Manager – Commissioning and Procurement responded that the principles of fairness and transparency were all followed and contained in the Contract Standing Orders.

Councillor Rachel Eburne enquired why there was a proposed increase in the delegation for Approved Officers from £10k to £25k. The Corporate Manager – Commissioning and Procurement advised that it brought it in line with Suffolk County Council. However, Officers and Members would still be required to get written quotations for values over £1,000 to prove value for money.

A further query was raised by Councillor Roy Barker, on whether the revised Contract Standing Orders would help smaller, local businesses work closer with the Council. Members were informed that removing the requirement to go out to competition for smaller value requirements would help support smaller, local businesses. Also, there was a requirement in the Commissioning Procurement Manual to support local businesses.

By a majority vote

RESOLUTION

That the revised Contract Standing Orders as detailed in Appendix A to Paper C/96/16 be approved.

CL141 LEADER'S REPORT

The Leader, Councillor Nick Gowrley, provided Members with an update on the Public Access and Accommodation Programme. Work was progressing well, the new website had started to be rolled out and public views sought. The project had been rebranded and was now called the "All Together" Project. The All Together Member Sub-Group had met, and was working with officers to review opportunities for public access points.

CL142 JOINT SCRUTINY COMMITTEE REPORT

Report C/97/16

Councillor Rachel Eburne

The report was received. Councillor Rachel Eburne, Chairman of Joint Scrutiny, informed Members that the date of the next meeting had been changed to 6 December 2017.

CL143 ASSETS AND INVESTMENT STRATEGY

Report C/98/16

Assistant Director Assets and Commercial Delivery

Councillor Penny Otton sought clarification on the reason Appendix 1 was considered exempt from public session. In response the Monitoring Officer clarified that Appendix 1 contained confidential, commercially sensitive information.

Prior to the Council's consideration of report C/98/16, the Chairman introduced the Assistant Director – Assets and Commercial Delivery, Louise Rawsthorne and Interim Investment and Development Executive, Ian Winslet, who gave a short presentation on the Assets and Investment Strategy.

Councillor Nick Gowrley presented the report which set out two elements of an emerging approach to managing assets and investment. Firstly, the report sought approval for an Assets and Investment Strategy made up of three strands:

- Strand 1 – Investment (Profit for Purpose)
- Strand 2 – Regeneration and Development
- Strand 3 – Asset Management

Secondly, and essential to the delivery of Strand 1 of the strategy, approval was being sought for a wholly owned incorporated structure for investment in commercial property for profit. Skills and expertise had been employed from JLL from the property sector, Trowers and Hamlins for legal advice and Arlingclose Ltd for financial modelling.

If approved, a full business plan would then be placed before Council for consideration in Spring 2017 before the company started to trade.

Members attention was brought to a paper which had been circulated at the meeting, outlining the revised wording, for the purpose of clarity, to Recommendation 2.2(i):-

“2.2 (i) A Babergh District Council Holding Company and a Mid Suffolk District Council Holding Company”

Councillor Gowrley proposed the recommendations, which were duly seconded by Councillor Susie Morley.

Members then had the opportunity to ask questions on the non-confidential elements of the report and the following were among the matters raised and clarified:

- Borrowing from public works loan board – the Council could decide on fixed term or variable rates, with the flexibility to change at a later point
- Accountability and transparency – Recommendations were based on a full business plan which would set out the governance arrangements. Accountability would be seen in the business plan, which would be reviewed annually by Council

- The Holding Company Boards were not required to be politically balanced by law
- Commercial skills and expertise – a skills audit of all Members would be carried out to establish which Members should represent the Council on the Boards
- The purpose of the three Strands was to ensure focus is not lost
- Look at ways of generating returns with local projects that also achieved the Council's aims – the proposal maximised return giving the opportunity to achieve its aims
- Personal liability for any Member involved in the company – insurance would be in place to cover Directors in the normal line of business and providing a Director had acted in good faith there would be no individual liability
- Use of Suffolk County Council Pension Fund to invest in building council homes – the Public Works Loan Board was the approach likely to be taken at the start, opportunities for other sources of income in future years
- Interest rates go up and property yields go down.
- Possibility of funds being invested in purchasing land with planning permission and bringing forward to the construction phase to build houses on - additional borrowing could be sought. The £25M to be used for investment into commercial property.
- Could investment be made in areas in the District needing improvement or for buying agricultural land – there was flexibility in where and how investment was made.

CL144 RESOLUTION TO EXCLUDE THE PUBLIC

Under section 100(4) of the Local Government Act 1972 the public were excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act in the paragraphs registered against the item:

<i>Item</i>	<i>Schedule 12a Reason</i>
<i>CL143 – Appendix 1 to Paper C/98/16</i>	<i>3</i>

CL143 ASSETS AND INVESTMENT STRATEGY

Report C/98/16 Appendix 1 Assistant Director Assets and Commercial Delivery

The Minute relating to the above mentioned item is excluded from the public record. A summary of the Minute made by the Proper Officer in accordance with sub-section 2 of Section 100(c) of the Local Government Act 1972 is set out below.

Members raised questions in relation to the paper C/98/16 Appendix 1, which were responded to by Officers.

The meeting returned to open session at 7:15pm and further debate ensued as follows

CL143 ASSETS AND INVESTMENT STRATEGY

Report C/98/16 Assistant Director Assets and Commercial Delivery

Councillor Andrew Stringer proposed an amendment to Recommendation 2.1 of the paper to read:

“That Members approve the three strands of the Assets and Investment Strategy subject to the majority of the £25M investment being invested in the Mid Suffolk District Council area.”

He considered that every step the Council took should be in delivering the Strategic priorities. There were two Councils with differing needs from the income generated with differing risks and challenges. He believed that if the majority of investment, 51%, was within this area it would kick start the local economy and aid delivery of strategic priorities. Although investment in commercial property should give good returns there was still a risk and investment in the District would bring economic development.

The motion was seconded by Councillor Penny Otton who said:

- Local Authorities were not major investment vehicles
- A major change in Government legislation was to give Councils the ability to provide Council properties and there was an argument for investing in development to provide homes for purchase or rent
- Support should be given to the local economy and investment within the District would do this.

During the course of the debate on the revised motion, the following points were raised:

- Although supporting the local economy was important investment must be in the best opportunities to generate the greatest income which could be used to achieve the Council’s aims
- Investments would be made in the District where appropriate
- Although empathetic to the motion it would be wrong to tie the Council’s hands regarding investment when it was necessary to spread the risks
- Local Government Act 2000, general power to “promote economic, social and economic wellbeing in our area” – investment in our area could meet this

As a point of order Councillor Stringer clarified that the amendment was for a “majority”, 51%.

Councillor Gowrley responded that advice given from JLL was to look at the eastern region. Strand 2 would give the opportunities Councillor Stringer was after.

The amendment was lost 9 votes to 23.

A vote was then taken on the substantive recommendations.

By a majority vote

RESOLUTION 1

That Members approve the three strands of the Assets and Investment Strategy

RESOLUTION 2

That Members approve an incorporated structure for investment in commercial property which will then be the subject of a business plan to be brought forward for approval in early 2017. The incorporated structure to be made up of two holding companies;

- i. *A Babergh and a Mid Suffolk District Council Holding Company.*
- ii. *A Joint Capital Investment Fund Special Purpose Vehicle owned 50:50 with Babergh/Mid Suffolk District Council holding the fund for investment*

RESOLUTION 3

That Members approve the Capital Investment Fund model and structure as set out in the business case (as contained in Confidential Appendix 1 to Paper C/98/16), legal, tax and company structure advice all appended to this report

Note: Councillor David Burn left the meeting prior to the vote on the amended and substantive recommendations.

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Chairman

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Agenda Item 4

C/100/16

Mid Suffolk District Council was represented at the following events by
Councillor Elizabeth Gibson-Harries, Chairman of Council
28 November 2016 to 21 December 2016

Monday 28 November	Suffolk Community Foundation – Review of the Year, Ipswich
Tuesday 29 November	Mayor’s Christmas Carol Concert, Diss
Saturday 3 December	A Ceremony of Carols, Eye Parish Church
Thursday 8 December	Christmas Pantomime, The Regal Theatre, Stowmarket
Friday 9 December	Bishop of St Edmundsbury’s Christmas Drinks Party, Ipswich
Saturday 10 December	Snow Fiesta Christmas Market, Stowmarket
Friday 16 December	Christmas visit to Sheltered Housing Scheme, Hurstlea Court, Needham Market
Friday 16 December	Christmas visit to Sheltered Housing Scheme, St Peter’s Court, Claydon
Friday 16 December	Christmas visit to Sheltered Housing Scheme, Weston Way, Stowmarket
Monday 19 December	Christmas visit to Sheltered Housing Scheme, St Edmund’s House, Hoxne
Monday 19 December	Christmas visit to Sheltered Housing Scheme, Farnish House, Botesdale
Wednesday 21 December	Christmas visit to Sheltered Housing Scheme, Cherryfields, Bramford

Mid Suffolk District Council was represented at the following events by
Councillor Derrick Haley, Vice Chairman of Council
6 December 2016 to 20 December 2016

Tuesday 6 December	Christmas visit to Sheltered Housing Scheme, Jubilee Court, Stowupland
Wednesday 14 December	Christmas visit to Sheltered Housing Scheme, Partridge Court, Stowmarket
Tuesday 20 December	Christmas visit to Sheltered Housing Scheme, Manns Court, Elmswell

Agenda Item 9

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

From: Deputy Chief Executive (in consultation with the incoming Chief Executive)	Report Number: C/101/16
To: Babergh District Council Mid Suffolk District Council	Date of meeting: 20 December 2016 22 December 2016

CHANGE OF GOVERNANCE: ADOPTING THE CABINET - LEADER MODEL

1. Purpose of Report

- 1.1 To consider and determine the Councils' governance arrangements, and proposed programme of work to implement any change in such governance.

2. Recommendations to Council

- 2.1 Adopt the 'leader-cabinet' form of governance, effective from the May 2017 Annual Council meeting of the Council, in accordance with the provisions of the Localism Act 2011.
- 2.2 Approve the suggested implementation and approach as set out in Paragraph 6.1 - 6.8, the subsequent wider cultural change and new ways of working, in advance of the May 2017 Annual Council meetings.

3. Links to Joint Strategic Plan

- 3.1 Good governance is at the core of an enabled and efficient organisation. Adopting the "leader-cabinet" model will deliver a number of key objectives. In particular, it is noted that both Councils have adopted the desire, through their Joint Strategic Plan, to be smaller, smarter, and swifter; with the right people, doing the right things, in the right way, at the right time and for the right reasons. It is the Councils' responsibility to have in place clear and effective governance and be able to demonstrate successful outcomes of the Joint Strategic Plan.
- 3.2 This decision is also closely linked to the current work being undertaken by the two Councils with the Local Government Boundary Commission for England ('LGBCE'). As part of these electoral reviews the Councils will need to provide details of their governance arrangements to the LGBCE as part of each Council's 'council size' submission.

4. Background and Key Information

- 4.1 In Autumn 2016 the Leaders of both Councils set out their intention to pursue a move to the 'leader-cabinet' governance system.

- 4.2 Since then the Councils' well established joint cross-party 'Strengthening Governance' Task and Finish Group has convened on three occasions to consider this decision and its broader implications. The Task and Finish Group was originally established as part of the on-going Strengthening Governance work. The following Councillors are members of the Task and Finish Group:

BDC	MSDC
Jennie Jenkins	Nick Gowrley
Simon Barrett	Derrick Haley
Clive Arthey	Andrew Stringer
Sue Carpendale	Penny Otton
Margaret Maybury	John Levantis

- 4.3 The Centre for Public Scrutiny ('CfPS') has been providing the Councils, and their Councillors, with support to consider moving to a cabinet – leader governance model. The CfPS is a charity whose objectives are to promote and support good governance within public bodies. The CfPS receives funding from the Local Government Association (LGA), which it uses to provide support and advice to councils on corporate governance issues. The CfPS holds no brief for any particular governance system or approach over any other.
- 4.4 This support has been provided alongside assistance from the University Birmingham's Institute of Local Government Studies (INLOGOV).

Main Features of the Leader-Cabinet Model

- 4.5 The 'leader-cabinet' system involves decision-making powers being vested in up to a maximum of ten councillors who form a Cabinet. They are appointed by a Leader. Cabinet does not need to be politically proportionate. Cabinet may take decisions collectively, or individual members of cabinet may be empowered to make decisions themselves.
- 4.6 All decisions of cabinet (including decisions made by cabinet members individually) are subject to the usual local government requirements of being published five clear days before the decision is made. Notification of forthcoming cabinet key decisions is required to be published (on a 3 month rolling basis) at least twenty-eight days before a decision can be made, in a 'forward plan'. When any cabinet decision has been made, other councillors can, within a certain period, call that decision in for further discussion by an overview and scrutiny committee before the decision can be implemented. In some councils many key decisions will also be considered by the overview and scrutiny committee first, before coming to cabinet for decision. Collectively these systems are intended to provide a check and balance to the cabinet decision-making process.
- 4.7 Some councils with cabinets also supplement those bodies with informal bodies which assist with policy development. These bodies are often informal and do not meet in public, and can be called 'Cabinet Advisory Panels' or 'Policy Development Groups,' or similar. The choice available to councils on governance is not therefore a binary one, between committee and cabinet. There are hybrid models and also other governance models such as the mayoral system.

- 4.8 A selection of regulatory and quasi-judicial committees meet to decide issues such as planning, licensing and audit under both systems. The operation of these committees remains the same irrespective of the governance option adopted, as they operate under different legislation.

Rationale for change

- 4.9 By way of background, currently both Councils operate a committee system mode of governance. The committee system involves decisions being made by cross-party groups of councillors, by consensus and/or through the use of votes both in committee and council meetings. Where decisions cut across the terms of reference of more than one body or committee, they will often be passed to multiple bodies before the council formally decides to take action.
- 4.10 The Councils are proposing in May 2017, to move to the 'leader-cabinet' system (key features of such a governance model are set out above in paragraphs 4.5 to 4.8).
- 4.11 On 10 November 2016, the Strengthening Governance Task and Finish Group and the two Joint Scrutiny Chairs (Cllrs Eburne and Newman), attended a session facilitated by CfPS. The session focused on the development of design principles and a common understanding of the outcomes of any governance change. Members were invited to talk about what those design principles might be in practice, before considering what the barriers might be to the use and implementation of those principles.
- 4.12 The adoption of a 'leader-cabinet' model will deliver a number of the Councils' Joint Strategic objectives - it will achieve this in a number of ways, including:
- A more consistent, clearer, proportionate and efficient mechanism for decision making, ensuring increased officer and Councillor capacity for delivery;
 - Greater levels of openness, transparency and collaboration through a stronger Scrutiny Committee function, with legally enshrined mechanisms e.g. 'Key Decision' thresholds and 'Call-ins'
 - Increased responsibility, separation, and clarification of functions leading to increased accountability to Council and the electorate;
 - Parity and flexibility for the leaders and cabinets to represent and influence within the 'Suffolk system' through wider partnership working, particularly in the context of Devolution within Suffolk.

The development of design principles

- 4.13 The above rationale and objectives for change was not the view of all Councillors. In particular, for some, there are concerns that a cabinet system may lead to a decrease in consensus decision-making and an emphasis on speed over the quality of decision-making.

4.14 In order to avoid such a situation, CfPS recommended that the Councils agree a set of clear design principles to guide the development of the more detailed governance structures and cultures that support the 'leader-cabinet' model. The Strengthening Governance Task and Finish Group has therefore developed the following initial design principles:

- Streamlined. Any system needs to be focused, to allow for swift decision-making, to be easily understandable and to be proportionate (in terms of what is what is expected of both Councillors and Officers);
- Communication. This is about Councillors understanding the reasons for proposed decisions, and Councillors having plenty of notice of things happening so that they are in a position to influence decisions – formally or informally. More effective Member input into policy development could form part of this. This also incorporates the need for the Councils to engage in more depth with the public.
- A clear strategy / operations division. Whilst recognising that an absolute and pure division is impossible, Councillors will focus predominantly on strategy. Although sometimes it is right for Councillors to step into operational matters (particularly where they relate to issues of political controversy) a governance system will need to be designed to empower staff to act in accordance with the policy framework given to them by Councillors.
- Cultural Change. The kinds of cultural attitudes necessary to embed these design principles are ones of trust, openness, mutual positive challenge and the ability to be 'self-servicing' (for Councillors, this might mean taking additional responsibility for keeping up to speed on issues with fewer face to face officer briefings).

4.15 Councillors will have the opportunity to discuss these principles in more depth as part of the design and implementation phases of the cabinet-leader governance model. The suggested implementation process is set out in paragraphs 11.1-11.3 below.

5. Financial Implications

5.1 The decision will have financial implications associated with the resource that officers will need to put in place to manage the formal transition to a new governance option. Any additional one-off costs will be funded from the Transformation Fund.

5.2 In other local authorities, a key criterion for changing to different governance arrangements has been that they cost the same, or are cheaper, than the existing model. There is no evidence to suggest that any one form of governance option ('leader-cabinet', committee system, Mayor and cabinet) is intrinsically more or less expensive to operate than any other, but there are different ways of working within each of these systems that may well have such implications.

5.3 No on-going additional costs are anticipated as a result of adopting the 'leader-cabinet' model of governance. As set out in the report such a change will be designed to drive further efficiency and increase the officer capacity available to all Councillors.

6. Legal Implications

- 6.1 The Local Government Act 2000 put in place provision for the establishment of so-called “executive arrangements” for the operation of the majority of local authorities in England and Wales.
- 6.2 The 2000 Act required most councils to move from the committee system of governance, then universally used in local government, to one of three new governance options – the “leader-cabinet” option, the “mayor and cabinet” option, and the “mayor and council manager option” (the third of which was removed by subsequent legislation).
- 6.3 Following the introduction of executive arrangements, only district councils with a population of less than 85,000 retained the committee system method of decision-making. The Council retained the committee system by virtue of the size of the population being below 85,000.
- 6.4 The Localism Act 2011 introduced new legislation making it easier for local authorities in England to change their governance arrangements.
- 6.5 A local authority may change its governance arrangements to a different type however a resolution of the Council is required before a local authority is able to do so. A notice must also be published informing the public:
- That the local authority intends to change its governance arrangements and a council resolution has been passed in support of this.
 - The date that it intends to change the governance arrangements.
 - What the main feature of the change will be.
 - Where copies of any documents detailing the changes can be found, this should be at the local authority’s principal office and the address of its principal office should be provided.
- 6.6 The relevant legislation details the timeframe in which the governance changes must be made. This is called the ‘relevant change time’. A change in formal governance arrangements must occur at a specified ‘change time,’ which is at the Council’s Annual Meeting (May 2017). Prior to the change time, the Council needs to have resolved formally to make a governance change. There is no minimum period of time between resolution and the change time.
- 6.7 Alongside these legal requirements, the Council should consider any other practical issues. Some of these are set out in the Local Government Association and CfPS publication ‘Rethinking governance’ (2014), which is a ‘thinking tool kit’ which reflects the experiences of those councils which have undergone a governance change under the 2011 regime. They include:
- Although there is no statutory duty or formal requirement to carry out formal consultation with the public either in advance or following the Councils’ resolutions (other than to publish a notice as set out above in paragraph 6.5), the Councils may choose to carry out a form of consultation or engagement locally on the key features of the new governance arrangements;

- Changes to the Council’s constitution. This will include not only the changes necessary to reflect a move to cabinet governance (changes to committee structures and terms of reference), but also more detailed considerations such as the scheme of officer delegations;
- Changes to the Council’s financial procedures. A move to or from cabinet decision-making involves a shift in the way that major financial decisions are developed and agreed by officers and members;
- Relationships with partners. The way that the Council makes decisions are different under different governance arrangements. This has particular relevance both for formal and informal partnerships, and particularly for any further plans for devolution within Suffolk;
- Scrutiny. The ‘leader-cabinet’ system is designed to have robust and effective scrutiny at its heart. Thinking about what these systems will entail will be an important element of members’ discussions.

6.8 Once a local authority has passed a resolution to change its governance arrangements then it is prevented from doing so again for the next five years (unless a second resolution is approved following a referendum). However, this does not prevent the Council from reviewing and make further changes as necessary to its governance arrangements, such as a reconsideration of committee structures and delegations.

7. Risk Management

7.1 This report is most closely linked with the Council’s Significant Business Risk No. 5c – Failure to develop clear governance arrangements that enable the right decisions to be taken that are appropriate for the environment that we are operating in.

The key risk is set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Lose the opportunity to assess the effectiveness of our decisions making arrangements and the procedures we follow to meet the challenges facing our communities.	Unlikely	Bad	Councillors and officers working groups formed to develop design principles and support implementation of cabinet leader model.

8. Consultation

- 8.1 As stated in paragraph 6.7 above councils are not required to formally consult on any new governance arrangements but they may choose to carry out some form of engagement on the main features of the governance change.
- 8.2 The joint cross-party Strengthening Governance Task and Finish Group has been regularly consulted.

9. Equality Analysis

- 9.1 It is important that any decision-making and governance system be designed to take account of the needs of different individuals and groups, to engage with democracy and the decision-making process. An initial Equality Impact Assessment screening has been completed and is attached to the report at Appendix 1.

10. Shared Service / Partnership Implications

- 10.1 It is the stated view of the Leaders of the Babergh and Mid Suffolk Administrations, that the adoption of the 'leader-cabinet' governance option will strengthen local democracy, and make it more effective and efficient for the Councils to transact business.

11. Timescale for Implementation and suggested approach

- 11.1 It is recommended for reasons of time and capacity, that the implementation is divided into two elements.
- 11.2 Firstly, for the Council to agree those matters which must be in place prior to the formal change of governance arrangements (i.e. by May 2017). Which are :
- To make a formal resolution that the Council intends to change its governance arrangements (recommendation 2.1 of this report), and
 - To approve the following legal framework and approach (recommendation 2.2) that needs to be in place for the Council to be able to formally move from one governance option to another *i.e. from a committee structure to a cabinet-leader model at the Council's annual meeting in May 2017.*
 - Which are : the need to design and draft a new committee structure, financial procedures, the scheme of delegation, and any associated constitutional amendments that will be necessary to satisfy the terms of the Local Government Acts and to ensure that the Council is able to make decisions, under the 'leader-cabinet' governance option, in accordance with the law.
 - These will include a design in accordance with the rational and design principles as set out this report with the joint cross-party Strengthening Governance Task and Finish group taking the lead.
 - Wider Councillor engagement will also take place.

- 11.3 The second element is for continued discussion and agreement of the wider opportunities for governance reform and new ways of working beyond May 2017. Some of these have also been highlighted in this report and, although not discussed in detail, a significant factor in any governance change is that of cultural change and ensuring the continuation of fully open, transparent, and accountable ways of working.
- 11.4 This reflects advice that CfPS has given to other local authorities embarking on review and change of their governance arrangements. This approach will allow different methods and systems for decision-making to be discussed and experimented with, modified and refined over time.

12. Appendices

Title	Location
Appendix 1 Initial EIA screening	Attached.

13. Background Documents

None

Authorship:
Suki Binjal
Assistant Director - Law and Governance and
Monitoring Officer (interim)

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Appendix 1

Equality Impact Assessment (EIA) Initial Screening Form



Screening determines whether the policy has any relevance for equality, ie is there any impact on one or more of the 9 protected characteristics as defined by the Equality Act 2010. These are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership*
- Pregnancy and maternity
- Race
- Religion or belief (including lack of belief)
- Sex
- Sexual orientation

1. Policy/service/function title	Consideration for change of Governance for Babergh, Mid Suffolk District Councils'
2. Lead officer (responsible for the policy/service/function)	Suki Binjal Interim Head of Law and Governance and Monitoring Officer
3. Is this a new or existing policy/service/function?	New
4. What exactly is proposed? (Describe the policy/service/function and the changes that are being planned?)	The adoption of a 'leader-cabinet' form of governance, in accordance with the provisions of the Localism Act 2011
5. Why? (Give reasons why these changes are being introduced)	It is recommended that adopting the 'leader-cabinet' model will deliver a number of key objectives. In particular it is noted that both councils have adopted the desire through their Joint Strategic Plan. <i>(Further information can be found under the Rationale for change and the development of design principles)</i>
6. How will it be implemented? (Describe the decision making process, timescales, process for implementation)	The Councils are required to consult on any new governance arrangements. The "key features" will be publicised in line with the Councils' usual approach to consultation. Agreement of the following must be in place prior to the formal change of governance arrangements (May 2017) <ul style="list-style-type: none"> • The resolutions at full Council, for both authorities • The consultation on the key features of the new governance system • The implementation of the new governance

	system in May 2017
7. Is there potential for differential impact (negative or positive) on any of the protected characteristics?	No
8. Is there the possibility of discriminating unlawfully , directly or indirectly, against people from any protected characteristic?	No
9. Could there be an effect on relations between certain groups ?	No
10. Does the policy explicitly involve, or focus on a particular equalities group , i.e. because they have particular needs?	No
<p>If the answers are 'no' to questions 7-10 then there is no need to proceed to a full impact assessment and this form should then be signed off as appropriate.</p> <p>If 'yes' then a full impact assessment must be completed.</p>	
<p>Authors signature</p> <p>Date of completion</p>	

Any queries concerning the completion of this form should be addressed to the Equality and Diversity Lead.

* Public sector duty does not apply to marriage and civil partnership.

DRAFT TIMETABLE OF MEETINGS 2017-18

May-17										
M	1	BANK HOLIDAY	8	EXECUTIVE (10am)	15	JOINT AUDIT (10am-BDC)	22		29	BANK HOLIDAY
T	2		9		16		23	BDC ANNUAL COUNCIL (9.30)	30	
W	3	DEVELOPMENT CONTROL A (9.30) SI	10	PLANNING (9.30)	17	DEVELOPMENT CONTROL B (9.30) SI	24	PLANNING (9.30)	31	DEVELOPMENT CONTROL A (9.30) SI (Suffolk Show)
T	4	SCC Elections	11	STRATEGY (9.30)	18		25	MSDC ANNUAL COUNCIL (5.30)		
F	5		12		19		26			
Jun-17										
M			5	EXECUTIVE (10am)	12		19		26	
T			6		13		20		27	
W			7	PLANNING (9.30)	14	DEVELOPMENT CONTROL B (9.30) JOINT SCRUTINY (5.30-MSDC) SI	21	PLANNING (9.30)	28	DEVELOPMENT CONTROL A (9.30) SI
T	1	(Suffolk Show)	8	STRATEGY (5.30)	15		22		29	
F	2	MSDC REGULATORY (10am)	9	BDC REGULATORY (9.30)	16		23		30	
Jul-17										
M	3		10	EXECUTIVE (10am)	17	JOINT AUDIT (10am-MSDC)	24		31	
T	4	(LGA Conference)	11		18		25	BDC COUNCIL (5.30)		
W	5	PLANNING (9.30) (LGA Conference)	12	DEVELOPMENT CONTROL B (9.30) SI	19	PLANNING (9.30)	26	DEVELOPMENT CONTROL A (9.30) SI		
T	6	(LGA Conference)	13	STRATEGY (9.30)	20		27	MSDC COUNCIL (5.30)		
F	7		14		21		28			
Aug-17										
M			7		14		21		28	BANK HOLIDAY
T	1		8		15		22		29	
W	2	PLANNING (9.30)	9	DEVELOPMENT CONTROL B (9.30) SI	16	JOINT SCRUTINY (5.30-BDC)	23	DEVELOPMENT CONTROL A (9.30) SI	30	PLANNING (9.30)
T	3		10		17		24		31	
F	4	MSDC REGULATORY (10am)	11	BDC REGULATORY (9.30)	18		25			
Sep-17										
M			4	EXECUTIVE (10am)	11	JOINT AUDIT (10am-BDC)	18		25	MSDC AUDIT (10am) BDC AUDIT (6pm)
T			5		12	JH&S (2pm-MSDC)	19	BDC COUNCIL (5.30)	26	
W			6	DEVELOPMENT CONTROL B (9.30) SI	13	PLANNING (9.30)	20	DEVELOPMENT CONTROL A (9.30) SI	27	PLANNING (9.30)
T			7	STRATEGY (5.30)	14		21	MSDC COUNCIL (5.30)	28	
F	1	JSCC (9am-BDC)	8		15		22		29	
Oct-17										
M	2		9	EXECUTIVE (10am)	16		23		30	
T	3		10		17		24	BDC COUNCIL (5.30)	31	
W	4	DEVELOPMENT CONTROL B (9.30) SI	11	PLANNING (9.30)	18	DEVELOPMENT CONTROL A (9.30) JOINT SCRUTINY (5.30-MSDC) SI	25	PLANNING (9.30)		
T	5	STRATEGY (9.30)	12		19		26	MSDC COUNCIL (5.30)		
F	6	MSDC REGULATORY (10am)	13	BDC REGULATORY (9.30)	20		27			
Nov-17										
M			6	EXECUTIVE (10am)	13	JOINT AUDIT (10am-MSDC)	20		27	
T			7		14		21		28	
W	1	DEVELOPMENT CONTROL B (9.30) SI	8	PLANNING (9.30)	15	DEVELOPMENT CONTROL A (9.30) SI	22	PLANNING (9.30)	29	DEVELOPMENT CONTROL B (9.30) SI
T	2	STRATEGY (5.30)	9		16		23		30	
F	3		10		17		24			

Dec-17								
M			4	EXECUTIVE (10am)	11	18	25	BANK HOLIDAY
T			5		12	19	BDC COUNCIL (5.30)	BANK HOLIDAY
W			6	PLANNING (9.30)	13	DEVELOPMENT CONTROL A (9.30) JOINT SCRUTINY (5.30-BDC) SI	20	PLANNING (9.30)
T			7	STRATEGY (9.30)	14		21	MSDC COUNCIL (5.30)
F	1	MSDC REGULATORY (10am)	8	BDC REGULATORY (9.30)	15		22	
Jan-18								
M	1	BANK HOLIDAY	8		15	EXECUTIVE (10am)	22	JOINT AUDIT (10am-BDC)
T	2		9		16		23	
W	3	DEVELOPMENT CONTROL B (9.30) SI	10	PLANNING (9.30)	17	DEVELOPMENT CONTROL A (9.30) SI	24	PLANNING (9.30)
T	4		11	STRATEGY (5.30)	18		25	MSDC SCRUTINY (5.30)
F	5		12		19		26	
Feb-18								
M			5	EXECUTIVE (10am)	12		19	
T			6		13		20	BDC COUNCIL (5.30)
W			7	PLANNING (9.30)	14	DEVELOPMENT CONTROL A (9.30) JOINT SCRUTINY (5.30-MSDC) SI	21	PLANNING (9.30)
T	1		8	STRATEGY (9.30)	15		22	MSDC COUNCIL (5.30)
F	2	MSDC REGULATORY (10am)	9	BDC REGULATORY (9.30)	16		23	
Mar-18								
M			5	EXECUTIVE (10am)	12	JOINT AUDIT (10am-MSDC)	19	
T			6		13	JH&S (2pm-BDC)	20	
W			7	PLANNING (9.30)	14	DEVELOPMENT CONTROL A (9.30) SI	21	PLANNING (9.30)
T	1		8	STRATEGY (5.30)	15		22	
F	2	JSCC (9am-MSDC)	9		16		23	
							26	
							27	
							28	DEVELOPMENT CONTROL B (9.30) SI
							29	
							30	BANK HOLIDAY
Apr-18								
M	2	BANK HOLIDAY	9	EXECUTIVE (10am)	16		23	
T	3		10		17		24	BDC COUNCIL (5.30)
W	4	PLANNING (9.30)	11	DEVELOPMENT CONTROL A (9.30) SI	18	PLANNING (9.30) JOINT SCRUTINY (5.30-BDC)	25	DEVELOPMENT CONTROL B (9.30) SI
T	5	STRATEGY (9.30)	12		19		26	MSDC COUNCIL (5.30)
F	6	MSDC REGULATORY (10am)	13	BDC REGULATORY (9.30)	20		27	
May-18								
M			7	BANK HOLIDAY	14	EXECUTIVE (10am)	21	JOINT AUDIT (10am-BDC)
T	1		8		15		22	BDC ANNUAL COUNCIL (9.30)
W	2	PLANNING (9.30)	9	DEVELOPMENT CONTROL A (9.30) SI	16	PLANNING (9.30)	23	DEVELOPMENT CONTROL B (9.30) SI
T	3		10	STRATEGY (5.30)	17		24	MSDC ANNUAL COUNCIL (5.30)
F	4		11		18		25	

When Licensing Act 2003, Licensing Sub and Regulatory Sub Committees are required these will, wherever possible be held on a scheduled Regulatory Committee day

SI - BDC Planning Committee site inspections

MSDC Planning Referrals Committee to meet as required

JHB - Joint Housing Board (Start time of 2.15pm)

JSCC - Joint Staff Consultation Committee

JH&S - Joint Health & Safety Committee

Joint Scrutiny Committee Report

1. Joint Scrutiny Committee Meeting of 6 December 2016 (Chaired by Mark Newman – Babergh District Council)

A summary of key items follows - for full details of all the discussions please see the reports and the minutes.

1.1 Community Engagement: In order to best achieve the councils' objectives, effective engagement with local communities and stakeholders is vital. This item is the start of looking at the process of how to improve this and get the best possible engagement.

1.2 Members of the committee agreed the area of housing tenants demonstrated good engagement and discussed members' role in engagement, business needs, channel access, engaging on changes to services, liaison with Parish Councils and communication.

1.3 It was agreed to discuss two or more council services at the next meeting and call external partners to give evidence on how engagement in these areas could be best undertaken.

1.4 Neighbourhood Plans: The Committee considered which element of the neighbourhood plans process needed additional support or improvement. And this was then to be reviewed at the next meeting.

1.5 Members discussed with officers some of the key aspects of neighbourhood plans, such as the legal weight a neighbourhood plan has, the Local Plan and the principles of development, in order to understand better the support needed.

1.6 Questions were asked regarding whether the absence of a Local Plan hindered the development of Neighbourhood Plans, the awareness of the financial benefits of the Community Infrastructure Levy, the amount of staffing needed to support Parishes and the general complexity of producing a neighbourhood plan.

1.7 Officers advised on the importance of parishes embracing neighbourhood plans and members felt further investigation should be made into the level and type of support needed for community groups.

1.8 It was agreed to invite several parishes to the next Committee meeting to give evidence – including one that had successfully completed a plan, one that was in the process and one that had decided not to undertake one – in order to get the widest range of opinions.

1.9 Planning Appeals: Following up from the previous Committee meeting, members heard from officers in relation to appeals and the impact on the councils that changes in Government's definition of quality (of decisions) may have.

1.10 After some discussion, including a vote on a proposal, it was felt that greater clarity was needed and that this matter should be followed up, via the minutes, with the Executive and Strategy Committees.

1.11 Next meeting: The meeting on 15 February 2017 will be held at Needham and chaired by Councillor Rachel Eburne . The agenda includes the next stage in the review of the councils' approach to community engagement; a report on the councils' support for Neighbourhood Plans and a scoping review of the Open for Business initiative.

Councillor Rachel Eburne
Joint Chair (Mid Suffolk)

Agenda Item 15

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