

CANNOCK CHASE COUNCIL
COUNCIL
3 NOVEMBER, 2010
REPORT OF MONITORING OFFICER
CHANGES TO EXECUTIVE ARRANGEMENTS
KEY DECISION – (NO)

1. Purpose of Report

- 1.1 To consider the results of the consultation on the new executive arrangements and to change the executive arrangements as required under Section 64 of Local Government and Public Involvement in Health Act, 2007

2. Recommendation(s)

That Council should:

- 2.1 Note the outcome of the consultation exercise, as set out in the report and Appendix 1.
- 2.2 Approve the Proposals to strengthen the existing role of Leader of the Council as set out in Annex 2, and publish the Proposals in accordance with Section 33(E) of the Local Government Act, 2000.
- 2.3 Not make the Proposals the subject of a referendum, given the low level of public interest and the substantial costs involved.
- 2.4 Arrange a Special Council meeting to be held on 8 December, 2010, to make the final resolution to adopt the Proposals for the new executive arrangements.

3. Summary (inc. brief overview of relevant background history)

- 3.1 Due to a change in the law under the Local Government and Public Involvement in Health Act, 2007, all local authorities which presently operate a Leader and Cabinet model of Executive, must change their model of Executive to either
- a new-style Leader and Cabinet Executive, or,
 - an Elected Mayor and Cabinet Executive.

This report summarises the public consultation exercise carried out, and the outcome of that consultation, the law, obligations and implications of the options open to the Council, and makes Officer recommendations, above, as to the formal proposals to be approved by Council. These Proposals detailed in Annex 2 are to adopt the new “Strong Leader and Cabinet” model.

- 3.2 The current Executive arrangements are the “old” Leader and Cabinet system. The Leader is elected by the Councillors for a term of 4 years and is only removable by the Council under limited circumstances set out in the Constitution.

The Leader does not hold all executive powers, some are given to the Cabinet, but does nominate the Cabinet members of 2- 9 and assigns their portfolios. The Constitution indicates the preferred portfolios (selected and themed executive powers) to be delegated to members of Cabinet. Executive powers are exercised primarily by the Cabinet and to a limited extent the portfolio holders.

- 3.3 The main differences between the old and new Leader and Cabinet models are that the “strong” Leader has all the executive powers and can delegate these to Cabinet or any Cabinet member. He must, as opposed to “may”, elect a Deputy Leader who can exercise all the portfolio and statutory functions.

An assessment of the differences between the old and new models is shown in Annex 3.

- 3.4 As Members will be aware, there has been much talk of change coming from the Coalition Government. The change is reputed to include repeal of many parts of the legislation governing executive arrangements of Councils contained in the, much amended, Local Government Act, 2000. The changes will probably be included in the anticipated Localism Bill which has yet to be published. In anticipation of this Bill, the Minister for Housing and Local Government wrote to all Council Leaders suggesting minimising the consultation process required under the existing legislation. (See 4.1 below)

- 3.5 The current law remains the Local Government and Public Involvement in Health Act, 2007 which changed the Local Government Act, 2000, and created an obligation on any Council using the old Leader and Cabinet model to go through a consultation and proposal process to move to either the new “strong” Leader and Cabinet model or the directly Elected Mayor model. (*new S33E Local Government Act 2000*)

- 3.6 If the processes to make the change are not made in time, the changes are made for the Council by operation of law, imposing the new Strong Leader and Cabinet. (*Local Government and Public Involvement in Health Act, 2007, Schedule 4, Part I paragraph 4.*)

4. Key issues and Implications

4.1 The Consultation

- 4.1.1 Before resolving which model to adopt, the Council was obliged to consult the local electorate and other interested persons. By a letter of 7th July 2010, the Minister for Housing and Local Government stated that the expectations of the Ministry, pending proposed statutory changes, is for Councils to minimise the costs of the consultation by means of a small newspaper advert / article on the Council Web site or through a combination of the Web site and the local press.
- 4.1.2. The Consultation was done by a Press Release and on the Council Web site and the Consultation ended on 11th October, 2010.

The Council’s web site gets on average 33,000 hits per week and the form for the consultation was accessed 397 times but a total of only 37 responses, including one hand written letter, were received by the deadline. Of these responses 19 were in favour of the Elected Mayor and Cabinet and 18 were for the Leader and Cabinet. Of those in favour of the Elected Mayor one

had reservations about the cost, most were of the view that an Elected Mayor is likely to be more democratic. Of those for the Leader and Cabinet 9 expressed concern about potential additional costs of an Elected Mayor.

4.1.3 The results of the Consultation are contained in Annex 1.

4.2 The Process

4.2.1 Following the consultation, the Council must decide which model to adopt. The Council must publish its formal Proposals for change of its constitution to one of the two new models. The Proposal must be published in one or more local papers and copies must be made available at the Council Offices for the Public to inspect.

4.2.2 Following the publication, the Proposals should be taken to a specially convened Council Meeting for a resolution. The deadline for the resolution is 31st December 2010. This Resolution this must be published in the same manner as the Proposals.

4.3 Financial and other Considerations

4.3.1 Whichever option the Council chooses legal notices of those Proposals and then of the final resolution will have to be published in local newspapers.

4.3.2 Additional costs would arise from holding a referendum, should the Council choose to do this. There is no obligation on the Council to hold a referendum and time is extremely limited. A referendum could cost approximately £90,000. It is considered that there is no benefit in holding a referendum.

4.3.3. Although an election for Mayor could be run in tandem with Council elections, additional costs would arise from the requirement to publish a booklet containing details of all mayoral candidates, and to deliver a copy to every person on the electoral role as well as the incidental extra election costs in ballot papers, administration, counting and extra staff. By way of illustration, the costs that were directly attributable to the mayoral election in Mansfield in 2007 amounted to £40,000 (Source: Nottinghamshire County Council report of the Chief Executive to County Council, 4th December 2008). There are also potential additional by-election costs where, for example, a candidate stands for election as Mayor and as a Councilor and is successful in both.

4.3.4 Changing to the "new-style" Leader and Cabinet model would involve minimal additional expenditure and could be managed within existing resources.

4.3.5 The Council must now agree proposals to move to one of the two available models. In doing so the Council must consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

5. Conclusions and Reason(s) for the Recommendation(s)

5.1 Beside the statutory consideration contained in 4.3.5 above ,the Council should take into account the potential costs of change to an elected Mayor, balance the respective benefits of each model and the consultation responses.

- 5.2 The recommendation is to approve the Proposals drafted in Annex 2 to move to the new “Strong Leader and Cabinet” model. The response to the consultation, even taking into account the limited nature of this consultation, was small and was inconclusive. Changes to the Strong Leader will require a only a few small changes to the Constitution.

6. **Report Author Detail**

Deborah Hudson, Solicitor.

SCHEDULE OF ADDITIONAL INFORMATION

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Section 1

Contribution to Council Priorities (i.e. CHASE, Corporate Plan)

There is no direct contribution to the Corporate Priorities.

Section 2

Contribution to Promoting Community Engagement

Limited community engagement took place through the associated consultation process. There is no direct contribution to promoting community engagement as a direct result of this report.

Section 3

Financial Implications

Potential financial implications are outlined in the main body of the report. Changing to the “new-style” Leader and Cabinet model would involve minimal additional expenditure and could be managed within existing resources.

Section 4

Legal Implications

The authority has a duty to move to a new model of executive arrangements. The current Leader and Cabinet Executive model is no longer available as an option. The Council must adopt a new model by 31 December, 2010. The new model will come into effect three days after the next election.

The Council must now agree Proposals to move to one of the two available models. In doing so the Council must consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the Council’s functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council is required to make the Proposals approved available for inspection by the public, and publish a notice in one or more newspapers in the area stating they have drawn up the proposals, describing the main features, and stating where a copy may be inspected.

The resolution to adopt one of the models must be made at a specially convened meeting of full Council, although this could take place on the same day as the scheduled 8th December Council meeting.

The Council may, but is not obliged to, hold a referendum.

Section 5

Human Resource Implications

There are no identifiable Human Resource implications arising from this report at this time.

Section 6

Section 17 (Crime Prevention)

There are no Section 17 implications

Section 7

Human Rights Act Implications

There are no Human Rights implications arising from this report.

Section 8

Data Protection Act Implications

There are no Data Protection Implications

Section 9

Risk Management Implications

The authority has a duty to move to a new model of executive arrangements. The current Leader and Cabinet Executive model is no longer available as an option. The Council must adopt a new model by 31 December, 2010. The new model will come into effect three days after the next election.

The Council must now agree Proposals to move to one of the two available models. In doing so, the Council must consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Section 10

Equality and Diversity Implications

There are no Equality and Diversity Implications

Section 11

List of Background Papers

Section 12

Report History

| Council Meeting | Date |
|------------------------|-------------|
| | |
| | |

Annexes to Report

Annex 1. The consultation and results

Annex 2. The Proposals

Annex 3. Table of comparisons of the different models

RESPONSES TO CONSULTATION ON CHANGES TO EXECUTIVE ARRANGEMENTS - CLOSING**DATE:11/10/10**

| No. | Leader & Cabinet | Mayor & Cabinet | Comments |
|-----|------------------|-----------------|--|
| | | | |
| 1 | | 1 | None |
| 2 | | 1 | I would like to be considered for Mayor, please forward an application form. |
| 3 | | 1 | None |
| 4 | | 1 | As there is a third option offered by the Government to return to a committee system, why are we not being offered this choice when voting? |
| 5 | | 1 | None |
| 6 | 1 | | I really do not have enough information about relative costs and benefits to the Council Tax payer of either option to make a meaningful choice. There are so many services that the people of Cannock are lacking that I would not want added expenditure on supporting a Mayor. |
| 7 | | 1 | None |
| 8 | | 1 | This system has the potential to be more accountable - and given the basket case of current local political parties to have an elected mayor may make the take notice and actually work together instead of all the infighting which appears in the local press weekly. One reservation would be cost as you haven't said if the Mayoral position is paid (which I assume it is) - what is the cost implication of this? |
| 9 | | 1 | None |
| 10 | | 1 | None |
| 11 | | 1 | Only fair choice |
| 12 | 1 | | None |
| 13 | | 1 | The electorate will have the opportunity to decide who they think would be the most credible candidate to be the district's leader (as opposed to the political party with the majority on the Council electing the district's leader). I believe that an elected Mayor would be directly accountable to the district electorate and would be focused entirely on serving the whole of Cannock Chase district, rather than representing the interests of a Council ward. |
| 14 | 1 | | I feel that the elected mayor suggestion is a gimmick and that the Council could end up with a "loose cannon" and even greater disunity than at present. |
| 15 | | 1 | I would like to see the existing system replaced with an elected mayor. |
| 16 | 1 | | Very little information is given about the role of the intended Mayor other than "would work with the Council"My view is that it would simply be another paid post, with the same no. of Councillors involved causing yet another burden on the rate payers. |
| 17 | 1 | | I think this would be the best model because it would probably be more expensive to have a Mayor. There would be the inevitable cost of elections Most people can't be bothered to go to vote in any election so this would be money spent needlessly. Also what would the Mayor do that can't be done just as effectively by a councillor along side his normal duties ? I don't think Cannock Chase needs a "Figure Head" that performs only ceremonial duties. We need representatives who work for us and earn their keep. |
| 18 | 1 | | 1. Another local election would be an expensive waste of money, as so few people bother to vote. 2. If the Mayor is not a councillor What will he do to earn his money? 3. As we are constantly being told the area is short of money (Do I need to mention the Stadium in this context?) How can we afford to pay for a Mayor and all the trappings of his office? 4. If as Neil Stanley states in the local press the council has done its best on a limited budget, to publish information about the change. The lack of information, makes one wonder if a Mayoral election would suffer the same fate. 5. We need councillors who are interested, and work for the community not another layer of bureaucracy. |
| 19 | | 1 | Because I believe we should have a choice of Council leader, irrespective of party politics. |

RESPONSES TO CONSULTATION ON CHANGES TO EXECUTIVE ARRANGEMENTS - CLOSING**DATE:11/10/10**

| No. | Leader & Cabinet | Mayor & Cabinet | Comments |
|-----|------------------|-----------------|--|
| 20 | 1 | | No one has put any case forward for change - so why change. If there is a choice some indication or debate on issues and benefits would be useful. For instance I have no idea what differences are envisaged in role, authorities, responsibilities or rewards. The first I knew about this proposal was an article in today's paper. I rarely access the Council website. However, this exercise is probably not worth wasting staff time and publicity costs on. But electing someone for 4 years as a Mayor is too inflexible. I vote against Mayor. |
| 21 | 1 | | I have experienced the poor example of how Stoke on Trent's "Elected" Mayor system didn't work very well at all. It alienated the Elected Members and many of the council's officers too. I feel the current system is much more democratic and should be maintained. |
| 22 | 1 | | The current system seems to be working quite well and why fix something that's not broken!! |
| 23 | 1 | | To stop the council from wasting money The councillors have been elected If the chief ex wants it then it can't be good for Cannock There should be a referendum not just a bit in the local paper or by the back door. |
| 24 | 1 | | We don't need a major change, the council should get on with running our services & not waste time re-organizing themselves. Again. |
| 25 | 1 | | In these hard times money is tight and I feel a mayor would cost more money to put in place. I also feel costs should be kept to as low as possible, by cutting costs of the council in all aspects, in all areas. Thanks |
| 26 | 1 | | I do not think another level of local government is necessary. It would do the same job so why change to another option. |
| 27 | | 1 | I feel that having a Mayor will increase the public image of Cannock and all the surrounding districts! I would also be alarmed if after the election of a Mayor, we saw our rates increased to allow for salary increase/expenses. THANK YOU |
| 28 | 1 | | (By letter) I do not want a Mayor in Cannock! We have one in Stafford, of which we are a part; whether we like it or not we pay towards that Mayor, so I can't see the point of yet another expense. The Council Chairman should be more than enough for anyone, so my answer is No! to a Cannock Mayor and retinue. |
| 29 | 1 | | Stoke on Trent has just found having a mayor to be too expensive. Cannock will be no different. |
| 30 | | 1 | I BELIEVE THE CABINET WOULD BE BETTER OFF TO HAVE AN ELECTED MAYOR RATHER THAN A COUNCIL LEADER AS THEY WOULD NOT BE A PARTY MEMBER AND WOULD HAVE DIFFERENT VIEWS. I DO NOT THINK THERE HAS BEEN ENOUGH PRESS RELEASE ADVERTISING THE CHOICE BETWEEN EITHER A MAYOR OR LEADER. I CAN UNDERSTAND WHY THERE HAS ONLY BEEN 10 RESPONSES SO FAR AS MOST RESIDENTS ARE NOT AWARE OF ANY DISCUSSIONS ON THIS MATTER. |
| 31 | | 1 | I HAVE CHOSEN AN ELECTED MAYOR AND CABINET MODEL BECAUSE I THINK YOU SHOULD HAVE AN INDEPENDANT HEAD RATHER THAN AN ELECTED PERSON FROM ONE OF THE POLITICAL PARTIES. |
| 32 | 1 | | The last thing we need is a Mayor, the Council needs to reduce our cost not increase them by adding a Mayor, his staff, their Pensions to our already over paid Council staff. |
| 33 | | 1 | A change maybe what is required to regenerate Cannock Town Centre. A new approach on the needs to make Cannock a nice place to visit. It should be cost effective and the Mayor should not be paid a large salary or unchecked expenses until his worth is proven. |

RESPONSES TO CONSULTATION ON CHANGES TO EXECUTIVE ARRANGEMENTS - CLOSING**DATE:11/10/10**

| No. | Leader & Cabinet | Mayor & Cabinet | Comments |
|-----|------------------|-----------------|---|
| 34 | 1 | | I don't know enough about the cost to the taxpayer of appointing a mayor to make any other choice than to vote for the existing option. I also don't understand why a small town like Cannock would need a mayor. I could list a lot of more urgent problems which need attention. Already paying more than one-third of my state pension in council tax I don't want any further rises in that unjust tax. |
| 35 | | 1 | None |
| 36 | | 1 | None |
| 37 | 1 | | None |
| | | | |
| | 18 | 19 | |

Cannock Chase District Council

Proposals to make a change in governance arrangements

Under the Local Government and Public Involvement in Health Act 2007, the Council is required to change its current system of executive governance. Following the amendments made by that Act the Council is unable to retain its current system of a Leader elected by members of the Council with a Cabinet.

Following a public consultation exercise on the choice of executive model the Council has indicated that its preferred model is the "new style" Leader and Cabinet executive and agreed the following proposals for the change in governance arrangements.

In drawing up these proposals, the Council has considered the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the Council's functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Council is of the opinion that the "new style" Leader and Cabinet executive will provide the best value to the people of Cannock Chase.

The proposals are subject to a resolution of the full Council to be made at a special meeting of the Council on 8th December 2010.

The features of the proposals are as follows:

- Under the new arrangements, the Leader will be elected by the Council at its Annual Meeting after the local government elections in 2011 and will hold office for a four year term or until the first Council meeting after they stand for re-election as a councillor, whichever is the sooner.
- The Leader must appoint the Deputy Leader and may, if he or she thinks fit, remove the Deputy Leader from office. Unless the Deputy Leader is removed by the Leader, resigns or ceases to be a Councillor the Deputy holds this office for the same term as the Leader
- The Leader will be responsible for appointing the other members of the Cabinet, subject to the statutory maximum of ten, including the Leader.
- The Leader may remove members from the Cabinet and change the portfolios.
- The Leader will have all executive powers* and will determine which of these to delegate to the Cabinet or to an individual member of the Cabinet, and for determining their portfolios.
- The Council may, by resolution, remove the Leader during his or her term of office.
- Existing arrangements regarding the Council's Overview and Scrutiny Committees and other committees will continue under the new arrangements.

These proposals will come into effect on the third day after the Council elections in 2011, i.e. 8th May 2011. The existing form of Leader and Cabinet Executive arrangements will continue in operation until the 7th May 2011. The necessary amendments to the Council's constitution, to give effect to the changes, will be made in preparation for implementation following the 2011 elections and will be reported to the Council for or following the resolution on 8th December 2009 to adopt the changes.

Once the new executive arrangements come into effect the executive functions currently vested in Cabinet will transfer to the Leader, who will be elected by the Council at the Annual Meeting on 25th May 2011. The Leader will then appoint the Cabinet and allocate the executive functions as appropriate.

Timetable for implementation of the proposals:

November – 8 December 2010: Proposals publicised in accordance with legislation.

8th December 2009: Report to a special meeting of full Council seeking a resolution to move to new executive arrangements and to amend the constitution to give effect to the proposed changes

9th May 2010: The new model of executive shall come into operation

As required by the legislation, notice of these proposals will be advertised and they will be available for public inspection at the Council's principal office and on the Council's website.

* Executive powers are defined in the Local Government Act 2000 s.13. They are all functions of the Council which are not specifically stated by regulations made under the section, not to be an executive responsibility.

Examples of powers which are not executive powers are those of a regulatory nature (e.g. Planning, Environment, Licensing, Nuisance, Housing matters, like permissions, consents, appeals, enforcement) Others include Health and Safety and By-laws elections

TABLE OF COMPARISONS BETWEEN DIFFERENT MODELS

| | Present leader and Cabinet <i>FOR COMPARISON</i> | OPTION 1 Strong Leader and Cabinet | OPTION 2 Elected Mayor and Cabinet |
|---------------------------------------|---|---|--|
| Appointment and term of Office | Appointed by full Council for 4 years | Appointed by full Council for 4 years | Elected by special local elections for 4 years |
| Removal | Full Council may remove as per constitution | Full Council may remove as per constitution | Cannot be removed |
| Cabinet appointment | The Leader appoints Cabinet members but Constitution sets out preferred portfolios to be held by Cabinet members | Leader appoints the members of the Cabinet and their portfolios | Mayor appoints the members of the Cabinet and their portfolios |
| Deputy | Leader may appoint a councillor as Deputy | Leader must appoint a councillor as Deputy | Mayor must appoint a councillor as Deputy |
| Executive Functions | Policy review and development but not final approval are sent to committees appointed by Full Council Cabinet has executive powers unless outside budget or policy framework | Executive powers go to the Leader and he delegates to cabinet portfolio holders or to a cabinet committee | Executive powers vested in the Mayor and he can delegate these. |
| Other considerations | This model is not an option under the Act | The Constitution will define the circumstances for removal of the Leader | The Mayor may not be of the same political persuasion as the majority of councillors |