

---

## EXCERPT FROM THE MINUTES OF THE ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL HELD ON 2 DECEMBER 2010

---

### **EEOSP.88/10      POLICY FRAMEWORK**

The Assistant Director (Governance) (Mr Lambert) submitted report GD.61/10 concerning the Council's Policy Framework. He drew Members' attention to Appendix 1 to the report which set out where the Policy Framework sat in the Council's constitutional arrangements and the number of policies and strategies presently comprising that framework.

He outlined the relevance of the Policy Framework in the authority's governance arrangements, commenting that the policies within the framework, along with the budget, were the fixed parameters set by Council within which the Executive must act. Short of that, the Executive were entitled to take whatever decisions they deemed appropriate in respect of virtually all the functions of the Council vested in them. He added that the purpose behind the legislation which brought in the new governance arrangements was to streamline and speed up decision making and, more particularly, to produce greater clarity as to where responsibility for actual decisions rested by vesting the decision making powers in a small, identifiable body (the Leader and Executive) or, where there was an elected Mayor, in that individual personally. Details of the intended checks and balances on the Executive's powers were provided. It should be noted that the legislation provided for a strict compartmentalisation of Council functions and responsibilities; and if the wrong body took a decision it would be ultra vires and potentially challengeable. It was also important to be able to identify clearly whether a decision was inside or outside the Policy Framework, since if it was inside then the Executive could take it but if it was outside then it would be a matter for full Council. The number of policies and strategies within the Policy Framework obviously had a bearing on the ease of identifying whether a potential decision was within or outwith the framework and thereby down to the Executive or the Council.

Mr Lambert explained that the legislation set out a limited number of core strategies which must be within the Policy Framework and therefore approved by full Council. Those were intended to be the most important governing strategies which went to the root of the authority's policy direction and aims, and must be included as part of the Policy Framework by law. For the purposes of the City Council those included the Crime and Disorder Reduction Strategy; Licensing Authority Policy Statements; Sustainable Community Strategy; and Plans and alterations which together comprised the Development Plan.

The legislation also allowed authorities to include other plans and strategies within its Policy Framework definition over and above the basic statutory core plans, the intention being to allow some local discretion in elevating a particular plan or strategy into their Policy Framework to reflect local preference and give some measure of local autonomy. When Carlisle first adopted its Constitution it took the view that all the authority's plans and strategies should be deemed to be part of the Policy Framework and thereby approved by full Council to reflect both their importance and the sovereignty of Council in setting policy. The thinking at that time was that, on top of the statutory core plans, there would be very few additional plans and strategies which would require to be adopted and so the governance arrangements could cope with their adoption. That had proved not to be the case since, as Appendix 1 indicated, there were currently 80 plans listed in the authority's framework which number was growing annually.

Mr Lambert further outlined the consequences of having a large policy framework, as set out in the report. He drew Members' attention to Appendix 2 which specified what must be included within the Policy Framework, together with what the Government guidance recommended be included. It was also recommended that a sentence be added to the Constitution to clarify that the term 'Budget' included documents such as the Medium Term Financial Plan; Capital Strategy; Asset Management Plan and Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy (one document), the effect being that Council would retain the decision making authority over those documents.

It was proposed that the content of Appendix 2 became the Council's new Policy Framework as specified within Article 4 of the Constitution. In addition, there would be other policies, for example the Council's Gambling Policy, which were required by their respective enabling legislation to be dealt with by Council irrespective of what was specified in the Authority's Policy Framework. The table at Section 2.6 of the report illustrated, for comparison purposes, the number of policies reserved to District Councils rated as 'excellent' for CPA purposes and having gained a score of 4 in Use of Resources. There was no doubt that the leaner policy base assisted the Councils in achieving excellence.

In conclusion, Mr Lambert reported that, for the reasons mentioned, the case for reviewing the number of policies and strategies presently comprising the authority's Policy Framework was compelling, particularly given that the Transformation Programme was leading to a leaner Officer corps and would necessitate a much sharper focus by both Members and Officers on what was important to the authority and a more economical use of their time. A way forward would be to consider limiting the Policy Framework only to the statutory core strategies with (possibly) the addition of any other strategies which the authority concluded were of sufficient importance to warrant their inclusion, although the Council may be content to include only the statutorily prescribed strategies and nothing more. Although it was not possible to give a definitive estimate of what a smaller Policy Framework designation would save in monetary terms it should, apart from any other advantage, reduce the time demands on both Members and Officers and enable the reduced Officer establishment to service the authority's decision making processes from a lower staffing base.

He added that all of the Overview and Scrutiny Panels would consider the matter, following which it would be brought back to the Executive on 17 January 2011. Thereafter, if deemed appropriate, a report with a recommendation would be presented to the Council at its meeting on 1 March 2011.

The Performance and Development Portfolio Holder was pleased to see the report, commenting that the Policy Framework should have been reviewed some time ago.

The matter had been considered by Executive on 8 November 2010 (EX.171/10).

The Executive resolved that:

‘That the Executive:

1. Noted the content of Report GD.54/10 and indicated that they were minded to recommend to Council the amendment to Article 4 of the Constitution and revision of its Policy Framework to those policies as specified in Appendix 2; and
2. Referred the report to all of the Council's Overview and Scrutiny Panels for comment.’

In considering the report Members raised the following comments and questions:

- *There was some merit in reducing the number of policies as many go to full Council and are approved ‘on the nod’. However, there was a concern about moving everything back to the Executive without safeguard or a better relationship between the Executive and Scrutiny. In the past Members could decide which items on the Forward Plan they wished to scrutinise after they had been to Executive.*

Mr Lambert explained that the Overview and Scrutiny Panels were the safeguard and that it was the role of the Panels to hold the Executive to account by the use of their call-in powers. That would create a brake in the process and be a check and balance to ensure the Executive properly scrutinised and made to further consider matters before acting (if necessary).

With regard to the Forward Plan Mr Lambert advised that officers were trying to review the Corporate Plan to link with the Forward Plan so it should be more accurate and user friendly. If a matter was to be brought to Overview and Scrutiny before being considered by the Executive, that would mean that there was no Executive ‘buy-in’ of any particular policy. That may lead to a situation where policies considered by Overview and Scrutiny were proposed directly by officers, a situation that would not be appropriate. Members are informed of the Committee dates a year in advance and should plan work to follow the process.

- *Changes to the Forward Plan does upset some of the work programme. Calling in a decision would lead to an additional meeting and officers and Members may have other commitments. Initially some issues were submitted to the Panel endorsed by an Executive decision as the Executive had been able to access information that the Panel had not seen. Better communication could have been arranged to prevent problems.*

Mr Lambert suggested that Members could work with Portfolio Holders to discuss what issues were coming up that they would like to scrutinise. If the panel did not have access to the information they could call-in the decision.

The Local Environment Portfolio Holder stated that he could understand the concerns about Overview and Scrutiny not seeing information before the Executive, but the Executive needed to take ownership of issues to be discussed by Scrutiny Panels. Lately, rather than refer matters to Scrutiny Panels, documents had been made available if they wished and that had been helpful. There was a concern that if all the information was not there the matter would have to go back to another Executive and officers needed to consider how to address that issue.

Mr Lambert advised that the present system (under which all policies required approval by the Council) allowed Council to change an Executive decision. With the new proposed system Members would have the ability to call matters in and refer them (as one possible course of action) to the Council for a debate. Ultimately, however, the decision, under the proposed regime, would rest with the Executive.

- *At the start of each year the Panel decided on any Task and Finish work they wished to undertake throughout the year. As Members had the work programme it made sense for them to see documents to allow them to make fuller recommendations to the Executive. However how would they see interim reports as they would not be included in the Forward Plan?*

Mr Lambert advised that the matter came back to the relationship with the Executive and policy development.

The Local Environment Portfolio Holder reminded Members that the Task and Finish Group that looked at fortnightly waste collections forwarded reports to the Executive before they went through scrutiny and that project was very successful. If Overview and Scrutiny Panels said they were interested in an issue they needed to become more involved and the Executive would welcome that.

- *The new proposals would mean there would be fewer policies going to Council and that more power would be given to the Executive. The proposed system would be speeding up the process and that usually led to bad decisions. The Member asked for further explanation of the process as he could not see the benefits to individual Councillors.*

Mr Lambert confirmed that Overview and Scrutiny would act as a brake if Members thought decisions were being made too quickly. The Panel could use their powers to call-in a decision and refer it to Council for an extra debate in relation to any particular decision. The Executive would have to receive Council's comments but, ultimately, responsibility lay with the Executive.

- *There was a need to reduce policies but what about important issues such as the Asset Management Plan?*

Mr Lambert explained that such matters would be included within the budget process and that many of the remaining policies would be operational documents. The Asset Management Plan was specifically referenced as being a budget document and was, therefore, still within the rules appertaining to the Budget and Policy Framework.

Councillor Allison (Chair, Resources Overview and Scrutiny Panel) informed Members that Resources Overview and Scrutiny Panel had had sight of confidential documents before the matter had been considered by the Executive. That had given Overview and Scrutiny the opportunity for more involvement and made better recommendations to the Executive.

Mr Lambert reiterated that improved working relationships would be needed for the proposed scheme to be successful. The matter would be considered by the Executive in January before being considered at Council in March.

- *Members believed that the list of policies was long and that there should be a cross-party group to consider the matter.*

Mrs Edwards advised that the Community Overview and Scrutiny Panel had agreed the proposals in principle and also endorsed the Chairs' Group recommendation of a meeting with the Executive to discuss their relationship.

- *It would be difficult to assess the political group's view and there was a concern that the Executive would be making more decisions and Council less. The Member believed there had not been sufficient time to fully consider the matter.*

Mr Lambert advised that the reason for reducing the number of policies was to make the decision making process more robust and to make it easier to identify whether policies were inside or outside policy framework. He believed that at present when a decision was made by Council all Members were involved; however, responsibility lay with a small group of identifiable people, ie the Executive under the new proposals. Council would still have a role under the suggested regime.

RESOLVED – 1.) That the Panel had considered the proposals.

2.) That the Panel were concerned about how the streamlined procedures would work and recognised that there would need to be changes and improvements in the

relationship between the Executive and Overview and Scrutiny Panels that may require more informal strategies, meetings between Panel Chairs and relevant Portfolio Holders to ensure Panels could play an effective role.

3.) The Panel noted the reference made to call-ins but Members needed to ensure call-ins were not used excessively as members would not always be able to make time for call-in meetings. Members would need to ensure proper working relationships with the Executive

4.) The Panel were concerned that the list was long and they did not think Members would be comfortable that they would all go along with the new system as more detailed work was required. Mr Lambert and Mr O'Keeffe to arrange the informal meeting to discuss the list of policies