

COUNCIL MEETING – 26 FEBRUARY 2019

REPORT OF THE LOCAL GOVERNMENT REFORM SUB-COMMITTEE

5 February 2019

Present: Councillors Griffiths (Chairman) and Councillors Allebone, Francis, Graves, Harrington and Partridge-Underwood.

Also present: Mrs L Elliott, (Managing Director), Miss J Thomas (Director of Place and Strategic Growth), Mr S Darcy, (Director of Resources), Miss K Denton, (Assistant Director) and Mrs C A Mundy (Democratic Services Officer - Committees).

(The meeting commenced at 5.30pm.)

1. ELECTION OF CHAIRMAN

RESOLVED that Councillor Griffiths be appointed as chairman.

2. APOLOGIES

Apologies were received from Councillor Scarborough.

3. DECLARATIONS OF INTEREST

RESOLVED to note that in accordance with the Localism Act 2011, the council's code of conduct and the council's constitution, no declarations were made.

4. LOCAL GOVERNMENT REFORM SUB-COMMITTEE – TERMS OF REFERENCE

The annexed circulated report of the managing director was received to seek approval to the terms of reference for the local government reform sub-committee.

It had been agreed at the council meeting on 17 October 2018 that this sub-committee be established to consider any matters relating to the formulation and monitoring of the council's plans for the transformation and transition into a new North Northamptonshire unitary council along with the establishment of a town council for Wellingborough.

Members considered the appended terms of reference for the sub-committee, which they had no comments on, and recommended that these be approved by resources committee.

RESOLVED to RECOMMEND that resources committee approve the terms of reference for the local government reform sub-committee.

5. STRUCTURAL CHANGE ORDER UPDATE

The annexed circulated report of the managing director was received in relation to the proposed elements of the structural change order (SCO) envisaged for North Northamptonshire Council should the Secretary of State for Housing, Communities and Local Government (MHCLG) approve the proposal to replace the existing two tier form of local government in Northamptonshire with two new unitary authorities.

A decision was expected on or before 3 April 2019 from the government and a structural change order would then be prepared, this would move through the process to be laid before both Houses of Parliament later on in the year.

The final decision would be the Secretary of State's but there was an opportunity to advise him of any preferences to the detail of the SCO. The SCO would set out the basic governance and operating principles for the shadow authority and subsequent unitary council and will facilitate the transition from the existing councils to the new authorities. Government officials will draft the documentation with input from the Northamptonshire councils. It is anticipated that there will be one order covering both North Northamptonshire and West Northamptonshire.

The report detailed the expected content of the order, with political and practical implications being considered. The main purpose of the order would be to bring together the district and county functions and to manage the transition process. The new authorities were expected to be known as 'North Northamptonshire Council and 'West Northamptonshire Council'.

The councils' had submitted a joint proposal for the creation of new legal bodies, as it was considered that this would be advantageous in emphasising a fresh start in serving the community and as a catalyst for change.

The preference was for each new authority to have county status with district powers i.e. North Northamptonshire Council would be a county council with district functions.

The report also detailed the timetable, for the establishment of such authorities, which the managing director explained in further detail. It was expected that shadow authorities would operate from the date of the order until the 2020 Election Day of 7 May 2020, for the new authorities. It was expected that 'vesting day', for the new unitary authorities would be 1 April 2020.

All current councillors from each council would automatically become a member of the relevant 'shadow authority', with dual hatters i.e. those who are a borough councillor and county councillor, being given two votes.

An executive style of governance is recommended for the 'shadow authority' within the order initially, but there is a preference for North Northamptonshire to move to a committee system.

A 'shadow authority' will require a 'shadow executive' or a 'shadow lead committee'. It is proposed that an equal number i.e. three members of each of the existing councils be appointed to such executive, taking into consideration political balance. Chairmanship of the 'shadow executive' would probably be determined by the 'shadow authority' itself and, for North Northamptonshire, it is proposed that this be the case.

The 'shadow authority' will have certain functions defined in the order to prepare for the new unitary authority.

The requirements will include the following:

- Interim appointments to the positions of head of paid service, monitoring officer and chief finance officer (and returning officer for 2020 election);
- The formulation of the style of governance, code of conduct for members and members' allowances;
- The formation of a central implementation team to assist the shadow authority in delivering the implementation plan and identification of lead officer, which can be determined by the shadow authority.

Elections to the new authorities would be held on the first Thursday of May (7/5/20). Following the Changes to Years of Elections Order, the term of office of existing councillors would end on vesting day, proposed as 1 April 2020.

The SCO will prescribe whether the new unitary authorities will follow the national district or county election cycle for the holding of elections. This could be achieved by 2023 by having a three year term of office from 2020 to 2023 (district cycle) or alternatively a five year term from 2020 to 2025 (county cycle). Alternatively it could be achieved in 2021 with a term of office of one year only.

As there is insufficient time for the Boundary Commission to implement a boundary review, the first election would work on existing county divisions with three members each.

For North Northamptonshire, the recommended Order proposes to align unitary authority elections with the national county electoral cycle.

The Secretary of State can direct limitations on the spend of councils by applying thresholds. Such direction would be achieved separately rather than via the SCO. It is the preference for such a provision to come into force to assist resource planning for the new unitary authority.

Members discussed the options and praised officers for the extensive work that had already been achieved. They were conscious that the delays in the making of the order would leave officers with a considerable amount of work to do in a very short timeframe. The managing director clarified that though a lot of preparatory work had been undertaken there would still be a lot to do. The

aim at day one would be to ensure that the new authority was ‘safe and legal’ as full harmonisation would take some time to achieve.

RESOLVED that the preferences for the SCO for North Northamptonshire be noted, should the Secretary of State for Housing, Communities and Local Government (MHCLG) agree to the proposal submitted in August 2018, for two new unitary authorities for North Northamptonshire and West Northamptonshire.

6. PROPOSED INTERIM GOVERNANCE ARRANGEMENTS – JOINT COMMITTEE

The annexed circulated report of the managing director was received in relation to the proposed governance arrangements envisaged for North Northamptonshire during the transitional period up to ‘vesting day; should the Secretary of State for Housing, Communities and Local Government approve the proposal to replace the existing two tier form of local government in Northamptonshire with two new unitary authorities.

The decision of the Secretary of State (SoS) was expected by April 2019, and in order to mitigate the risk of delay it was considered prudent to establish a formal ‘joint committee’ to achieve consistent decision making and influence governance matters ahead of the formation of a shadow authority. Should the SoS not approve the proposal the joint committee would cease.

A joint committee would help to provide a smooth transition towards a shadow authority and could develop recommendations for the shadow authority on statutory matters such as a constitution, code of conduct for members and the nomination of interim statutory officers.

The joint committee would be made up of three members from each council making a committee of 15 for North Northamptonshire. Each authority will need to appoint the membership using political balance rules, which for this council would mean two members of the administration and one member of the opposition. The chairman of the joint committee will be elected at its inaugural meeting.

No decision on the creation of, or terms of reference, for a joint committee has been agreed and it is expected that they will be presented to the steering groups for discussion and then recommended to each sovereign council for approval.

The managing director again detailed the expected timetable.

RESOLVED to note the proposed governance arrangements for North Northamptonshire for the transitional period leading up to the establishment of a shadow authority should the Secretary of State for Housing communities and Local Government agree to the proposal submitted in August 2018 for two new unitary authorities covering North Northamptonshire and West Northamptonshire.

Chairman

The meeting concluded at 6.35pm.

