

REPORT TO COUNCIL

28 OCTOBER 2009

LEADER

Councillor Stephen Greenhalgh

CHANGING GOVERNANCE ARRANGEMENTS

**Wards
All**

The Local Government and Public Involvement in Health Act 2007 ("the Act") requires all Councils to change its decision making arrangements by moving either to:-

- A new style Leader and Cabinet Executive, or
- A directly elected Mayor and Cabinet Executive.

Council at its last meeting held in June agreed to consult on the two options available. This report seeks the Council to indicate its preferred new executive arrangement model as the new style Leader and Cabinet Executive model.

CONTRIBUTORS

DFCS
ADLDS

RECOMMENDATIONS:

Council is asked to :

1. Note the outcome of the consultation;
2. Indicate that its proposed model of executive governance will be the new style Leader and Cabinet Executive model to be operated from the third day after the May 2010 local elections, and
3. Agree that a further report be brought to a Special meeting of Council in January 2010 at which the final decision as to the form of executive arrangements will be taken together with constitutional changes resulting from such a decision.

1. BACKGROUND

1.1 Council agreed at its meeting on 24 June 2009 to consult on the two available governance options :-

- A new style Leader and Cabinet Executive, or
- A directly elected Mayor and Cabinet Executive.

Having taken into account the outcome of the public consultation, this report asks the Council to indicate its preferred new executive arrangement model as the new style Leader and Cabinet Executive model.

2. THE CONSULTATION

2.1 Before drawing up its proposals, the Council must take reasonable steps to consult the local authority's electors and interested parties. From 8 June to 29 August 2009 a public consultation on Local Leadership Choices in Hammersmith and Fulham was held. A web based survey was conducted asking people to indicate their preferred option. Over 800 letters with a copy of the questionnaire were sent out to partner organisations, residents, and voluntary and residents' organisations. An article was published in H&F News and on the Council's website informing interested parties of the consultation. The questionnaire also sought comments and views about the democratic process in the borough.

2.2 The response to the questionnaire was low. Only 32 valid responses were received. All the comments detailing why they favoured a chosen option are **attached at Annex 1**. In summary, the outcome of the responses to the consultation is shown in the table below:

Leadership Model		
Option	Indications of preference	Percentage of those indicating a preference on this issue
Directly Elected Mayor and Cabinet	20	63%
New Style Leader and Cabinet	7	22%
No preference	5	15%

The figures above demonstrate the majority of respondents were in support of a directly elected Mayor. However, the response to the consultation was too low, less than a 1 % response rate, for officers to consider the responses significant enough to recommend a directly elected Mayor and Cabinet model.

3. REFERENDUM

3.1. In the light of the consultation response, the Council now has to consider whether to have a referendum but it is not required to hold one, particularly if the final proposals do not represent significant changes. The response to the consultation was so low that the views expressed by the respondents does not represent a

significant change for a referendum to be held. Although the preferred option expressed during the consultation is the directly elected Mayor and Cabinet Executive model, a referendum would not be required based on the level of responses.

4. SUMMARY OF DIFFERENCES BETWEEN MODELS

4.1 Whilst the new style leader and cabinet model is very similar to the current executive governance arrangements, there are some differences. A summary of the main differences are each model is outlined below:

	Current leader and cabinet model	Options available under the Local Government and Public Involvement in Health Act 2007	
		New leader and cabinet model	Elected mayor and cabinet model
Appointment and term of office	Leader appointed by full council annually	Leader appointed by full council for a 4 year term (or until the expiry of the leader's term of office as a councillor)	Elected directly by the electorate for a 4 year term
Removal	Leader can be removed by a resolution of the Council	Councils can choose to adopt procedures which would allow the removal of the leader from office during the 4 year period	Cannot be removed during his/her term of office
Executive functions	Full council agrees the delegation of executive functions	All executive functions would be vested in the leader who can then delegate as he considers appropriate.	All executive functions would be vested in the mayor who can then delegate
Appointment of Cabinet	Full council appoints the cabinet members	Council appoints leader who then appoints his/her cabinet members and allocates responsibility	Mayor appoints the cabinet members and allocates responsibility
Deputy	No legal requirement to have a deputy leader	Legal requirement to have a deputy leader	

5. RECOMMENDATIONS TO FULL COUNCIL

5.1 Having considered the results of the consultation, in drawing up the proposals which are now before Council, Members are obliged to consider the extent to which the proposals, if implemented, would be likely to assist in securing continuous improvement in the way in which the local authority's functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

Although the consultation respondents expressed a preference for the directly Elected Mayor and Cabinet model, the new style Leader and Cabinet model is the Council's favoured option for the following reasons:-

- The suggested model of new Style Leader and Cabinet model is the one which most closely reflects the current Leader and Executive model.
- The Council adopted the Leader and Cabinet model under the 2000 Act in May 2002 and between 1998 and 2002 operated an interim executive model under the old law.
- The proposed options is the most likely of the options available for the Council to assist in securing improvement. The current model has helped to make visible improvements. The Council has achieved 4 stars and is judged to be improving strongly by the Audit Commission.
- The Government's research project called Evaluating Local Governments: New Constitutions and Ethics reported on a five year evaluation of council constitutions in ethical frameworks that:
 - for a four year term rather than the current annual appointments.
 - 81% of local authorities opted for the Leader/Cabinet model with 3% opting for the mayoral model
 - Most people commented favourably on the Leader/Cabinet governance model.
 - The Leader/Cabinet model provides stronger leadership and strategic management is stronger and more effective.
 - Decision making has been generally quicker and focused with a Leader/Cabinet governance arrangement.

6. IMPLEMENTATION TIMETABLE

- 6.1 Once Council agrees its preferred executive model, officers will draw up a proposal. The proposal, with a timetable for implementation and any necessary transitional arrangements, will be publicised locally in accordance with statutory requirements. Publicity will include:
- a) making copies of documents setting out the proposals, available at the Council's principal office for inspection by members of the public at reasonable times and
 - b) publishing in one or more local newspaper a notice which states that the Council has drawn up proposals, describing the main features of the proposals and that copies are available for inspection at the Council's principal office at specified times.

ACTION REQUIRED	DATE
Publication of proposals	November 2009
Third report to Cabinet to confirm the preferred form of executive for recommendation to Council	7 December 2009 or 8 January 2010
Third report to Council (at a meeting specially convened for the purpose) to consider the recommendations of Cabinet and to make a formal resolution to adopt the preferred form of executive.	(Special Meeting) 27 January 2010
Implementation	The third day after the 2010 local elections

7. CONCLUSION

- 7.1. The Local Government and Public Involvement in Health Act 2007 require all Councils to review their governance arrangements by 31 December 2009. The Council has expressed a preference for the new style Leader and Cabinet model. In January 2010, the Council would make a formal resolution to adopt the preferred form of executive arrangements.

8. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE SERVICES

- 8.1 The financial implications of these proposed changes will need to be evaluated.

9. COMMENTS OF THE ASSISTANT DIRECTOR (LEGAL AND DEMOCRATIC SERVICES)

- 9.1. Under the Act, the Council is required to change its executive arrangements to either the strong leader and executive model or the elected Mayor and Cabinet model. Whilst under the Act the resolution is to be made before 31st December 2009 the transitional arrangements in Schedule 4 of the Act allow a Council opting for the Leader and Cabinet model to do so before the end of the "transitional period" which ends on 9th May 2010. This enables the Council to deal with the matter at a special meeting following the January Council meeting rather than at a special meeting in December.

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext. of Holder of File/Copy	Department/ Location
1.	Local Government and Public Involvement in Health Act 2007 and Guidance notes	Kayode Adewumi ext. 2499	Councillors' Services, Room 202, Hammersmith Town Hall.
2.	Review of Governance Arrangements report to Council on 25 May 2009	Kayode Adewumi ext. 2499	Councillors' Services, Room 202, Hammersmith Town Hall.