Full Council  

27th February 2019

Local Government Reform in Northamptonshire – Proposed Joint Committee for North Northamptonshire

SYNOPSIS BOX

To consider participating in a Joint Committee established by the principal local authorities within North Northamptonshire, for the purpose of preparing for the establishment and operation of a Shadow Authority, subject to a final decision being made by the Secretary of State to implement local government reform in the county. All local authorities within North Northamptonshire are being requested to consider this matter.

1. Relevant Background Details

Following concerns regarding the financial management of Northamptonshire County Council, on 9th January 2018 the Government appointed Max Caller to undertake an independent review of the authority and its Best Value duties. In the final report published on 15th March 2018, Mr Caller recommended that “the problems faced by NCC are now so deep and ingrained that it is not possible to promote a recovery plan…that could bring the council back to stability and safety in a reasonable timescale.” He recommended that “a way forward, with a clean sheet, leaving all the history behind, is required”. It was Mr Caller’s recommendation that local government in Northamptonshire should be reorganised into two unitary councils.

In response to the inspection report, the Secretary of State announced that an invitation would be issued to the county council and the seven district and borough councils to come forward with proposals for the creation of unitary councils in place of the existing two-tier structure.

It is recognised that seven authorities agreed to the two unitary proposal being submitted. Corby Borough Council senior officers and senior Members have been working constructively with partners since the submission, to try to ensure that the local priorities and needs of local residents will be protected. To date, much of the discussion has related to governance structure rather than service delivery; the main reason for this is time pressure. The transition from eight authorities to two unitary authorities needs to be completed by 1st April 2020 to comply with the timetable set by Government. This timetable was challenging as previously set. Given subsequent delays it is now unlikely, should the Secretary of State be minded to support the unitary proposal, that legislation would be in place until later than originally anticipated. Effectively, if progressed, the “Shadow Period” (the period leading up to the creation of the unitary authorities) has been reduced significantly.

2. Report

Since the seven principal authorities submitted the reorganisation proposal to the Secretary of State on 31st August 2018, all senior Members and officers within Northamptonshire have been working to identify the key issues needing to be addressed.

Only the Shadow Authority can make decisions relating to the operation and management of that authority.

At its first meeting the Shadow Full Council will need to determine the following:-

- Elect a Chairman of Shadow Full Council
- Appoint a Vice Chairman of Shadow Full Council
- Approve a Constitution for the Shadow Authority
- Appoint an interim Head of Paid Service, an interim Chief Finance Officer, an interim Monitoring Officer and a Returning Officer from a pool of existing local authority staff.
- Make appointments to Shadow Authority committees (these may include an Executive Committee, an Overview & Scrutiny Committee, an Appointments Committee and a Standards Committee).
- Adoption of a Members’ Allowances Scheme for the Shadow Authority.
- Adoption of a Members’ Code of Conduct.
- Adoption of a Calendar of Meetings for the Shadow Authority

The first meeting may also wish to receive an overview of the Implementation Plan.

In addition, the Joint Committee would consider and initiate appropriate mechanisms for the recruitment of a permanent Chief Executive (Head of Paid Service), including provisional terms and conditions, including salary, and method of selection, so that the earliest possible appointment can be made by the Shadow Authority and/or make arrangements for the recruitment of other permanent statutory officers to the new unitary authority.

Although these agenda items will be prescribed within the Structural Change Order or other legislation there is a need for certain practicalities to have been addressed prior to the Shadow Full Council meetings. For example, the Shadow Full Council meeting will need to determine the interim appointment for each of the three statutory officer posts. It is envisaged that the Joint Committee will oversee some form of recruitment process from among existing staff and forward a preferred candidate to the Shadow Full Council meeting for ratification.

The Shadow Authority is required to adopt a Constitution. This will be based on “executive arrangements” following Ministry of Housing, Communities & Local Government (MHCLG) advice. The Joint Committee will be able to scrutinise that draft Constitution prior to submission to the Shadow Full Council.

In order for these important governance issues to have been subject to formal Member scrutiny prior to submission to the Shadow Full Council meeting, it is proposed that a Joint Committee be established. Any Joint Committee would cover the pre-Shadow Authority period only.

Membership

It is being proposed that each of the partners have an equal allocation of seats on any Joint Committee. All partners will be allocated three seats; nominations will be allocated subject to political balance rules applicable to each of the respective partners. For Corby, there would be 2 Labour seats allocated and 1 Conservative seat. The Joint Committee would consist of 15 Members in total.

Officer Support

Currently the three statutory officer groups are meeting regularly, both on a county basis and by North & West respectively. Statutory officers will support any Joint Committee in its workload, together with support from the project Implementation Team established to assist the reorganisation process.

3. Options to be considered (if any)

A) Agree to participate in a Joint Committee with other local authorities within the North Northamptonshire area, to determine issues as detailed within the draft Terms Of Reference (see Appendix A);

B) Do not participate in the Joint Committee with other local authorities within the North Northamptonshire area (this effectively may leave certain duties within the
4. Issues to be taken into account:

**Financial**

It is proposed that any Joint Committee will be serviced by Democratic Services staff drawn from the partner authorities.

Under the Local Government Act 1972, the expenses incurred by a joint committee shall be defrayed by the constituent councils in such proportions as they may agree or, in the case of disagreement, by an arbitrator appointed by the Secretary of State. It is being proposed that the costs be defrayed equally between the partner authorities, to be funded from existing budgets or the resource allocation identified in the partner authorities resolution on local government reform in August 2019.

**Risk**

Failure to establish, and participate in, a Joint Committee may lead to Member input into certain decisions being delayed until the initial Shadow Full Council meeting. It is felt that a formal Member role is important in the compilation of recommendations to the Shadow Authority. Whilst a Member input could be achieved through the North Northamptonshire Steering Group or Programme Board it is felt that this should be formalised by committee.

**Legal & Data Management**

The Joint Committee is being established under s.102 of the Local Government Act 1972. Full Council must determine this Council’s participation.

Any Joint Committee will operate under the meeting rules established by the Local Government Act 1972 (as amended).

**Policy Priorities, Performance Information, Best Value, Sustainability, Community Safety, Human Rights,**

None specific to this report.

**Equalities**

None specific to this report.

5. Conclusion

In order to ensure that Corby Borough Council continues to be involved in the preparations ahead of any agreed unitary authority, it is being recommended that the Council agree to participate in a Joint Committee as detailed within the report and appendices.

The Joint Committee has responsibilities associated with the creation and organisation of the Shadow Authority only. No other local authority decision making is being delegated.

The Joint Committee will assist in the partner local authorities reaching a collective position with regard to these important governance issues, prior to the creation of the Shadow Authority. In addition, the Joint Committee will be kept updated on the steps being taken for the overall Implementation Plan.

It is important that the local authorities demonstrate a continuation of partnership working to ensure that the process (subject to the Secretary of State’s decision) is inclusive and the maximum benefits achieved for the public, staff and other stakeholders.
6. Recommendation

That Full Council agree:-

i) That a North Northamptonshire Joint Committee’ of 15 seats (three per council) be established (Borough Council of Wellingborough, Corby Borough Council, East Northamptonshire Council, Kettering Borough Council and Northamptonshire County Council):
   - effective from the date of the Secretary of State deciding to create two new unitaries; and
   - with delegated functions as set out in the terms of reference at Appendix A;

ii) That subject to the resolution above, that the Monitoring Officer be delegated authority to produce a ‘North Northamptonshire Joint Committee Agreement’ identifying appropriate standing orders and operating practices for the Committee and, in consultation with the Chief Executive and the Leader of the Council, to negotiate, finalise and enter into the proposed agreement with the other councils in North Northamptonshire; and

iii) That delegated authority be given to the Monitoring Officer, following consultation with the Chief Executive and the Leader of the Council, to make any consequential changes to the Council’s Constitution arising from the creation of the Joint Committee.

Background Papers
None

External Consultations
County Monitoring Officer’s Group
County Chief Executive Officer’s Group
County Chief Finance Officer’s Group

List of Appendices
Appendix A - Copy of draft Terms of Reference for the North Northamptonshire LGR Joint Committee

Officer to Contact
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Appendix 1

North Northamptonshire Joint Committee

Draft Terms of Reference

1. To consider and recommend a Constitution to be adopted by the North
Northamptonshire Shadow Authority at its inaugural Full Council meeting;
2. To consider and recommend a Members Code of Conduct to be adopted by
the Shadow Authority at its inaugural Full Council meeting;
3. To agree and undertake the recruitment process for the selection of the posts
of Interim Head of Paid Service, Interim Chief Finance Officer (section 151
Officer) and Interim Monitoring Officer for the Shadow Authority and
recommend to the Shadow Authority at its inaugural Full Council meeting
nominations for the three interim statutory Officers;
4. To consider and recommend to the Shadow Authority at its inaugural Full
Council meeting a nomination for the post of Returning Officer;
5. To consider and initiate appropriate mechanisms for the recruitment of a
permanent Chief Executive (Head of Paid Service), including provisional
terms and conditions, including salary, and method of selection, so that the
earliest possible appointment can be made by the Shadow Authority.
6. To monitor and seek to mitigate any potential risks associated with the Local
Government Reform programme (LGR), the creation of a Shadow Authority
and creation of a Unitary Council for North Northamptonshire and to
establish/agree relevant protocols or processes to manage the risks to LGR;
7. To establish and propose a Calendar of Meetings for the Shadow Authority for
adoption at its inaugural meeting;
8. To respond to consultations on the content of orders, consents or any other
matters where specifically requested to do so by the West Steering Group;
9. To establish/agree any protocol or process which, if not implemented in a
timely manner, may threaten the establishment of a Unitary Council within the
deadline set by the Secretary of State;
10. To receive recommendations/reports from work streams that require Joint
Committee approval so long as those relate to the Joint Committee’s terms of
reference referenced above.
11. To agree the process for an independent review of a Scheme of Members
Allowances for the Shadow Authority, including the setting up of an
Independent Remuneration Panel and to recommend to the Shadow Authority
a Scheme of Members Allowances for adoption.