

# Appendix 1

July 2017

## **A report to consider governance arrangements for local government reorganisation in Bournemouth, Dorset and Poole**

### **1. Purpose of the Report**

The purpose of this report is to enable sovereign councils to consider proposed governance arrangements through which they can oversee work towards local government reorganisation in Bournemouth, Dorset and Poole whilst awaiting a minded to decision from the Secretary of State.

The report recognises that three of the nine councils have decided not to support the submission of a case for the creation of new councils. It provides them with an opportunity to take stock and consider whether they wish, through participation in a joint committee, to be able to influence the work being undertaken to prepare for any new unitary council.

### **2. Recommendation**

That this Council agrees to the establishment of a Joint Committee with the functions set out in the terms of reference at Appendix A / B (delete as appropriate) to this report.

### **3. Background**

During January this year all nine councils in Dorset considered a report which recommended that councils support the submission of a proposal to the Secretary of State for Communities and Local Government requesting that the existing nine county, district and unitary councils should be replaced by two new councils based upon the following local authority boundaries:

- A) Bournemouth, Christchurch and Poole, plus the services currently provided by Dorset County Council in this area
- B) East Dorset, North Dorset, Purbeck, West Dorset, Weymouth and Portland, plus the services currently provided by Dorset County Council in this area.

Six of the nine councils resolved to support this proposal and a “Future Dorset” submission was subsequently presented to the Secretary of State, with a “minded to” decision expected late March 2017. Christchurch Borough Council, East Dorset District Council and Purbeck District Council resolved not to support the proposal.

Alongside the submission to the Secretary of State the six Leaders whose councils support the proposal established the Future Dorset Board. Up until this point local government reorganisation had been discussed by all nine Leaders, with their deputies in attendance, during Leaders and Chief Executives meetings. However, with three councils resolving not to support the proposal, the Future Dorset Board provided a new forum in which to progress associated work with the proposal.

On the 18<sup>th</sup> April 2017 it was announced unexpectedly that there would be a general election on June 8<sup>th</sup>. As a result officers were advised by DCLG that they should not expect any decision from the Secretary of State before the summer recess. This prompted the Future Dorset Board to consider what governance arrangements should be put in place locally to oversee work in anticipation of a “minded to” decision and ahead of a legal order to be made by the Secretary of State.

The Future Dorset Leaders have recognised that each of the other three councils have made their own sovereign decisions not to support Future Dorset. They have though also maintained communication with Christchurch, East Dorset and Purbeck councils to ensure that they are aware of ongoing work.

The preference of the Future Dorset Leaders is that all councils, irrespective of whether they oppose the formation of new councils, should have the opportunity to influence plans being made in anticipation of and in preparation for local government change.

A report previously considered by the Future Dorset Board exploring options was therefore presented to all nine Leaders at a meeting on the 25<sup>th</sup> May.

The report provided the Leaders of Christchurch, East Dorset and Purbeck councils with an opportunity to consider whether their councils should engage in work in readiness for local government change within a joint committee arrangement.

No individual Leaders could commit their councils to participate in a joint committee. There was though a general willingness to put the issue before sovereign councils to decide for themselves (notwithstanding the opposition of some to the principle of new councils) whether they should be part of a joint committee arrangement through which they would be able to exercise influence over work to prepare for any new council.

#### **4. Governance**

In light of the announcement of the general election and a subsequent delay of the minded to decision, Future Dorset Monitoring Officers met to consider possible next steps and how, within a shortened timeframe, new councils could be implemented in the most efficient and effective way.

Monitoring Officers have advised and Chief Executives agree that the establishment of two joint committees would provide a means through which councils could work together to prepare themselves for a “minded to decision” and a legal order by the Secretary of State beginning the formal move towards new councils.

If full council meetings in July were to agree to establish joint committees then this would allow sufficient time for initial meetings, perhaps informal, to take place over the summer.

It is suggested that ahead of a ‘minded to’ decision an informal first meeting or workshop could concentrate upon establishing a clear vision, priorities and a work programme. This would provide officers with clear direction and enable some progress to be made.

#### **5. Objectives and decision making**

It is anticipated that a structural change order to be made by the Secretary of State will prescribe arrangements in the Dorset area and arrangements in the Bournemouth, Christchurch and Poole area to implement each new council. These arrangements will involve councillors representing each of the existing councils.

Based upon previous local government structural change orders Monitoring Officers have advised upon terms of reference and membership for joint committees which anticipate and support arrangements we expect to be prescribed by the Secretary of State in the later establishment of Shadow Authorities. This would provide continuity between any locally agreed arrangements and arrangements prescribed by the Secretary of State.

Suggested terms of reference and membership for each joint committee are appended to this report.

#### **6. Commentary on the terms of reference and membership**

The very first of the terms of reference states the role of the Joint Committees as being:

“To identify and promote collaborative and joint working between Councils”

This is important in that irrespective of local government reorganisation the Joint Committees provide a member forum for collaboration and joint working across councils.

When the Secretary of State makes any structural change order the central purpose will be described in terms of taking steps to prepare for the transfer of the functions, property, rights and liabilities of the existing councils to new councils. It is suggested that this purpose needs to be replicated in the joint committee arrangements.

Anticipating and replicating governance arrangements to be prescribed by the Secretary of State in a Structural Change order has been an important part of the work of the Monitoring Officers. By reviewing past Structural Change Orders the Monitoring Officers have been able to design proposed terms of reference and membership for the joint committees which mirror the arrangements to be prescribed by DCLG in any next phase of governance (i.e. the Implementation Executives/Shadow Authorities).

It is open to councils to agree to form joint committees with quite different membership arrangements from those which will be prescribed by DCLG but in doing so we would lose consistency between the joint committees and the Implementation Executives/Shadow Authorities which succeed them. The shortened timeline for implementation make the speed and efficiency of this transition more important than ever. Consistency between the phases of governance will be critical.

Like the arrangements to be prescribed by the Secretary of State the function of each joint committee is to undertake work in preparation for new councils taking the place of existing councils. The third suggested term of reference reflects the fact that councils will be working together in advance of prescribed arrangements and so the joint committees are each described as the forum in which councils will cooperate with each other to secure the early, economic, effective, efficient and timely transfer of functions etc.

At their meeting on 12 April 2017 the Leaders considered a report from Monitoring Officers on the process for the appointment of Chief Executives as an important and early decision in preparation for any new council. Monitoring Officers are progressing work to secure access for Leaders to independent external advice on the options open to them. Whilst the proposed terms of reference for each joint committee include agreeing a process for the appointment of a Chief Executive, it is important to note that the actual decision will not be made by either joint committee.

Other details in the terms of reference include:

- Agreement of a model and process for disaggregation of services and budgets.
- Agreement of a model and process for council tax harmonisation.
- Authority to request a boundary review.
- Authority to agree an electoral scheme.
- Authority to respond to consultation on the content of orders to be made by the Secretary of State, including the new authority name.
- For the Dorset area to agree a double devolution offer to parish and town councils.

For the Bournemouth, Christchurch and Poole area it is proposed that the initial membership of the joint committee should comprise 8 members from Bournemouth Borough Council, 6 members from the Borough of Poole, 2 members from Christchurch Borough Council and 2 members from Dorset County Council (to address the issue of disaggregation only).

In the event that Christchurch Borough Council does not agree to re-engage with the Future Dorset proposal, Dorset County Council will represent Christchurch residents on the Joint Committee with a membership of 2, who would also address the issue of disaggregation, negating the need for 2 additional Dorset County Council members.

For the Dorset area it is proposed that the initial membership of the joint committee should comprise 2 members from each of North Dorset District Council, West Dorset District Council and Weymouth and Portland Borough Council and 6 members from Dorset County Council. Again there would be provision to increase this further should a decision be made by East Dorset District Council and/or Purbeck District Council to re-engage with Future Dorset.

The representation on the Dorset area Joint Committee is intended to reflect the budget and service risk and recognises the representation anticipated to be required through any Structural Change Order to be made through DCLG.

If LGR does not go ahead, the joint committees will perform an equally important function in providing a forum for councils to discuss further partnership working. A clause is included to the Dorset area joint committee terms of reference to make provision for the committee to 'act as the forum within which the district councils and the county council consult and co-operate with each other in order to secure the economic, effective, efficient and timely transfer of functions, property, rights and liabilities'.

## **7. Member engagement and scrutiny**

Even with a joint committee for the Dorset area of between 12 and 20 members and for the Bournemouth, Christchurch and Poole area of 15 or 17 members there will still be a very significant number of councillors outside of the formal joint committee arrangements.

Monitoring officers have considered options to ensure that all members have an opportunity to engage. The terms of reference for each joint committee therefore include an expectation that they will commission other councillors to carry out work on a task and finish basis. Not only will this build member engagement but it is also a reflection of the size of the task and that the joint committees alone cannot do all that is needed to prepare to establish two new councils.

## Appendix A – Dorset Area Joint Committee

### Purpose

1. To identify and promote collaborative and joint working between Councils
2. To take steps to prepare for the transfer of the functions, property, rights and liabilities of the district councils and the county council to a new Dorset Council including the preparation of an implementation plan
3. To act as the forum within which the district councils and the county council consult and co-operate with each other in order to secure the economic, effective, efficient and timely transfer of functions, property, rights and liabilities
4. To identify and establish early design principles that assist shape the development of the new Council and relevant staffing models
5. To ensure that councillors are kept fully briefed and engaged in establishing a new Dorset Council
6. To oversee the development and delivery of a comprehensive communications and engagement strategy that address the requirements of councillors, staff, local partners and wider stakeholders
7. To agree and monitor relevant finance associated to issues of transition and transformation
8. To monitor risks associated to the establishment of a new Dorset Council
9. To monitor the development of early enabling strategies including, but not limited to, organisational design process and principles, ICT, digital transformation, medium term finance, organisational development and assets
10. To identify and approve a policy framework and thereafter monitor the introduction of draft policy statements (including supporting procedures ) relevant to the required statutory compliance of the new Council
11. To liaise with relevant internal and external auditors and ensure their focus supports the development of the new Dorset Council
12. To agree a process for the appointment of a Chief Executive and make a recommendation on the appointment of a new Chief Executive to the new authority
13. To agree a model and process for disaggregation in respect of the provision of Services provided by Dorset County Council to Christchurch communities
14. To examine options and agree a model and process for council tax harmonisation
15. To request a boundary review
16. To agree an electoral scheme
17. To respond to consultation on the content of Orders, for example the new authority name

18. To take a decision on any required consents
19. To carry out any other tasks where Member engagement is necessary
20. To promote joint work with town and parish councils to identify and plan for the most effective governance and delivery arrangement for local public services

### Membership

- 6 Members from Dorset County Council
- 2 Members from Weymouth and Portland Borough Council
- 2 Members from North Dorset District Council
- 2 Members from West Dorset District Council
- The provision to increase this further (4 additional from Dorset County Council, 2 from East Dorset District Council and 2 from Purbeck District Council) should a decision be taken by these Councils to re-engage with the Future Dorset proposal
- Each member will nominate a named substitute who will have the same rights as the member whose place they are substituting. The named substitute should not affect political proportionality.

Note – if political proportionality was to be applied it is anticipated that on the current numbers a joint committee would comprise 4 Conservative representatives and 2 Labour/Liberal Democrat from the Districts (WPBC, NDDC, WDDC) and 4 Conservative and 2 Liberal Democrat representatives from the County. (With eight county councillors this would change to 6 Conservative and 2 Liberal Democrat, with 10 county councillors this would change to 7 Conservative and 2 Liberal Democrats and 1 Green.

### Quorum

- The Joint Committee shall be quorate if 50% +1 of the members are present



## **Appendix B – Bournemouth, Christchurch and Poole Area Joint Committee**

### Purpose

1. To identify and promote collaborative and joint working between Councils
2. To take steps to prepare for the transfer of the functions, property, rights and liabilities of Bournemouth Borough Council, Christchurch Borough Council and the Borough of Poole councils and the relevant functions, property, rights and liabilities of Dorset County Council to a new council including the preparation of an implementation plan
3. To act as the forum within which existing councils consult and co-operate with each other in order to secure the economic, effective, efficient and timely transfer of functions, property, rights and liabilities
4. To identify and establish early design principles that assist shape the development of the new Council and relevant staffing models
5. To ensure that councillors are kept fully briefed and engaged in establishing a new Council
6. To oversee the development and delivery of a comprehensive communications and engagement strategy that address the requirements of councillors, staff, local partners and wider stakeholders
7. To agree and monitor relevant finance associated to issues of transition and transformation
8. To monitor risks associated to the establishment of a new Council
9. To monitor the development of early enabling strategies including, but not limited to, organisational design process and principles, ICT, digital transformation, medium term finance, organisational development and assets
10. To identify and approve a policy framework and thereafter monitor the introduction of draft policy statements (including supporting procedures) relevant to the required statutory compliance of the new Council
11. To liaise with relevant internal and external auditors and ensure their focus supports the development of the new Council
12. To agree a process for the appointment of a Chief Executive and make a recommendation on the appointment of a new Chief Executive to the new Council
13. To agree a model and process for disaggregation
14. To agree a model and process for council tax harmonisation
15. To request a boundary review
16. To agree an electoral scheme
17. To respond to consultation on the content of Orders, for example the new authority name
18. To take a decision on any required consents

19. To carry out any other tasks where Member engagement is necessary

### Membership

- 8 Members from Bournemouth Borough Council
- 6 Members from Poole Borough Council
- 2 Members from Christchurch Borough Council (should a decision be taken by Christchurch Borough Council to re-engage with the Future Dorset proposal)
- 2 County Councillors (to address the question of disaggregation only)

In the event that Christchurch Borough Council does not re-engage with the Future Dorset proposal then Dorset County Council will represent Christchurch residents on the Joint Committee with a membership of 2, who would also address the issue of disaggregation, negating the need for 2 additional Dorset County Council members.

Each member will nominate a named substitute who will have the same rights as the member whose place they are substituting. The named substitute should not affect political proportionality.

For South East Dorset, democratic services would carry out a calculation to ensure that Membership was representative as will be expected within the Order.

### Quorum

- The Joint Committee shall be quorate if 50% +1 of the members are present.