

**Report to:** Stockport, Trafford and Rochdale (STaR) Joint Committee  
**Date:** 20 January 2015  
**Report author:** Director of Legal and Democratic Services (Trafford)

### **Report Title**

**GOVERNANCE – UPDATE**

### **Summary**

**The Joint Committee asked for clarification about how scrutiny would work in practice. This report clarifies the arrangements.**

### **Recommendation(s)**

**That the report be noted.**

Contact person for access to background papers and further information:

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Background Papers:

None

### **Purpose of Report**

- 1 The Joint Committee considered a report on the Constitution at its meeting on the 1<sup>st</sup> October. A question about how the scrutiny process would work was raised at the meeting and this report sets out the arrangements for that and for the procedures relating to advance notice of key decisions and items to be considered in private.

### **Notice of Key Decisions/Items to be considered in Private**

- 2 Each Authority has a definition of a key decision and therefore any decisions which meet the criteria will need advance notice. Any possible decisions will need to be worked through in terms of the criteria for each Council. Appendix 1 sets out the definitions
- 3 The Local Authorities (Executive Arrangements) (Meetings and Access to Information) regulations 2012 and The Openness of Local Government Bodies Regulations 2014 set out the procedures which have to be followed depending on

the nature of the decision being taken. For example, if the Joint Committee was taking a key decision, a 28 day notice would have to be published to fulfil legislative requirements. Similarly, if a decision is to be taken in private (as an exempt item), then 28 day notice will need to be given.

- 4 Trafford will prepare such notices and Stockport and Rochdale will provide links to the notice. The notices will be published by the Director of Legal and Democratic Services of Trafford as lead authority for the Joint Committee.

### **Publication of Decisions**

- 5 Any decisions will be recorded and published following the meetings. A decision notice will be prepared and published by Trafford – usually within two days of the meeting. Stockport and Rochdale will provide links to the notice. The notices will be published by the Director of Legal and Democratic Services of Trafford as lead authority for the Joint Committee.

### **Call – in**

- 6 Each Council has Call in rules which are broadly similar and the following approach would be followed for decisions which are called in.
  - Trafford prepare and publish a decision notice following a meeting for any decisions and share with Stockport and Rochdale who will also publish the decision notice via a weblink.
  - The decision is then subject to call in by each of the Council's in accordance with their procedures (i.e. Scrutiny Members have a period of time to call in a decision)
  - If there is no call in from any of the Councils, then the decision can be implemented.
  - If any Council calls in the decision, then they follow their own internal processes
  - Any matters which are referred back would then need to be reconsidered by the Joint Committee at its next meeting or at a special meeting.

### **Substitute Members**

- 7 Members also asked about the arrangements for substitute members at the last meeting. It was agreed that the constitution requires that the substitute members needed to be appointed by the respective 3 Councils in the same method they appointed their respective Committee member and they have to be Executive members. This arrangement is in hand.

## APPENDIX 1 – KEY DECISION DEFINITIONS

### Trafford

An executive decision taken by the Executive, an Executive Member or an officer will be a Key Decision if it comes within one or more of the following categories:

- i) It is likely to result in the Council incurring expenditure or making of savings which are significant having regard to the Council's budget for the service or function to which the decision relates; or
- ii) to be significant in terms of its effects on communities living or working in 2 or more Trafford wards.
- iii) It forms part of the development of, or the development of a change to, the Policy Framework or Budget.
- iv) It involves securing approval in principle to the acquisition or disposal of land or property the value of which is estimated to exceed £500,000.
- v) It involves securing approval in principle to the taking of, or the granting, renewal, assignment, transfer, surrender, taking of surrenders, review, variation or termination of any leases, licenses, easements or wayleaves, at considerations in excess of £250,000 per annum or a premium of £500,000
- vi) Its consequences are likely to result in compulsory redundancies or major changes to the terms and conditions of employment of a significant number of Council employees.

### Rochdale

A decision of the Cabinet/a Portfolio holder/a Township Committee/an Officer acting in accordance with the Scheme of Delegation shall be a Key Decision if it falls within one or more of the following categories:-

- (a) It is likely to have a major impact on the life of a community within the Borough (e.g. the closure of a school or a major traffic regulation scheme)
- (b) It forms part of the development of, or the development of a change to, the Policy or Budget Framework
- (c) Either:
  - (i) it involves revenue expenditure or saving that is neither provided for within the Budget, or virement not permitted by the Constitution
  - or

- (ii) it involves revenue expenditure or saving in excess of £500,000
- (d) It involves capital expenditure that is estimated to exceed £500,000 or is not provided for within the budget
- (e) It involves a significant reduction in or significant change to a service or facility provided by the Council, such reduction or change not being within the Policy or Budget Framework
- (f) It consists of the declaration of land or property, the estimated value of which exceeds £500,000 as surplus to the Council's requirements
- (g) It involves securing approval in principle to the acquisition or disposal of land or property, the value of which is estimated to exceed £500,000
- (h) It involves securing approval in principle to the taking of, or the granting, renewal, assignment, transfer, surrender, taking of surrenders, variation or termination of any leases, licences, easements or wayleaves, at considerations in excess of £10,000 per annum or a premium of £100,000
- (i) A financial decision whose consequences are likely to result in compulsory redundancies or major changes to the terms and conditions of employment of a significant number of Council employees

## Stockport

A decision of the Executive, or of a Chief Officer acting in accordance with the Scheme of Delegation will be a Key Decision if it comes within one or more of the following categories:

- (i) It is likely to result in the Council incurring expenditure or making savings which are significant having regard to the Council's budget for the service or function to which the decision relates; or
- (ii) it is likely to be significant in terms of its effects on communities living or working in 2 or more Stockport wards.
- (iii) it forms part of the development of, or the development of a change to, the Policy Framework or Budget.
- (iv) it involves revenue expenditure or saving that is neither provided for within the Budget, nor virement permitted by the Constitution.
- (v) it involves capital expenditure that is not provided for within:
  - (a) the capital estimate for a specific scheme; or
  - (b) a lump sum capital estimate;
  - (c) the capital programme at all, subject to rule 5.7 of the Financial Procedure Rules, which permits the Executive to utilise released capital funding for other projects where approved scheme costs are reduced or the approved scheme is deleted (unless the resources were specifically ring fenced).
- (vi) it involves a significant reduction in or significant change to a service or facility provided by the Council, such reduction or change not being within the Policy Framework or Revenue Budget.
- (vii) it consists of the declaration of land or property, the estimated value of which exceeds £250,000, as surplus to the Council's requirements.
- (viii) it involves securing approval in principle to the acquisition or disposal of land or property the value of which is estimated to exceed £250,000.

(ix) it involves securing approval in principle to the taking of, or the granting, renewal, assignment, transfer, surrender, taking of surrenders, review, variation or termination of any leases, licences, easements or wayleaves, at considerations in excess of £250,000 per annum or a premium of £250,000.

(x) its consequences are likely to result in compulsory redundancies or major changes to the terms and conditions of employment of a significant number of Council employees.