

	<p>REPORT TO CABINET TO BE HELD ON 12 FEBRUARY 2019</p>	
	<p>Key Decision</p>	<p>No</p>
<p>Corporate Priority</p> <p>To be an efficient and effective Council which is financially sustainable for the future</p>	<p>Cabinet Portfolio Holder</p>	<p>Cllr S Turner Portfolio Holder for Communities</p>

REPORT OF THE DIRECTOR (LD) – 19/006

WARDS AFFECTED: ALL

SUBJECT: NEW PROTOCOL FOR MEMBERS ON OUTSIDE BODIES

RECOMMENDATIONS:

That the Council be recommended to approve the new Protocol for Members on Outside Bodies appended to the report.

REASON FOR RECOMMENDATIONS:

To introduce a simpler, and more concise protocol which delivers the four objectives of:

1. Enables Council appointees to understand their responsibilities
2. Enables the Council to have a mechanism for feedback from appointees
3. Maximises transparency to the public by providing more information on the full range of activities undertaken by elected Members – via published information
4. Helps Members who are thinking about taking up a position on an outside body to decide if they want the role

HIGHLIGHTED RISKS: See Risk Matrix

1. INTRODUCTION

- 1.1 The Council makes appointments to outside bodies that have organisational objectives that the Council supports and where there are areas of mutual interest. Appointments are made to assist these organisations and to enable effective communications with the Council. Certain positions on external bodies form part of the portfolio of members of the Executive and so are appointed by the Leader, rather than by full Council.
- 1.2 There are broadly four types of organisations to which the Council appoints each of which entails key duties and responsibilities for the post holder:
1. Companies
 2. Charity trusts
 3. Unincorporated associations
 4. Other (Steering Groups/Partnerships/Committees)

2. CORPORATE PRIORITIES

- 2.1 To be an efficient and effective Council which is financially sustainable for the future.

3. BACKGROUND AND ISSUES

- 3.1 In 2008/09 the Council developed:
- A Protocol for Council Representation on Outside Bodies which detailed members' and officers' obligations when representing the Council on outside bodies and a reporting framework to review the operation of these outside bodies to the Projects and Partnerships O&S Committee.
 - A Guide to Partnership Working to provide advice on going into partnership, the different forms of partnership, decision making, resourcing, performance and risk management, and accountability.
- 3.2 Then, in February 2011, the Council approved a new Protocol for the Appointment of Members to External Bodies for insertion in the Constitution, which complementing the above guidance, provided 'a framework aimed at ensuring that the most suitable candidates are selected and appointed to external bodies. It provides a guide for Council Members involved in the process to ensure consistency, integrity, and fairness in administering the process and provides information about how the Council's process works for those who are interested in applying.'
- 3.3 Following the elections in May 2011, the Council agreed that most of the representatives to outside bodies would be appointed for the four year life of the Council. In May 2012, this tenure of appointment was extended to all

outside bodies, so that all Council representatives are now appointed for the life of the Council, or until the outside body dissolves or the completion of the project.

3.4 In addition to the Leader's power to appoint to external bodies which form part of the portfolio of members of the Executive, in May 2012, the Council delegated to the Leader all appointments to outside bodies which need to be made during the life of the Council.

3.5 According to the Protocol for Council Representation on Outside Bodies, Members who represent the Council on external bodies are required to provide a written report at least annually on the activities of the organisation. In light of this report, the representative may be required to attend a meeting of the Overview and Scrutiny Board, so the Board can review the operation of the body. More detailed reports are required annually from the Member Representative / Accountable Officer of the Council's significant partnerships. These have been defined as 'partnerships of major financial consequence and significantly affecting corporate priorities, if the partnership were to fail'. The current list of significant partnerships is as follows:

- Public Service Executive
- North Yorkshire Joint Procurement Committee
- Home Improvement Agency
- Welcome to Yorkshire Partnership
- Creative Industries Centre Trust
- York, North Yorkshire and East Riding Local Enterprise Partnership

3.6 Until 2016/17, a major part of the former scrutiny committees' work programmes comprised annual reports from the significant partnerships. With the streamlining of scrutiny into a single Overview and Scrutiny Board in May 2016 and the further development of the Council's Performance Management Framework, a new reporting mechanism was introduced for these significant partnerships. First, a scoring system was developed to provide a systematic means of identifying which partnerships are of the greatest significance to the Council and therefore require regular monitoring and scrutiny. In addition, a methodology was developed whereby reporting to scrutiny on individual significant partnerships is by exception only, i.e. where there are concerns which need to be considered further. This ensures that all significant partnerships continue to be monitored but that scrutiny is used most effectively, focusing on areas where there are concerns/risks of failure. For each partnership which is identified as 'significant' by the scoring system, the Responsible Officer, in conjunction with the Lead Member if applicable, completes a Partnership Score Card on an annual basis. The score card is

based on the Council's current Risk Matrix, to provide a RAG (Red, Amber, Green) status for each partnership to facilitate exception reporting.

- 3.7 The Cabinet receives an annual overview of the performance of the Council's partnerships, as part of the regular performance monitoring report. This allows the Cabinet to refer any partnership in the Red category to scrutiny for further investigation; in some instances where this was felt to be appropriate and concerns have been raised, the Cabinet may also refer a partnership which falls into the Amber category to scrutiny. Whilst scoring is undertaken on an annual basis, where concerns about the partnership and its performance arise during the year, the scorecard will be updated and referred to the Cabinet for its consideration.
- 3.8 The intention behind the Protocol for Council Representation on Outside Bodies in 2008/09 was that all the annual reports would be submitted to the appropriate overview and scrutiny committee. In practice, the committees' work programmes were heavy enough already with significant partnership reports, the system was onerous to administer, and there were issues with compliance.
- 3.9 The Protocol for the Appointment of Members to External Bodies introduced in 2011 encourages Members to put themselves forward with a full understanding of the obligations they are committing to, and to submit a supporting statement about themselves to enable the Council to make a more informed decision on whom to appoint. The Protocol has also sought to limit the length of service on a Council appointed outside body to two consecutive terms, to ensure a healthy mix of board members and to achieve a balance between new and experienced members. Compliance with the Protocol has been poor, in part because of the extremely tight timetable for the appointment of councillors to outside bodies at the start of the Council after the elections.

4. CONSULTATION

- 4.1 The proposals in this report have been discussed with the cross-party Governance Working Group.

5. ASSESSMENT

- 5.1 The difficulties in implementing both the Protocol for Council Representation on Outside Bodies and the Protocol for the Appointment of Members to External Bodies highlight the need for a fundamental review of what the purpose of the Protocol(s) should be, and how that purpose can realistically be achieved.

- 5.2 As stated in the Introduction, the Council makes appointments to outside bodies that have organisational objectives that the Council supports and where there are areas of mutual interest. Appointments are made to assist these organisations and to enable effective communications with the Council. The Council's Protocol for Members on Outside Bodies should in turn:
1. Enable Council appointees to understand their responsibilities
 2. Enable the Council to have a mechanism for feedback from appointees
 3. Maximise transparency to the public by providing more information on the full range of activities undertaken by elected Members – via published information
 4. Help Members who are thinking about taking up a position on an outside body to decide if they want the role
- 5.3 Rather than relating this information in two documents (one 34 pages long) as currently, it is proposed that this information form the basis of a simpler, and more concise protocol which meets these four objectives, and for transparency is incorporated in the Council's Constitution. The proposed new Protocol annexed in the Appendix
- i identifies a generic Role Profile of a Council Appointee on an Outside Body
 - ii outlines broadly the four types of organisation to which the Council appoints (companies, charity trusts, unincorporated associations, and other) together with the key duties in relation to these appointments
 - iii describes the appointment process placing the responsibility on the Group Leader to only put forward names of councillors who have the potential to meet the requirements for the role as outlined in the Role Profile
 - iv retains the limit on length of service for Council appointments
 - v provides a checklist for newly appointed Members on outside bodies, and
 - vi critically, provides a simple, single page annual feedback form for appointees which can be completed online and then published on the Council's website
- 5.4 The Council's significant partnerships are now embedded in the Council's Performance Management Framework, and are subject to annual reporting to the Cabinet, and exception reporting to the Overview and Scrutiny Board.
- 5.5 The same principle of exception reporting should apply more widely to all the Council's outside bodies. The responsibility rests on the Council appointee and/or Accountable Officer to flag any issues with senior management and/or Democratic Services if deemed necessary. As well as providing transparency about the activities of the appointee on the outside body, the published annual

feedback report will form a valuable source of information about the organisation for new appointees.

6. IMPLICATIONS

Policy

- 6.1 The proposed new Protocol is to replace the current Protocol for the Appointment of Members to External Bodies in the Council's Constitution.

Financial

- 6.2 Council appointees are able to claim back expenses from the Borough Council for sitting on outside bodies.

Legal

- 6.3 The Protocol will enable appointees to have a better understanding of their individual legal responsibilities in relation to sitting on an outside body.

Communications

- 6.4 Since this is an administrative governance matter, it was not deemed appropriate to publicise the proposals beyond the publication of this report.

Others

- 6.5 I have considered whether there are any Sustainability, Equalities, Staffing, Planning, Crime and Disorder, Health and Safety, and Environmental implications arising from this report and am satisfied that there is no identified implication that will arise from this decision.



Lisa Dixon
Director

Author: St John Harris, Democratic Services Manager
Telephone No: 01723 383556 E-mail address: stjohn.harris@scarborough.gov.uk

Background Papers:
None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT THE AUTHOR.

Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	February 2019	Lack of clarity about the appointee's role and lack of transparency about the appointee's activities on the outside body	Sub-optimal performance of the appointee on the outside body and potential negative impact on the Council's working relations and communications with its partner organisations	Adoption of the new Protocol	C3	A3	Democratic Services Manager	For implementation at the start of the new Council in May 2019

Glossary of Terms

Risk

An event which may prevent the Council achieving its objectives

Consequences

The outcome if the risk materialised

Mitigation

The processes and procedures that are in place to reduce the risk

Current Risk Score

The likelihood and impact score with the current mitigation measures in place

Corporate Objectives

An assessment of the Corporate Objectives that are affected by the risk identified.

Target Risk Score

The likelihood and impact score that the Council is aiming to achieve

Service Unit Manager

The Service Unit or Officer responsible for managing the risk

Action Plan

The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

A = Very Low

B = Not Likely

C = Likely

D = Very Likely

E = Almost Certain

Impact

1 = Low

2 = Minor

3 = Medium

4 = Major

5 = Disaster