

**North East Derbyshire District Council**

**Standards Committee**

**18 October 2018**

<b>Appointments to Outside Bodies</b>
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**Report of the Joint Head of Corporate Governance and Monitoring Officer**

This report is public

**Purpose of the Report**

The report deals with:

- A possible process for determining what Outside Bodies elected Members be appointed to;
- How the appointments to these Outside Bodies could be made so as to better reflect their impact on executive or non-executive areas of responsibility within the Council.

**1 Report Details**

- 1.1 North East Derbyshire District Council, in common with other local authorities, appoints Members - and in some instances representatives drawn from the community - to serve on external organisations, or 'Outside Bodies'.
- 1.2 The list of external organisations, which the Council appoints to, has grown incrementally over time and now covers a very wide range of bodies. At the Annual Council, in May 2018, 75 appointments (as well as 5 substitutes) were made to 63 external organisations.
- 1.3 There is a strong case for reviewing the Council's approach to Outside Bodies. Many of the appointments are carried forward from year-to-year without assessment of what impact they have had, whether it is still appropriate for the Council to appoint to these organisations – especially in terms of our own corporate plans and objectives - and if our continued participation would genuinely add value.
- 1.4 On a practical level, the task of preparing for the appointments made in May 2018 revealed that the names of some organisations had changed and that, in addition, the contact information and other details which the Council held about some of these organisations were incorrect. A comprehensive review of what bodies the Council appoints to could well reveal additional mistakes that would have to be rectified.

- 1.5 There are no nationally determined rules that local authorities have to follow when deciding which Outside Bodies they appoint to and who their appointees should be. Similarly, the vast majority of external organisations are not required to offer council's places, but rather do so out of courtesy or because they believe it would be of benefit to them, especially in terms of improved liaison or access to decision makers.
- 1.6 Many local authorities adopt their own criteria when determining which organisations they appoint to. These criteria can focus on whether the appointments would be statutory or non-statutory, or work of the organisations might impact on council services. Others focus on the impact on communities or whether they relate to the non-executive functions of the council, such as Overview & Scrutiny.
- 1.7 The Council has never adopted an explicit criteria for determining which bodies it should seek to appoint to. Without a criteria we cannot be sure of the benefits realised to either the Council or, indeed, the organisations themselves.
- 1.8 In order to rectify this, it might be most appropriate if the Council carried out a review of its appointments process to Outside Bodies. It may be beneficial to capture Member perceptions about the how valuable the work of Outside Bodies is. It would also capture information about Member participation, for example how many meetings or other activities have been attended and over what time period. The exercise could also find out from the Outside Bodies what their perceptions of the Council's involvement is and how this might be improved.
- 1.9 As part of this, those Members serving on Outside Bodies and those Outside Bodies themselves could be asked to provide their views by completing and returning questionnaires. The suggested questions are set out below:

#### Questions for Members:

1. How long have you served on this Outside Body? (please state)
2. Can you say what the purpose of this Outside Body is? (please state)
3. How many times in the last twelve months have you attended meetings or carried out other business on behalf of this Outside Body? (please explain what was covered at these meetings or other business and include the approximate dates if you can remember them)
4. Did you find the meeting or other business valuable and was it a good use of your time? (Y/N) If Y, then why did you find it valuable (please state) If N, why was it not valuable?
5. Do you think that the Council should continue to be represented on this body? (Y/N) (please explain for your reasons for this)
6. How could our participation in this body be improved? (please state)

#### Questions for Outside Bodies:

1. Councillor xxxx has been appointed by the Council to serve on your body. Did you know that this appointment had been made? (Y/N)
2. How many times has Councillor xxxx attended your meetings or took part in your other business during the year? (please explain what was covered at

these meetings or other business and include the approximate dates if you can remember them)

3. Did you find their participation in the meetings or other business valuable? (Y/N) If Y, then why did you find it valuable. If N, then why was it not valuable
4. Do you think that the Council should continue to be represented on your body (Y/N) (please explain your reasons for this)
5. How could the Council's participation in your body be improved? (please state)

- 1.10 The responses to these questions would then feed in to an exercise that would seek to assess all relevant external organisations – including those which the Authority has appointed to and those that it has not.
- 1.11 The audit exercise could be carried out in the first instance by the Monitoring Officer, supported by the Governance Team, with the results reported to the Standards Committee on completion to inform the list of Outside Bodies to be approved at Annual Council, in May 2019.
- 1.12 The Committee could also be asked to determine what performance measures should be recommended for those who serve on external organisations, such as a requirement that Members appointed to an Outside Body report periodically on its activities to Council, or whether more formal performance measures should be introduced which Members serving on external organisations would be expected to comply with.

### **Distinguishing between Executive and Non-Executive functions**

- 1.13 As part of the review of the Constitution in 2017/18 the Standards Committee agreed in principle to recommend that a split between Executive and Non-Executive functions be adopted. It was explained at the time that many local authorities had recognised that there is a clear distinction between Outside Bodies, whose activities are relevant to Executive side functions, and those whose focus is on local communities, Non-Executive functions or the wider representative role played by Councillors.
- 1.14 There are a variety of ways in which this is then reflected in appointments to these bodies. Some authorities make a distinction between Executive and Non-Executive appointments as part of the appointment process and in particular, ask their Cabinets to make executive appointments and full Council to make Non-Executive appointments.
- 1.15 Standards Committee agreed last year that North East Derbyshire District Council should adopt this approach. As part of the auditing exercise, the Monitoring Officer would group those organisations which the Committee recommended that the Council appoint to as non-Executive appointments and those appointments that should be made by Cabinet as Executive appointments.
- 1.16 Committee also agreed the clear criteria that would be required for grouping those bodies to be appointed by Cabinet and those to be appointed by Council. This is set out below.

## OUTSIDE BODIES - EXECUTIVE SIDE FUNCTIONS TO BE APPOINTED BY CABINET:

- (i) There is an explicit legal or constitutional requirement that the Executive represent the Authority on the external organisation;
- (ii) The external organisation works directly with the Authority or its activities impact on the provision of Executive-side services;
- (iii) Membership of the external organisation enables the Authority to project political influence or helps to achieve its corporate goals and objectives.

## OUTSIDE BODIES – NON EXECUTIVE SIDE FUNCTIONS TO BE APPOINTED BY COUNCIL:

- (i) The external organisation has a minimal impact on the Executive-side services or functions of the Authority;
- (ii) The external organisation provides an opportunity for local Councillors to engage with their communities and to promote community empowerment;
- (iii) Membership of the external organisations needs to reflect the political balance of the Council as a whole;
- (iv) The external organisation carries out functions which could potentially impact on the Council's reserved, regulatory or scrutiny functions.

Standards Committee would be asked to agree these groupings before they are recommended to Council and Cabinet for appointment.

## **2 Conclusions and Reasons for Recommendation**

- 2.1 Participation by Members in the work of Outside Bodies is important to the District Council, to these bodies and to the wider community. By being represented on Outside Bodies the Council can build links with local people and improve their capacity to work together on behalf of their communities. The proposed recommendations will help to ensure that the Council can maximise the value of these appointments.

## **3 Consultation and Equality Impact**

- 3.1 The proposed approach should help to provide greater clarity about the purpose of individual appointments, their value to the Council and in judging who the most appropriate appointees might be. Consultation will take place with all Members and the Outside Bodies, plus the Standards Committee and Cabinet.

## **4 Alternative Options and Reasons for Rejection**

- 4.1 The current approach to appointing representatives to Outside Bodies could be retained. However, it would not provide the clarity and focus of the revised approach.

## **5 Implications**

### **5.1 Finance and Risk Implications**

- 5.1.1 N/A

## 5.2 Legal Implications including Data Protection

5.2.1 N/A.

## 5.3 Human Resources Implications

5.3.1 N/A.

## 6 Recommendations

6.1 That the Committee:

- (a) Request the Monitoring Officer to undertake a review in to the appointments made to Outside Bodies and report the findings to the October meeting of the Standards Committee;
- (b) That following on from this review, Standards Committee agree a methodology for making appointments to Outside Bodies for the 2019-20 local government year;
- (c) That the Committee recommend this methodology to Council and Cabinet for approval and adoption for the 2019-20 local government year.

## 7 Decision Information

<b>Is the decision a Key Decision?</b> A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
<b>Is the decision subject to Call-In?</b> (Only Key Decisions are subject to Call-In)	No
<b>Has the relevant Portfolio Holder been informed</b>	Yes
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or Policy Framework</b>	All

## 8 Document Information

Appendix No	Title
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
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