

**Governance Committee**

**24 March, 2010**

**Review of Governance Structure – Report Back on Individual Committee Considerations**

**Report of the Clerk**

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**1 Introduction**

- 1.1 At its last meeting on 20 November, 2009, the Committee considered an initial report on a proposed review of the Authority's current committee structure and decision making arrangements..
- 1.2 The Governance Committee supported the proposed approach for dealing with this item and felt the appropriate time to make recommendations on its own terms of reference would be at this meeting when they also received any comments back from the other Authority Committees on their proposed future roles.
- 1.3 It was further agreed that the Chairman or Vice-Chairman of each Committee should be invited to the Governance Committee on 24 March to present their particular Committee's comments and views.
- 1.4 Following the individual Committee considerations of the earlier terms of reference report, their comments have been compiled and are set out for this Committee's consideration.

**2 Recommendations**

- (a) That the Governance Committee consider the comments made by the Authority's Committees.
- (b) Subject to any comments of the Committee, that the proposed revised terms of reference are recommended for adoption by the Authority at its Annual Meeting in June, 2010.

**3 Views/Comments of Individual Committees**

- 3.1 The approach taken in this report is to highlight the views/comments of the individual Committees on their particular terms of reference and the changes they are recommending be made.
- 3.2 **Terms of Reference – Finance and General Purposes Committee**

Members agreed that the business of its meetings tended to focus on the

“financial” aspects of its terms of reference at the possible detriment to the “general purposes” part of the Committee’s remit. As a result, they felt it was appropriate for other areas of business to be the subject of the Committee’s attention on a more regular basis as referred to in the report. Accordingly, the Finance and General Purposes Committee supports the following other areas of business being the subject of the Committees’ attention on a more regular basis and a change to the wording of its terms of reference regarding the approval of accounts:-

- Oversight of the fifth priority in the Service Plan 2009-12, which concerns the Management of resources in a way that achieves efficiency savings of £1.5m per year.
- Oversight of the fourth priority in the Service Plan concerning environmental management and reduction of carbon footprint.
- To avoid conflict with the terms of reference of the Governance Committee to amend this Committee’s existing terms of reference in relation to approving the accounts to read instead ‘To receive, consider and approve budget monitoring reports and a year-end report on the outturn position as set out in the Authority’s final accounts and to make recommendations to the Authority on any proposals to change the budget.

### **3.3 Terms of Reference – Performance Review and Scrutiny Committee**

Members recognised that there had been a number of developments in local authority scrutiny in recent years. With regard to such developments, they considered if the Authority’s own scrutiny arrangements were sufficiently robust. They supported the principle of shifting the emphasis from pre – and post-implementation scrutiny of the Authority’s own decisions and projects, to embrace scrutiny of how effectively it was engaging with neighbouring public services to achieve better outcomes for local people.

The Committee’s remit includes a programme of efficiency reviews, to effect continuous improvement in service delivery, having regard to economy, efficiency and effectiveness. This role is likely to take on ever-increasing importance in the harsh financial climate anticipated over the next few years. Members felt it was appropriate to be given oversight to relevant major initiatives contained in the Service Plan, such as the development of risk-based response standards and efficient and flexible crewing. Also, they felt the Committee’s terms of reference should be amended to accommodate oversight of the development of regional working with partner authorities to achieve service improvements (another Service Plan objective). At present, it was the full Authority which received reports back from the Regional Management Board. Members wished such reports to come instead to this Committee. However, they agreed that if there were to be something of particular significance which required the matter to be reported to the full Authority, this could easily be arranged. There was a general discussion about particular audit issues and whether they sat more appropriately with either this Committee or with the Governance Committee. The Clerk reported his understanding that, whilst it was the Governance Committee’s role to check that audits were being appropriately implemented, it was this Committee’s role to investigate what is being achieved

to ensure outcomes were in accordance with Authority policy. Accordingly, the Performance Review and Scrutiny Committee supports the following other areas of business being the subject of the Committee's attention and a change to the wording of its terms of reference as follows:

- Oversight to relevant initiatives contained in the Service Plan such as the development of risk based response standards and efficient and flexible crewing.
- Oversight of the development of regional working with partner authorities to achieve service improvement.
- To avoid conflict with the terms of reference of the Governance Committee, this Committee take ownership of checking what is being achieved in relation to an audit review so as to ensure its outcomes comply with Authority policy whereas it is for the Governance Committee to monitor appropriate implementation of the audit review.

#### 3.4 **Terms of Reference – Human Resources Committee**

Members supported the proposed revisions to the Human Resources Committee's terms of reference as set out in the Chief Officer's report relating to appeal hearings, training and development plans and to equal opportunity and health, safety and welfare policies. Accordingly, the Governance Committee be asked to consider the following changes to the Human Resources Committee's terms of reference :

- (a) To remove the existing clause within its terms of reference that relates to the Committee's role in respect of appeals and replaces it with a clause that matches the existing policy and practice namely "To act as the Authority's appeal body for appropriate categories of employees in accordance with current agreed policies or where the internal mechanisms do not allow for the matters to be heard by officers. As the appeal body to appoint panels comprising Members of the Committee or the Authority as appropriate. (This to include hearing of appeals relating to: individual dismissals and grievances, and collective disputes)".
- (b) To replace the existing clause within its terms of reference about approving training and development plans with "To ensure the development and implementation of training and development activities to support the future needs of the service. Furthermore to develop and establish mechanisms to support the development of Fire Authority Members".
- (c) To include a new clause within its terms of reference about promoting and monitoring the Authority's equal opportunities and health, safety and welfare policies, the new clause to read "To scrutinise the activities and outcomes of the Service with regards to its general duty to promote equality of opportunity, good relations and positive attitudes to people of different groups, and to eliminate unfair discrimination in employee policies. Also to scrutinise the activities and outcomes of the Service with regards to its general duty to promote health, safety and welfare policies".

- (d) That the Governance Committee note that it is the Human Resources Committee's view that each HFRA Committee should adopt, as part of their terms of reference, the promotion and monitoring of the Authority's equal opportunity and health, safety and welfare policies.

Points (a) to (c) above have been included in the proposed revised terms of Reference in Appendix 1. With regard to point (d), it is recommended that the promotion and monitoring of the Authority's equal opportunity and health, safety and welfare policies remains solely within the remit of the Human Resources Committee, rather than being shared by all committees generally. This is intended to avoid duplication and potential confusion, and to strengthen this the Authority's work in this important area of policy by making clear which committee has lead responsibility.

### 3.5 Terms of Reference – Standards Committee

Members supported no changes to the Committee's terms of reference recognising that they are largely prescribed duties under legislation. However, it is proposed to take the opportunity to add one further matter to the terms of reference, to reflect a responsibility acquired by standards committees under recent legislation, namely to consider and determine applications for exemption from the rules on politically restricted posts.

- 3.6 Standards Committee wished the Governance Committee to consider as an option the possible amalgamation of the Governance and Standards Committees. This is suggested having regard to the connections there are between the Standards Committee's role in promoting high standards of conduct, and the Governance Committee's remit to keep the corporate governance framework under review. It may also make more effective use of resources, as there are not normally any complaints received under the Members' Code of Conduct, for Standards Committee to consider and determine. However, amalgamation would mean that the combined committee would need to comply with statutory requirements on composition, namely that there are at least 25% independent members, including the Chairman and Vice-Chairman. Members may feel that the Governance Committee's responsibilities, particularly in relation to the approval of the draft Statement of Accounts, are so fundamental to the Authority's functions that they should be handled by a committee that is chaired by elected members.
- 3.7 Standards Committee has also asked the Governance Committee to consider whether there are any other matters not currently covered by the existing Committee terms of reference which would benefit from the greater involvement of, or scrutiny by, members. A number of such matters have already been identified (e.g. oversight of Service Plan priorities), and these are referred to elsewhere in the report.

### 3.8 Conclusions

The process of reviewing the Authority's committee structure and terms of reference has been a healthy one, with all members engaging in discussion

about the role that they play in the Authority's overall governance arrangements. As a result of this, a number of suggested improvements have been made, to give greater clarification where necessary and ensure that the Authority's governance arrangements remain fit for purpose, in the light of current and future challenges. The proposals make greater provision for effective member involvement in strategic planning and scrutiny of performance, in relation to Service Plan priorities and the securing of better outcomes for local people.

#### 4 **Equality Impact Assessment**

- 4.1 An impact assessment has been made on the proposals in the paper and shown that they are not discriminatory. They are considered compatible with the provisions of the European Convention on Human Rights, the Human Rights Act 1998 and the Race Relations (Amendment) Act 2000.

#### Section 100D – Local Government Act 1972 – background papers

The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

N.B. The list excludes:

Published works.

Documents that disclose exempt or confidential information as defined in the Act.

TITLE	FILE
None	

4gR1280310