



City of Westminster

General Purposes Urgency Committee Report

Item No:

Date:

Monday ~~3 July 2006~~ 15 January 2007

Classification:

For General Release

Title of Report:

~~Terms of Reference of the Audit and Performance
Committee and Conduct of Urgent Business~~
Westminster's One City Neighbourhoods
Programme – Changes to the Constitution

Formatted: Font: Bold

Formatted: Font: Bold

Report of:

Director of Legal and Administrative Services

Wards involved:

None

Policy context:

~~Management of the Council~~
One City Neighbourhoods Programme

Formatted

Formatted: Font: Bold

Financial summary:

There are no financial implications

Report Author:

~~Mick Steward~~
Ron Cork

Formatted: Font: Bold

Contact details

Tel: 020 7641 31324;
Email: rcorkmsteward@westminster.gov.uk

1. Summary

1.1 The Cabinet on 11 December 2006 considered a report on "Taking Forward Westminster's One City Neighbourhoods Programme". This report detailed a package of measures as the first step in delivering the vision set out in the Leader's annual speech for "a new constitutional settlement to empower front line Ward Councillors in Westminster". As a consequence of the Cabinet's decisions on the report (specified in paragraphs 4.2 and 4.6 below), some revisions are required to the Council's Constitution and this report addresses these in order that the General Purposes Urgency Sub-Committee can submit appropriate recommendations to the Council. The report to the Cabinet on 11 December is available as a background paper. This report seeks approval to extend the terms of reference of the Audit and Performance Committee in relation to:

- (i) the production and adoption of the Annual Efficiency Statement
- (ii) the functions of the Remuneration Sub-Committee (which it is recommended should be abolished)
- (iii) Staff terms and conditions save for those issues in relation to monitoring and implementation of Ethical Governance issues.

1.2 This report also seeks approval for the Staff Appeals Sub-Committee and the Appointments Sub-Committees to become the Sub-Committees of the Audit and Performance Committee.

1.3 Further, this report seeks approval to recommend a change to Standing Order 40 and that the Audit and Performance and Superannuation Investment Committees establish Urgency Sub-Committees.

2. Recommendations

2.1 That the Council be recommended to approve the revised terms of reference of the Audit and Performance Committee, as set out in Appendix A.

2.2 That, subject to the adoption of recommendation 2.1, the Remuneration Sub-Committee cease to exist with effect from 19 July 2006.

2.3 That the terms of reference of the General Purposes Committee be amended by the deletion of the following term of reference:

(7) Staff Terms and Condition

To determine the terms and conditions on which staff hold office (including the procedures for their dismissal)

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm

~~and the addition of the following:~~

~~(7) Ethical Governance~~

~~Notwithstanding the terms of reference of the Audit and Performance Committee, to retain responsibility for the monitoring and implementation of Ethical Governance issues, in particular, those arising from the Ethical Governance Audit and the Standards Committee for Member conduct issues.~~

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm, Tab stops: 1.27 cm, Left

~~2.4 That the following note be added to the terms of reference of the Audit and Performance Committee:~~

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm

~~Note: Notwithstanding the terms of reference of the Audit and Performance Committee the General Purposes Committee retain the responsibility for monitoring and implementing ethical governance issues, in particular, those arising from the Ethical Governance Audit and the Standards Committee for Member conduct issues.~~

~~2.5 That the Staff Appeals Sub-Committee and the Appointments Sub-Committees of the General Purposes Committee become Sub-Committees of the Audit and Performance Committee with effect from the date of that Committees decision to formally appoint them.~~

~~2.6 That the Council be recommended to agree the changes to Standing Order 40 in relation to urgent decisions between meetings, as set out in paragraph 3.6 of the report, and that the Audit and Performance and the Superannuation Investments Committees be recommended to establish Urgency Sub-Committees as outlined in paragraph 3.5 below.~~

~~3. Background~~

~~3.1 The Audit and Performance Committee currently has responsibility for overseeing the production of the Authority's Statement of Internal Control and recommending its adoption. It is therefore appropriate for the Committee to have similar responsibility for the Authority's Annual Efficiency Statement.~~

~~3.2 The Remuneration Sub-Committee of the General Purposes Committee was established with the following terms of reference:~~

~~(1) To determine the policy and framework for the remuneration of all staff.~~

~~(2) To advise the Cabinet Member for Finance and Support Services and the General Purposes Committee on issues relating to the remuneration of all staff as necessary.~~

~~(3) In the course of carrying out its duties in respect of 1 and 2 above, to have regard to the suitability and application of any grading or performance related pay schemes operated, or proposed, by the Council.~~

~~(4) — To consider an annual report of the Head of Human Resources dealing with remuneration trends in and across the public sector, insofar as they may affect the City Council's ability to either recruit or retain the staff it needs.~~

~~3.3 — Now that the Council has established a specialist decision taking Committee responsible for audit and performance corporately it is appropriate for this Committee to have responsibility for remuneration issues currently within the remit of the Remuneration Sub-Committee. Abolition of the Sub-Committee will also rationalise the Council's Committee structure. The proposed revised terms of reference are attached as Appendix A.~~

~~3.4 — If the proposal to place responsibility for remuneration within the terms of reference of the Audit and Performance Committee is accepted then it is logical that the responsibility for "determining the terms and conditions on which staff hold office" should transfer from the General Purposes Committee to the Audit and Performance Committee together with the Staff Appeals and Appointments Sub-Committees (currently Sub-Committees of the General Purposes Committee).~~

~~3.5 — From time to time it is necessary to obtain urgent decisions between scheduled meetings. Provision already exists in respect of executive functions (via the Urgency Committee of the Cabinet) and for non-executive functions within the remit of the General Purposes Committee and the Licensing Sub-Committee (via Urgency Committees). It would be advisable for similar arrangements to be put in place for the Audit and Performance Committee and the Superannuation Investments Committees and therefore reports will be submitted to both Committees to allow them to establish Urgency Sub-Committees.~~

~~3.6 — As a result Standing Order 40, which covers the conduct of urgent business, will require amendment to include provision for the Audit and Performance and the Superannuation Investments Committees to have the same arrangements for urgent decisions which exist for the General Purposes and Licensing Committees. The proposed revised Standing Order 40 is set out below:~~

Decisions between Meetings

~~(1) — The Leader (as in his absence the Deputy Leader) shall appoint an Urgency Committee of three Members of the Cabinet. The General Purposes Committee, the Licensing Committee, the Audit and Performance Committee and the Superannuation Investments Committee shall each appoint an Urgency Sub-Committee of three Members appointed in accordance with standing Order 28(1).~~

~~(2) — Between scheduled meetings of the Cabinet or the General Purposes Committee, the Licensing Committee, the Audit and Performance Committee~~

~~or the Superannuation Investments Committee any matter may be referred to an Urgency Committee or Sub-Committee constituted in accordance with this Standing Order by the Chief Executive or any Chief Officer where, in the opinion of any of them, it is urgent and cannot wait until the next ordinary meeting of the Cabinet or the General Purposes Committee.~~

- (3) ~~A meeting of the Cabinet Urgency Committee or the General Purposes, Licensing, Audit and Performance or the Superannuation Investments Urgency Sub-Committees shall be empowered to decide any matter within the terms of reference of the Cabinet or the relevant parent Committee or any of its Sub-Committees which has been referred to it for decision by the Chief Executive or any Chief Officer provided that the Urgency Committee or Urgency Sub-Committee is satisfied that the matter cannot wait until the next ordinary meeting.~~
- (4) ~~All Standing Orders which apply to Committees and Sub-Committees other than those which are inconsistent with this Standing Order, shall apply to a meeting of an Urgency Committee or a relevant Urgency Sub-Committee.~~
- (5) ~~Where the Chief Executive or any Chief Officer is of the opinion that a matter which is within the terms of reference of the General Purposes, the Audit and Performance and Superannuation Investment or the Licensing Committees or the Cabinet but does not require a meeting of the relevant Urgency Sub-Committee, or the Urgency Committee of the Cabinet he may send a written report to the Members of the Urgency Committee/Sub-Committee, and any Ward Members who would otherwise have been consulted in accordance with the Code of Governance, and make a decision on that matter provided that:~~
- (a) ~~subject to (b) below, no matter shall be decided by a Chief Officer pursuant to this Standing Order until the expiration of four clear days from the report being sent and provided further that any written representation received before a decision is taken in accordance with this Standing Order must be considered by the relevant Chief Officer before exercising these powers;~~
- (b) ~~in the case of a matter which the Chief Officer considers to be exceptionally urgent he may take a decision before the expiration of four clear days provided he has advised the Members to be consulted of his intention to do so. When taking a key decision under these powers Chief Officers shall also comply with the provisions or Regulations 9(1) and 16 of the Local Authority (Executive Arrangements)(Access to Information)(England) Regulations 2000.~~
- (c) ~~in the case of a report submitted in the names of more than one Officer the first named Chief Officer shall exercise these powers unless the matter has been referred to the Chief Executive by any Chief Officer or has been called in by the Chief Executive for decision in which case the matter shall be determined by the Chief Executive.~~

~~3.7 Recommendation 2.4 has been included for clarification purposes.~~

4. Other Implications

None

2. Recommendation

2.1 That the Council be recommended to:

- (i) agree (a) the additional wording highlighted in Appendix A as a revision to paragraph 13.02 (b) of Article 13 Decision Making within the Constitution in relation to Ward member consultation, and (b) the additional wording highlighted in Appendix B as a revision to sub-paragraphs (c) and (h) of paragraph 15 ("Call In") of the Overview and Scrutiny Procedure Rules within the Constitution in relation to a new power of Ward Member call-in, and
- (ii) agree to the revision of the South Area Forum boundary to cover parts of St James Ward following the boundary line used by the Police and the CivicWatch service (to be reflected in the Constitution) and to note that there is to be a review of the other Area Forum boundaries for the reasons set out in the report.

3. Background

3.1 The key elements of the new approach to neighbourhoods described in the report to the Cabinet on 11 December 2006 include:

- Improved ward-level information for Members delivered through improvements to the Member Extranet.
- A geographical framework based on the six Area Forum areas, with boundaries modified slightly to reflect the need to link in with local partners, with which the Council's area-based service delivery would be increasingly aligned over time.
- The introduction of Area Integration Meetings (AIMs) in each of the six areas, bringing together key service providers and Ward Members with a focus on problem solving and prevention in the medium to long term.
- Additional opportunities for Ward Members to set out their views during the decision making process and new ward based call-in powers in advance of the Community Call for Action outlined in the Local Government White Paper
- Enhancements to Area Forums, based on the successful piloting of the new workshop format over the past year.

Formatted: Font: Bold

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm

Formatted: Font: (Default) Arial

Formatted: Space After: 12 pt, Bulleted + Level: 1 + Aligned at: 1.26 cm + Tab after: 1.9 cm + Indent at: 1.9 cm

Formatted: Bullets and Numbering

Formatted: Font: (Default) Arial

Formatted: Indent: Left: 1.26 cm, Space After: 12 pt

Formatted: Font: (Default) Arial

Formatted: Space After: 12 pt, Bulleted + Level: 1 + Aligned at: 1.26 cm + Tab after: 1.9 cm + Indent at: 1.9 cm

Formatted: Bullets and Numbering

- To test out this approach, an AIM is to be piloted in the South of City from January 2007.

Formatted: Font: (Default) Arial

3.2 These proposals represent a first step in the development of a neighbourhoods approach. A recommendation on whether to roll out this approach across the City is to be made in autumn 2007, based on the outcomes of the evaluation of the pilot AIM.

4. Changes to the Constitution

Formatted: Font: Bold

4.1 Certain of the proposals accepted by the Cabinet require revisions to the Council's Constitution. Council from the General Purposes Committee. The first change is in relation to the strengthening of the Council's existing decision making process. This will include:

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm

Formatted: Font: Bold

- Improved Ward Member consultation is to be built into policy development at an early stage and Area Integration Meetings (AIMs) used to allow meaningful consultation with Ward Members where appropriate and where there is interest among Members in a given area.

Formatted: Font: (Default) Arial

Formatted: Bullets and Numbering

Formatted: Font: Not Bold

Formatted: Font: (Default) Arial

- At the time of formal issue to the Cabinet Member, the report for decision is to be issued directly to relevant Ward Members, who will be offered the formal opportunity to comment (further) on the proposal and have those comments taken into account by the Cabinet Member when taking their decision.

Formatted: Bullets and Numbering

Formatted: Font: (Default) Arial

- To increase transparency, Ward Members affected by a decision are to be alerted immediately through the Members' online information service (via an automatic e-mail update service), once a decision has been taken by a Cabinet Member.

Formatted: Bullets and Numbering

Formatted: Font: (Default) Arial

- Introduction of a new duty requiring decision-makers to 'have regard to' the representations made by Ward Members, both through AIMs and directly. Input from Ward Members expressed via AIMs is to be recorded in reports for decision, and report authors will indicate how this feedback has influenced the ultimate recommendations put forward. A change is to be introduced to the sign off sheets for decisions to reflect this.

Formatted: Indent: Left: 1.25 cm, Hanging: 0.75 cm, Bulleted + Level: 1 + Aligned at: 1.9 cm + Tab after: 2.54 cm + Indent at: 2.54 cm, Tab stops: 2 cm, List tab + Not at 2.54 cm

Formatted: Bullets and Numbering

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

- Introduction of a power of 'call in' for Ward Members in respect of reports for decision affecting single wards. Where all three Members in a given ward are unhappy with the decision taken by a Cabinet Member, and subject to the standard constitutional exemptions, Ward Members will be able to request an Overview and Scrutiny 'call in' of the decision within the existing five day threshold. This to be capped at a maximum of 4 'call-ins' a year.

Formatted: Font: (Default) Arial

Formatted: Indent: Left: 1.25 cm, Hanging: 0.75 cm, Bulleted + Level: 1 + Aligned at: 0.63 cm + Tab after: 1.27 cm + Indent at: 1.27 cm, Tab stops: 2 cm, Left

Formatted: Bullets and Numbering

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

4.2 The Cabinet agreed the proposed changes to increase the influence of Ward Members in the decision making process, subject to a report to the General Purposes Committee. The changes described in the latter two bullet points in paragraph 4.1 above require additions to the Constitution and this is covered in recommendation 2.1(i) above.

Formatted: Font: Bold

Formatted: Indent: Left: 0 cm, Hanging: 1.25 cm

4.3 The **second** revision relates to the change of boundaries for the South Area Forum. Different Council services currently use different geographical divisions of the City as a basis for management. Local partners also divide the City differently for their own management purposes. The number of sub-divisions used varies between two and six, and few services use 'areas' that match those used by others. Accordingly, a corporate framework for area-based working that offers the best fit with existing area-based initiatives and will inform the development of future initiatives was recommended to the Cabinet.

Formatted: Font: Bold

Formatted: Indent: Left: 0 cm, Hanging: 1.27 cm

Formatted: Font: Bold

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

4.4 Research has shown that there are approximately 20 'natural' neighbourhoods recognised by local people in Westminster. A neighbourhood approach based on these 20 natural neighbourhoods would, however, be administratively complex and prohibitively expensive.

Formatted: Font: (Default) Arial

Formatted: No bullets or numbering

Formatted: Indent: Left: 0 cm, Hanging: 1.27 cm, No bullets or numbering

Formatted: Font: (Default) Arial

4.5 The suggested approach balances the need to increase the neighbourhood focus with the lower overhead costs of operating fewer management areas, and recommends that six areas based on a modified version of the current Area Forum boundaries be adopted as a basis (Appendix C refers).

Formatted: No bullets or numbering

Formatted: Indent: Left: 0 cm, Hanging: 1.27 cm, No bullets or numbering

Formatted: Font: (Default) Arial

4.6 The principal modification at this stage is to the boundary for the South area, which it is proposed be extended to cover parts of St James Ward, following the boundary line used by the Police and the CivicWatch service. A review of the other Area Forum boundaries to consider issues raised through consultation is proposed with a report to Cabinet setting out the options. The Cabinet supported both proposals subject to a report to the General Purposes Committee.

Formatted: Font: (Default) Arial

Formatted: No bullets or numbering

Formatted: Indent: Left: 0 cm, Hanging: 1.27 cm, No bullets or numbering

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: (Default) Arial

Formatted: Font: Bold

Formatted: Font: (Default) Arial

Background Information

If you would like to inspect one of the background papers or speak to someone about this report please contact **Ron Cork Mick Steward** – Tel: 020 7641 31324;
Email: rcorkmsteward@westminster.gov.uk

Formatted Table

Background Documents

- Constitution

- Report (item 5) to Cabinet on 11.12.06 Re: One City Neighbourhoods Programme

AUDIT AND PERFORMANCE COMMITTEE

CONSTITUTION

5 Members of the Council, 4 Majority Party Members and 1 Minority Party Member but shall not include a Cabinet Member.

TERMS OF REFERENCE

Audit Activity

1. ~~To consider the head of internal audit's annual report including the auditor's opinion on the Council's control environment and a summary of internal audit and anti fraud activity and key findings.~~

2. ~~To consider reports, at regular intervals, which summarise:~~

- ~~the performance of the Council's internal audit and anti fraud service provider/s~~
- ~~audits and investigations undertaken and key findings~~
- ~~progress with implementation of agreed recommendations~~

3. ~~To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.~~

4. ~~To consider specific reports as agreed with the external auditor.~~

5. ~~To comment on the scope and depth of external audit work and to ensure it gives value for money.~~

6. ~~To liaise with the Audit Commission over the appointment of the Council's external auditor.~~

7. ~~To comment on the proposed work plans of internal and external audit.~~

Regulatory Framework

8. ~~To maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.~~

9. ~~To review any issue referred to it by the Chief Executive or a Director, or any Council body.~~

Formatted: Indent: Hanging: 1.27 cm

Formatted: Font: Not Bold, No underline

Formatted: Indent: Left: 0 cm, Hanging: 1 cm, Bulleted + Level: 1 + Aligned at: 0.63 cm + Tab after: 1.27 cm + Indent at: 1.27 cm, Tab stops: 1 cm, List tab + Not at 1.27 cm

Formatted: Bullets and Numbering

Formatted: Font: (Default) Times New Roman, Not Bold, No underline

Formatted: Indent: Left: 0 cm, First line: 0 cm

Formatted: No bullets or numbering

Formatted: Bullets and Numbering

Formatted: No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Indent: Left: 0 cm, First line: 0 cm

~~10. To monitor the effective development and operation of risk management and corporate governance in the Council.~~

~~11. To monitor Council policies on 'Raising Concerns at Work' and the antifraud and anti-corruption strategy and the Council's complaints process.~~

~~12. To oversee the production of the authority's Statement on Internal Control and Annual Efficiency Statement and to recommend their adoption.~~

~~13. To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.~~

~~14. To consider the Council's compliance with its own and other published standards and controls.~~

Accounts

~~15. To review the annual statement of accounts and approve these for publication. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.~~

~~16. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.~~

Performance Monitoring

~~17. To review and scrutinise the financial implications of external inspection reports relating to the City Council.~~

~~18. To receive the quarterly performance monitoring report and refer any issues which in the Committee's view require more detailed scrutiny to the relevant Overview and Scrutiny Committee.~~

~~19. To review and scrutinise personnel issues where they impact on the financial or operational performance of the Council including but not limited to agency costs, long-term sickness, ill health early retirements and vacancies; and~~

~~20. To review and scrutinise Stage 3 complaints made against the City Council and monitor progress.~~

~~21. To consider and advise upon, prior to tender, the most appropriate contractual arrangements where a proposed contract has been referred to the Committee by the Chief Executive.~~

~~22. To maintain an overview of overall contract performance on behalf of the Council.~~

~~23. To review and scrutinise contracts let by the Council for value for money and adherence to the Council's Procurement Code.~~

Committees/General Purposes Reports 2006/Terms of Reference of the Audit and Performance Committee – 3 July 2006

10

Committees\General Purposes Urgency\Reports\2007\Re Westminster's One City Neighbourhoods – Impact on Constitution – 15 Jan 2007

Formatted: Indent: Left: 0 cm, First line: 0 cm

Formatted: No bullets or numbering

Formatted: Bullets and Numbering

Formatted: No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Normal

Formatted: Normal, No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Normal

Formatted: Normal, No bullets or numbering

Formatted: Bullets and Numbering

24. To review and scrutinise the Council's value for money to Council tax payers.

25. To scrutinise any item of expenditure that the Committee deems necessary in order to ensure probity and value for money.

26. To require the attendance of any officers or Members of the Council to answer questions relating to the Committee's work.

Staffing

27. To determine the policy and framework for the remuneration of all staff.

28. To advise the Cabinet Member for Finance and Support Services on issues relating to the remuneration of all staff as necessary.

In the course of carrying out its duties in respect of 27 and 28 above, to have regard to the suitability and application of any Grading or Performance Related Pay Schemes operated, proposed, by the Council.

29. To consider an annual report of the Head of Human Resources dealing with remuneration trends in and across the public sector, insofar as they may affect the City Council's ability to either recruit or retain the staff it needs.

Formatted: Normal

Formatted: Normal, No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Normal

Formatted: Normal, No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Normal

Formatted: Normal, No bullets or numbering

Formatted: Bullets and Numbering

Formatted: Indent: Left: 0 cm, First line: 0 cm

Formatted: Indent: Left: 0 cm

Formatted: Indent: Left: 0 cm, First line: 0 cm

Formatted: Indent: Left: 0 cm, First line: 0 cm

