

Inclusion of Regulatory Committees in Budgetary Underspend Consultations

Final Decision-Maker	Democracy Committee
Lead Head of Service	Angela Woodhouse – Head of Policy, Communications and Governance
Lead Officer and Report Author	Sam Bailey – Democratic and Administration Services Manager
Classification	Public
Wards affected	All

Executive Summary

This report considers the request made by Planning Committee to consider how Regulatory Committees could be included in budgetary underspend consultations

This report makes the following recommendations to this Committee:

That the current procedure rules remain unchanged.

Timetable

Meeting	Date
Democracy Committee	14 November 2018

Inclusion of Regulatory Committees in Budgetary Underspend Consultations

1. INTRODUCTION AND BACKGROUND

- 1.1 In 2017-18 the Council's overall financial performance meant that there was an underspend on its budget. Reports outlining this underspend, and requesting suggestions for projects to utilise the underspend, were taken to the Council's four budget holding Service Committees.
- 1.2 No other Committees were formally consulted with as these Committees were the only ones that hold their own budgets. Planning Committee members had identified a use for the underspend during a Planning Committee Political Spokespersons Meeting that wasn't considered by Strategic Planning, Sustainability and Transportation Committee (Planning Committee's corresponding budget holding Committee) when considering its item on utilising underspends.
- 1.3 Planning Committee made a reference to the Democracy Committee asking it to consider how Regulatory Committees could be consulted on underspends. Democracy Committee agreed that officers would submit a report outlining options for the Committee's consideration. The reference made by Planning Committee can be found below:

'That the Democracy Committee be asked to consider the issue of the Regulatory Committees being consulted on the use of budgetary underspends.'

Service Committees and Regulatory Committees

- 1.4 The Planning Committee's purpose, as defined in the Constitution, is 'To determine town and country planning and development matters and associated issues'.
- 1.5 The Licensing Committee's purpose, as defined in the Constitution, is 'To exercise licensing and gambling functions on behalf of the Council'.
- 1.6 It is important to note that finance and budgetary matters are not included in either of the Regulatory Committees' terms of reference.
- 1.7 Both of the Regulatory Committees have a corresponding Service Committee which is responsible for budgetary matters in the services covered by the Regulatory Committee. For example, if the Planning Committee refuses a planning application and there are costs involved in the appeal, these costs are reported to the Strategic Planning, Sustainability and Transportation Committee and are counted as part of the financial performance of this Committee. Service Committees retain overall responsibility for all budgets within their terms of reference.

- 1.8 It would not be appropriate to formally consult with the Regulatory Committees as currently happens with the Service Committees on budgetary underspends as they do not have budget responsibilities. In terms of good governance, it is important that Committees do not act outside their terms of reference to prevent duplication and confusion in lines of accountability.
- 1.9 However it is recognised that both Licensing and Planning Committee are often on the 'front line' of decisions relating to policies, procedures and budgetary decisions that the Service Committees have decided.

Rights of Members

- 1.10 Members of Regulatory Committees can lobby the members of the Service Committees and attend and speak in support of any suggestions for use of underspends when the relevant Service Committee considers this item. This should be the route in which members of Regulatory Committees ensure their suggestions are taken into account of when Service Committees are making decisions on budgets.
- 1.11 It is also important to recognise that the Committees do not work in isolation, and there is often crossover in their membership. This is the current case on the SPST and Planning Committee where there are two members that sit on both. This allows a strong voice of advocacy for the budget proposals made by the Regulatory Committee in the Service Committee when such items are considered.

2. AVAILABLE OPTIONS

- 2.1 The Committee could choose not to make any amendments to the current procedures or to the Constitution. Members of Regulatory Committees are able to lobby service Committee members, and speak in favour of their proposed use of underspends at Committee meetings if they attend as Visiting Members.
- 2.2 The Committee could choose to include Regulatory Committees in the formal process of consultations in a similar way to the process for Service Committees. This is not recommended as it would give Regulatory Committees decision making powers which are not in accordance with their purpose as set out in the Constitution.
- 2.3 An alternative to the two options above would be for the Committee to set out guidance for Chairmen of Service Committees recommending them to consult with Regulatory Committees when the use of budgetary underspends are considered. This option has a number of problems. Firstly, it may require a change to the Constitution as it would alter the role of the Chairman of a Service Committee. Secondly it still allows for some confusion over the purpose of service Committees and Regulatory Committees, and this is bad practice. Finally, as Chairmen can't have authority delegated to them to discuss these matters on behalf of a Committee there is a risk that items would still be needed on the agendas

of Regulatory Committees, which would mean that the process set out at 2.2 would still be required.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

3.1 The preferred option is as set out at 2.1. The proposal would provide a common sense way in which the views of the Regulatory committees can be taken into account, without infringing on their terms of reference or those of the service committees.

4. RISK

4.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 This report has been considered following a reference from Planning Committee and a report request by Democracy Committee. Discussions with the Chairman and Vice Chairman of the Committee, as well as Governance advice from Officers, have informed the recommendation made.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The decision of the Committee will be communicated to members by publication of the minutes, and sending the advice around via email.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	No impact	Democratic and Administration Services Manager
Risk Management	See paragraph 4.1	Democratic and Administration Services Manager
Financial	No impact	Democratic and Administration

		Services Manager
Staffing	We will deliver the recommendations with our current staffing.	Democratic and Administration Services Manager
Legal	As the Council operates under a committee system, in accordance with the Local Government Act 1972, the Council's Constitution makes clear that the four Service Committees are the policy decision making bodies: Part 2, paragraph 2.2 "Committees of the Council", states: "Each of the four main service Committees have responsibility for strategic performance management across the range of their functions". Additionally the Constitution places on each Service Committee responsibility for submitting to Policy and Resources Committee revenue estimates and capital programmes within its remit. It is therefore appropriate that any consultation with the Regulatory Committees, should be done through an informal process, to avoid confusing the roles of the service and Regulatory Committees.	Principal Solicitor Corporate Governance
Privacy and Data Protection	No impact	Democratic and Administration Services Manager
Equalities	No impact identified in consideration of this reference or recommendation	Equalities Officer
Crime and Disorder	No impact	Democratic and Administration Services

		Manager
Procurement	No impact	Democratic and Administration Services Manager

8. REPORT APPENDICES

None.

9. BACKGROUND PAPERS

None.