

CABINET	AGENDA ITEM No. 8
29 SEPTEMBER 2010	PUBLIC REPORT

Cabinet Member(s) responsible:	<i>Cllr Marco Cereste, Leader of the Council</i>	
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NEW EXECUTIVE ARRANGEMENTS UNDER LOCAL GOVERNMENT & PUBLIC INVOLVEMENT IN HEALTH ACT 2007

RECOMMENDATIONS	
FROM : Solicitor to the Council	Deadline date : 13 October 2010
1. Cabinet recommends to Council that it adopts the Strong Leader and Cabinet style of Executive Arrangements to take effect from May 2011.	

1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a public consultation about changes to executive arrangements. This matter was considered by Council on 26th July 2010. The public consultation ends on 30th September and the matter is due to be considered by Council again at its meeting on 13th October 2010.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to:

(a) advise Cabinet of the response to the public consultation to date, and;

(b) obtain the views of Cabinet members on appropriate proposals to Council.

2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.5 "To review and recommend to Council changes to the Council's Constitution, protocols and procedure rules."

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO
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4. CHANGES TO EXECUTIVE ARRANGEMENTS

4.1 The Local Government and Public Involvement in Health Act 2007 introduced changes to executive arrangements. These have been introduced on a staggered basis, with different types of council having to make changes to their executive arrangements at specific times. Peterborough City Council is in the final tranche of

councils to make the changes and must change its executive arrangements before the end of December 2010, to take effect in May 2011.

4.2 The 2007 Act changes the models of executive arrangements permitted by the Local Government Act 2000 and under the 2007 Act local authorities are required to operate one of two models:

- Elected mayor and cabinet; or
- “New Style” leader and executive.

4.3 Peterborough City Council currently operates the old style Leader and Cabinet model established by the 2000 Act, but this is now abolished and is no longer available as an option when the transitional arrangements end in May 2011. The principal difference in the current arrangements and the new style is that the Leader would normally be elected for a 4 year period, instead of the current 1 year period.

4.4 Since the 2007 Act was introduced, the Coalition government announced its intention to make further changes, allowing Councils to return to the committee system should they wish to do so. Details of the changes are expected in the Localism Bill in the next Parliamentary session. A letter dated 7th July 2010 from the Department of Communities & Local Government advised that councils such as Peterborough must change its executive arrangements, but that it should do so with minimum expenditure on consultation and should remember that any governance arrangements introduced in May 2011 “may be further changed within a year or so”.

4.5 When Council considered the matter on 26th July 2010, it resolved to:

- a) Consult the public over the introduction of new executive arrangements during the period up to 30 September 2010;
- b) Undertake that consultation at minimal expense to the public, primarily using the Council’s website, in view of the intention of the new government to introduce further legislative changes;
- c) Confirms that, subject to the representations received from the public during the period of consultation, the Council’s preferred option is the new style, strong leader and cabinet model, as this model is the most similar to the Council’s existing arrangements and can be implemented with the least disruption until such time as the new government announces its proposals; and
- d) Receives a further report after the conclusion of the consultation period to enable it to take a formal decision over the introduction of new executive arrangements before the statutory deadline of 31 December 2010.

5. CONSULTATION

5.1 In accordance with the Council decision, consultation has been carried out using the Council’s website. The consultation ends on 30th September and the results at that stage will be reported to the Council meeting on 13th October.

5.2 At the time of preparation of this report, there have been 42 responses to the consultation. Of those, 27 wish to adopt the Directly Elected Mayor and Cabinet model, and 15 wish to adopt the Strong Leader and Cabinet model. A common theme in the responses that have included comments is that a Mayor who does not represent a specific ward is likely to be less involved in “politics” and may be more democratic.

6. ANTICIPATED OUTCOMES

- 6.1 This matter will be reported to Full Council on 13th October, and it is anticipated that it will adopt one of the two models of executive arrangements permissible under the 2007 Act.
- 6.2 If Council decides to adopt the elected mayor and cabinet model, it will be necessary to hold an election to elect a mayor in May 2011, which will add additional expense. In the current financial climate, when the Council is obliged to reduce its spending, it is not recommended that it incurs additional expense to adopt the model of Directly Elected Mayor, when the options available to the Council are likely to change very soon after given the government's plans to introduce further legislation.
- 6.3 Cabinet will be aware that 27 of the 42 recipients to date have expressed a preference for the Directly Elected Mayor model. However, this is a very small percentage of the total electorate of 124,710 (0.036%) and although the views of those who have expressed a preference are important, the response is not so overwhelmingly in favour of the Directly Elected Mayor model that Cabinet should ignore the benefits of selecting a strong leader and cabinet model. This model can be adopted without the additional expense of an election, and leaves the Council with more flexibility to change its executive arrangements again when the government introduces further models.
- 6.4 It is therefore anticipated that Council will agree to adopt the new style leader and cabinet model, as this can be adopted with minimum cost. This method also allows further changes to be made, if new legislation is introduced, with minimum cost and disruption.

7. REASONS FOR RECOMMENDATIONS

The Council has a legal obligation to change to one of the two models currently permissible, by December 2010.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Adopt the Elected Mayor and Cabinet model: this is not recommended as the Council would need to incur the cost of holding an election for the position of elected mayor. Also, a mayor would be elected for a period of 4 years and this may limit the Council's ability to take advantage of additional changes to executive arrangements which are anticipated in the Governemnt's Localism Bill this autumn.
- 8.2 Retain status quo: this option has been rejected, because the Council's current executive arrangements of the old style leader and cabinet model are no longer valid after December 2010. If the Council does not select one of the two models available, the Secretary of State will impose one of the two models.

9. IMPLICATIONS

Legal : All legal implications are set out in the body of this report.

Financial : The strong leader and executive model can be adopted without cost. The Directly Elected Mayor and Cabinet model would require an election, which would

take place on the same day as the city council elections, the parliamentary referendum, and the council tax referendum. Additional polling clerks would be needed for the larger stations, and the count for the council tax referendum and Mayoral referendum would be held on the Friday. It is assumed that the Friday count would be held at the Town Hall with no additional costs for venue. If the person elected as Mayor was also elected as a city councillor at the same time, he or she would have to step down creating a vacancy, which would then necessitate a by-election for the vacant local council seat. By-election costs shown below are based on an average ward with 4 polling stations.

The Cabinet Office would expect us to split the costs of polling stations between all elections/referendums being held on the same day reducing the amount that we could claim for the cost of the referendum. This means that we may only be able to claim 25% of the cost of running 63 polling stations and one third on 19 polling stations.

Estimated costs of adopting the Directly Elected Mayor and Cabinet model are therefore:

Ballot paper costs:	£ 7,300
Postal votes:	£ 19,000
Postal vote opening:	£ 3,600
Poll cards:	£ 2,200
Postage:	£ 30,000
Additional poll clerks:	£ 3,900
Additional ballot boxes:	£ 5,000
Referendum claim reduction:	£ 20,000
Friday Count:	£ 4,500
By-election:	£ 8,000
TOTAL:	£103,500

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None.