



Report of the Assistant Chief Executive (Corporate Governance)

Executive Board

Date: 19 May 2010

Subject: Constitutional Matters: Amendments to the Executive Procedure Rules and Delegation of an Executive Function to Sheffield City Council

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

1. This report sets out a number of proposed amendments to the Constitution relating to executive matters, following the annual review of the constitution and a proposed delegation of a function to another authority.
2. The amendments relate to:
 - a) Executive Procedure Rules, namely:
 - the appointment of Executive Members;
 - the frequency of Executive Board meetings;
 - the location of Executive Committee meetings; and
 - the quorum for Executive Committee meetings.
 - b) Delegation to Sheffield City Council of an executive function relating to housing.
3. The proposed amendments to the Executive Procedure Rules are minor, but need to be approved by the Executive Board.
4. It is proposed that amendments to the Executive Procedure Rules are approved with effect from the date of the annual meeting, so that they can be implemented at the same time as other amendments to the constitution approved by full Council. It is proposed that the delegation of the function to Sheffield City Council takes effect immediately.

1.0 Proposed Amendments to the Executive Procedure Rules

2.0 Background Information

- 2.1 Full Council was notified at its extraordinary meeting in November 2009, of amendments which the Assistant Chief Executive (Corporate Governance) proposed to approve to the Executive Procedure Rules to reflect the new executive arrangements. The Executive Procedure Rules were, accordingly, updated on 9 May 2010, when the new arrangements came into operation, following a delegated decision by the Assistant Chief Executive (Corporate Governance), to approve those amendments.
- 2.2 The Assistant Chief Executive (Corporate Governance) carries out an annual review of the constitution before the annual meeting. This report proposes a number of minor amendments to the Executive Procedure Rules, following the annual review. The proposed amendments are not specifically related to the new executive arrangements, but arise from a review against relevant legislation.
- 2.3 The amendments are attached as appendix 1 to this report.

3.0 Main Issues

The appointment of Executive Members

- 3.1 Legislation¹ requires the constitution to include “any rules governing the appointment of members of the Executive”. The current provisions, (contained in Article 7 and the Executive Procedure Rules) follow the wording suggested in the ODPM modular guidance. They provide for the appointment of Executive Members to be reported to the annual meeting. They do not however explicitly provide for the appointment of Executive Members during the municipal year.
- 3.2 It is therefore proposed that Executive Procedure Rule 1.2 is amended to provide for this, together with a new requirement for appointments to be reported to the Chief Executive and subsequently to full Council.
- 3.3 Similar provisions are proposed in relation to the in-year appointment of the post of Deputy Leader².

Frequency of Executive Board meetings

- 3.4 Rule 1.6 currently requires the Executive to meet “at least 12 times per year”. However, this requirement is not always met, because of the need to avoid clashes with the party conference season, in September.
- 3.5 It is proposed to amend the Rules to ensure compliance with them. The best option appears for the Executive to continue with its current position of one meeting a month in principle. However, since the best achievable appears to be 11, a constitutional requirement of 10 meetings a year would allow a little flexibility.
- 3.6 The Rules refer to a minimum number of meetings, so additional meetings could be called if they were needed.

¹ The Local Government Act 2000 (Constitutions) (England) Direction 2000

² The Leader is required by law to appoint a Deputy Executive Leader, under the new executive arrangements.

Location of Executive Committees

- 3.7 Legislation requires the constitution to specify where meetings of the Executive and Executive Committees will be held. It is therefore proposed that Rule 1.6 (which specifies that “the Executive shall meet at the Council’s main offices or another location to be agreed by the Leader”) is extended so that the provision covers Executive Committees.

Quorum of Executive Committees

- 3.8 At the end of the last meeting of the Access to Information Appeals Committee, Members raised a query about the quorum of this Committee, which is currently four³. Since four members are invited to attend each Committee, it is recommended that the quorum to be reduced to three, to allow for non-attendance.
- 3.9 It is therefore recommended that Rule 1.8 is amended accordingly. The Access to Information Appeals Committee is currently the only Executive Committee.

4.0 Proposed delegation of an executive function.

- 4.1 Under the Private Sector Housing Assistance Policy, vulnerable owner occupiers are offered financial assistance via a Home Appreciation loan (HAL). This allows an owner occupier to release equity from their property to undertake home improvements without having to repay the amount borrowed until the property is sold. At this point the loan is repaid and can be recycled back into the loans budget to assist further owners.
- 4.2 On the 17th February 2006, the Executive Board agreed to delegate the function of administering Home Appreciation Loans (HAL) to Sheffield City Council under the Yorkshire and Humber Homes and Loans Service. This allowed the Council to continue to offer equity release loans to vulnerable owner occupiers in the Leeds City Council by providing access to regional funding for private sector improvements.
- 4.3 Since the introduction of the regional HAL, the South and West Yorkshire Housing Officers Loan Group have been considering other options to assist vulnerable owner occupiers undertake improvements to their homes. Unfortunately not all owners have the available equity in the property. Some owners may wish to repay the monies borrowed rather than have a secured debt against their property. Also the works may not be so extensive so making the release of equity onerous to the owner compared to the monies borrowed or not seen by them as value for money.
- 4.4 Officers from The South and West Yorkshire Housing Loan Group have considered the feed back from individuals and looked at good practice across the country and proposed the Home Improvement Loan (HIL). This allows an owner to borrow an unsecured loan of up to £5,000 interest free over a maximum of 5 years. This would be administered in partnership with the regional loans scheme and a local credit union. It is proposed that the region undertakes 4 pilot schemes to determine how to make such a scheme operate to meet the needs of owners and develop best practice. It is proposed a budget of £200,000 be made available regionally with each of the 4 pilot authorities having a budget of £50,000 each in 2010/11. Leeds City Council has been approached to be one of the 4 pilot authorities.

³ Rule 1.8

- 4.5 For the HIL pilot to occur in Leeds a tripartite agreement between the Council, Sheffield City Council and Leeds Credit Union Ltd will be required. This will be drawn up by Sheffield City Council on behalf of the Regional Scheme. It will then require to be approved by all parties prior to the pilot commencing.
- 4.6 Prior to such a legal agreement between the parties, Leeds City Council will need to delegate authority to Sheffield City Council to administer the Home Improvement Loan scheme in order for the funding to be approved and accessible from regional Housing Board
- 4.7 It is proposed that the delegation be drafted in such a way as to be future proofed such to allow the delegation of this and any similar new schemes and payments to assist vulnerable households within the regional framework under the Private Sector Housing Assistance Policy. Any such new schemes would be identified by the Director of Environment and Neighbourhoods in consultation with the Executive Member.

5.0 Implications For Council Policy And Governance

- 5.1 It is in accordance with good governance principles to review and update the constitution regularly. The revised provisions would promote accountability and transparency.
- 5.2 The proposed scheme to allow Leeds City Council to offer HIL as part of the programme to support vulnerable households compliments the options already available under the Private Sector Housing Assistance Policy adopted by the authority. It will contribute towards the "Narrowing the Gap" agenda by supporting individuals to continue to live independently in homes in good repair without undue financial burden being placed upon them.

6.0 Legal And Resource Implications

- 6.1 These amendments to the Executive Procedure Rules and the proposed delegation of a function to another authority must be approved by the Executive Board. It is proposed that the former would be of effect from the date of the annual meeting, so that the revised Rules could be re-issued with the constitution for the new municipal year and that the latter takes effect immediately.
- 6.2 The proposed amendments to Rule 1.2 and 1.6 will promote compliance with relevant legislation.

7.0 Recommendations

Executive Board are recommended :

- (a) to approve the revised Executive Procedure Rules, with the amendments shown in appendix 1 to this report, with effect from the 27 May 2010 and
- (b) under the provisions of the Local Government Act 2000 and Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2000, to delegate to the executive of Sheffield City Council , the executive function of making payments of Home Improvement Loans (or similar new schemes and payments identified by the Director of Environment and Neighbourhoods, in consultation with the Executive Member) ,approved under the Leeds City Council Private Sector Housing

Assistance Policy in accordance with the Regulatory Reform (Housing Assistance) Order 2002

- (c) to authorise officers , subject to legal advice, to enter into a tripartite agreement with Sheffield City Council and Leeds City Credit Union Ltd to allow the provision of Home Improvement Loans within Leeds.

Background Papers

Report of the Assistant Chief Executive to extraordinary meeting of full Council, 18 November 2009.

Report and delegated decision notice of the Assistant Chief Executive (Corporate Governance) dated 18 March 2010.