REPORT OF THE CONSTITUTION COMMITTEE

A: REPORT OF THE INDEPENDENT PANEL ON MEMBERS’ ALLOWANCES

Introduction

1. This report presents a report of the Independent Panel on Members’ Allowances.

Background

2. The statutory framework for members’ allowances includes the following requirements:

- Each local authority is required to establish and maintain an Independent Remuneration Panel with the function of providing the local authority with advice on its scheme and the amounts to be paid. Local authorities must have regard to this advice.

- Local authorities must, before the beginning of each year, make a scheme for the payment of a basic allowance for the year. The basic allowance must be payable to all members.

- The scheme may include provision for the payment of special responsibility allowances, travel and subsistence allowances, a dependants’ carers’ allowance, and co-optees’ allowance. The scheme may also make provision for pensions.

- The approval of a members’ allowances scheme has to be determined by the full Council and cannot be delegated to the Cabinet or a committee.

- A scheme for members’ allowances may be amended at any time but may only be revoked at the end of the year, i.e. 31st March. A further scheme must be available to replace the revoked scheme.

3. The Independent Panel has been called together to undertake this year’s annual review and a copy of its report is attached as Appendix 1 to this report. A revised scheme of allowances based on the Panel’s recommendations is attached as Appendix 2 to this report.

4. The Panel is due to meet again in April to address the issues identified in Paragraphs 13 to 16 of its report, provided this is supported by the Council.
Resources Implications

5. The increase proposed by the Independent Remuneration Panel can be met from the provision within the 2004/05 budget for general items.

Decision of the Constitution Committee

6. The Constitution Committee considered the matter at its meeting on 11th March, 2004 and decided to recommend the County Council to approve the Panel’s recommendations.

(Motion to be moved:

(a) That the report of the Independent Panel on Members’ Allowances, as set out in Appendix 1 to the report of the Constitution Committee, be received and that the recommendations contained therein be approved;

(b) That the present scheme of allowances be revoked on 31st March 2004 and that the scheme of allowances set out in Appendix 2 to the report of the Constitution Committee be adopted with effect from 1st April 2004.)
B: ESTABLISHMENT OF OVERVIEW AND SCRUTINY COMMITTEES RELATING TO THE HEALTH SERVICE

Introduction

1. This report concerns proposals for the establishment of overview and scrutiny committees relating to the Health Service together with the necessary amendments to the County Council’s Constitution to give effect to these proposals.

Background

2. The Health and Social Care Act 2001 extended the powers of Overview and Scrutiny Committees of Social Services Authorities to include the power “to review and scrutinise in accordance with regulations…………….matters relating to the health service…………...in the authority’s area and to make reports and recommendations on such matters in accordance with the regulations”. The Act required local authorities to ensure that constitutional arrangements were in place to enable the relevant committees to exercise that power. These provisions, along with the supporting regulations, came into effect on 1 January 2003. Guidance from the Department of Health underpinning the operation of the new committees was issued in May 2003. Directions requiring the appointment of joint overview and scrutiny committees in specified circumstances were issued on 17 July 2003.

3. There are ten health bodies serving the area of Leicestershire as follows:-

- Leicestershire, Northamptonshire and Rutland Strategic Health Authority
- University Hospitals of Leicester NHS Trust
- Leicestershire Partnership NHS Trust
- East Midlands Ambulance Services NHS Trust
- Eastern Leicester PCT
- Leicester City West PCT
- Melton, Rutland and Harborough PCT
- Hinckley and Bosworth PCT
- Charnwood and North West Leicestershire PCT
- South Leicestershire PCT

4. Many of these health bodies provide services across the area of more than one Social Services authority. The PCTs are responsible for delivery of primary care services to their areas. Two PCTs are located within the geographical area of Leicester City Council. The remaining four PCTs cover areas within Leicestershire which are not co-terminous with district council boundaries. Rutland forms part of the Harborough
Melton and Rutland PCT. Each PCT has responsibility for taking a strategic lead on major aspects of service delivery across the area of the three Social Services authorities, the County Council, City Council and Rutland Council.

5. The Act and regulations allow Social Services authorities to appoint joint committees and a County Council to arrange for members of an overview and scrutiny committee of a district council to be co-opted members on a County Council overview and scrutiny committee operating under the 2001 Act. Those co-opted members may be voting members. The Guidance recommends that “scrutiny of services provided, commissioned or planned by a single NHS body covering more than one local authority area should be undertaken by a joint committee”. The directions require Social Services authorities to appoint a joint overview and scrutiny committee in circumstances where a local NHS body consults more than one overview and scrutiny committee on any proposal it has under consideration for a substantial development of the Health Service or a substantial variation of provision of such service.

6. The difficulties of creating a system of health scrutiny which would be acceptable and effective in an area including a shire county, two unitary authorities, seven district councils and ten health bodies, with little or no co-terminous boundaries, led the County and District Leaders to conclude, at a meeting on 12 September 2002, that further consideration of the issues should be deferred until the Guidance had been received. That Guidance was issued just before local elections in all those local authorities, with the exception of the County Council. Further discussions have now taken place with the City Council, Rutland Council and District Councils and with representatives of the health bodies.

Proposals

7. It is proposed to set up a joint committee with membership drawn from the County Council, City Council and Rutland in the proportions 7:7:2 to scrutinise health bodies with strategic responsibilities and responsibilities across the areas of the three authorities (including such responsibilities lying with PCTs). It is proposed that there should be a separate set of arrangements to deal with scrutiny of locally-based PCT functions. To avoid the problem of multiple scrutiny of local health bodies, it is proposed that there should be four separate bodies, one for each PCT, each comprising 7 County Council members and 6 co-opted District members. Rutland Council will also have representation on the body dealing with Melton, Rutland and Harborough PCT on a co-opted basis. These 4 bodies will be constituted as subcommittees to a County Council Health Overview and Scrutiny Committee which will have responsibility for achieving a consistent approach by the subcommittees and determining the approach to be adopted in carrying out scrutiny of issues which affect all the PCTs.
8. The proposed structure is set out in Appendix 3 to this report. The constitutional amendments required to bring these new arrangements into effect are set out at Appendix 4 to this report.

9. These proposals will have the effect of allowing the County Council to set up a joint committee with the two other Social Services authorities. Those two authorities will also have to make changes to their constitutions. It will be necessary to determine the terms of reference, meeting procedure rules and a number of other key issues such as arrangements for chairing the joint committee by agreement with those two other authorities. It is suggested that the arrangements for the establishment of a joint committee be delegated to the Chief Executive in consultation with the Chairman and Spokesmen of the Constitution Committee. It will not be necessary for further amendments to be made to the Constitution. The proposed amendments to the County Council’s Constitution do allow for the County Council’s Health Scrutiny Committee to perform the role of the joint committee until such time as it is operational.

Consultation

10. As indicated above, consultation has taken place with the other authorities and health bodies. The response to the proposals from the City Council, Rutland Council, representatives of the health bodies and the District Councils has been generally positive. Melton Borough Council had put forward the view that there should be District Council representation on the Joint Committee and that it would not then be necessary to set up the Health Overview and Scrutiny Committee. That view, however, was not pursued at a recent meeting of the County and District Council Leaders.

Consideration by Constitution Committee

11. The recommendations of the Constitution Committee are contained in the motion which appears at the end of this report. All members of the Committee expressed their strong support for the proposals being put forward. However, there was one issue on which the Committee was divided, that relating to the allocation of chairmanships of the County Council’s Health Scrutiny Committee and its 4 Subcommittees. It was recognised that the chairmanship of the proposed Joint Committee will be a matter for agreement with the Leicester City and Rutland Councils.

12. A procedure known as “the d’Hondt procedure” was suggested as a way of determining the order in which the respective political parties are able to choose the committee which they wish to nominate the Chairman. The procedure is explained in the proposed amendment to the schedule to the Overview and Scrutiny Procedure Rules at the end of Appendix 4.
13. Whilst all members of the Committee supported the use of the d'Hondt procedure in principle, there was a difference of opinion about whether the procedure should apply to the allocation of chairmanships to the proposed 4 Health Scrutiny Subcommittees only or whether it should apply to all 5 of the County Council's proposed Health Scrutiny Committees and Subcommittees.

14. In the event, the Committee decided that the procedure should apply to the 4 Health Scrutiny Subcommittees only, leaving the issue of the chairmanship of the main Committee to be determined by members of the Committee itself. If approved, this will mean that the chairmanship of the main Committee will be determined in the same manner as the regulatory committees of the Council such as the Development Control and Regulatory Board, and Standards Committee.

(Motion to be moved)

(a) That the proposals set out in Section B of the Constitution Committee for the establishment of Overview and Scrutiny Committees relating to the Health Service be approved;

(b) That the proposed changes to the Council’s Constitution set out in Appendix 4 to the report of the Constitution Committee be approved;

(c) That the Chief Executive be authorised, in consultation with the Chairman and Group Spokesmen of the Constitution Committee to take such action as may be necessary in relation to the establishment of a joint committee with the Leicester City Council and the Rutland Council to review and scrutinise the activities of local health bodies with responsibility for Health Service functions across the area of the three authorities.)

D.R. Parsons
Chairman

11th March 2004

Background Papers


Report of the Chief Executive to the meeting of the Constitution Committee on 11th March, 2004 on the establishment of overview and scrutiny committees relating to the Health Service.