

NORTH LINCOLNSHIRE COUNCIL

**ANNUAL MEETING OF THE
COUNCIL**

CONSTITUTION, GOVERNANCE AND OUTSIDE BODY ISSUES

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To propose changes to the Constitution in relation to the council's working arrangements for 2016/2017.

2. BACKGROUND INFORMATION

- 2.1 The Local Government Act 2000 requires the council to adopt a Constitution. The Constitution is a "living document" which requires frequent amendment to keep up with changes made by the council to its management structure and procedures.

3. ISSUES FOR CONSIDERATION

- 3.1 The Constitution has been amended on a number of occasions since it was first adopted.
- 3.2 Following a review of some of the working practices adopted since May, 2015, it is now necessary to consider making a number of changes to the Constitution to facilitate changes to working arrangements for 2016/2017.
- 3.3 The attached appendices detail the proposed changes to the relevant parts of the Constitution. Additions and deletions are shown. These include -
- (i) Following the decision to merge the Places and Corporate Scrutiny Panels, the Panel will be called the Governance Scrutiny Panel and its terms of reference and other details are set out in Appendix B attached.

The remaining Panels will stay as now.

(ii) **Delegations to Officers and Appointment of Proper Officers –**

- 3.4 Minor amendments are proposed to the scheme of delegations to officers in relation to debtors accounts to bring the council's arrangements into line with North East Lincolnshire Council and as part of shared services. At present the Director of Policy and Resources has the authority to write off debt up to the value of £5,000. Write offs exceeding this figure require member approval specifically by the Cabinet Member for Policy and Finance.
- 3.5 It is suggested therefore that to bring the council's process into line with North East Lincolnshire Council and to improve operational efficiency, Finance Managers and Group Accountants be given delegated powers through the Director of Policy and Resources to enable them to write off debit and credit

balances up to the value of £10.00. This will mean that such officers can write-off small immaterial balances on an ongoing basis and execute the write-offs periodically, as opposed to executing on large write-offs which is resource intensive and adds unnecessary operational pressure. This is for accounting purposes. Work would however still continue to seek repayment of debts. All amounts written off under delegated powers would still be recorded in the uncollectable debt report which is submitted to the Cabinet Member for Policy and Finance. The suggested wording for this proposed change is set out in Appendix A.

(iii) **Ongo Homes**

- 3.6 On 17 January, 2007 the council resolved to transfer its entire housing stock and related assets to North Lincolnshire Homes Limited. The transfer was completed on 26 February, 2007 when North Lincolnshire Homes Limited took over responsibility for the housing stock and related assets.
- 3.7 In March 2012 North Lincolnshire Homes Limited approached the council to seek its views in respect of proposed changes to the structure of North Lincolnshire Homes whereby North Lincolnshire Homes Limited would become a subsidiary of a parent organisation and the establishment of a “sister” commercial company and community interest company to sit alongside North Lincolnshire Homes Limited within the group of companies. If passed North Lincolnshire Homes Limited would become a subsidiary of a parent company meaning that the parent company would be a member of North Lincolnshire Homes Limited and would have the right to appoint and remove the majority of its Board Members. This proposal was agreed and since that time the council has been appointing one member to the Ongo Homes (formerly North Lincolnshire Homes) Board, one member to the Parent Company – Group structure (North Lincolnshire Homes) and one member to the Ongo Homes Communities Board.
- 3.8 The Ongo Homes Board has also considered introducing remuneration for board members and has approached the council about its views on this. This is not considered to be an appropriate use of resources.
- 3.9 Ongo Homes have confirmed that only the Ongo Homes (formerly North Lincolnshire Homes) Board has any specification within its Constitution and Articles of Association about council membership and this can be changed. Nor is it a statutory requirement. The other boards - Ongo Communities and Ongo Partnership (the Parent Company - Group Structure) have no constitutional requirements in relation to council membership.
- 3.10 In all respects Ongo Homes is an independent, separately funded organisation with its own mandate in relation to the area’s housing stock and related assets. The council has, therefore, been considering its position in relation to the need to appoint representatives to the three Ongo Boards in the light of the above.

4. **RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 4.1 There are no staffing, financial, property or IT implications associated with this report.

5. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

- 5.1 Not applicable.

6. OUTCOMES OF CONSULTATION

- 6.1 The proposed changes to the Constitution are as a result of the details referred to above.

7. RECOMMENDATIONS

- 7.1 (a) To consider approving the changes to the Council's Constitution as detailed in paragraphs 3.3 to 3.5 and the appendices to the report, and (b) that in relation to Ongo Homes consideration be given to whether or not the council should appoint representatives to the three Ongo Homes Boards as detailed in paragraphs 3.6 to 3.9 above.

DIRECTOR OF POLICY AND RESOURCES

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Background Papers used in the preparation of this report - The Council's Constitution (which is available on request or can be access on line at <http://www.northlincs.gov.uk/your-council/about-your-council/committees-and-cabinet/the-councils-constitution/>)

DIRECTOR OF POLICY AND RESOURCES

(34) To authorise Finance Managers and Group Accountants to write-off debt and credit balances up to £10.00 on an ongoing and periodic basis, subject to the details of such write-offs being included in the annual uncollectable debt write-off report.

GOVERNANCE SCRUTINY PANEL

Membership:

5 Councillors

Terms of Reference:

To carry out the relevant overview and scrutiny functions relating to services delivered or commissioned by the council and its relevant partners and partner authorities including all governance issues, corporate and strategic services, the council's budget performance and/or cross cutting issues, stronger, safer and clearer places and infrastructure, and to carry out all appropriate functions as the council's Crime and Disorder Committee under paragraph 1 Section 19 Part 3 of the Police and Justice Act 2006. Also to meet the responsibilities expected by the Pitt Review in relation to flood risk management.

To be mindful at all times of the need to take account of the Council's revised Corporate Parenting Pledge, and the commitment to children in care and care leavers as contained within the pledge in carrying out the panel's work.