

**CONSTITUTION COMMITTEE**  
**9 JUNE 2014**  
**GLOUCESTERSHIRE ECONOMIC GROWTH OVERVIEW AND SCRUTINY**  
**COMMITTEE**

**Report of the Monitoring Officer and the Commissioning Director:  
Communities and Infrastructure**

**1. Purpose of Report**

The purpose of this report is to recommend the creation of the Gloucestershire Economic Growth Overview and Scrutiny Committee (“the GEGOSC”), which will comprise members from the County Council and co-opted members from the Gloucestershire District, Borough and City Councils.

**2. Recommendations**

To recommend to the Council:-

- 2.1 to amend the Council’s Constitution to create the Gloucestershire Economic Growth Overview and Scrutiny Committee in line with the Appendix.
- 2.2 to appoint a Chairman of the Gloucestershire Economic Growth Overview and Scrutiny Committee

**3. Creation of a Scrutiny Committee**

- 3.1 The Council’s Constitution sets out a range of scrutiny arrangements. The Council may establish further scrutiny arrangements if it considers it is appropriate.
- 3.2 In terms of voting, paragraphs 11 and 12 of Schedule A1 of the Local Government Act 2000 (as referred to in Paragraph 9FA of the 2000 Act) allows a local authority to permit a co-opted member of an overview and scrutiny committee of the authority to vote at meetings. However, permission may only be given in accordance with a voting scheme made by a local authority. This would require a scheme to be adopted by the County Council to permit the co-opted members to vote at the Scrutiny Committee. The scheme may include the maximum or minimum number of co-opted members of an overview and scrutiny committee entitled to vote at meetings.

**4. Background**

- 4.1 Government has asked Local Enterprise Partnerships (LEPs) to lead the development of Strategic Economic Plans (SEPs) for local growth in line with national priorities. Alongside this the Government looked at

rationalising the funding streams that localities have typically accessed<sup>1</sup> into a single pot known as the single Local Growth Fund. In July 2013<sup>2</sup>, the Government issued technical guidance for LEPs giving more clarity and certainty on the process for negotiating Growth Deals and the assessment of SEPs. Part of the Core Assessment Criteria for allocation of the Local Growth Fund explains that LEPs must demonstrate strong clear partnerships across the functional economic area; this includes arrangements which can demonstrate collective decisions in support of the SEP from all local authority leaders within the LEP. It is anticipated that the County Council will be the Accountable Body regarding the administration of the funding of SEP's.

4.2 In Gloucestershire, the Leaders of all Gloucestershire authorities have worked together to create the Gloucestershire Economic Growth Joint Committee and on 2 April 2014, the Cabinet agreed to establish the Economic Growth Joint Committee. The Cabinet Report provides a full explanation of the reasons for the creation of the Joint Committee [<http://glostext.gloucestershire.gov.uk/ieDecisionDetails.aspx?ID=519>].

4.3 The County Council gave its unanimous support, at its meeting on 22 January 2014, to create a cross county scrutiny committee to review and evaluate the work and progress of the Joint Committee and the LEP in delivering the SEP. To achieve this aim, the proposal is for the County Council to create the Gloucestershire Economic Growth Overview and Scrutiny Committee.

## **5 Formation of the Gloucestershire Economic Growth Overview and Scrutiny Committee**

5.1 The proposed changes to the Constitution to create the GEGOSC are set out in the Appendix, which enable the Committee:

5.1.1 To review the decisions of the Gloucestershire Economic Growth Joint Committee and

5.1.2 To review the overall impact and delivery outcomes of the Gloucestershire Strategic Economic Plan and to make recommendations to the Gloucestershire Local Enterprise Community Interest Company and Gloucestershire Economic Growth Joint Committee on issues and improvements.

Gloucestershire Councils will continue to have the power to scrutinise their own decisions through existing call in powers of their respective constitutions, when decisions are taken concerning the Joint Committee's business if they so wish.

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<sup>1</sup> For example Local Authority Transport Majors, Local Sustainable Transport Fund (Capital), Integrated Transport Block, Further Education Capital, European Social Fund Match and New Homes Bonus.

<sup>2</sup> Growth Deals Initial Guidance for Local Enterprise Partnerships July 2013

5.2 The proposed membership is for the GEGOSC to comprise 12 members; 6 County Councillors in total and 6 co-opted voting borough/district councillors (one from each district area). All members (including co-opted members of the Scrutiny Committee) will be on the basis of one member one vote. There are a number of benefits of giving such co-opted members voting rights. These include:

- A co-ordinated approach to scrutinising and reviewing cross county issues in relation to Gloucestershire's economic growth through the delivery of the SEP.
- Improved quality of decision making by including broader cross-county based issues and views.
- Encouraging a "partnership" approach to scrutiny decision making in line with Government's "Partnership Agenda"

The County Council will need to introduce a voting scheme<sup>3</sup> to enable the voting rights to be formalised. Officers are currently consulting the District, Borough and City Councils on the proposed voting scheme. However, the overall aim is for the voting scheme to cover such matters as:

- Details of the membership of the GEGOSC as mentioned above.
- To confirm that the Chair of the Committee will be a member of Gloucestershire County Council.
- Details of the quorum of the meeting
- The Co-opted District Council Members signing up to the County Council's Code of Conduct.

Following consultation with Group Leaders, it is proposed for the final scheme to be adopted through officer delegated powers.

5.3 The political proportionality rules will be applied to County Council members of the GEGOSC. The Constitution Committee is asked to consider the proposed arrangements to comply with the proportionality rules as follows:

Option 1 – 3 Conservative members, 1 Liberal Democrat member, 1 Labour member and 1 other group member (UKIP/Independent/Green/People Against Democracy Group)

Option 2 – 3 Conservative members, 2 Liberal Democrat members, 1 Labour Member.

The Committee is asked to consider the above options and give their recommendations to the Council about the split in membership of the committee between the respective groups.

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<sup>3</sup> Paragraphs 11 and 12 of Schedule A1 of the Local Government Act 2000 and the Local Authorities (Committee System)(England) Regulations 2012

- 5.4 Once the Committee is in operation it would be for the Independent Remuneration Panel to be requested to review whether the Chairman of the new Scrutiny Committee should receive a Special Responsibility Allowance for chairing the Committee.

## **6. Timetable for implementation of the proposed changes**

- 6.1 The overall timing for the proposed changes to the constitution is linked to the Government's timeline concerning its consideration of the SEP submission. Gloucestershire LEP submitted the final version of the SEP to Government at the beginning of April. Government are in the process of assessing the SEP with final assessments during June 2014. The government has indicated that the Local Growth Fund offer will be made to LEPs in July 2014 when the Growth Deal negotiations are completed. Government's expectations are that the LEPS and Government will implement the Growth Deals in April 2015. It is anticipated that the Government will also set out the County Council's Accountable Body role in administering the SEP funding.
- 6.2 The Partner Councils are also in the process of finalising an inter-authority agreement which will set out the detailed operational arrangements concerning the Joint Committee and Scrutiny Committee. The agreement will include (amongst other things) the agreed terms of reference and resourcing of the Joint Committee, the roles of the County Council as administering authority, business plan formulation, voting arrangement and the overall constitutional arrangements for the Joint Committee and Scrutiny Committee.
- 6.3 Officers are working to conclude the inter-authority agreement and the Voting Scheme over the summer to enable the new working arrangements to be introduced between July and September 2014. It is anticipated that the first meeting of the Scrutiny Committee taking place in the autumn of 2014.

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## Appendix

### **Proposed Changes to Gloucestershire County Council’s Constitution to create the Gloucestershire Economic Growth Overview and Scrutiny Committee**

The Constitution to be updated to refer to the joint scrutiny arrangements in place with non-executive members of the County Council and Partner Authorities’ Members as follows:

#### Paragraph 3.9.4 of Part 3 of the Constitution

*Additional scrutiny committee to be added:*

<b>Scrutiny Committee</b>	<b>Terms of reference</b>
Gloucestershire Economic Growth Overview and Scrutiny Committee	(1) To review the decisions of the Gloucestershire Economic Growth Joint Committee and  (2) To review the overall impact and delivery outcomes of the Gloucestershire Strategic Economic Plan and to make recommendations to the Gloucestershire Local Enterprise Community Interest Company and Gloucestershire Economic Growth Joint Committee on issues and improvements.

Consequential changes required to the Overview and Scrutiny Procedure Rules in relation to the Growth Overview and Scrutiny Committee which are set out in Part 4 (Rules of Procedure) of the Constitution:

#### **PART 4 OF THE CONSTITUTION – OVERVIEW AND SCRUTINY PROCEDURE RULES**

##### **3. MEMBERSHIP**

3.3 The County Council has determined that overview and scrutiny committees, which shall be politically balanced, shall have the following numbers of County Councillors:

##### **3.3.6 Gloucestershire Economic Growth Overview and Scrutiny Committee 6 County Councillors in total**

#### **SECTION 5 OF THE CONSTITUTION - CO-OPTEEES AND VOTING RIGHTS SCHEME**

5.1 Overview and scrutiny committees shall be entitled to appoint up to three people who are not County Councillors, as non-voting co-opted Members.

5.2 In addition to co-opting Members under paragraph 5.1, the Health and Care Overview and Scrutiny Committee and the Gloucestershire Economic Growth Overview and Scrutiny Committee shall be entitled to appoint one person from each District Council in Gloucestershire as voting co-opted Members. Each District Council in Gloucestershire may nominate one substitute to attend on behalf of a co-opted Member, and when attending the Health and Care Overview and Scrutiny Committee shall have the same voting rights as a co-opted Member.

5.3 Appointments of co-opted Members shall not affect the Council's duty under Section 15 of the Local Government and Housing Act 1989 (political balance).

5.4 For the avoidance of doubt, the co-opted Members of the Gloucestershire Economic Growth Overview and Scrutiny Committee shall not be members of the District Council's executive where executive arrangements are in place.