



Oversight and Governance

Chief Executive's Department
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**AUDIT AND GOVERNANCE COMMITTEE
TO FOLLOW PACK 2**

Monday 27 September 2021
2.00 pm
Warspite Room, Council House

Members:

Councillor Dr Mahony, Chair
Councillor Lowry, Vice Chair
Councillors Bingley, Evans OBE, Laing and Shayer.

Independent Members: Mrs Shipperley and Mrs Benny.

Please find enclosed additional information for your consideration under agenda item number 7.

Tracey Lee
Chief Executive

Audit and Governance Committee

7. Decisions Process Guidance - To Follow:

(Pages 1 - 6)

Audit and Governance Committee



Date of meeting:	27 September 2021
Title of Report:	Executive Decision Governance Route
Lead Member:	Councillor John Riley (Cabinet Member for Governance, HR, IT & Community Safety)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Jamie Sheldon (Senior Governance Advisor) and Linda Torney (Monitoring Officer)
Contact Email:	Jamie.sheldon@plymouth.gov.uk
Your Reference:	JS21
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

Additional guidance, relating to the governance applied to key decision making, has been developed in line with recommendations made by the external auditors. The framework for decision making within Plymouth City Council is laid out within the Leader's Scheme of delegation. This document provides guidance to decision makers on when to exercise discretion, use the powers delegated to them and identify the most appropriate place to make a key decision.

In order to signpost decision makers to the guidance and embed good practice in our decision making process, an amendment to the Constitution has also been drafted so that decision makers can be supported in understanding when to exercise discretion regarding their delegated authority.

Recommendations and Reasons

That the Audit and Governance Committee:

1. Endorses the guidance for 'Executive Decision Governance Route'.
2. Approves the amendment to Part C: 5.2 of the Constitution as shown in Appendix B.

Alternative options considered and rejected

The recommendations of the external auditors Grant Thornton were considered by the Corporate Management Team and following this consideration it was agreed that the recommendation should be accepted and not rejected.



Relevance to the Corporate Plan and/or the Plymouth Plan

The priorities within the Corporate Plan/Plymouth Plan are all supported by the decision making process in order for the Council to achieve outcomes against the priorities. This guidance and amendment to the Constitution supports decision makers to make decisions in a way that promotes transparency and good governance.

Implications for the Medium Term Financial Plan and Resource Implications:

There is no impact directly on the MTFP or resources from the creation of this guidance. However the use of this guidance ensures future decisions are taken with sound governance applied to the process in order for enhanced transparency and consultation

Carbon Footprint (Environmental) Implications:

None arising directly from the recommendations of this report, other than the positive impact of enhanced governance of any relevant future key decisions relating to environmental stewardship

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

Encouraging optimum governance is applied to the decision making process allows maximum opportunity for the implications/issues to be considered more thoroughly on a number of aspects such as health and safety, risk, child poverty and equalities.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Executive Key Decision Governance Route							
B	Constitutional amendment (Part C, 5.2)							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are those relied on to a material extent in preparing the report, which disclose facts or matters on which the report or any other work is based.



Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Giles Perritt (Assistant Chief Executive)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 14/09/2021											
Cabinet Member approval: Councillor John Riley (Cabinet Member for Governance, HR, IT & Community Safety)											
Date approved: 22/09/2021											

Appendix A – Executive Decision Governance Route Guidance.

EXECUTIVE DECISION GOVERNANCE ROUTE

I. BACKGROUND

In 2010, the Council adopted the Leader and Cabinet model of decision making. Under these arrangements all executive functions are vested in the Leader who can then delegate functions as seen fit.

The Leader can at any time take back responsibilities delegated to committees of the Cabinet, an individual Cabinet member or officer, or decide to delegate them on certain conditions. (i.e .The Leader can choose to exercise any powers in the Scheme of Delegation).

The Leader can also decide to delegate further responsibilities to the Cabinet, committees of the Cabinet, individual Cabinet members or to an officer.

This guidance sets out the principles that apply when considering the governance arrangements that apply to best ensure openness and transparency, particularly when taking key decisions.

Where decisions are identified as key decisions additional legal requirements apply to ensure proper notice of those decisions is drawn to the attention of the public due to their significance. Other decisions may also reasonably be expected to benefit from enhanced transparency if they are of an unusual or innovative nature and this can include decisions relating to any aspect of Council business including treasury management. From a governance perspective it is usually preferable that any such decisions are taken in a public meeting where there is an opportunity for members of the public to hear the merits of the decision debate. This is particularly the case for unusual and innovative decisions.

Some key decisions will contain material that is commercially confidential. When considering how best to deal with such material it is helpful to consider the extent to which the principles of the decision to be taken can be discussed in public whilst accepting that some of the debate has to be considered in private.

There are also governance advantages in ensuring that key decisions which are unusual and innovative decisions are debated in public rather than being taken by individual members of council or officers as this will bring a wider perspective to the decision being taken.

2. PURPOSE

The framework for decision making within Plymouth City Council is laid out within the Leader's Scheme of delegation ([link](#)). This document provides guidance to decision makers on when to exercise discretion, use the powers delegated to them and identify the most appropriate place to make a key decision.

3. TAKING A KEY/UNUSUAL AND INOVATIVE DECISION

When taking a key decision, the decision maker should consider the following points to ensure enhanced openness and transparency:

- Is the decision key or unusual and innovative (see process map for criteria)
- Has the decision been published on the forward plan;
- Have all the potential and relevant options and key issues been considered;
- Should the decision be considered by a scrutiny committee before it is taken;
- Have the relevant stakeholders been consulted;
- Have the appropriate communications been put in place to manage the impact of the decision;
- Have all questions raised by stakeholders including external advisors and legal advisors been dealt with satisfactorily;
- Have alternative options been comprehensively considered and rejected;
- Has an equalities impact assessment been completed.

4. WHERE TO TAKE A KEY DECISION

Key decisions can be taken by the Leader or by Cabinet. The flowchart below gives guidance on the circumstances in which it may be more appropriate for Cabinet to take a decision rather than an individual councillor, in order to enhance transparency and openness in the Council's decision making.

5. WHERE TO TAKE AN UNUSUAL AND INNOVATIVE DECISION

Decisions of this nature can be defined as decisions that are:

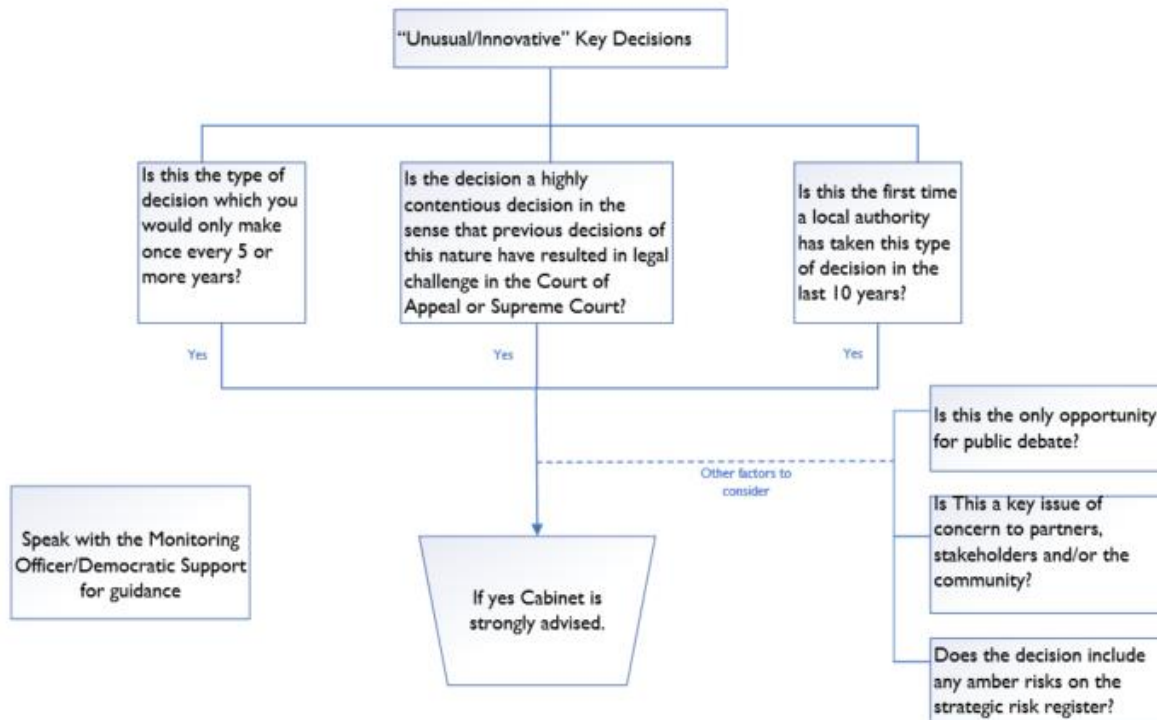
- only taken once every five or more years

- could be considered highly contentious
- is a decision of a type not previously taken by a local authority.

They may not be key decisions, but still represent a significant decision in terms of impact or perception. In this instance the decision may be taken by the Leader, Cabinet, Cabinet Member or an officer, depending on the Scheme of Delegation. The flowchart below gives guidance on the circumstances in which it may be more appropriate for Cabinet to take a decision rather than an individual.

Factors in favour of Cabinet decision making.

If the answer is yes to any of the following areas below then taking the decision within Cabinet is strongly advised. Bearing in mind the factors which have led you to identify this as a key or unusual or innovative decision. If the answer is ‘no’ to all the areas below then due consideration should be given to other factors that might mean it is still advisable to take a decision via Cabinet. However that is at the discretion of the decision maker –



Note: All executive responsibilities are carried out on behalf of the council and in the council’s name.

Appendix B – Constitutional Amendment.

5. Cabinet Member Decision Making Procedures

5.1. Only those persons properly appointed to make decisions under the Leader's Scheme of Delegation shall be entitled to exercise these powers.

5.2. A Cabinet Member shall have the discretion not to exercise his or her delegated powers to make a decision, choosing in preference for the matter to be considered by and subject to decision by the full Cabinet or Leader.

Proposed Addition.

When considering whether his or her delegated powers should or should not be used to make a decision, a Cabinet Member should consider the 'Decision Governance Route (LINK)' guidance available on the Councillor Toolkit.