

	<p>ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER</p> <p>27 March 2018</p>
<p style="text-align: right;">Title</p>	<p>Political Balance of the Audit Committee (Proportionality)</p>
<p style="text-align: right;">Report of</p>	<p>Monitoring Officer</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>None</p>
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Summary

On 15 March, the Monitoring Officer received notification from Councillor Sury Khatri that he had resigned from the Conservative Group, but would remain as an Independent Member until the local election on 3rd May 2018. Due to the resignation, the political balance of the Council has changed and there is a requirement to recalculate proportionality for the remaining council meeting prior to the local election.

Decision FOR NOTING ONLY

This report notes the composition of the Audit Committee be amended as follows to achieve political balance:

- **Conservative: 3**
- **Labour: 3**
- **Independent Member: 1**

1. WHY THIS REPORT IS NEEDED

- 1.1 On 15 March 2018, the Monitoring Officer received notification from Councillor Sury Khatri that he had resigned from the Conservative Group, but would remain as an Independent Member until the local election on 3rd May 2018. As a result of his resignation, the political balance of the Council has changed and the Council has moved from a position where the Conservative Group has a majority of seats on the Council to a position of 'no overall control' (i.e. there is no one group which has a majority of seats). Consequently, there is a requirement to recalculate political balance (proportionality) and revise the number of seats allocated to each party on the committees constituted on a politically proportionate basis.
- 1.2 Officers have taken legal advice on the impact of the change from the Monitoring Officer, HB Public Law and Leading Counsel. It was concluded that as no group has the majority of seats of the whole council, proportionality applies and there was a requirement to change membership of the committees which are subject to political proportionality.
- 1.3 Notwithstanding that requirement, several committees had been scheduled to take place after the notification had been received and before the local election (3rd May 2018) where there would be a requirement to recalculate political balance in light of the election result. These committees are: General Functions Committee on 19 March 2018; Constitution, Ethics & Probity Committee on 22 March 2018; Planning Committee on 28 March 2018; Audit Committee on 19 April 2018; and Planning Committee on 28 April 2018.
- 1.4 Legal advice was that an Extraordinary Council meeting should be convened as soon as reasonably practicable to recalculate proportionality and change the membership of committees to reflect that changed proportionality. Committees that were scheduled to take place before the earliest prospective date for an Extraordinary Council meeting (mid-April) were able to continue under the current calculations from Council in July 2014 (see reference at 6.1 below). The General Functions Committee (19 March 2018), Constitution, Ethics & Probity Committee (22 March 2018) and Planning Committee (28 March 2018) proceeded on that basis.
- 1.5 In the intervening period, the Chief Executive and Monitoring Officer have consulted with the leaders of the Labour Group and Conservative Group. To negate the need for an Extraordinary Council meeting, the group leaders have agreed that the composition of the Audit Committee should be amended as follows:
 - Conservative: 3
 - Labour: 3
 - Independent Member: 1

- 1.6 Whilst there is no requirement under the Regulations to allocate a seat to the Independent Member, this agreement allows the Audit Committee to be politically proportionate and proceed without the need for an Extraordinary Council meeting.
- 1.7 The Planning Committee on 28 April 2018 has been cancelled and there are no other committees scheduled to take place before the election which are subject to political proportionality.

2. REASONS FOR REPORT

- 2.1 To ensure that the committees that are subject to political proportionality are correctly constituted.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 An Extraordinary Council meeting could have been convened to enable Full Council to note the change to political balance and agree a revised allocation of seats on committees for the remainder of the municipal year (i.e. to 3rd May 2018). It was not necessary to convene an Extraordinary Council meeting as the Group Leaders were able to agree a change to the composition of the Audit Committee to reflect the revised political balance.
- 3.2 Committees subject to proportionality could have continued up to the local election constituted on the basis of proportionality calculated in July 2014. This was not recommended as it would not be reasonable to delay the Extraordinary Council meeting..

4. POST REPORT IMPLEMENTATION

- 4.1 All Members will be notified of the change in the composition of the Audit Committee as set out in this report.

5. IMPLICATIONS OF REPORT

5.1 Corporate Priorities and Performance

- 5.1.1 Not applicable in the context of this report.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 Not applicable in the context of this report.

5.3 Social Value

- 5.3.1 Not applicable in the context of this report.

5.4 Legal and Constitutional References

- 5.4.1 Council Constitution Article 10, Section 9.3 details the responsibilities of the Monitoring Officer which include ensuring lawfulness and fairness in decision making and council operating procedures.
- 5.4.2 Sections 15 and 16 of the Local Government and Housing Act 1989 Local Government Committee and Political Group Regulations 1990. Section 15(4) sets out 4 rules, and requires authorities to apply them in descending order of priority.
1. The first rule is that, where some or all of the members of an authority have formed into two or more political groups, then no Committee may comprise just members from one political group.
 2. The second rule is that, where a majority of members of Council are members of one political group, that political group must have a majority of the seats on each Committee.
 3. The third rule provides that, without being inconsistent with the first two rules, the number of seats allocated to each political group on all the Committees taken together be as near as possible proportionate to their strength on Council.
 4. The fourth rule provides that, so far as is consistent with Rules 1 to 3, each political party must be allocated that number of seats on each Committee taken individually as is proportionate to their strength on the Council. However, as set out above, this is subject to the need to give the majority a majority on each Committee.

Any seats left unallocated go by default to any members who are not members of any political group. A political group must comprise at least two members, so the one Liberal Democrat and one Independent Member do not constitute political groups.

- 5.4.3 The composition of the Audit Committee as detailed in section 1.5 above is compliant with the legislation detailed above.

5.5 Risk Management

- 5.5.1 As set out at 3.2 above.

5.6 Equalities and Diversity

- 5.6.1 Not applicable in the context of this report.

5.7 Corporate Parenting

- 5.7.1 Not applicable in the context of this report.

5.8 Consultation and Engagement

5.8.1 As set out in section 1.5.

5.8 Insight

5.8.1 Not applicable in the context of this report.

6. BACKGROUND PAPERS

6.1 Council, 15 July 2014, Agenda Item 10.4, Calculation of Political Balance (Proportionality):
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7813&Ver=4>

7. STATEMENT

7.1 *I have the required powers to make to outline the contents documented in the report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision-making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations. This report is compliant with the principles of decision making in Article 10 of the constitution.*

Chief Officer: Monitoring Officer and Chief Legal Advisor

Signed: David Tatlow

Dated: 27 March 2018