

Management Arrangements

1. Introduction

1.1 This paper describes the Commission's management arrangements and in particular the role of the Commission, Chairman and Chief Executive, individual Commissioners and the Deputies Group.

2. The Commission

2.1 The Commission is an independent statutory body established by the Local Government Act 1974. It is funded by an annual Government grant which is 'top sliced' from the funds approved by Parliament for local government. The Government has appointed the Office of the Deputy Prime Minister as our 'sponsor' department.

2.2 The four Commissioners who make up the membership of the Commission are the three Local Government Ombudsmen (LGOs) and the Parliamentary Commissioner for Administration. The main statutory functions of the Commission are:

- a. to enable the LGOs to investigate complaints, in particular by allocating them staff, offices and facilities;
- b. to provide to bodies within jurisdiction, advice and guidance on good administrative practice.

A fuller summary is set out at annex 1.

2.4 The Commission has a scheduled meeting each month; this is usually held in London. It also meets for 'ad hoc' purposes including considering appeals under the disciplinary and grievance procedures. The monthly Commission meetings are attended by the Deputy Chief Executive and Secretary (DCE&S), by the Deputy Ombudsmen and such other officers as may be helpful to the conduct of business.

2.5 The Commission has delegated responsibility for most operational matters to the DCE&S and the Deputy Ombudsmen. The Commission itself deals with the following matters:

- estimates, budgets, accounts and the financial framework;
- the business plan and annual bid for Government funding;
- all policy matters;

- published guidance and the annual report;
- monitoring of performance.

There is a separate detailed guidance note on the operation of Commission meetings.

2.6 The three LGOs also use the monthly meetings to agree on matters of investigative practice and common standards and approaches to investigations.

1. The roles of Chairman and Vice Chairman

- 3.1 Section 23(7) of the Local Government Act 1974 says that the Secretary of State shall designate two of the Local Commissioners for England as Chairman and Vice Chairman respectively of the Commission for Local Administration in England. It does not define the responsibilities of either.
- 3.2 The duties of the Chairman agreed by the Commission are set out below. The Vice Chairman undertakes these duties in the absence of the Chairman:
- chairs meetings of the Commission;
 - decides business to be conducted by the Commission;
 - acts on behalf of the Commission in circumstances agreed by the Commission or where an urgent decision is required;
 - participates in selection of other Local Commissioners for Administration in England;
 - takes the lead in representing the Commission externally.

4. The role of Accounting Officer

- 4.1 The Government designates particular individuals as ‘accounting officers’ with responsibilities for the management of public resources. The Government, through the Commission’s sponsoring department has appointed the Chairman as Accounting Officer for the CLAE. The duties of the Accounting Officer (AO) are set out in the guidance manual ‘Government Accounting’ as follows:
- ensure the Commission’s accounts are properly presented;
 - ensure compliance with directions and guidance from the Government on financial management, including ‘Government Accounting’, and the Commission’s Grant Memorandum;
 - ensure that proper financial procedures are followed and records maintained;
 - ensure resources are properly and well managed and safeguarded;

- (e) ensure assets such as land, buildings and equipment are controlled and safeguarded;
- (f) ensure that conflicts of interest are avoided;
- (g) when policy proposals are considered, ensure that all relevant financial considerations, including issues of propriety, regularity and value for money, are taken into account;
- (h) ensure that managers, at all levels, have a clear view of the organisation objectives, and performance, are assigned well defined responsibilities for making best use of resources and have the necessary information to carry them out;
- (i) ensure compliance with any conditions attached to the grant;
- (j) advise the board on matters of financial probity and regularity and, more broadly, on considerations of prudent and economical administration, efficiency and effectiveness. The AO should advise the sponsoring department where that advice is overruled on these issues.

5. The role of Chief Executive

5.1 The term 'Chief Executive' does not appear in the legislation but the Government's Financial, Management and Policy Review 1996 (FMPR) and the Commission's Grant Memorandum recognise that the Chairman assumes the de facto role of Chief Executive. The current postholder was specifically recruited on this basis and uses the designation 'Chairman and Chief Executive'.

5.2 The role of the Chief Executive agreed by the Commission is as follows:

- (a) provides direction and leadership to the organisation and its staff;
- (b) implements the policies approved by the Commission (eg developing management structures, and plans and procedures such as business and operational plans, estimates, Financial Regulations and Instructions);
- (c) monitors and advises the Commission on the effectiveness of its policies;
- (d) provides corporate services and manages the DCE&S;
- (e) carries out financial responsibilities designated by the Commission, including approves expenditure and the write-off of losses and authorises acceptance of tenders and quotations and amendments to Financial Instructions;
- (f) provides guidance and direction to the Deputies in their roles on behalf of the Commission.

6. The role of individual Commissioners

6.1 The LGOs have individual responsibilities on behalf of the Commission. These may be categorised as follows:

- communicate and advocate Commission policies within the local office;
- support the Deputy Ombudsman in the proper conduct of his or her operational responsibilities.
- Representing the Commission externally, particularly in his/her designated area

6.2 The fourth Commissioner, the Parliamentary Commissioner for Administration, has no personal responsibilities beyond his or her participation in the collective decision-taking of the Commission

6.3 The four Commissioners have agreed to be bound by the Commission's 'Code of Conduct for Commission Members' which is based on current government guidance to members of NDPBs.

6.4 Under their statutory appointment the LGOs have personal and independent responsibility for deciding complaints within their designated areas. They decide on the way complaints are processed in their area, but usually agree with the other LGOs to provide a consistent approach on investigative practice, matters of maladministration, injustice, and remedies for injustice.

7. The role of the Deputy Ombudsmen, and the Deputy Chief Executive and Secretary (DCE&S)

7.1 The Deputy Ombudsmen and DCE&S are collectively responsible to the Commission for some delegated functions:

- making proposals to the Commission for changes in policies and practices on the basis of, for example, changes in the law, new technology, innovative practice, value for money.
- the appointment and review of 'task and finish' and 'standing' working groups to advise the Commission and the Deputies on relevant issues, for example to review working practices; the use of information technology. [Note: one standing group - equal opportunities and diversity – is appointed by virtue of the Commission's policy in that area.]
- the allocation of resources within the training budget and organisation of Commission-wide training.

7.2 The Deputy Ombudsmen and the DCE&S have individual responsibilities on behalf of the Commission which can be categorised as follows:

- responsibility for ensuring the conduct of business complies with the Commission's policies, procedures and other organisational decisions;
- all individual staffing decisions in respect of the staff they manage acting within policies and procedures approved by the Commission;
- all financial decisions acting within the budgets and financial regulations and financial instructions approved by the Commission and guidance issued by the Chief Executive and Accounting Officer.
- Specific responsibilities as may be allocated on a functional or subject basis.

7.3 The Deputy Ombudsmen provide support to the Local Ombudsmen in the processing of complaints and such functions as the Ombudsmen decide to delegate. This includes assisting them in representing the Commission externally.

7.4 The Deputy Chief Executive and Secretary provides support to the Chief Executive in all of his roles. He is responsible for the provision of specialist corporate functions to assist the Ombudsmen and the conduct of the organisation; in the absence of the Accounting Officer, he assumes those responsibilities (subject to confirmation). As the Secretary to the Commission he provides support to the Commission to ensure the proper conduct of its business.

8. The role of the Audit Committee and its independent Chairman

8.1 The Audit Committee (AC) comprises the Commission and an independent Chairman. The AC has responsibility to advise the Commission, its Accounting Officer and the Deputies on matters of probity, regularity and prudent and economical administration, efficiency and effectiveness as identified by internal and external audit and through the Commission's system of internal control. It also has responsibilities for monitoring and reporting to the Commission on the operation of its Risk Management Strategy. Details are set out in its terms of reference (July 2003).

8.2 The independent Chairman of the Audit Committee is responsible for proper conduct of the business of the Committee and providing support and guidance to the Accounting Officer in his roles.

9. Review

9.1 The Commission reviewed these arrangements in April 2004.

1 September 1997
 Revised February 2000
 Revised November 2001 (for name change)
 Revised April 2003 (for name changes)
 Revised April 2004

Annex 1

The significant responsibilities of the Commission, as defined by the Act are:

- (a) to decide on the division of England into areas and provide ... Local Commissioner(s) to be made responsible for that area (s23(8))
- (b) to publish information about the procedures for making complaints (s23(10) (b))
- (c) ... every third financial year ... review the operation ... of the provisions of the Act about the investigation of complaints and convey recommendations or conclusions (s23(12)) to government
- (d) to provide, after consultation ... advice and guidance about good administrative practice (s23(12A))
- (e) for each ... financial year .. prepare a general report on the discharge of (its) functions ... consult and arrange publication (s23A)
- (f) may appoint a Secretary and such other officers as (it) considers necessary for the discharge of (its) function (Schedule 4)
- (g) shall make arrangements to enable Local Commissioners to investigate complaints and in particular arrangements for
 - allocating staff to assist Local Commissioners
 - providing offices and other accommodation (Schedule 4)