

Overview and Scrutiny Management Committee (Special)

Tuesday 26 November 2019 at 1.00 pm

**To be held at the Town Hall, Pinstone
Street, Sheffield, S1 2HH**

The Press and Public are Welcome to Attend

Membership

Councillors Mick Rooney (Chair), Ian Auckland, Steve Ayris, Ben Curran, Denise Fox, Julie Grocutt, Tim Huggan, Douglas Johnson, Mike Levery, Cate McDonald, Sioned-Mair Richards and Jim Steinke

Substitute Members

In accordance with the Constitution, Substitute Members may be provided for the above Committee Members as and when required.

PUBLIC ACCESS TO THE MEETING

The Overview and Scrutiny Management Committee comprises the Chairs and Deputy Chairs of the four Scrutiny Committees. Councillor Cate McDonald Chairs this Committee.

Remit of the Committee

- Effective use of internal and external resources
- Performance against Corporate Plan Priorities
- Risk management
- Budget monitoring
- Strategic management and development of the scrutiny programme and process
- Identifying and co-ordinating cross scrutiny issues

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk. You can also see the reports to be discussed at the meeting if you call at the First Point Reception, Town Hall, Pinstone Street entrance. The Reception is open between 9.00 am and 5.00 pm, Monday to Thursday and between 9.00 am and 4.45 pm. on Friday. You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

Members of the public have the right to ask questions or submit petitions to Scrutiny Committee meetings and recording is allowed under the direction of the Chair. Please see the website or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Scrutiny Committee meetings are normally open to the public but sometimes the Committee may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last. If you would like to attend the meeting please report to the First Point Reception desk where you will be directed to the meeting room.

If you require any further information about this Scrutiny Committee, please contact Deborah Glen, Policy and Improvement Officer, on 0114 27 35065 or email deborah.glen@sheffield.gov.uk

FACILITIES

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms.

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

**OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE AGENDA
26 NOVEMBER 2019**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public
- 4. Declarations of Interest**
Members to declare any interests they have in the business to be considered at the meeting
- 5. Public Questions and Petitions**
To receive any questions or petitions from members of the public
- 6. Governance Review - Evidence Gathering Session 1**
Report of the Policy and Improvement Officer

1.00pm to 3.30pm – National Experts in Governance and Decision Making

Ian Parry – Centre for Public Scrutiny
John Cade – Institute for Local Government Studies
Judith Hurcombe – Local Government Association

3.30pm to 4.00pm – Discussion

4.00pm to 5.00pm – How Decision Making Currently Works in Sheffield City Council

Gillian Duckworth – Director of Legal and Governance
Laurie Brennan – Head of Policy and Partnerships/Statutory Scrutiny Officer

- 7. Date of Next Meeting**
The next meeting of the Committee will be a special meeting, and will be held on Thursday, 28th November, 2019, at 10.00 am, in the Town Hall

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ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

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Overview & Scrutiny Management Committee 26th November 2019 1-5pm

Governance Review – Evidence Gathering Session 1

Officer Contact: Emily Standbrook-Shaw
Policy & Improvement Officer
Emily.Standbrook-Shaw@Sheffield.gov.uk
0114 27 35065

As part of the Committee's work looking at Governance, three evidence gathering sessions have been set up to enable the Committee to hear from a range of witnesses, in order to develop a set of principles that should underpin any future decision making system in Sheffield.

This is the first of those evidence gathering sessions and will run as follows:

A 1pm – 3.30pm – National Experts in Governance and Decision Making

Witnesses from organisations with expertise in local government decision making have been invited to the meeting to give the Committee an opportunity to explore best practice, what 'good' decision making looks like and the key features of good decision making systems, as well as drawing on the experiences the witnesses have had working with other Councils going through governance changes.

Witnesses

Ian Parry, Centre for Public Scrutiny (CfPS)
John Cade, Institute for Local Government Studies (INLOGOV)
Judith Hurcombe, Local Government Association (LGA)

3.30pm-4pm – Discussion time – identifying key points to take forwards & break

B 4pm-5pm – How Decision Making currently works in Sheffield City Council

Witnesses

Gillian Duckworth, Director of Legal and Governance
Laurie Brennan, Head of Policy & Partnerships, Statutory Scrutiny Officer

Written submissions from the witnesses are attached.

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Overview & Scrutiny Management Committee 26th November 2019

Evidence Session A

National Experts in Local Governance and Decision Making

Written Evidence From:

Ian Parry, Centre for Public Scrutiny (CfPS)

Documents: Musical Chairs, Practical issues for local authorities in moving to a committee system (CfPS 2012).
Rethinking Governance, Practical steps for councils considering changes to their governance arrangements (LGA/CfPS 2014).

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Rethinking governance

Practical steps for councils
considering changes to their
governance arrangements

Introduction

The availability of the committee system as a governance option for all councils in England has led a number of councils to consider changing their governance arrangements. Whichever system councils are thinking about moving from, or to, there are some common themes or issues that should be considered.

This guide sets out a “thinking toolkit” of the types of issues that councils, both members and officers, should think when considering governance change. It does not aim to set out the legal and procedural steps which you will need to undertake to do it (which are for the most part set out in legislation¹), but it will provide you with the tools to think about the challenge.

It derives from previous Local Government Association (LGA) research on this matter, the experiences of councils who have changed their governance arrangements recently² and research carried out in 2012 by the Centre for Public Scrutiny (CfPS) on councils moving to the committee system³.

This guide is not intended to nor does it constitute legal advice. Councillors and officers will need to obtain their own independent legal advice on any matters of a legal nature.

The importance of good governance

The difficult funding situation for local government means that councils are increasingly having to make decisions that will have profound, far-reaching implications both for the way that they and their partners deliver services, and on the lives of local people. These changes will involve a permanent shift in people’s expectations of what local government does, and does not, do. They will also involve a shift in the way that councils work with others in their areas. Whether this is by an expansion in commissioning, pooling and aligning of budgets with partners, decommissioning of services, major transformation or all of these, local people need the confidence to know that decisions made in their name are high-quality, evidence based and considered openly and accountably.

This is why, now more than ever, good governance is vital. Councils have a responsibility to ensure that decision-making is as effective as it can be: decision making should critically benefit from the perspective of all councillors, but also be accountable, and involve the public.

Many councils are making informal changes to their governance arrangements including tightening up existing processes, making sure that avenues exist for all members to get involved in the policy development process (for example, through overview and scrutiny) and putting in place consultation arrangements for particularly contentious decisions. Some councils have decided to go a step further, and revisit their formal governance arrangements, looking at the different decision-making models available to them and taking steps to make a legal change to a different governance system.

1 Chapter 4 of the Local Government Act 2000 (as amended by the Localism Act 2011) sets out the legal arrangements in detail.

2 Detail from this research is provided in the appendices

3 Available online at: <http://tinyurl.com/ck6b2qa>

Changing governance under the Localism Act

The Localism Act 2011 (the Act) expanded the number of decision-making systems that councils could adopt⁴. Since that Act was passed there are three main models to choose from. Councils wishing to move from one to another must make a formal decision to do so, using a resolution of full council. In some instances a referendum will also be required:

- **Leader and cabinet.** This system was brought in by the Local Government Act 2000 and is the governance system that most councils operate. In some councils, individual members of the cabinet have decision-making powers; in others, decisions have to be made by the whole cabinet. Cabinet is led by a leader, who is elected by full council for a term determined by the council itself or on a four yearly basis⁵ (and will usually be the leader of the largest party on the council). These councils must have at least one overview and scrutiny committee.
- **Mayoral system.** These councils have a directly-elected executive mayor with wide decision-making powers. The mayor appoints a cabinet made up of other councillors, who may also have decision-making powers. These councils must also have at least one overview and scrutiny committee.
- **Committee system.** Since the Localism Act this option is now available to all councils. Previously it was available only to district councils with populations under 85,000. Committee system councils make most decisions in committees, which are made up of a mix of councillors from all political parties. These councils may have one or more overview and scrutiny committees but are not required to.

There are variations for each of these models that can lead councils to adopt hybrid approaches; most commonly this is a hybrid between leader/cabinet and the committee system (with such an approach usually seen legally as being a modified version of the leader/cabinet system, and therefore not requiring a formal change under the Act). Councils also have the option of suggesting an approach of their own to the Secretary of State. No detailed criteria have been set out for how the Secretary of State will come to a decision about whether or not to approve any option suggested under this part of the Act.

A change in formal governance arrangements must occur at a specified “change time”, which is at the council’s Annual General Meeting (AGM). Prior to the change time, the council needs to have resolved formally to make a governance change. There is no minimum period of time between the resolution and the change time, but there does need to have been enough time for the council to formally publish the proposal and consult on it. For practical purposes this means that a resolution passed at council AGM itself, or at a special meeting a few days beforehand, is unlikely to be enough.

No one governance system is intrinsically better than another and no system is more or less expensive to operate; however some systems allow more members to be directly involved in voting on decisions. It is important to note that activity at committee level is not the same as member involvement in policymaking. Member involvement in policymaking is a longer-term, more involved process and can happen under any governance option.

4 The Local Government Act 2000 made available four governance options for councils – leader/cabinet, executive mayor, mayor and council manager and a ‘streamlined’ committee system for shire districts with populations of less than 85,000. Subsequently, the mayor and council manager option was removed, leaving most councils in England with only two governance options.

5 As enacted in Part 1A of the Local Government Act 2000 (inserted by Sch.2 to the Localism Act 2011) and reg.2 of the Localism Act 2011 (Local Authority Governance Transitional Provisions) (England) Order 2012. This required a council to make provisions for setting the term of office for a leader as soon as reasonably practicable after the regulations came into force on 30 March 2012; until a Council adopted new arrangements, the old four year term (or balance of four year term) arrangements continued to apply.

How to go about it – the “thinking toolkit”

- Step 1 Plan your approach, and assess your current position
- Step 2 Consider some design principles
- Step 3 Think of ways to meet these objectives and put a plan in place
- Step 4 Make the change
- Step 5 Return to the issue after a year and review how things have gone

This process assumes that you only start looking at the design of new structures at step three. It is not about looking at the pros and cons of different structures, or considering structural options and developing a post hoc justification for them. Most important is obtaining a real understanding of the underlying political and cultural issues which, between them, may be driving the apparent need to change the way the council does business. However, we recognise that councils might be entering this process from a variety of situations, arising from political or strategic necessity. We hope that the questions at each stage will prove useful regardless of where you enter the process.

Step 1: plan your approach and assess your current position

Planning

CfPS has developed a framework called ‘Accountability Works for You’ which can be used to evaluate your current position⁶.

The first thing to do will be to establish the purpose of the work: why do you want and need to change your governance arrangements? A variety of people in your council may have different views of what this purpose is; this is why it is important to set down what those (potentially differing) views are at the outset. This will give you a baseline on which to build, and judge, the rest of your work. As you need to operate within the framework of the Act you should seek advice from your monitoring officer, who has a statutory responsibility for making sure council’s comply with the law.

The next step is to establish a scope for the work – where you want it to lead and how you will get there – which will be based on the work’s purpose. This is a scope for the review of governance itself, not for the change in governance.

The scope might consider the following issues:

- How will the authority ensure that this work – from the consideration of options, to the implementation and review of new arrangements – will be led by elected members?
- How will we make sure that this review of governance gets the views of all interested parties?
- How wide should we look? Is this a review just of internal council decision-making, or are there knock-on impacts on partners, who may need to be involved?
- How can we ensure that the broad democratic expectations of local residents are built in to this study?
- Who will lead the review?

⁶ Available online at: www.cfps.org.uk/AW4U

The tools of appreciative inquiry⁷ can provide a good way to approach this issue. Having this general discussion at the outset will set some broad parameters for the work, and it will also help to manage expectations of what can, and cannot, be achieved through governance change.

Assessment

Assessing how you currently make decisions is not just about drawing a map of your systems or processes, or looking at individual bits of your governance arrangements separately. It is about taking an approach to the way you make decisions which recognises that the systems you adopt for member decision-making have an impact on everything you do. It is also about considering how you engage a wide range of stakeholders in that decision-making process.

If you are considering a significant change such as a formal shift in your governance arrangements, which could lock you in to a new decision-making structure for five years⁸, you need to have carried out this fundamental exercise beforehand. It is potentially intensive, but will have benefits that reflect that good governance is not just about democratic services or even the internal workings of the council; it is also about the relationship between your authority, its elected members, partners and the public.

Some of the things that you might want to consider will include:

- How do we involve all members – not just in the way that decisions are made, but in the way that policy is developed?
- How is the public voice integrated in the way decisions are made – at neighbourhood and authority-wide level?
- What decisions are currently delegated to officers, and what decisions (under leader/cabinet and mayor/cabinet) are currently delegated to individual cabinet members?
- How are members involved in the evaluation and review of decisions once they are made (in particular, in-year performance management and budget monitoring)?
- How can we improve our forward planning arrangements to open out decision-making, and policy development? Are there ways in which we can make things like background papers more easily accessible?

7 You can find more in the CfPS publication *Appreciative scrutiny* (2012) available at: <http://tinyurl.com/pzdfeyu>

8 Unless a second resolution following a referendum has been approved.

Step 2: consider some design principles

If you have undertaken an initial assessment you will have identified some strengths (practice and ways of working that you want to keep) and some weaknesses (ways of working that you want to stop or change substantially).

These strengths and weaknesses might reflect the attitudes and behaviours of council decision-makers (both members and officers), partners, the public and others, as well as reflecting structural issues. Some examples include:

- **Strengths and weaknesses in the member/officer relationship.** This might look like, for example, a commitment to involve all members in the policy development and decision-making process, through scrutiny, area committees, partnership boards and cabinet decision-making as appropriate, or conversely an officer-led process where only cabinet members are seen to have any stake in decision-making and non-executives are relegated to the position of passive spectators.
- **Strengths and weaknesses in the way that forward planning/work programming occurs.** This might look like, for example, clarity and consistency in the way that officers approach policy development and decision-making, with plans being kept to and important, strategic decisions identified, or conversely a muddled plan composed of a mixture of operational and strategic decisions which reveals little about the priorities of decision-makers, or the way in which they formulate decisions.
- **Strengths and weaknesses in the way that information about decisions (including background papers) are published and used.** This might look like, for example, proactive efforts to publish background papers as they are produced, and attempts made to respond positively when the assumptions in those background papers are challenged by others, or conversely an opaque system whereby attempts are not made to justify decisions and engagement is tightly controlled through consultation processes that are wholly divorced from the formal decision-making cycle.
- **Strengths and weaknesses in the way that the council involves the public in major decisions.** This might look like, for example, a commitment on major policy changes to engage those most affected by those changes⁹, or conversely a more defensive attitude that sees members or senior officers exerting control over the agenda for fear that the public will derail necessary decisions.

These strengths and weaknesses, and others like them, are not strengths and weaknesses in the various governance options per se. They are strengths and weaknesses in the way that your existing governance arrangements work in your council.

You can use this to develop some design principles. These should not be vague, general aspirations such as making the council operate more democratically or enhancing transparency. They should be tangible aims that you can return to in future to help you to come to a judgment on whether your new systems are working or not. For example, you could state that any new governance system should:

- involve all councillors in the development of key policies
- identify key evidence sources for major decisions and demonstrate how they are being used to inform the substance of that decision

⁹ This is likely to become of increased importance, especially as a “duty to consult” may be introduced as part of the Deregulation Bill.

- focus member involvement on strategic decision-making; design officer delegations to focus on operational decisions – design the budget and policy framework to reflect this fundamental principle
- provide a key role for councillors in performance management and in-year financial monitoring that takes account of their unique perspective as elected politicians.

These are just examples to demonstrate the clarity you need in your objectives; there may well be others that are particularly important for your council.

Step 3: think of ways to establish a system that meets the requirements of these principles and put a plan in place

How will you get there? What changes to the way you work might be necessary in terms of both culture and structure?

Some issues to think about that relate to culture and attitudes include:

- How to establish clearer, more consistent and less arbitrary rules to define what does and does not go on the forward plan as a key decision.
- How to ensure that the procedure for dealing with key decisions contains provision for involving all members and members of the public.
- Whether such provision can be made under your existing arrangements (assuming that you operate the leader/cabinet model). This would involve consideration of whether moving to a new governance option (for example, the committee system) would provide members with the assurance that they will be involved in making decisions on strategic issues.
- How to tighten up (in terms of methodology) and open out (in terms of transparency) performance management systems – including the potential for more member involvement. Greater transparency for the public is a useful by-product of such an approach.

Different design principles, and different approaches to meeting the requirements of those principles, will require different structural solutions, for example:

- minor changes to the constitution to strengthen the existing forward plan
- more major changes to schemes of delegations, financial procedures, performance management systems and/or systems used to engage with the public, within your existing governance option
- formal changes to member decision-making structures that stop short of a formal governance change – for example, the adoption of a hybrid system
- an all-out change from one governance option to another under the Local Government Act 2000.

You may find that your objectives and design principles can be met without a formal change in governance. You may, for example, be able to meet them by bolstering the role that councillors play through the overview and scrutiny process. As part of this process, you may find it useful to consider the risks in taking either formal or informal action to change governance arrangements, and to establish how you will seek to mitigate those risks.

Consider the different structural options available

In the CfPS publication 'Musical chairs' we suggested that there was a spectrum of different governance options available to councils.

If your exercise leads you to consider that structural change may be appropriate, you will need to decide which of these options will make it easiest for you to achieve your design principles. This is not an exhaustive list of options, nor is intended to set out the pros and cons of any one approach. The pros and cons will vary for every council based on the political and organisational context, and councils must take their own independent legal advice on the implications of any proposed option.

- **A leader-cabinet system with individual cabinet member decision-making** (as seen in most English authorities) is the standard approach which the majority of councils currently operate.
- **A mayor, with various different approaches to cabinet autonomy** (as seen in Hackney, Bristol, and Hartlepool before 2013); different mayors take different approaches to the appointment of their cabinets, and the amount of powers those cabinets have.
- **A traditional committee system** (as seen in Nottinghamshire) which will have a relatively large number of service committees which will often align fairly closely with council departments. There may or may not be a coordinating policy and resources committee to knit together work programmes. This approach will usually require frequent meetings to deal with cross-cutting issues and, hence, careful planning by officers.
- **A streamlined committee system** (as seen in Brighton and Hove) will consist of two or three service committees, which may be supplemented by one or more overview and scrutiny committees. This was the common approach taken in what were formerly known as fourth option councils, those shire district councils who opted to retain the committee system between 2000 and 2012.
- **A hybrid system** (as seen in Kent) whereby a cabinet ratifies decisions made by a number of cabinet committees. This requires a political assurance by the leadership that such ratification will happen.
- **A leader-cabinet system with collective cabinet decision-making** (as seen in Sutton before 2012) has collective decision-making at cabinet, with a leader who chooses to act accordingly. Under this model the cabinet does not delegate power to individual cabinet members to make decisions, although delegated decision-making by senior officers will still happen in consultation with lead members.

Weighing up a formal change

This part of the exercise will be the point at which members actually decide whether formal governance change is necessary. Having a clear rationale for this is critical. It is therefore not a decision you should attempt to make at the beginning of the process. However, a situation might occur where this decision has been taken at an earlier point in the process and you will need to think about how the ideas outlined in earlier steps can be brought into the implementation of a new system.

Your rationale should identify how and why a change will help you to strengthen governance in a way that would not be possible through other means. For example:

- It may be a means of embedding a new culture of decision-making, where the protection afforded by the law and the constitution are seen as a backstop.

- It may be seen as a necessary component in a wider approach to improving the way decisions are made; for example, more effective partnership decision making or the devolution of decision-making responsibilities to a ward or divisional level.
- It may provide a means of signaling within the authority, and to those outside it, of a break with past practice and a commitment to do things better; however it will not achieve these improvements on its own.

The fundamental judgement – why make this change? – is something that will be different for every authority. The political and organisational context within which your council sits will affect the changes you make. For example some changes that, in another council, might be seen as requiring formally moving from one governance option to another to be fully embedded, in your instance may not be seen as demanding such a change.

It is important to be self-critical at this point in the process. This is the final stage before you start to undertake work to implement the change itself and an opportunity to challenge assumptions and to set out the fundamental reasoning behind your decision.

Step 4: making the change

The following are the various different council processes and systems that may need to be looked at when you are amending your decision-making arrangements, and any relevant legal issues should also be considered. You will need to think about the way you design these changes, and the way that members make decisions on their implementation (which will usually be at full council):

- financial procedures, including the operation of audit
- access to, and publication of, performance scorecards and quarterly financial monitoring information
- the forward plan and corporate work programme
- changes to committee structures (which can happen at a time other than at Council AGM)
- formal changes in governance, which incorporates all of the above changes.

It is important that the way in which these changes are made itself reflects the design principles which you have established for your new governance system. You might also want to consider a risk plan so that you can be aware of issues or situations that could negatively affect your proposed arrangements.

The formal move from one governance option to another will take effect following the council's AGM, with a resolution of full council having to have been made beforehand. This earlier resolution needs to be made in good time, to allow for the council to undertake any necessary consultation with notice requirements set out in the Act.

Step 5: return to the issue and review how things have gone

It is important to evaluate how things have gone after a year or so, in order to see whether the resources you have expended in making the change in governance have made the difference you hoped.

This need not be a complicated bureaucratic exercise – just a short assessment of the position, informed by insight from councillors and any other interested parties. Doing this at the time of council AGM gives you the opportunity to make any necessary tweaks to the constitution.

If the changes have not resulted in the outcome you were trying to achieve, there are ways and means of addressing that. The detailed work carried out the previous year to plan and deliver the new governance arrangements will help with this. It may have been that your plan was too ambitious, or there may have been factors – internal or external – that were not taken into account, or that were difficult to predict (political issues, for example). If you developed a risk plan it will be much easier to identify and act on any failings.

You can review the likely reasons for the failure and take action to address them.

Managing this exercise in a political environment

It is important to recognise that the amendment or change of governance arrangements – whether or not it involves formally moving from one governance option to another – is likely to be politically contentious. In such situations the rationale must be carefully thought through as it may lock your council in to a new governance system for five years¹⁰.

Instances exist where party political reasons have influenced a council's decision to change systems. These have included:

- the leader of a large majority group viewing another governance option (for example the committee system) as a way to better control his/her own political group on the council
- the leader of a minority administration viewing the committee system as a way of garnering support from other parties represented on the council
- the council's leadership being lobbied by councillors who believe that changing governance arrangements would improve the council's decision-making culture.

Although such instances have occurred, introducing a structural solution will not resolve issues which may have underlying political causes.

However if a decision to change governance arrangements is made under such circumstances, it is important to ensure that there is buy in from all parties and independent councillors, alongside a commitment to investigate governance options based on evidence. Actions that can be taken under such circumstances to support the process include:

- Formal, independent, cross-party discussions led by someone who will be perceived as having a non-party political approach. This may be someone entirely outside the authority or a highly-regarded local councillor.
- A transparent and evidence-based approach to establishing what the aims and objectives of governance change should be.

This is a more formal approach than that which we have outlined elsewhere in this document. However, in a challenging political environment, such formality can help to defuse disagreements, and can provide a framework in which it will be safer for councillors to challenge their own assumptions about governance change, and the assumptions of their peers.

¹⁰ Unless a second resolution following a referendum has been approved.

Case studies

Cornwall (unitary authority, South West)

Cornwall undertook an independent review of governance arrangements over the course of 2011 and 2012. This was a comprehensive exercise, chaired by an independent person, which took evidence from a wide range of sources. It should be seen in the context of Cornwall's creation as a unitary authority in 2009, which gave rise to a need to consider how governance would operate across a very large geographical area.

A member panel was established to lead the review, assisted by an external panel of experts from outside the council. The panels took evidence from a wide range of stakeholders from within the county, and from experts nationally, which they used to formulate a set of recommendations.

Transparency of decision-making was seen as a high priority, as was the need to ensure that decision-making was connected to people at local level through structures such as Community Network Panels and parish councils. The role of non-executive members was considered – in the context of their scrutiny role and engagement with the policy development process, as well as their training and development.

The member panel recommended no formal changes to the council's existing governance arrangements (that is, that the council remain under the leader-cabinet model) but did recommend changes to that model. In particular, changes were recommended around the role of those members in formal "cabinet support" positions, the engagement with the council with community structures and the strengthening of overview and scrutiny. The Panel felt that improvements to decision-making and governance were not necessarily predicated on a formal change to governance models.

Cambridgeshire (county council, East of England)

Following the May 2013 elections, a resolution was put to the council's AGM to adopt the committee system of governance, on the basis that the committee system was "the most democratic and representative form of governance". Originally it was planned that this would take effect from 2013 but advice was given that this would not be permitted under the Localism Act. As such the decision was made to change in 2014.

Proposals have been developed over the course of 2013, with detailed plans having been submitted to members for examination in October 2013. Members agreed to the creation of a small number of service committees, with a General Purposes committee to act as a "clearing house" to coordinate the role of those service committees.

Changes will also be made to officer delegation arrangements, whereby some decisions will be made in consultation with members, as well as the more traditional classes of decisions

reserved for members, and those delegated entirely to officers. There is also provision for the retention of a form of call-in, with the possibility – under strictly limited circumstances – of issues to be passed up for decision at full council.

Stroud (district council, South West)

Following debate, the council resolved to move to the committee system in November 2012, following an executive-led commitment to pursue it in May 2012. A cross-party member working group was established to consider how such a change would happen, which resulted in formal proposals being put to council in April 2013.

Some design principles were established, submitted to council in November 2012 as part of a report on the relative features of the different systems, and used to develop the final arrangements, submitted to council in April 2013.

Delegations to committees and delegations to officers were looked at very carefully as part of these arrangements although ultimately no significant amendments to delegations were made.

The result has been a streamlined committee structure without a separate overview and scrutiny function.

Nottinghamshire (county council, East Midlands)

An undertaking was given in the 2009 election manifesto of the Conservative group that they would take steps to adopt the committee system when the legislation allowed. They started taking formal steps to change before the Localism Act was enacted, and formally changed in May 2012.

Nottinghamshire's approach was based on the presumption that a committee system would be a more open, democratic and transparent approach to member decision-making. The council has taken its pre-2000 committee structure as a model for its current approach. Officer delegations have not, however, been subject to any alterations. The council resolved that it would only undertake any change on the basis of that change being cost-neutral; there is no additional cost to the operation of their committee system over and above that of the leader-cabinet system.

Originally, Nottinghamshire planned not to have a separate overview and scrutiny committee, but since May 2012 the decision has been made to establish one, principally to carry out the authority's health overview and scrutiny functions (which cannot be carried out by its health committee, which acts as the county Health and Wellbeing Board).

Kent (county council, South East)

Kent operates what have been termed hybrid arrangements. While the council still operates legally under the leader-cabinet model, cabinet decision making is supplemented through cabinet committees, which are the de facto decision-making bodies. Committees receive officer reports and make recommendations, which are submitted to the executive for ratification. This system's success rests on the assurance by the executive that they will ratify recommendations made to them by committees; as long as that assurance exists, this ratification is purely a procedural matter and the decision is made in the committee itself.

Where to go for further help

The CfPS published a guide in 2012 for councils considering the adoption of the committee system. This guide, called 'Musical Chairs', is available on the CfPS website: tinyurl.com/ptydhno

The LGA has carried out wider work on governance, democracy and the role of elected councillor. This can be found on their website: tinyurl.com/o9b72b4

INLOGOV, the Institute of Local Government at the University of Birmingham, have carried out research on local authority governance models and have held a number of seminars for councils considering governance change.

A number of councils have considered changes in their governance in the last few years. The LGA and CfPS are currently engaged in building up networking arrangements between these authorities. A full list of authorities who have made changes to their governance arrangements, or are planning to in the next year, can be found in the appendix to this report.

For more direct advice, please contact:

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Appendix

These tables provide further information on councils who have:

- councils who moved to a committee system in May 2013
- councils who moved to a committee system in May 2012
- recently made other changes to their governance arrangements
- are considering a governance change in the near future
- have considered a governance change but have decided against it.

Where councils were not participants in the original research undertaken by CfPS, information is not included for May 2012.

Table 1: Councils who moved to a committee system in May 2013

Council	Type of council	Region	In May 2012	In May 2013
Hartlepool	Unitary	North East	Expected to hold a referendum in November to move to a committee system in May 2013.	Committee system adopted in May 2013, involving creation of five service committees. The statutory scrutiny functions around crime and disorder, and health, will sit within the remit of the Audit and Governance committee, which is chaired by a non-majority group councillor. Resolved to continue to publish a forward plan of key decisions.
Newark	District	East Midlands	Envisaged moving to a committee system in 2013, but it would have to be something that meshed with its aim of being a commissioning council. A separate overview and scrutiny function was not envisaged.	Moved to a committee system in May 2013.

Council	Type of council	Region	In May 2012	In May 2013
Reading	Unitary	South East		<p>Moved to the committee system in May 2013; changed arrangements only to apply to the authority's executive decision making structure – creation of four new Standing Committees.</p> <p>No overview and scrutiny committee, with functions exercised by each committee with regard to its services. Policy committee to cover scrutiny across council services covered by more than one committee.</p>
Stroud	District	South West		<p>Moved to the committee system in May 2013 following a resolution in November 2012. The new constitutional arrangements were developed through a cross-party member working group.</p> <p>There is no separate scrutiny function. The community safety scrutiny functions of the authority are transacted by the Community Services committee.</p>

Table 2: Council who moved to a committee system in May 2012

Council	Type of council	Region	In May 2012	In May 2013
Brighton	Unitary	South East	<p>Adopted committee arrangements in 2012, with significant cross-party support. Planned to review and revise after one year.</p>	<p>Arrangements have now been reviewed with some minor changes (mainly in the remit of committees) being brought in from May 2013.</p> <p>Some partnership decision-making arrangements (principally around relationships with Clinical Commissioning Groups) have been tweaked – mainly to integrate, where possible, such partnership structures within the committee system.</p> <p>It has been proposed to appoint certain members to take lead responsibility for certain policy areas, to augment the role played by committee chairs.</p>
Kingston upon Thames	London borough	London	<p>This council adopted a hybrid-style arrangement for a transitional period in 2011 with a view to adopting the committee system in 2013.</p> <p>Under the transitional arrangements committees made decisions which are then ratified by the executive. There is no individual cabinet member decision-making.</p>	<p>The council decided by a resolution on 17 April 2012 to adopt the committee system in May 2012.</p> <p>No significant amendments made to constitution or working practices in May 2013.</p>

Council	Type of council	Region	In May 2012	In May 2013
Nottinghamshire	County	East Midlands	Put in place a committee system closely reflecting pre-2000 structure, with no separate scrutiny committee.	A separate Health Scrutiny committee was established almost immediately following the establishment of the new structure in May 2012.
South Gloucestershire¹¹	Unitary	South West	Made the decision to move to a committee system in March 2013.	No significant amendments made to constitution or working practices in May 2013.
Sutton	London borough	London	Committee system adopted in May 2012, based on very clear objectives in development since 2010. The new system included one scrutiny committee, and featured significant changes to financial regs and schemes of delegation. Plans were to review arrangements after six months.	No significant amendments made to constitution or working practices in May 2013.

11. In Musical chairs we erroneously stated that South Gloucestershire, which was originally anonymised as Council N, was a shire district; it is in fact a unitary.

Table 3: Councils which adopted hybrid arrangements in 2012 or 2013

Council	Type of council	Region	In May 2012	In May 2013
Cheshire East	Unitary	North West	A member working group was convened to establish whether governance change should be pursued.	In December 2013, moved to a hybrid-style system in which policy development groups, mapped to cabinet portfolios, support executive decisions making, supported by an overview and scrutiny function which focuses on corporate and external issues.
Cornwall	Unitary	South West	A council in an area involved in local government reorganisation in 2009 that established a member level group to consider proposals in more detail. The council has a large number of members, many of which wished to see councillors taking a more active part in decision-making.	Established an independent governance commission which looked at the proposals in more detail. This has resulted in proposals to adopt an approach which looks more like a hybrid system.
Kent	County	South East	Moved to a hybrid system in May 2012. This saw a number of cabinet committees being established. Decisions go to cabinet committees, where recommendations are made to cabinet. Cabinet then ratifies the recommendations.	Some minor changes in May 2013 but no substantive alterations.

Council	Type of council	Region	In May 2012	In May 2013
Sevenoaks	District	South East		In May 2013 a hybrid governance system was adopted.
Tunbridge Wells	District	South East		<p>There is no ambition to move to a committee system, but a hybrid system has recently been adopted. There is a cabinet with three advisory committees beneath it.</p> <p>The system is designed to promote more consensus, as opposed to a culture of adversarialism which had previously existed.</p> <p>Overview and scrutiny has been retained.</p>
Wandsworth	London borough	London	Has operated a hybrid-style committee structure since 2000, with committees passing decisions to cabinet for ratification.	No proposals to change these arrangements for the time being.
Wirral	Metropolitan district	North West		Considering adoption of the committee system or, more likely, a hybrid model; a governance working party has been established to set out the options and agree a way forward.

Table 4: Councils who considered changing governance arrangements to move to a committee system but decided not to

Council	Type of council	Region	In May 2012	In May 2013
Basildon	District	East of England		A task and finish group was set up to consider the potential for changes in governance arrangements, but ultimately recommended the retention of the leader and cabinet system.
Bristol	Unitary	South West	One of the twelve core cities, in which a referendum for a mayor was held. Some were considering that a “no” vote in the referendum could result in more concrete moves to adopt a committee system.	Referendum resulted in a “yes” vote, so potential moves to a committee system were not investigated further.

Table 5: Councils which may adopt different arrangements in 2014 or thereafter

Council	Type of council	Region	In May 2012	In May 2013
Barnet	London borough	London		A resolution was passed by full council in January 2013, setting out a potential approach to move to a committee system in 2014.
Cambridgeshire	County	East of England		Movement by some members to adopt the committee system at council AGM in May 2013, but as no resolution had been made beforehand, conclusion reached that this would not be in accordance with the Act. At council AGM the decision was made to adopt the committee system from May 2014.
Kensington and Chelsea	London borough	London	There had been significant enthusiasm for a change, although it was felt likely that such change would be to a hybrid model rather than a formal shift to the committee system. Despite enthusiasm, in 2012 no formal instructions had been given to officers.	Although no formal commitment has been made it is likely that this council will move to the committee system in 2014. There is currently no indication about whether this is likely to affect joint working arrangements with London boroughs of Hammersmith and Fulham and Westminster.

Council	Type of council	Region	In May 2012	In May 2013
Norfolk	County	East of England		Following the May 2013 elections, the council resolved to take steps to adopt the committee system in May 2014.
Northumberland	Unitary	North East		Members have asked for further information about the different governance options available; there is an interest in considering alternatives but no formal plans at present.
Nottingham	District	East Midlands		Members have expressed an interest in understanding the options and officers have provided papers explaining changes. As yet, no formal decision has been made.
Wokingham	District	South East		A member working group was established in 2012 with a view to recommending a change to council in 2013. However, the decision has been taken that due to the potential complexity, and different options available, the working group will continue to meet with a view to adopting new arrangements in 2014.



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Musical chairs

Practical issues for local authorities in moving to a committee system



Contents

Part A: Executive summary	4
Part B: Context	7
1. Introduction	7
2. Background and the Localism Act 2011	8
Part C: Main findings	14
3. General approaches	14
4. Developing ideas: why and how to make the change	16
5. Costs: transitional and in the medium and long term	21
6. Committee decision-making in practice	23
7. Beyond the council	27
8. Continued scrutiny work	30
9. What will the final system look like?	31
Appendices:	33
Showing the different governance options on a spectrum	
The case study authorities in detail	

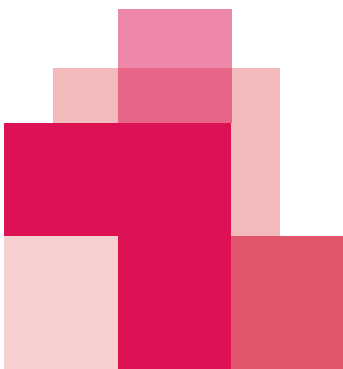
The Centre for Public Scrutiny

The Centre for Public Scrutiny is a small charity whose principal focus is on scrutiny, accountability and good governance, both in the public sector and amongst those people and organisations who deliver publicly-funded services.

We believe that accountability, transparency and involvement should be the foundations of planning and delivering public services.

Effective scrutiny and accountability can hold services to account and create opportunities for communities and decision-makers to improve the quality of services by producing solutions to problems together.

The Centre supports individuals, organisations and communities by sharing research and analysis of current and developing best practice through publications, consultancy and events. We also create and support networks and on-line forums. The bulk of our work focuses on local government and the wider localism agenda, but we also work extensively with and for health and social care bodies, and others such as police, park and fire authorities, housing associations and other housing management organisations, universities, regulators, Parliament and select committees and government departments.



Part A – Executive summary




This document is designed to help councillors and officers who expect to be actively involved in developing new governance arrangements where their authority chooses to adopt a “committee system” under the Localism Act 2011.

Council leaders, Chief Executives and other senior officers and councillors may feel that changing governance arrangements is an administrative exercise and that they do not need to be closely involved in this process. But there are some key issues from our research that highlight the need for senior politicians and managers to establish the framework for transparent, inclusive and accountable governance.

On the next few pages we present the key findings from our research. The rest of the report will explain how we reached these conclusions, and provide additional information which will go into more detail.

Key findings

- Four councils are moving from leader-cabinet to a committee system of governance in May 2012. Two are unitaries, one is a county and one is a shire district.
 - Some councils are considering, or adopting, “hybrid” arrangements – suggesting that the choice of governance options is a spectrum with a huge amount of variation rather than a blunt choice between “committee” and “leader-cabinet”.
 - A number of councils – around a dozen – are holding fire on changing for the time being, waiting to see what the content of forthcoming DCLG regulations will be, and how the vanguard authorities’ arrangements bed down.
 - Some councils think governance arrangements are an internal, constitutional issue and that changing arrangements is an internal administrative exercise. This risks missing wider implications and impacts on planning and delivering services.
 - Some councils think that changing governance arrangements will solve organisational and/or political problems or will result in “more democratic” governance. A focus on structure risks missing opportunities to think about cultures and values.
 - Success will depend much more on the prevailing organisational and leadership culture in the organisation than the structure that is established – but this doesn’t mean that structure isn’t important.
- 

Key messages

Be clear about the reasons and objectives for change – and evaluate against them

Council leaders and senior managers, cabinet members and other councillors may have different reasons for advocating change and different expectations about what change will achieve. All councillors need to have opportunities to articulate their reasons and expectations so that assumptions about different arrangements can be tested. Being clear about objectives for change allows councils to review how new arrangements are working – an exercise which will be crucial in ensuring that new arrangements are both robust and flexible. Being clear about culture and values will help councils assess how councillors can best add value to their communities and to the running of the council.

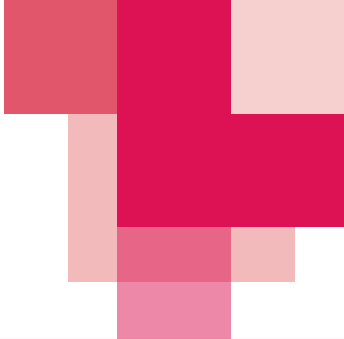
Get others involved – this is not just an internal “democratic services” matter

People and organisations outside the council will be impacted by changes to the way councils take decisions. The public sector has changed significantly since councils last changed governance arrangements - different approaches to service planning and delivery (for example through commissioning, partnership or collaboration) may significantly influence the style of governance councils adopt. Supra-local structures (such as partnership boards or shared services) may take time to adapt to a move to a committee system. Bodies that operated flexibly through individual member representation and decision making may find that consensus decision-making makes partnership working less responsive.

Discussions about governance cannot happen in isolation - some practical operational impacts may not be predictable by officers tasked with amending the council's constitution. We do not suggest that wholesale public consultation is necessary but this does not mean that discussions should be restricted to only a few councillors and officers. Inevitably, this will lengthen the period of time needed to put a new system in place, but it will help provide assurance that the benefits and risks of a new system have been tested.

Forward planning, and effective delegation, are vital

Our research shows that effective delegation to officers is crucial under a committee system – senior members and officers need to devote time to think about how this will work. Proper delegation will allow committees to consider only those strategic matters where they can add value. Forward planning – involving the creation of council-wide programmes and robust project management systems – will ensure that milestones for key projects dovetail with committee cycles, minimising the risk of delay and the need for the convening of “urgency” meetings. This may present a challenge in some places – CfPS is aware that Executive Forward Plans in many authorities are




viewed more as a bureaucratic requirement rather than as a tool to assist in decision-making. An open, transparent approach to forward planning in decision-making will make it easier for the authority's plans to dovetail with those of partners and will allow the views of citizens to be gathered and presented in a more influential way. It will also ensure that overview and scrutiny can be planned to target those areas where it can add value, in the right place and at the right time.

There is a clear case for maintaining a “scrutiny” function

All the authorities we have looked at in our research have recognised the need to maintain a scrutiny function to deal with external issues such as health scrutiny, crime and disorder scrutiny and wider partnership issues. Only two councils out of the fifteen or so we have examined plan to dispense with a separate scrutiny committee.

Integrating “scrutiny” functions in to service committees may cause problems. We think it is better to consider the authority's approach to checks and balances overall within a changed governance structure. In this context, councils should be clear about what checks and balances service committees will employ to mitigate risks and drive improvements.

Citizens will need assurance that an “externally facing” overview and scrutiny function will be empowered to horizon-scan and investigate cross-cutting issues of community interest. In this context, close working between scrutiny and service committees would be valuable. Scrutiny's independence will need to be maintained, and the conversion to a new form of governance does not provide a prima facie reason to remove resources from scrutiny – particularly given that councils will continue to have specific statutory powers (over crime and disorder, health and other partners).



1. Introduction

“I don’t care how things are organised. They can have it on the basis of a committee system, on a cabinet basis, on the mayoral system. If they want to introduce it on a choral system with various members of the council singing sea shanties, I don’t mind, providing it’s accountable, transparent and open. That’s all I need to know.”

Eric Pickles MP, interview with Total Politics, 23 July 2010

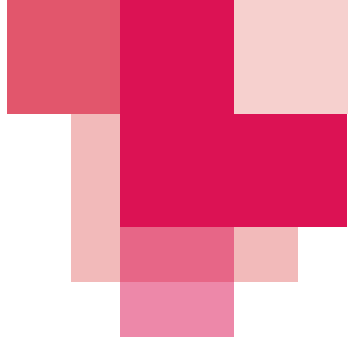
- 1.1 Under the Localism Act 2011, local authorities in England¹ operating under executive arrangements² are being given the power to choose to move to a committee system form of governance³.
- 1.2 This has been expressed by the Government (and by some in the sector) as a “return to the committee system”⁴, but as this publication will demonstrate, a wholesale reversion to the pre-2000 system is neither practical or desirable because the policy and economic landscape is now very different from the last time councils took decisions through a service committee system. As we shall see, it is more likely that either a “streamlined” model (similar to the “fourth option” operated by some small shire districts) or a “hybrid” model (sharing some of the characteristics of both the leader/cabinet and committee systems) will be adopted.
- 1.3 CfPS’s long-standing view about council governance is that no one option is necessarily “better” or “worse” than any other. Good governance is about more than structures and processes – as we outlined in our “Accountability Works” research published in 2010. Political and organisational cultures, attitudes and behaviours are what make systems successful. Authorities seeking to change governance arrangements on the assumption that such a change will automatically make services more transparent, accountable and inclusive – whether for non-executive councillors or, more importantly, for the public – are mistaken.

1 Local government is a devolved matter in Wales.

2 Throughout this document we follow the legislative convention of using the phrase “executive arrangements” as shorthand for those councils operating two governance models – the strong leader and cabinet model and the executive mayor model.

3 The option is also being made available for authorities to adopt “prescribed arrangements” – other governance structures which will require the approval of the Secretary of State. No councils have yet proposed any such arrangements and as such they are beyond the scope of this research.

4 For example, a DCLG press release from September 2010, “Stunell tells councils they can return to the committee system as Whitehall steps out of local affairs”, <http://www.communities.gov.uk/news/corporate/1575584111>

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- 1.4 For some who have struggled with leader and cabinet systems, the option to change governance arrangements could provoke fresh thinking about the way that decisions are made and how local people can be better involved. It is possible that in such cases, authorities will be able to operate transparent, inclusive and accountable committee systems, just as many authorities run executive and mayoral systems with those attributes. But this is not guaranteed.
 - 1.5 This research will explore how change might happen, with reference to the practical experiences of a number of authorities who are considering governance changes. It should be read in conjunction with CfPS Policy Briefing 4⁵ (published late 2010) which explored some of the broader “pros and cons” to the adoption of the committee system – this publication does not tackle those substantive issues directly, and instead focuses more on the practical circumstances of transition. Hence, we suggest that the documents should be read together for a comprehensive view of the situation.
 - 1.6 This report is divided into three main sections – the first provides context and background to the second, which delves into the practical issues being tackled by individual authorities. The third, and final, section draws out some key themes.

2. Background and the Localism Act

- 2.1 We provide more background on the committee system in our Policy Briefing no. 4, “Changing governance arrangements”, published following the introduction into Parliament of the Localism Bill.

From the 1980s to the Local Government Act 2000

- 2.2 All English and Welsh councils operated under the committee system from the birth of modern local government in the Victorian era until they were obliged to abandon it in 2000⁶, although some authorities piloted the cabinet and scrutiny model of governance from 1999 onwards. During the 1980s and 90s, many councils innovated with different, streamlined forms of the committee system, which involved fewer formal meetings, the wider use of delegated powers and more common use of task and finish groups to assist in policy development⁷.

5 <http://www.cfps.org.uk/publications?item=103&offset=0>

6 With the exception of fourth option authorities and Brighton and Hove Council (which had to abandon it in 2008).

7 An oft-cited example is Kirklees, who pioneered the use of task-and-finish style policy development groups in the mid-1990s.

2.3 The proposals for local authorities to adopt entirely different models of working began to gather pace in the late 1980s, and over the course of the 1990s a large amount of research was carried out on preferred models, much of it commissioned by the Department of the Environment (then responsible for local government). The Audit Commission was, in the 1980s and 1990s, particularly vocal about the perceived shortcomings of the committee system. They, and to an extent the DoE, were concerned that decision making in committee was⁸:

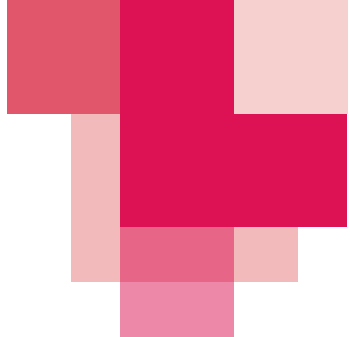
- Unstrategic (ie councillors were involved in micro-management);
- Complicated (ie large numbers of committees);
- Slow (ie multiple sign-offs of key decisions, including sign-off at an overarching policy and resources (P&R) committee⁹);
- Prone to exclusive control by the majority party (ie all the committee chairs, from the majority party, acting as a de facto cabinet).

2.4 This was predicated on an assessment of the role that members performed on local authorities – as politicians, board members and representatives. It was felt that they could exercise influence over both policy and operational matters, but that they could contribute more by influencing policy. The report suggests that, “most operational management issues should be delegated to officers”, but found that in many authorities, members and committees were swamped with an array of operational decisions because of an unwillingness to delegate decisions either to officers, or to individual members – an approach by which political management in many authorities approached sclerosis. The report memorably gave the example of one authority that convened 302 meetings a year, across 33 committees, just to deal with education matters.

2.5 This was a stark picture but not one, research acknowledged, which required a wholesale change in the structural approach – or one which necessarily reflected the practice of governance in many authorities. Some councils transacted business under the committee system effectively, as described in section 2.2 above.

8 This is a summary of some of the key arguments presented in “We can’t go on meeting like this” (Audit Commission, 1990)

9 P&R, or policy and resources, committees were pre-eminent bodies that directed strategy for the authority, kept track of cross cutting issues and acted as a secondary forum for debate and agreement, beneath full council. They were often comprised mainly of the Chairs of the other committees of the council, and in effect acted as a quasi-cabinet style body, with the addition of opposition members. Councils with a strong P&R tended to have less active and frequent full Council meetings, and vice versa.



2.6 Moves towards structural change were continued by the Labour Government in 1997, and following the 1998 Local Government White Paper, were incorporated into the Local Government Act 2000.

Moving to executive arrangements: the leader-cabinet and mayoral systems

2.7 Most councils adopted a cabinet/scrutiny split in 2000 or early 2001, although small shire district councils with a population of less than 85,000 people were permitted to retain a “streamlined” committee system under the fourth governance option in the Local Government Act 2000¹⁰. In a small number of areas the requirement to consult local communities on future governance options led to the adoption of a directly elected mayoral system of governance. In all events the changes were designed to move members’ involvement away from purely operational matters, and, through the “key decisions” framework and other means, onto more strategic issues.

2.8 There was, around the date of transition, significant disappointment that authorities were being compelled to change their arrangements when many were happy with the current system. This fed into ambivalence from many about the cabinet and scrutiny system, particularly during 2000-2005 (as research carried out by the Constitution Unit in 2004 demonstrates¹¹). Although from 2005 onwards research carried out by CfPS demonstrated increasing success and effectiveness for the overview and scrutiny function, concerns about the effectiveness of scrutiny continued. These were notably expressed by the then Secretary of State John Denham, who in 2009 described scrutiny as, “the lion that has not yet roared”¹². The extent to which these concerns are based on reality is very much a moot point¹³.

2.9 These concerns were mirrored by worries about the possible reduction in openness and transparency in reserving important decisions to a relatively small Cabinet¹⁴. Cabinet was not subject to standard local government “access to information” requirements until 2002, an approach which in some authorities led to Cabinet meeting in private,

10 The other three original options were leader-cabinet, executive mayor and mayor and council manager. The third of these was removed in the Local Government and Public Involvement in Health Act 2007.

11 Sandford M and Maer L, “Old Habits Die Hard?” (Constitution Unit, 2004), <http://www.ucl.ac.uk/spp/publications/unit-publications/107.pdf>

12 In an address to the RSA; full text at http://www.thersa.org/_data/assets/pdf_file/0011/223796/John-Denham-MP-RSA-speech-text.pdf

13 Consistently, CfPS’s Good Scrutiny Awards (publications on “Successful Scrutiny” for 2009, 2010 and 2011 are on our website, the most recent at <http://cfps.org.uk/publications?item=127&offset=175>) have demonstrated the scrutiny function delivering concrete improvements for local people; our annual surveys from 2004-2010 (a longitudinal analysis, “Joining the Dots” (2012) can be found at www.cfps.org.uk http://www.cfps.org.uk/domains/cfps.org.uk/local/media/downloads/Joining_the_Dots_CfPS_Surveys_2003_10.pdf) back up this view.

14 Leach S, “Introducing Cabinets into English local government” 1999, *Parliamentary Affairs* 52(1): 77-93 contains some pre-reform comment on this issue.

itself leading to dissatisfaction with the wider member corps about the openness of the system. Cabinet decision-making was meant to have been held to account through tools such as the Forward Plan (FP) and call-in, but the FP in many authorities has not been used effectively to enable proper accountability¹⁵, and call-in has (probably quite rightly) been sparsely used¹⁶. Call-in itself is a blunt tool that does not generally prove effective in changing decisions – backbench members have found it possible, and preferable, to exert influence using different means¹⁷.

2.10 In many authorities, the lack of a structural solution in the Local Government Act 2000 and subsequent legislation for producing a more technocratic version of accountability (that is, one that relies on systems and processes to produce openness) has led to the adoption by overview and scrutiny of an approach to accountability that has transcended governance structures. Such a model works by adopting more “task and finish” working and trying to engage with the public, the executive and with partners outside of the formal confines of committee meetings. We have repeatedly demonstrated¹⁸ that this has led to successes in many authorities. Where it has failed to work it is more than anything constrained by the organisational and political culture of the authority concerned – in particular the leadership style and behaviours of leading members and senior officers – rather than by inherent shortcomings in the principles of scrutiny themselves.

Small councils and the “fourth option”

2.11 Under the Local Government Act 2000, shire districts¹⁹ with populations of under 85,000 could opt to take the so-called “fourth option” – the retention of a scaled-back, more streamlined committee system, with a scrutiny committee alongside it.

2.12 A relatively substantial number of such authorities chose the fourth option in 2000 but, as the last decade wore on, this number reduced. It should be noted that, for the most part, this was down to the creation of unitary local government in parts of the country rather than fourth option authorities (FOAs) themselves opting to adopt the leader and cabinet model.

15 An issue on which we expand in our publication, “A cunning plan?” (CfPS, 2011)

16 Our 2010 Annual Survey revealed that the average number of call-ins per council per year is two, although this figure does hide some substantial variation in individual authorities.

17 See “2010 Annual survey of overview of scrutiny in local government” (CfPS, 2011)

18 In particular in “Joining the dots” (CfPS, 2012), a longitudinal analysis of CfPS annual surveys from 2004 to 2010, which shows that scrutiny manages to secure the implementation of a high proportion of its recommendations, and in our annual Successful Scrutiny publications and Good Scrutiny Awards..

19 District councils in areas for which there is also a county council – unitary councils, whatever their size, were not able to take advantage of this option.

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- 2.13 For those councils who have opted to keep it under this model, the committee system looks very different to the system in place prior to the year 2000. The LGA's Fourth Option Special Interest Group (FOSIG) commissioned research in 2007²⁰ which explored the development of governance in fourth option authorities (in particular, looking at the challenges they faced, and face) which noted that FOAs had, in the period from 2000 onward, chosen to streamline still further their committee structures.
- 2.14 Now, many FOAs make decisions in committee through the means of only a few service committees, supplemented by one (or more) overview and scrutiny committees. For example, in Oadby and Wigston there are two service committees which meet regularly both to receive monitoring reports and to direct policy. Their work is supplemented by an overview and scrutiny committee. In Babergh there is a single strategy committee supplemented by two overview and scrutiny committees. Craven operates with one policy committee and one scrutiny committee²¹.
- 2.15 In all instances, and common to many FOAs, a far more substantial role is reserved to Full Council to debate and agree policy proposals – as such, Full Council in such authorities tends to meet more often than in authorities operating under executive arrangements, and considers more substantive items. It is by these means that all councillors are involved in the decision-making process, not necessarily exclusively through the existence of committees. In fact the argument could be made that bolstering the role of Full Council in authorities operating under executive arrangements could help to deliver many of the same policy objectives as a wholesale change in governance – if delivered alongside a realistic approach to culture change. We have not dwelt on the role of Full Council in this report for reasons of length, but it can and should be recognised as providing a critical opportunity for scrutiny, and a way for assuring accountability and transparency in the councils that use it as more than an opportunity for set-piece party-political debates.

In the Localism Act 2011

- 2.16 Under the Localism Act, any authority can opt to change its governance arrangements following a full council resolution. The change takes effect following the council AGM.
- 2.17 The previous requirement in the Bill that authorities could only make a governance change three days after the date of an ordinary election limited the number of councils able to make the change in May 2012 to 109. This requirement has now been removed and all local authorities in England and Wales will be able to change their arrangements in whatever year they wish.

20 "The Fourth Option: Traditional Values in a Modern Setting?" (FOSIG / Tavistock Institute, 2007): http://www.tavinstitute.org/pdf/reports/02_The_Fourth_Option.pdf

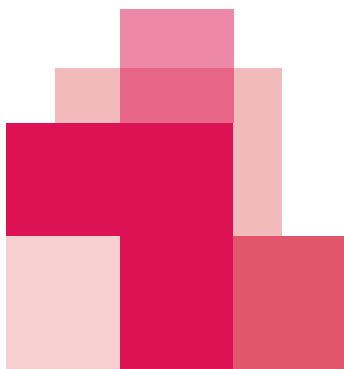
21 All these councils have separate arrangements for regulatory and quasi-judicial functions.

2.18 Under certain circumstances authorities will be obliged to hold a local referendum to confirm a change. They can do this voluntarily, or, for those who initially held a referendum to change to their current form of governance, a referendum will be compulsory. This primarily applies to the current dozen mayoral authorities.

2.19 Once governance arrangements change, councils will not be able to make another change for five years. However, if the change has been mandated by a referendum, governance arrangements cannot change for ten years. Where a previous governance change has been subject to a referendum, any proposal to move to a committee system must be as well.

2.20 DCLG have published regulations on the operation of overview and scrutiny in committee system authorities. Under the Act, committee system authorities “may” have an overview and scrutiny committee, and at least one of the councils we have looked at for this research is planning to get rid of all of their overview and scrutiny committees as a consequence.

2.21 While this research refers throughout to a “return to the committee system”, it is important to note – as we shall explore later – that transition should not be regarded as “going back”, but choosing to adopt governance arrangements using a committee model that meets contemporary local government challenges.



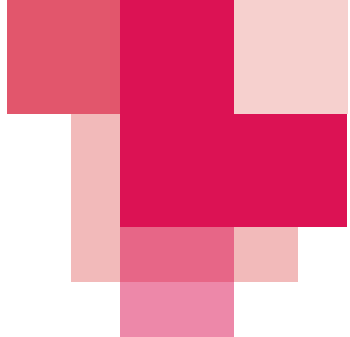
3. General approaches

- 3.1 Around 40 councils in England are actively considering making changes to their governance arrangements (this does not include the 12 “core cities” being obliged to hold a referendum on an elected mayor). Of these, CfPS has previously estimated that around 15 will actually make the change in the near future. This is reflected in research carried out by the Local Government Chronicle in February 2012²², suggesting that a “small but significant” number of authorities would opt to make the change. We now know that four councils are making the change in May 2012.
- 3.2 In their impact assessment²³, published at the same time as the Bill, DCLG considered that somewhere between 17 and 34 authorities would change governance arrangements using the powers in the Act.
- 3.3 Although the changes to the Act prior to commencement will now permit all authorities to change governance arrangements following their AGM (not just immediately following an election), the number of councils considering such a change does not appear to have increased as a result. In fact, a number of councils seem to be planning to consider the possibilities in more detail over the course of 2012/13, before making a possible change in May 2013. For this reason, councils making a change in May 2012 should be seen as a vanguard, preparing the way for a larger number of authorities to change over 2013 and 2014. Even so we do not anticipate that, by 2015, there will be more than 30 authorities that will have changed their system.
- 3.4 In conducting this research CfPS has spoken to officers in around 15 authorities, which are either considering a change in governance models, or have made a definite decision to do so and are drawing up detailed plans. We have been able to speak to elected members in some, but not all, of these authorities. We have also included a council, one of the 12 “core cities”, that professes a wish to change to the committee system but which is being compelled to pursue a mayoral referendum, to examine some of the wider issues about governance change. Full (but anonymised) details of every council’s approach can be found in the appendix.

22 LGC, 2 February 2011, at <http://www.lgcplus.com/briefings/corporate-core/governance/small-but-significant-shift-to-committees/5040639.article>

23 ‘Localism Bill: Giving councils greater freedom over their governance arrangements - Impact Assessment’ (DCLG, 2011) <http://www.communities.gov.uk/publications/localgovernment/localismgovernance>

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- 3.5 We have noted that almost all the councils considering a change to a committee system of governance are counties or unitaries. This demonstrates that, contrary to the views expressed by some prior to the passage of the Localism Act, it is not just small shire districts who are interested in this opportunity. Although our research has been anonymised, we can say that a disproportionate number of authorities in the south-east are considering a change. We carried out research nationwide, speaking to people at a range of national events, distributing calls for evidence via national mailing lists and contacting other national organisations and academics to get as comprehensive a picture across England as possible. There is nothing to suggest that this south-eastern focus is anything other than coincidence, as there is no structural issue or other public policy matter that might render authorities more likely to make the transition that is exclusive to this part of the country.
- 3.6 There are a mixture of different approaches being taken by councils. Some, such as Council C, favour outright return to the committee system. Others plan to build on transitional systems already in place (Council F), existing hybrid arrangements (Council K) or proposed hybrid arrangements (Council L) that will see a blend of elements of the cabinet and committee systems that may initially appear attractive, but which may actually be difficult to sustain in the long term.
- 3.7 We have not spoken to councillors in every authority because the focus of this research is on practical issues involved in transition which will be delivered by officers (in response to direction from councillors). However, our findings are informed by discussions with members in some of the authorities we have cited, and elsewhere.
- 3.8 Initially, we planned to consider the experience of these councils with the steps they went through (in most cases, in 2000) to adopt the leader and cabinet system. However, the circumstances of local government, and of individual authorities, has changed so much in the last twelve years that these kinds of comparisons may well be misleading.



3.9 In the end we decided to investigate and evaluate what authorities were doing under a number of key headings:

- Developing ideas – why and how to make the change
- Costs (transitional and ongoing);
- Practical operation under a new system
 - o Delegation (including issues around work programming)
 - o What happens at committee: decision making or pre-scrutiny?
- Partnership working;
- Continued scrutiny work;
- What will the finished system look like?

3.10 Of course, these aren't the only issues to consider, but they provide a useful series of practical matters that will influence how authorities operating a committee system will be run, both procedurally and in terms of culture, attitude and behaviours.

3.11 As we shall see, these issues don't have easy answers, but equally their potential complexity should not put authorities off from evaluating, and making improvements to, their governance arrangements.

4. Developing ideas: why and how to make the change

Why do it?

4.1 There are a number of reasons why people in some areas are enthusiastic about the adoption of a committee system. In most councils planning a change, members are the driving force, but in some, officers are equally keen. We set out in more detail what the pros and cons might be in Policy Briefing 4.

4.2 Every council is taking a different approach to governance change, and the reasons for making that change differ as well. However, there are some common themes that can be used to examine individual authorities in more detail.

- The move comes from a desire for backbench members to be more actively involved in decision-making²⁴;
- There is a prevailing view that a properly designed committee system will be just as swift for decision-making as the cabinet system²⁵;

²⁴ This was a principle that all the councils considering a change that we spoke to referred to.

²⁵ Council C believe this to be the case; Council F consider that their transitional system demonstrates the possibilities in practice.

- There is a view that scrutiny is somehow ineffective and unable to alter or influence executive decisions²⁶. We should stress that a wide range of evidence suggests that this is by no means the case – in fact, scrutiny is able to demonstrate significant success in making concrete changes that affect people’s lives – changes that would not otherwise have occurred²⁷;
- The move will allow all councillors to develop a detailed subject expertise, enhancing the “added value” of member decision-making²⁸;
- The move will enhance transparency and democracy in a more general sense, and will link councils, councillors and local communities closer together²⁹.

4.3 These reasons are reflected in views expressed by FOSIG on the committee system. As we will see some of this reasoning is backed up by evidence but some is based on assumptions about how a committee system will, and should, operate. These assumptions may be correct, but they need to be tested – and such testing needs to recognise that different approaches will need to be adopted in different areas, and that there is no “one size fits all” option.

4.4 We would also suggest that any system must satisfy the requirements of accountability, transparency and inclusiveness – to the public as much as to all elected members.

4.5 Establishing why to make a change is a crucial step. It is only by doing this that a system can be designed to meet these aims, and for that system to be evaluated and assessed once in operation³⁰. Changes in governance should be driven primarily by a desire to engage citizens more in the business of governing, but our research suggests that not many authorities have properly explored why they wish to make a change in governance arrangements and have not adequately tested the assumptions they have made. A number, such as Council L, have set out clear aims and objectives for a new system – while earlier drafts of their proposals did not make it clear how those aims and objectives influenced the final structure and approach to decision-making, later versions provide this clarity. This demonstrates the point that, for many, the development of new governance arrangements will be an iterative process.

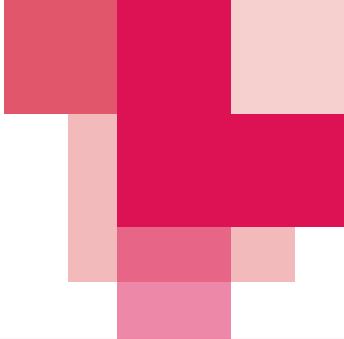
²⁶ This is a view that has been expressed by the leader of Council C, but is not a primary impetus for change in other areas.

²⁷ As demonstrated both in our Annual Surveys of Overview and Scrutiny in Local Government, and in our 2009, 2010 and 2011 “Successful Scrutiny” publications, amongst others.

²⁸ This is more of a prevailing reason in those councils that propose the establishment of more than a couple of service committees. For those councils adopting a more streamlined approach, this benefit would not come into play.

²⁹ This was mentioned in passing by some of those we spoke to, but we were surprised that it was not more of a prominent theme. FOSIG certainly highlight their own strong views of the democratic benefits of the committee system.

³⁰ As is proposed in the “review and revise” arrangements being developed by Council B.

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- 4.6 One thing that we know for certain is that making a structural change of this type will not automatically solve all an authority's governance and decision-making problems. In some of the authorities considering a change, there seems to be a view that the committee system is intrinsically more “democratic”³¹ and that moving to such a system will automatically resolve any reasons for political conflict, or organisational malaise in the organisation concerned.
- 4.7 We understand this view but, from our experience – and particularly from the research that has supported our “Accountability Works For You” framework³² – we cannot support it. Structures are more the product of a prevailing culture, rarely the cause of it. If leader-cabinet in one authority sees a small group of leading members making decisions, shutting down dissent and seeking to control non-executive members, whether in their own group or the opposition, there is little to suggest that the same people will change their approach when they are committee chairs. Business under the committee system was not always run by consensus, just as business under leader-cabinet is not always run by diktat. Councils will have to be very careful about making loose assumptions about what is best for them based on this received wisdom. We say this not to pour cold water on councils considering such a change in governance; it is more a suggestion that those councils will need to accurately consider why they are making the change and, realistically, whether there are wider issues at stake – such as organisational culture – that will need to be resolved at the same time.
- 4.8 We do think that a change in governance can provide a key means to kickstart this wider debate about decision-making and member responsibility. If that debate happens, and a new committee model is developed based on its results, it could well lead to reinvigorated democratic processes within the council. But this is not guaranteed.

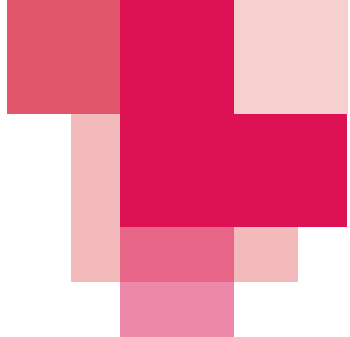

³¹ A view also held by FOSIG.

³² For which see <http://www.cfps.org.uk/accountability-works-for-you>

How to do it?

- 4.9 A common theme in most authorities that we have looked at for this report is that while there may have been initial enthusiasm for the adoption of new governance arrangements, little concrete action has been taken to develop ideas in all but a couple of councils. In many places debate has not moved much further on than an expression of interest – often arising from the backbenches – in pursuing a change. Where action is being taken, in many places this has been led by a member-level working group – in Councils B, D, G, I, L and M such a working group has either been established, or is about to be established. However, in some areas, officers are leading on the development of detailed proposals³³. We think that, such is the nature of governance change, members must be directly involved in developing proposals in detail, not just signing them off. Naturally this may have an effect on the length of time it takes to put plans together, but getting a new system right is more important than doing it quickly.
- 4.10 Officers in many authorities anticipate that transition itself will take some time. In Council C, which made a firm commitment to change some time ago, plans have been under development for some months – it has been accepted that a great deal of prior planning is required. Council F have put in place what they describe as “transitional arrangements” – effectively, a shadow committee structure – in advance of a mooted change in May 2013. These transitional arrangements have been in place since May 2011. Council H anticipates that clearer member direction might emerge in October 2012 but even then that a realistic date for a change is likely to be May 2014. Council L, however, has managed to develop its proposals sufficiently, since late 2011, to put in place its hybrid arrangements in April 2012. It should of course be recognised that authorities going down the hybrid route can adopt such arrangements at any time – they are not limited to doing so at council AGM.
- 4.11 Council N decided in March 2012 that they would make the change in May 2012 – an extremely challenging timescale. While there is presumably confidence that the May deadline can be met, it will presumably require the dedication of a substantial officer resource to make this happen.
- 4.12 Council M envisages that there will be a period where new and old structures will co-exist, shadowing each other and easing the process of transition. Other councils that we have spoken to anticipate that, should a member-level commitment be made, work would have to start in autumn 2012 for a May 2013 start date even if no detailed transitional arrangements are planned.

³³ We were told that, in a couple of councils, members had made a decision to adopt a committee system and had then “sent officers away to design it”.

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- 4.13 The realisation (save for Council N) that long lead times may be necessary to get things right may explain why, notwithstanding enthusiasm from a number of councils, our research suggests that few councils will choose to make a change in governance arrangements in 2012 (in a number of councils we spoke to, members had initially been keen to explore a change in 2012). A number of authorities told us that one of the reasons they were waiting until 2013 was because they were waiting for the publication of DCLG regulations about the operation of overview and scrutiny under the committee system. These regulations are being laid in Parliament to come into force on 4 May 2012, just a couple of weeks before council AGM in a number of authorities.
- 4.14 The design of new systems and arrangements will in all cases involve changes to the constitution; in many councils, such changes are accompanied by consultation periods. A useful analogy can be found in the change to the “strong Leader” model for executive arrangements, which most councils undertook in 2009/2010. Although a relatively minor change this did require planning, which suggests that it would be difficult to plan and deliver a new form of governance in an authority with less than six months’ notice of political intent³⁴.
- 4.15 This timescale may need to be extended further if those from outside the council are to have a say in the decision. As we shall see, changes will have a knock-on impact on the council’s approach to joint working (with other authorities, with other public sector bodies and with contractors) to engagement with the localism agenda and with bodies, such as community, town and parish councils, that reflect a grassroots sense of localism, and to the public at large. For the moment (and this may be a natural byproduct of the fact that plans are generally at an early stage) discussions seem to be limited exclusively to elected members within the authority concerned, and a few officers. Inevitably there will be a need to expand these discussions out to make the plans as robust as they can be, but it’s difficult to see such steps being put in place at many of the authorities to whom we’ve spoken, who seem to regard it as an exclusively “internal” issue³⁵. Some councils are looking at the committee system as part of wider discussions around governance – Councils A, D, E and J provide examples of this approach. It is a sensible one as it takes account of wider concerns within the council, but may not go far enough in bringing in people from outside the organisation, a point that we address later in this research when considering partnership working³⁶.
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³⁴ This is the rough length of time it has taken an officer working group in Council C to develop proposals.

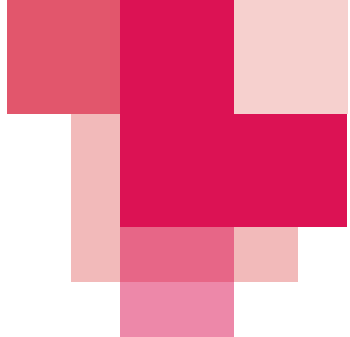
³⁵ Council C being the obvious example.

³⁶ See section 8

4.16 This may produce problems in the longer term, as proposals are developed without regard to the needs or aspirations of a wider group of stakeholders, following a challenging timetable driven by a need or will to make governance changes in May 2012. This could yet happen for those authorities deciding to make a change in May 2013, if the decision to change is made too late and/or only a select group of people (members or officers) from within the council are involved in putting new structures in place. As we have seen, the adoption of hybrid arrangements could provide more flexibility on this point.

5. Costs: transitional and in the medium and long term

- 5.1 Any change in governance will naturally involve costs – the one off costs of making the transition, plus the potential for higher costs on an ongoing basis.
- 5.2 Only Councils B, C, F, G and L have developed their proposals sufficiently for an assessment of costs to be made. In all instances it has been concluded that there will be no negative effect from a change in the long term. This is because the number and frequency of meetings may not necessarily increase. Even in Council C’s “full” committee system, a reduction in full council meetings, the abolition of the scrutiny function and the elimination of a range of informal briefing and advisory mechanisms mean that the proposals are expected to be cost-neutral. In Council L, proposals have been examined to ensure, in particular, that there is no impact on the Members’ Allowances Scheme – Council L also propose to manage the number of meetings, and committee work programmes, so that cost implications are kept to a minimum. Although it is important that councils are concerned with “value for money”, none of these assumptions take account of “social value” – is it good value for councillors to spend time in committee meetings rather than engaging with the public? On the other hand is scrutiny activity in the community that does not directly influence decisions good value?
- 5.3 It is difficult to compare costs from “fourth option” authorities, as they are by definition smaller and so do not provide a useful marker. Their internal arrangements perhaps also reflect a committee system that will be more streamlined than some councils undergoing a governance transition would be comfortable in making, given the range of services for which larger councils. We considered putting together an assessment of notional costs for illustrative purposes but considered that this would be of minimal use.

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- 5.4 Ultimately, we think that the cost issue is, in fact, a red herring. With an aim of enhancing democracy, of improving accountability and transparency and a recasting of systems to match, looking at this purely as an issue relating to costs in Democratic Services is, we think, only to take a partial view. There will be knock on additional costs and savings across the council, and the area, which makes a calculation here difficult to reach, and not especially useful even when it has been made.
- 5.5 It is inevitable that democracy costs money and increased cost, even should it arise, is not a prima facie reason not to make governance changes. However, the issue of cost is also tied up in the issue of making best use of members' time. The Audit Commission research (and others, looking at the role of boards in other contexts³⁷) has noted that there was a tendency under the committee system for councillors to focus too much on operational issues – not necessarily to the exclusion of strategic matters, but in such a way that those strategic matters necessarily occupy less member time. This is a theme that we have seen repeated on some overview and scrutiny committees, where time is spent considering too many reports for “noting”, and for “information” (a problem which we highlighted in our publication on scrutiny work programming). Naturally this matter reflects back onto arguments around delegation, which we explore in more detail below.
- 5.6 One reason for the proliferation of items on OSC agendas, which we have observed in our work with councils, is that non-executive councillors feel “out of touch” with the operational aspects of councils. They feel that they know less about what is happening across the council than they did when all councillors received copies of all council papers. This could be regarded either as reinforcing the Audit Commission's view that councillors are too pre-occupied with operational issues or as reflecting a greater provision of support to executive councillors at the expense of non-executives. Either way, these are issues which can be resolved without a wholesale change in governance.

37 There is a useful overview of some general principles in research carried out by Audit Scotland (“The role of boards”, Auditor General for Scotland, 2010, http://www.audit-scotland.gov.uk/docs/central/2010/nr_100930_role_boards.pdf). A more technical description can be found in the UK Corporate Governance Code, issued by the Financial Reporting Council (<http://www.frc.org.uk/corporate/ukcgcode.cfm>)

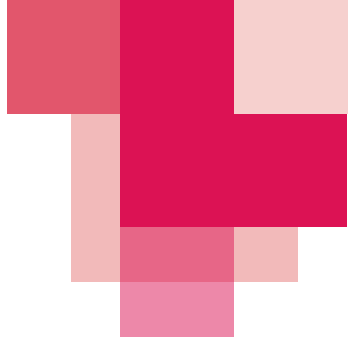

6. Committee decision-making in practice

6.1 Deciding how committees will actually operate initially seems complex. In truth, it is, but that does not mean that solutions necessarily need to be complex as well. Ultimately, the experience of fourth option authorities and of authorities considering a change in governance suggests that success here comes down to effective use of powers to delegate.

Delegation: introduction

6.2 Delegation is likely to be a sensitive issue, as authorities consider how to move to different models of governance. Council C has explicitly stated that all matters that do not relate to day-to-day operations will be decided in committee, with committee chairs having no powers delegated to them. In other places, specifically those operating “transitional” or “hybrid” arrangements like Councils F, K and L, significant delegated responsibilities will still sit with cabinet members and with Cabinet itself to make decisions outside committee, although those hybrid arrangements will (especially in Council F’s case) tie executive decision-making to service committee cycles. It is important, though, to remember that the robustness of such systems will require clear and unambiguous constitutional drafting and an element of trust between service committees and executive members, to prevent individual member decision-making powers being misused.

6.3 Delegation is, more generally, a critical matter. Expansive approaches to delegation risk nullifying the point of returning to the committee system in the first place, as the power remains with senior officers and chairs of committees. Council B plans to retain relatively broad delegated powers to senior officers, as does Council G – decisions that reflect the need for members to focus on more strategic matters. Conversely, tight approaches that – like in Council C’s case – see every issue that does not relate to “day-to-day operation” being passed to a committee for decision risk leading to packed agendas and little or no time for proper, reasoned discussion and debate. If the aim of moving to a committee system is to provide more opportunities for debate in public, this aim is unlikely to be achieved in committees with many items on the agenda to get through in a limited period of time. In Council L, substantial work on the scheme of delegations is being carried out. “Non-statutory significant decisions” will be included in the Forward Plan and thus subject to additional member input and scrutiny. These will include major strategy sign-off, where the strategy does not in and of itself form a key decision, for example.

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- 6.4 Council F appears to have taken a more measured route, but has been able to do so because it has never operated individual member decision-making under leader-cabinet, and is therefore used to the programming issues inherent in consensus decision-making (discussed below).
- 6.5 Whatever approach is taken towards delegation, it will also need to take account of the need to share information effectively with members. Under a committee system there will be a prima facie need for councils to be much more open in circulating and discussing draft decisions than they might have done previously. It will not be adequate, in the interests of accountability and transparency or inclusion, to present committees with fully-formed policy proposals for the first time in the published committee papers. To make informed decisions all members on a committee – not just the chair – will need to be involved in policy formulation, outside committee, and will need to be kept abreast of key trends (for example, in the form of performance information) offline. One way to do this in a committee system is to run various sub-committees that examine issues in detail and make recommendations to main committees – in a similar way to OSCs making recommendations to Cabinet under the current system. This significant expansion in the number of councillors with whom senior officers will have to regularly engage is something that CMBs³⁸ in local authorities, and DMTs³⁹ in individual departments, will need to factor in to their programmes and projects – as we will see below.
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³⁸ Corporate Management Boards (or Teams, or similarly-named bodies) – the officer group that brings together corporate directors, the Monitoring Officer and the Director of Finance in most authorities.

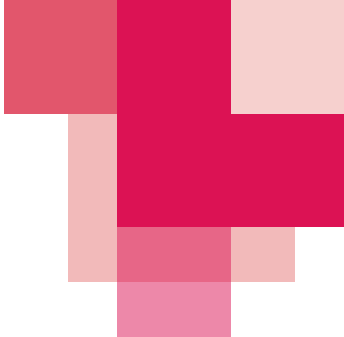
³⁹ Departmental Management Teams (or Boards, or similarly-named bodies) – departmentally-specific bodies that bring together heads of service, and sometimes selected service managers, in a given department, chaired by a Corporate Director.

Delegation: programming

- 6.6 A byproduct of schemes of delegation that reserve a majority of decision-making to committees is the wider set of implications that this has for business planning and work programming in the authority at large.
- 6.7 We noted above that Council F is finding their approach to delegation unproblematic because they have never adopted individual member decision-making. Council F has a history of carefully programming work streams and projects so that points at which member input, or agreement, are required can be easily dovetailed with the committee cycle. This is not an automatic product of a return to the committee system and requires care, attention and diligence. Authorities who have adopted individual member decision-making under leader-cabinet, and who use it widely, will have become used to being able to be quite flexible about the making of such delegated individual decisions. That luxury will, following a change to a committee system, no longer be available to them. Councils B and G in particular have recognised that changes to forward planning will be necessary to make any new system work.
- 6.8 Careful programming is something which authorities should be doing, in any case. And, by programming in this way, potential concerns over the “speed” of the committee system in making decisions can be overcome. However, for programming purposes, it will still be necessary to flag up and act on decisions that cut across multiple committees and service areas, since an inconsistent attitude to dealing with these needs to be avoided. For example, it is easy to say that all such decisions will be dealt with by an strong overarching policy committee (as is expected to happen in Council C’s case) but individual service committee will still – and should – have some influence over this process otherwise the policy committee will be the de facto Cabinet.

What happens at committee: decision-making or pre-scrutiny

- 6.9 The principal difference between a leader-cabinet committee model, and a fourth-option-style committee model under the Localism Act, is how and where the final decision is made.
- 6.10 Authorities setting up so-called “hybrid” models (and those authorities which already operate such models) will see their committees operating more as forums for pre-scrutiny than as decision-making committees. In Council L, once a committee has made recommendations on an issue, a summary view of those views will be provided to the cabinet member and to the scrutiny committee. Following this, a decision can be made after 3 clear working days – a decision which can then be called in after the standard five clear days.



6.11 CfPS has always had doubts about the effectiveness of this kind of pre-scrutiny. We understand the virtue of full, frank and effective discussions as a part of the decision-making process – the kind of discussions that the committee system is meant to engender. However, when committee decisions take the form of mere recommendations which are then “ratified” by a Cabinet, or cabinet member, their force and influence will inevitably be diminished – particularly as committee sessions will often be held so close to the making of the decision as to make altering that decision difficult, without implementation delays. One way around this problem in a hybrid system could be to follow Council F’s approach, holding an Executive meeting immediately following the committee meeting for ratification purposes. This maintains the focus of decision-making on the service committee and makes it more likely that officers and executive members will engage with the committee before it meets to work through and resolve any concerns, because there will be a presumption in favour of the committee’s recommendation being ratified. However, the presumption in favour of ratification may well exist in authorities, such as Council L, where the committee, and the decision, are separated by a number of days. Such approaches may end up working well, but their success will depend to a significant degree on the culture of decision-making in the authority concerned and will require a certain amount of trust between executive and non-executive members.

6.12 Proper member engagement in decision-making should not, as a number of the councils considering a change in governance seem to assume, be limited to the committee room. To make decisions fully and properly councillors will need to be abreast of the issues, and the context of the decisions they are making. They will need to have input into draft policies well before the due decision date, both formally and informally. Since under a formal committee system, the committee itself makes the decision, both officers’ and members’ minds are concentrated on the fact that the committee has the final say – and they act accordingly. Pre-scrutiny in committee under a hybrid system risks bringing about the worst of both worlds – a constant stream of technical, semi-operational reports being sent to committee, but without the context and prior engagement because, ultimately, the real decision is made at Cabinet and the committee, whatever anyone might say, is essentially irrelevant. We have seen pre-scrutiny operating in many councils where decisions “go through” scrutiny committees one, two, or three weeks before they are made either by a Cabinet Member or full cabinet, and it is generally ineffective, leading to few substantive, positive changes being made in decisions simply because it is too late in the cycle to have any real influence⁴⁰. There is nothing to suggest that pre-scrutiny in a hybrid model would be any different.

⁴⁰ We plan to publish detailed research on the use and effectiveness of “pre-scrutiny” later in 2012.

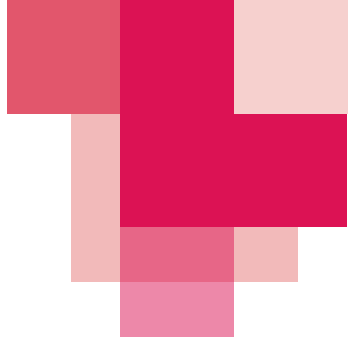
6.13 If committees are to be established, these should be proper decision-making bodies, with appropriate powers. Hybrid arrangements such as Council F's approach can be useful as a bridge between leader-cabinet and committee to get officers and members used to the programming, and committee cycle, issues inherent in the latter system. But as a permanent approach we believe that they may be found wanting.

7. Beyond the council


Partnership working

- 7.1 The biggest change in local government between 2000 and the present day is the explosion in the nature and quantity of work being carried out in partnership. When many local services were provided by the council, and partnership working was in its infancy, decision-making was reasonably straightforward. Now, decisions are made at partnership level, and many services are contracted out, jointly commissioned or procured and delivered in other, innovative ways⁴¹.
- 7.2 New models of governance need to take account of the inherent increase in flexibility that this requires. It fits with the cabinet system, where a single portfolio holder can sit on partnership boards, discuss priorities and agree solutions. Where decision-making is more collegiate in nature, there may – rightly – be a demand that partnership working systems are redesigned to accommodate this. Where there is an unwillingness to delegate responsibility to chairs, or others, to act on the council's behalf in a partnership environment, such arrangements may prove slower at decision-making than currently, unless steps are taken to carry out such a redesign. A failure to take account of partnership working could also lead to governance changes not delivering the improvements in accountability and transparency that have been promised. Decisions made in partnership will still be opaque and unaccountable unless a clear effort is made to integrate those structures within new committee arrangements to ensure that they can be held to account effectively.

⁴¹ We explored the broader context of this in two earlier publications. "Between a rock and a hard place" (CfPS, 2010) explained the impact on governance of pooled budgets and measures to intervene early in cross-cutting problems, following the Total Place programme. Policy Briefing 12 (CfPS, 2011) focused on shared services and commissioning, analysing how large contracting decisions and innovative methods of joint working to deliver economies of scale can and should be openly held to account.



7.3 Many of the councils we have looked at are considering changes in governance as purely an internal, council-focused matter. Only Councils D, G and M are, as part of their own plans, considering how the council's duties, responsibilities and role within the community might affect the way that the council does business⁴² – in other authorities, proposals are often being developed by officer working groups, with members only providing cursory input, and no views sought from partners, or the wider public. There seems not to have been any recognition that there will be a knock on impact on partners, and on partnership decision-making, or new and different methods of service delivery. In our policy briefing on changing executive arrangements, published in November 2010, we suggest a number of different governance models⁴³ that could be adopted by councils depending on the way in which they engage with partners to deliver services, as follows:

- The Community Budgeting council (pooling budgets and services across the area), where integration might lead to internal governance arrangements being slimmed down, and more checks and balances at partnership level;
 - The Virtual Commissioning Council (where the council commissions services from a range of providers), where committees' work would be highly strategic in nature, setting strategies and monitoring contract outcomes. Under these circumstances, leader-cabinet with a strong scrutiny function could be thought a more credible approach;
 - The Municipal Council (with fairly tight control over local services, many of which are delivered in-house), where, again, slimmed-down committees could supplement a more local form of governance and accountability driven by local people, perhaps through neighbourhood structures;
 - The Collaborative Council (with councils sharing services between them, as sovereign bodies pooling decisions for limited purposes), where joint service committees under the 1972 Act might help to manage arrangements – although these could lead to bureaucratic approaches being taken to sharing agreements that are meant to be relatively nimble and dynamic⁴⁴.
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42 Council L's detailed proposals do highlight the role of committees in engaging with partners but not in such a way that recognises the wider implications of a shift to committee decision-making. In their case, however, the adoption of hybrid working means that many of the concerns that we have about partnership working under a committee system are not so significant.

43 Pages 11-14

44 These models are critically assessed in more depth against the academic theory of 'democratic anchorage' in our article published in the International Journal of Leadership in Public Services – Crowe J, "New challenges for leadership and accountability in local public services in England". (2011) IJLPS 7(3) 206-217


7.4 As we have demonstrated elsewhere, form must follow function, and in no instance is this made clearer than in the context of partnership working. An assumption that partnership working will continue as it always has done, or that minor tweaks and some creative delegation and/or “ratification” processes at committee for key decisions will be credible and workable, may need to be challenged. It does not appear that this process of challenge has happened, or is likely to, in any of the authorities we have looked at as part of this research.

The wider public

- 7.5 The public have not been actively engaged with by any of the councils seeking to make governance changes, other than sporadically through the local press. In a couple of instances, leading groups placed a commitment to “return to the committee system” into their election manifestos in 2010/2011.
- 7.6 Given that one of the reasons for changing governance arrangements is that the committee system is seen to be more democratic, it is unfortunate that councils have not chosen to involve the public in this decision. Again, the perception that change is an entirely internal issue, one in which only councillors or officers will have a stake, or that the prima facie benefits of a change are such that consultation is unnecessary, seem to have driven a view that only technical discussion about the constitution and associated matters will be necessary to make a change.
- 7.7 We consider that not seeking to involve, or at least inform, local people of this change may be a mistake. Councils have limited funds at their disposal and we do not suggest referendums or large-scale public information campaigns on an issue that many will consider to be dry and of interest only to bureaucrats. Public meetings convened to discuss council governance are unlikely to attract capacity crowds. But some attempt probably does need to be made to explain to the public how this might affect how they can influence, and be made aware of, decisions made in their name. We noted above the failure of a number of councils to test the assumptions that they were making about making a change – this could provide a means to do so. Additionally, as we have noted elsewhere, it could be used to provide an impetus to involve the public in decision-making more generally.



8. Continued scrutiny work

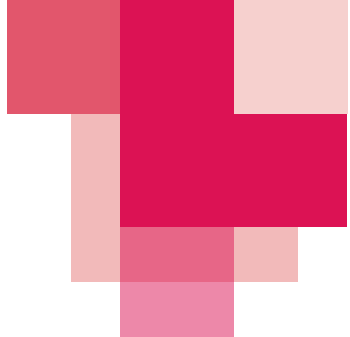

- 8.1 A move to a committee system form of governance does not, in most cases, seem to mean the abolition of the scrutiny function. Indeed, almost all the authorities we surveyed plan to retain some form of scrutiny under new arrangements. Only Council C, which has sought to retain vestigial scrutiny responsibilities in its main policy committee, will see an outright removal of any independent policy development/scrutiny function, and even it will see service committees establishing time limited task groups to carry out some of this kind of work (in a manner similar to the approach adopted by some councils pre-2000).
- 8.2 The practice of maintaining a scrutiny function in a committee system authority is not as counterintuitive as it may appear. While it is the case that decision making in committee might allow effective scrutiny to happen in those fora, there are additional functions that scrutiny can perform, which include:
- Investigations into cross-cutting matters (although in some instances they could, equally, be carried out by policy review groups established by a Policy & Resources / strategic management committee);
 - Scrutiny's existing statutory responsibilities, which will be continuing. Responsibility for investigations into crime and disorder issues and health issues will still exist (in the case of health, scrutiny functions are being extended);
 - Wider investigations of partners. Scrutiny retains broad powers over partners which have been expanded by the Localism Act, which could prove extremely useful to authorities in developing the partnership working aims we discussed above.
- 8.3 Some councils' approaches towards this appear problematic. In Council C, a rolling together of statutory scrutiny and policy-making functions may lead to difficulties on health scrutiny. Local authorities have powers to hold to account work carried out by the Health and Well-Being Board, and to examine the wider local commissioning and provider landscape. Although under legislation the business of health scrutiny is vested in the council itself (not requiring a dedicated health scrutiny committee) for practical purposes this may be difficult, as conflicts between the committee with the scrutiny responsibility and the Health and Well-Being Board arise. This may lead to an impasse on policy relating to the delivery of the council's public health functions, and the way that the HWB itself makes decisions.
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- 8.4 An early draft of Council L's plans suggested that a "mixed economy" of cabinet members and non-executive members could chair their cabinet committees, but revised proposals will see all committees being chaired by non-executive councillors. This provides additional clarity, recognising that scrutiny as a value, independent from decision-making, needs to be built in to new structures.
- 8.5 A common thread is the proposed recasting of the scrutiny function, away from solely "internal" issues (where discussions at committee may provide effective checks on decision-making) and towards horizon-scanning, identification of cross-cutting issues and, importantly, a focus on partnership working. There appears to be a real niche for member scrutiny here, under any structural arrangements, that can and should be exploited.
- 8.6 Ultimately, scrutiny is about ensuring that councillors have the confidence, capability and, importantly, the resources to review, on an objective cross-party basis, evidence relating to issues of public importance, and to suggest ideas for improvements based on the evidence they have considered - apart from but a part of the council's main business cycle. The structure for scrutiny - whether this happens in a place called a "scrutiny committee", or in "policy development committees" or "advisory groups" - is less relevant. What matters is the ambition for this kind of work to form part of councillors' roles, for members to provide a different perspective, and to add value, to discussions that happen as part of the formal decision-making process that gives this form of checks and balances its worth.

9. What will the final system look like?

- 9.1 This is the final step, not the first. Decisions on committee structures will need to follow the function of the different elements of a new governance approach.
- 9.2 As we noted in section four, there appear to be a multiplicity of different models – far more than the straightforward three options of committee, leader-cabinet and executive mayor. Although none of the authorities we have looked at propose to use prescribed arrangements under the Localism Act to design their own unique governance systems, as and when this happens it may well lead to far more differentiation⁴⁵.

⁴⁵ DCLG have not produced any advice or guidance on the criteria they will use to assess whether a proposed new arrangement will be approved.

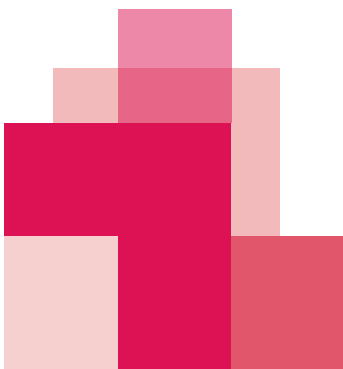
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- 9.3 We think it is better to think of the different structural approaches as a spectrum. On one end is the fully-fledged committee system, with significant autonomy between committees, and with little to no individual member delegation. No authorities propose a move to this model. Moving along the spectrum, Council C provides an example of an authority with a full committee system, but with a strong P&R committee to deal with cross cutting issues and provide oversight. Further along, fourth option councils provide a model for a more streamlined committee system that sees fewer committees, more delegation and some form of overview and scrutiny. Further along, we have hybrid systems such as Council L's, with its "ratification" system by cabinet committees; beyond this, the traditional leader-cabinet model, and finally the executive mayor model.
- 9.4 This is perhaps a theorist's assessment of the situation, but it does help to understand how delegation and consensus decision-making fit in, and how "formal" scrutiny methods become more important for internal decision making, the more delegation you have. We provide a visual interpretation of this as an appendix.
- 9.5 Difficulties will arise when councils seek to adopt structures that imply little delegation, but actually involve the exercise of significant executive powers – either formally, through Cabinet "ratification" in a hybrid system, or informally through strong control by committee chairs. Under these circumstances, form will not follow function and governance problems may well follow.
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Appendices

Published as separate documents

1. Showing the different governance options on a spectrum
2. The case study authorities in detail

Available at www.cfps.org.uk/committee-system



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Overview & Scrutiny Management Committee 26th November 2019

Evidence Session A

National Experts in Local Governance and Decision Making

Written Evidence From:

John Cade, Institute of Local Government Studies -
INLOGOV

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Sheffield City Council Overview and Scrutiny Management Committee

Briefing note from the Institute for Local Government Studies

Introduction

In preparation for the planned May 2020 referendum on moving the council to a committee system of decision making, the Overview and Scrutiny Management Committee is developing a set of principles on which any future City Council decision making structure should be based, and considering the strengths and weaknesses of different decision making structures. Inlogov welcomes the opportunity to contribute to this discussion.

This paper summarises the historical and legal background to local government political structures, evaluations of the cabinet model in England, examples of councils reviewing their governance, and guidance on how councils can do this effectively. We conclude with some personal reflections.

Background

Political structures in local government can be organised as a *centralised* political executive (a ‘mayor’ or ‘cabinet’ with specific powers and distinct from the wider body of councillors), or as a *decentralised* political executive (in which all or most of the elected representatives participate in the conduct of policy) (Collinge, 1997).

In the UK, local government responsibilities expanded rapidly from the 1850s, and each new service was linked to a new specialist board or committee. Over the next fifty years, these disparate services were pulled together by merging boards into ‘compendious’ authorities, but pre-existing committees retained considerable independence (Finer, 1934).

The pattern of ‘centrifugal’ tendencies towards decentralisation was reinforced by professional groups, the expansion of services, weak corporate centres and service-based central government funding. Meanwhile, there were competing ‘centripetal’ tendencies towards integration within a unified policy framework and administrative and political structures (Collinge, 1997).

After the Second World War, calls for greater coordination increased with a series of national reports (including by Maud, Redcliffe and Bains) and initiatives by local councils including grouping committees, appointing a chief officer, and introducing an overarching “policy and resources committee”. Some councils introduced ‘quasi-cabinets’ of committee chairs, although these were not always fully effective in providing corporate leadership (Borraz *et al.*, 1994).

The Widdicombe Inquiry (Widdicombe, 1986) made a number of recommendations to strengthen council leadership, formalise decision-making and separate politics and management. Decision-making committees were to reflect the political balance of the council and Chief Executives established as ‘head of the paid service’. The Government’s response (the *Local Government and Housing Act 1989*) only partially implemented the recommendations.

Michael Heseltine, as Secretary of State for the Environment, established a review of local authorities' internal organisation which reported in 1993. The report concluded that cohesion required a focussing of power and responsibility among leading politicians (rather than a managerial executive). It considered four international models of political executives: a directly elected 'mayor' (as in parts of the US and Germany), a directly elected multi-person executive, an indirectly elected 'mayor' (as in France) and a multi-person executive appointed from the council (a 'cabinet') (DoE, 1993).

Following the 1998 White Paper *Modern Local Government: In Touch with the People* (Department of The Environment and Regions, 1998), the Labour government passed the *Local Government Act 2000*. This abolished the committee system (for councils with a population over 85,000) and replaced this by an executive committee or 'cabinet' system with three options (Wilson and Game, 2011):

- Cabinet with leader: leader elected by the council majority while the executive councillors are either also elected by the council majority or appointed by the leader. This form was adopted by over 80% of councils.
- Directly elected mayor and cabinet: the mayor is elected by the local population and appoints a cabinet of councillors
- Directly elected mayor with council manager: the mayor is elected by the local population and the council appoints a council manager (this option was withdrawn in the *Local Government and Public Involvement in Health Act 2007*).

Under the *Localism Act 2011*, principal authorities are now allowed to return to decision-making by Committees. The take up of this option was explored by several councils in the initial period after the act, and there appears to be an increase in interest again this year – often as a result of public campaigns or elections resulting in “no overall control” arrangements.

The Local Authorities (Referendums)(Petitions)(England) Regulations 2011 make provision for holding a referendum on whether a local authority should change to a different form of governance where at least 5% of the local government electors in the authority's area petition the authority. Subject to certain exceptions, regulation 16 requires the holding of a referendum, following a valid petition, no later than the next ordinary day of election which follows the petition date. Regulation 17 sets out steps which must be taken by an authority before holding a referendum and requires the authority to draw up proposals in relation to the proposed form of governance.

Referendums to mandate a return to the committee system have been held at Fylde Borough Council in 2015 and West Dorset District Council in 2016. In Fylde Borough, the existing regulatory committees continued and four new committees were established around the policy areas of tourism and leisure; operational management; health and housing; and finance. In West Dorset a strategy committee replaced the former executive committee, with seats allocated in accordance with the number of councillors from each political party (West Dorset DC was abolished in 2019 and formed part of the new Dorset unitary authority).

Evaluation of the cabinet governance model in the UK

Evaluations of the 2000 reforms showed that they may have strengthened local political leadership, but non-executive councillors were felt to have lost influence (Wollmann, 2008). Decision-making was viewed to have become quicker, although this potentially increased risk if not preceded by effective pre-scrutiny.

The government's process evaluation of the new council constitutions in July 2004 concluded as follows (Stoker *et al.*, 2004):

- A mixed picture of reform has emerged with some parts of the system working better than others for example executive arrangements are operating better than overview and scrutiny functions on the whole. Some authorities have adapted more quickly than others. Some groups seem to be happier with the new arrangements than others with executive councillors, senior officers and stakeholders more positive about the system than non-executive councillors and junior officers.
- The implementation has been successful in that the new arrangements are in operation and enable decisions to be made on a relatively smooth basis. The forward plan and key decisions, although subject to a variety of interpretations, appear to have become a normal way of conducting business in most local authorities.
- Decision making is seen as speedier and leadership capacity enhanced. Councils seem better equipped to deliver better service delivery and community leadership and there is a sense among senior councillors, officers and stakeholders that the governance of local authorities puts them in a better position to go forward.
- There are areas where much more needs to be done to increase the transparency and accountability of the system and ensure non-executive councillors to realise the opportunities and potential afforded by their new roles.

Examples of councils reviewing their governance

The Centre for Public Scrutiny report, *Rethinking Governance*, summarises five case studies of councils reviewing their governance in the light of the Localism Act (CfPS, 2014):

- Cornwall (where the council kept the existing governance arrangements but changed some roles within that)
- Cambridgeshire (which moved to a committee structure in 2014)
- Stroud (which introduced a streamlined committee structure without a separate O&S function)
- Nottinghamshire (which moved to a committee structure with a separate O&S function).
- Kent (which has a hybrid arrangement, operating a leader-cabinet model but with decisions made by cabinet committees and ratified by the executive)

Guidance on reviewing council governance

Two useful documents concerning council governance are available from the Centre for Public Scrutiny:

- *Musical chairs: Practical issues for local authorities in moving to a committee system* (2012)
- *Rethinking Governance: Practical steps for councils considering changes to their governance arrangements* (2014)

This guidance proposes a number of principles for councils reviewing their governance arrangements:

- Be clear about the reasons and objectives for change
- Involve local partners who may be affected by change
- Think about how forward planning of decisions will be managed, and what decisions should be delegated to officers
- Consider the future contribution of the scrutiny function

Rethinking Governance proposes councils adopt a five step process:

1. Plan your approach, and assess your current position
2. Consider some design principles
3. Think of ways to meet these objectives and put a plan in place
4. Make the change
5. Return to the issue after a year and review how things have gone

Personal Reflections (John Cade)

As has been well documented, whilst structures are important, even more significant is the culture of the Council.

This has been most recently highlighted by the new Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities (May2019).

“The prevailing organisational culture, behaviours and attitude of an authority will largely determine whether its scrutiny function succeeds or fails.”

Your witness today has worked within both the Committee system and the Executive/Scrutiny model.

He has worked with a Committee Chair whose definition of a successful meeting was one that was over in less than 45 minutes, irrespective of the amount of business to be considered. At the same time, he has worked with a Committee Chair who ensured all viewpoints were heard before a decision was taken.

Similarly, he has worked with a Scrutiny Chair who just wanted a quiet life and another who ensured that all recommendations were evidence based.

Just changing the structures will not necessarily result in intended changes unless it is accompanied by a clarity in the way of working.

This is why your approach of looking at the principles which should underpin the referendum is so important. This prompts a number of questions including:

- What are understood to be the shortcomings of the current arrangements?
- Will moving to a Committee system by itself resolve any perceived shortcomings?
- The petition recognises that there can be no return to the pre-2000 committee structure – time has moved on – and it looks at taking the best of both structures. What does this mean?
- Is the “hybrid” arrangement, as operated by Kent County Council, relevant?
- Will a Committee system be better at engaging with local communities?
- Will a Committee system slow down decision making?
- Will moving to a Committee structure be neutral in terms of Officer delegations?
- Would a Policy and Resources Committee (if established) just be a Cabinet by another name?
- Will any new arrangements be cost neutral?

Just as good scrutiny is invariably about asking good questions (and not just about making statements), it is important that the Council poses pertinent questions to ensure that decisions are taken on the basis of the best possible evidence.

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Overview & Scrutiny Management Committee 26th November 2019

Evidence Session A

National Experts in Local Governance and Decision Making

Written Evidence From:

Judith Hurcombe, Local Government Association

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What principles should any future decision-making structure include?

- The speed of decision making

There are views that the cabinet style of decision making brings speedier decisions than the committee system, although as systems are not run in parallel to each other in the same council, it is harder to show this on a scientific and comparable basis. There is probably a relationship between the inclusivity of a system and its speed.

- Schemes of delegation

Irrespective of the type of decision-making structure, the pace of decision making and what is brought for councillors to decide is a key element. In some functions it can be easier to make comparisons on the delegation scheme, for example in planning and development control, as this data is published. In other areas it is not so straightforward. Committees and cabinet can be clogged up by a delegation scheme which is out of kilter with how the council wishes to operate, if insufficient volumes of decisions are not delegated. Ideally members would be deciding on issues which are the most strategic or present the most risk, in accordance with agreed parameters. But it is up to councillors, working with officers, to determine what the most appropriate level of delegation is for Sheffield, and then to reflect this in the constitution.

- Strategic decision making

Irrespective of the structure, decisions need to be made in a joined up way, and at a strategic level. This means councillors not getting too embroiled in the details. It can be argued that this is easier to achieve under a Cabinet system because there are leading councillors with clearly identified specialisms, and may be perhaps be more of a challenge for the committee system when councillors are in more generalist roles and are expected to know a bit about everything. A consideration needs to be therefore how will a committee system ensure that decisions are made on a strategic rather than narrow basis?

- Cross-party member involvement

Those in favour of a committee system would tend to argue that it allows for more cross-party involvement although much depends on the political balance of the council and how the numbers on each committee is calculated, which in turn is dependent on what you put into your constitution. Where there is a small political opposition those members can feel they are very stretched in a committee system because there are simply fewer of them to go around. Although councillors may feel involved at the point of decision making, arguably the strongest influence may come from those with the largest numbers, and thus the majority group.

There is also an issue about involvement, how councillors irrespective of role and seniority engage with each other needs to be facilitated and actively thought about irrespective of the type of system. Otherwise the default can be the Full Council meeting as the only formal part of the system where everyone has the opportunity to engage together. If that is the case, then the agenda and approach for that meeting should also be considered. Councillors should be considered as a valuable resource with finite amounts of time, and how to get the best out of them is important.

- Openness, transparency & accountability

Critics of a committee system would say that it produces less accountability than a cabinet system, simply because the latter has fewer individuals whereas a committee is likely to include large numbers of people present when the decision is made. In some councils individual cabinet members make delegated decisions and it is clear therefore who made individual decisions.

Transparency is not wholly about when or where the decision is made. Consideration needs to be given to how stakeholders can find out what the council is planning to do, and how they can engage in meaningful dialogue to share their views.

- Scrutiny & checks and balances

Irrespective of the type of arrangements, councils are expected to undertake scrutiny activity. This is often clearer in a cabinet system due to the requirement to have a clear executive/non-executive split. In committee structures how this is undertaken can sometimes be more opaque, as depending on the size of the committees there is potential for councillors to be involved in making a decision and then also scrutinising it, which could be regarded as marking one's own homework.

Scrutiny activity can add value to policy making if councillors are actively involved in considering what is proposed, researching it with others and making recommendations. But this activity should be clearly defined and accessible to the public.

- Forward planning of decisions

In accordance with the requirements of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 ("the Regulations" which came into effect on 10 September 2012), the council must give notice of intention on key decisions that it intends to make. The notice period is 28 clear days.

Councils are no longer statutorily required to publish a Forward Plan. Some councils still broadly abide with the principles of the Forward Plan, including sometimes the decisions which will be made by cabinet, individual cabinet members and officers. It could be argued to be good practice to do this anyway, as it provides further opportunities for people to engage with the council.

- Cost

All systems will involve a degree of cost, in not only the straightforward cost of meeting rooms and providing democratic services support to run the meetings. If the council's meetings are still largely paper-based, then there is also the environmental cost of paper, printing and delivery to consider.

There is also the cost of officers' time in developing papers for meetings, and attending those meetings, irrespective of the system. Opportunity cost also needs to be considered: are you able to make the best use of officers' time, so the duplication of their efforts is minimised? Care needs to be given to ensuring that duplication is minimised, so that the same people are not turning out for the same meetings, without decisions being made: this applies to both councillors and officers.

The broad principles that any decision-making structure should consider:

- Make it right for everyone, irrespective of personalities or current arrangements or political parties
- You could consider also explore what others are doing on hybrid arrangements, such as executive advisory committees
- Think about how easy (or not) it is for stakeholders to engage with the council and its councillors, and whether your current and proposed structures allow for this
- The quality of member-officer relationships member-member relationships and clarity of understanding of respective roles/responsibilities
- Arrangements (process and culture) in place to ensure timely scrutiny, challenge and performance management – including Overview and Scrutiny
- Arrangements for reviewing and refreshing the governance essentials (e.g. constitution, scheme of delegation scheme, procurement, code of conduct, and other operating policies/procedures)

- Staff engagement mechanisms and internal communications
- Leadership development – including member development/support to members in key roles and management training and development

Judith Hurcombe, Programme Manager, LGA, November 2019

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Overview & Scrutiny Management Committee 26th November 2019

Evidence Session B

How Decision Making Currently Works in Sheffield City Council

Written Evidence From:

Gillian Duckworth, Director of Legal and Governance,
Sheffield City Council

Laurie Brennan, Head of Policy and Partnerships and
Statutory Scrutiny Officer, Sheffield City Council.

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Decision Making

The legislation governing the Cabinet model divides the Council's functions and each functions' associated decision making, into two categories, Executive and Non-Executive.

Executive Functions

All delegations of executive functions are detailed within the Leader's Scheme of Delegation. The Scheme is presented to the Annual General Meeting of the Council by the Leader.

The principle of the scheme is that subject to reservations all decisions are delegated to the Chief Executive and the relevant Executive Director or Director where the matter falls within the area of their responsibility. These delegations are then exercised by officers on behalf of the Executive Director or Director in accordance with any portfolio delegations. These delegations can only be exercised where they are within the current budget framework and would not be contrary to any Council policy. There are specific delegations to certain officers within the Scheme in the areas of Property, Legal, HR, charitable functions, Highways PFI, Enterprise programme etc.

The scheme sets out what matters are reserved either to Cabinet or to a Cabinet Member. These reservations are intended to ensure that the most important decisions are taken by Cabinet or a Cabinet Member (e.g. major policy issues, high value or long term contracts, grant aid and loans above certain values, or significant service redesign). Cabinet also has a specific delegation so it may take any decision even if not reserved.

The scheme includes a definition of a Key Decision as an Executive decision which is likely:

- To significantly affect our budget (currently fixed at £500,000+)
- or to be significant in terms of its effect on communities living or working in an area comprising 2 or more Wards in the City

The law requires 28 days' notice to be given of the Council's intention to take a Key Decision and we do this by publishing a Forward Plan.

There are provisions for senior officers to take executive decisions in the case of extreme urgency with a requirement of reporting.

Where an officer has a delegation they may still feel it is appropriate for the decision to be taken either by Cabinet or the relevant Cabinet Member and that will usually be

decided in consultation with the Cabinet Member. Even where an officer does take a decision they may consult a Cabinet Member before that decision is made.

There is no formality to the recording of officer decisions, unless they are key decisions, in which case a full report is prepared, the decision is published on the Council website and they are subject to call-in.

In addition the 2014 Openness Regulations require that a Decision Record is produced in the following circumstances:

- decisions of public interest
- decisions which are likely to be challenged by residents, partners or third parties
- decisions which are subject to EIA's which have shown a significant impact on a specified group/groups
- service reductions which are significant but do not fall within the Key Decision criteria
- any decision which the Director of Legal and Governance directs should be published
- decisions taken by delegated authority granted by the Executive (Cabinet, Cabinet Committee or ICM)

There is an element of subjective assessment required but you will see from the Appendix that a number of these decisions are recorded and published

Non-executive Functions

Non-executive functions are those exercised by the Full Council or delegated to a Committee of the Council. Officer delegations arise from specific delegations in the Council Constitution or from a relevant Council Committee (e.g. Planning or Licensing). Sometimes there are statutory delegations or restrictions on what may be delegated to officers and these are reflected in those schemes. Delegations to officers tend to be to grant applications that are unopposed or uncontroversial or to take regulatory enforcement action.

The Council's constitution sets out the list of non-executive functions and provides where functions can be exercised by an officer and committee or sub-committee.

The Executive

The Leader can appoint a minimum of two and a maximum of nine Cabinet members to form an Executive.

The current Cabinet has 10 members including the Leader and they are all appointed from the ruling group.

Overview and Scrutiny

Overview and Scrutiny must be sufficient. It is carried out in Sheffield by 5 Scrutiny Committees:

Overview and Scrutiny Management Committee (OSMC)

Children Young People and Family Support (CYPFS) Scrutiny Committee

Economic and Environmental Wellbeing (EEW) Scrutiny Committee

Healthier Communities and Adult Social Care (HCASC) Scrutiny Committee

Safer and Stronger Communities (SSC) Scrutiny Committee

The make-up of the Committees reflects the political balance of the Council, they are chaired by Councillors from the ruling group, with deputy chairs from the opposition. The CYPFS Scrutiny Committee has statutory co-optees as members in addition to elected members, and HealthWatch Sheffield sit as an observer member on the CYPFS and HCASC Scrutiny Committees. Each Committee meets approximately 6 times a year and carries out a range of work including pre-legislative scrutiny, policy development, performance monitoring, task and finish groups and call-in of executive decisions. There are also additional powers for scrutinising the planning and provision of NHS funded services and community safety.

Scrutiny can significantly enhance local democratic accountability by holding the Executive and public service providers to account but also by positively contributing to policy making at local level. The recent guidance from Government on local scrutiny demonstrated that our approach to Overview and Scrutiny is comparatively strong and is in line with good practice. However, there are other approaches that we could take which may enhance accountability and enhance opportunities for the public to be involved in the city's governance. This includes:

- Consider alternative ways of selecting Scrutiny Committee Chairs
- Increasing or formalising the role of scrutiny in the policy making process – ensuring that Scrutiny can contribute to policy making before Executive decisions are made
- The number, scope and meeting frequency of scrutiny committees – with officer capacity to support the work of those committees
- Co-optees – look to enhance the voices involved in scrutiny committees by co-opting citizen representatives in addition to the 'observer' co-optees that we have on health and social care committee (ie. HealthWatch).

- Increase citizen engagement in scrutiny – this is less about public attendance at meetings (although this would be welcomed) and more about developing communications and engagement channels to increase the profile of scrutiny.
- Extending the reach of scrutiny – local overview and scrutiny is often seen as something that is *for* and *about* local government but, alongside the existing statutory health scrutiny responsibilities, there is an opportunity for scrutiny to play a wider role in holding wider public services to account at the local level. There could be opportunities to work with the Police and Crime Panel, neighbouring local authorities or the SCR Scrutiny Committee, looking at pan-locality issues. This could be an opportunity to increase the relevance of scrutiny to citizens by focusing on the key local service issues that they are concerned about, harnessing the council's democratic legitimacy to scrutinise other services that may have no direct democratic accountability other than to Government Ministers.

Scrutiny in a Committee System

Scrutiny committees are not a requirement of a committee system but they can exist, and would have the same powers and functions (other than call-in) as the current scrutiny committees. The statutory duties on the authority to scrutinise health and community safety in its area remain in place. If Scrutiny Committees are not in operation, the authority must specify how these will be scrutinised, either by the full council or by one of its committees.

The Appendix

The Appendix provides various data sets and information about decision making and also sets out some illustrative examples of how a committee model could be structured and what political proportionality might look like under such structures, based on our current political balance.

Gillian Duckworth

Director of Legal and Governance

Appendix

Formal decision making

The following provides a snapshot of activity in the past 18 months, based upon the current Leader's Scheme of Delegation and an indication of decisions taken in different portfolio areas and the amount of business that might need to be accommodated in a future committee structure.

Number of Cabinet and Individual Cabinet Member (ICM) decisions taken from May 2018 to 15 November 2019:-

Cabinet Portfolio	ICM	Cabinet	Total (ICM + Cabinet)
Leader	8	1	9
Transport and Development	38	22	60
Finance (inc. Resources and Governance)	9	62	71
Environment and Streetscene	7	5	12
Culture, Parks and Leisure	5	17	22
Education and Skills	4	14	18
Children and Families	3	33	36
Health and Social Care	6	27	33
Neighbourhoods and Community Safety	10	14	24
Business and Investment	1	6	7
Total	91	201	292

Number of Officer Non Key Decisions (May 2018 to 15 November 2019) – 111

Volume of Meetings

There were 42 formal meetings held in the Municipal Year 2018/19 across the Cabinet and 5 Scrutiny Cttees (see below).

Actual meetings held in 2018/19 under the current model – Cabinet (monthly) & Scrutiny Cttees (bi-monthly)

Cabinet	12 meetings
Overview and Scrutiny Management Cttee	5 meetings
Children, Young People & Family Support Scrutiny Cttee	7 meetings
Economic & Environmental Wellbeing Scrutiny Cttee	5 meetings
Healthier Communities & Adult Social Care Scrutiny Cttee	7 meetings
Safer & Stronger Communities Scrutiny Cttee	6 meetings
Total =	42 meetings

Meetings and decisions - What do we publish now?

Meetings

- Council side and Executive meetings - Committee agendas, reports, decision records and minutes, other information including attendance and declarations of interest
- Council (in addition to above) - Motions, Amendments, Members' Questions and Membership reports
- Calendar of meetings
- Council, Cabinet and Scrutiny Committee meetings are webcast and these can be viewed live or at a later date.

Plans

- Forward Plans of forthcoming executive decisions

Decisions

- Decision register and decision records, reports and summaries for individual key and non-key decisions taken by the Leader, Cabinet Members, Executive Directors and officers, including non-key officer decisions

E-Petitions portal and lists of petitions received and action taken

Other supporting documents, including

- Constitution
- Leaders Scheme of Delegation
- Portfolio Schemes of Delegation
- Memberships
- Directors' responsibilities
- Monthly minute book

Cost of meetings

There may be financial implications of changing to a different form of governance. The costs of a committee system will depend on the number of committees and the level of support required for a different structure. The estimated cost of democratic services support per meeting is set out, as follows:

Activity	Estimated hours	Cost (hourly rate £50 p/hour) £
Lead-in/coordination/preparation/publication etc -	8	400
meeting time	3	150
Post meeting work hours	8	400
Total (hours/cost)	19	950
30% (overhead)		285
Total cost per meeting (including 30%)		1,235

Members' Allowances

- Details of the allowances paid under the current 2019/20 Members' Allowances Scheme is set out below.
- A review of the Members' Allowances Scheme would be required for a new governance model, including consideration by the Independent Remuneration Panel. The recommendations of the Panel would then be considered by Council as part of its decision making on a new Members' Allowances Scheme.
- Members' roles and responsibilities would need to be defined and an assessment made of the value which might be attached to the respective roles within the decision making structure.

Current Members' Allowances Scheme 2019/20

<u>Post (& number of Members)</u>	<u>Amount of Allowance</u>	<u>Total Amount Paid</u>
- Basic Allowance (84)	£12,339.01	£1,036,476.84
- Leader	£19,090.68	£19,090.68
- Deputy Leader	£ 9,545.35	£ 9,545.35
- Cabinet Members (8, in addition to Leader and Deputy)	£ 9,545.35	£76,362.80
- Lead Member for Scrutiny (and Chair of O&S Management Committee and a Scrutiny Committee)	£ 7,890.82	£ 7,890.82
- Chairs of Scrutiny and Policy Development Committees (3)	£ 7,890.82	£23,672.46
- Leader of Opposition Groups with more than 20% of the membership of the Council (1)	£ 7,890.82	£ 7,890.82
- Chair of Planning and Highways Committee (2 Joint Chairs)	£ 5,536.30	£11,072.60
- Chair of Licensing Committee (2 Joint Chairs)	£ 5,536.30	£11,072.60
- Local Area Partnership Chairs (7)	£ 5,536.30	£38,754.10
- Opposition Group Office Holders (2)	£ 5,536.30	£11,072.60
• with more than 40% membership of the Council (3)		
• with more than 30% membership of the Council (2)		
• with more than 20% membership of the Council (1)		
- Cabinet Advisers (10)	£ 4,359.04	£43,590.40
- Deputy Chair of Licensing Committee (0)	£ 3,181.78	-
- South Yorkshire Pensions Authority - Member (5)	£ 3,557.20	£17,786.00
- Chair (0)	£11,777.38	-
- V/Chair (0)	£ 5,888.69	-

Political Proportionality under a Committee System

- Composition of the Council in 2019/20 is –

Labour:	$49 \div 84 \times 100 =$	58.34%
Liberal Democrat:	$26 \div 84 \times 100 =$	30.95%
Greens:	$8 \div 84 \times 100 =$	9.52%
Other (Cllr Clarkson):	$1 \div 84 \times 100 =$	1.19%
- Based on this composition, any committee established with 6 or more seats provides representation for all 3 political groups.
- Council Procedure Rule 25.4 specifies that every Member of the Council, except those appointed to the Cabinet, shall be appointed a member of at least one Scrutiny and Policy Development Committee or one Regulatory Committee.
- Using this principal under the committee system would mean ensuring a minimum of 84 seats across the main committees (i.e. Planning & Highways Cttee, Licensing Cttee, a single Scrutiny Cttee?, a Policy Cttee?, other Cttees to be established).
- Planning & Highways Cttee has been established with 13 seats, and Licensing Cttee has been established with 15 seats, a total of 28 seats. Retaining these Cttees and their sizes, would leave a further requirement of 56 seats.
- Establishing a single Scrutiny Cttee (to undertake the residual statutory scrutiny functions) with 13 seats would increase the total to 41 seats, leaving a further requirement of 43 seats.
- Establishing 3 further Cttees with 15 seats each would increase the total to 86 seats, just sufficient to cover the requirement to provide a seat for all 84 Members of the Council. This would be the minimum requirement in order to accommodate all 84 Members.
- Table 1 below illustrates how this minimum structure may work in practice. The 3 new Cttees, for example, could be based on the structure of the Council (People, Place & Resources).
- Another option (table 2 below) would be to establish 5 new Cttees (to replace the current Cabinet & Scrutiny Cttees) based on the remit of the current Scrutiny Cttees, i.e. (1) Children, Young People & Family Support, (2) Economic & Environmental Wellbeing, (3) Healthier Communities & Adult Social Care, (4) Safer & Stronger Communities and (5) Finance & Resources (as replacement for the Overview & Scrutiny Management Cttee).

- Table 3 below illustrates a structure of 10 new Committees (to replace the current Cabinet & Scrutiny Cttees) based on the current portfolios of the Cabinet Members (with a Policy & Scrutiny Cttee as replacement for the Leader’s portfolio).
- Table 4 below illustrates a structure with one decision making Committee and one Scrutiny Committee (to replace the current Cabinet & Scrutiny Cttees).

Table 1 - Illustrative Example of Proportional Seat Allocations to Political Groups based on the 2019/20 composition and the minimum Committee Structure of 3 Committees

Committee	Labour	Lib Dem	Green	Other	Total
People Services Cttee	9	5	1	0	15
Place Cttee	9	5	1	0	15
Resources Cttee	9	5	1	0	15
Scrutiny Cttee	8	4	1	0	13
Planning and Highways Cttee	8	4	1	0	13
Licensing Cttee	9	5	1	0	15
Sub-total seats on main Cttees (no. of Members of Group)	52 (49)	28 (26)	6 (8)	0 (1)	
Audit & Standards Cttee	4	2	1	0	7
Admissions Cttee	4	2	1	0	7
Senior Officer Employment Cttee	9	5	1	0	15
Appeals and Collective Disputes Cttee	9	5	1	0	15
Total Initial Allocation	78	42	10	0	130
Overall Political Balance Requirement	76	40	12	2	130
Adjustments Required	-2	-2	+2	+2	

Total of 130 seats (86 of which are seats on “main” Cttees i.e. a surplus of 2 seats in relation to accommodating all 84 Members)

Labour $130 \times 58.34\% = 75.84$ (75) +1 = 76

Liberal Democrat	130 x 30.95% = 40.23	(40)		= 40
Greens	130 x 9.52% = 12.38	(12)		= 12
Other	130 x 1.19% = 1.55	(1)	+1	= 2
		(128)		(130)

4 adjustments required (1 seat from 4 different Committees) – a minimum of 3 seats required from a “main” cttee.

Table 2 - Illustrative Example of Proportional Seat Allocations to Political Groups based on the 2019/20 composition and a Committee System of 5 Committees

Committee	Labour	Lib Dem	Green	Other	Total
Children, Young People & Family Support Cttee	8	4	1	0	13
Economic & Environmental Wellbeing Cttee	8	4	1	0	13
Healthier Communities & Adult Social Care Cttee	8	4	1	0	13
Safer & Stronger Communities Cttee	8	4	1	0	13
Finance & Resources Cttee	8	4	1	0	13
Planning and Highways Cttee	8	4	1	0	13
Licensing Cttee	9	5	1	0	15
Sub-total seats on main Cttees (no. of Members of Group)	57 (49)	29 (26)	7 (8)	0 (1)	
Audit & Standards Cttee	4	2	1	0	7
Admissions Cttee	4	2	1	0	7
Senior Officer Employment Cttee	9	5	1	0	15
Appeals and Collective Disputes Cttee	9	5	1	0	15
Total Initial Allocation	83	43	11	0	137
Overall Political Balance Requirement	80	42	13	2	137
Adjustments Required	-3	-1	+2	+2	

Total of 137 seats (93 of which are seats on “main” Cttees i.e. a surplus of 9 seats in relation to accommodating all 84 Members)

Labour	137 x 58.34% = 79.93	(79)	+1	= 80
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Liberal Democrat	137 x 30.95% = 42.40	(42)		= 42
Greens	137 x 9.52% = 13.04	(13)		= 13
Other	137 x 1.19% = 1.63	(1)	+1	= 2
		(135)		(137)

4 adjustments required (1 seat from 4 different Committees) – a minimum of 2 seats required from a “main” cttee.

Table 3 - Illustrative Example of Proportional Seat Allocations to Political Groups based on the 2019/20 composition and a Committee System with 10 Committees

Committee	Labour	Lib Dem	Green	Other	Total
Policy & Scrutiny Cttee	4	2	1	0	7
Business & Investment Cttee	4	2	1	0	7
Children & Families Cttee	4	2	1	0	7
Culture, Parks & Leis Cttee	4	2	1	0	7
Education & Skills Cttee	4	2	1	0	7
Env., Streetscene & CC Cttee	4	2	1	0	7
Finance, Res & Gov Cttee	4	2	1	0	7
Health & Social Care Cttee	4	2	1	0	7
N/Hoods & C/Safety Cttee	4	2	1	0	7
Transport & Dev’t Cttee	4	2	1	0	7
Planning and Highways Cttee	8	4	1	0	13
Licensing Cttee	9	5	1	0	15
Sub-total seats on main Cttees (no. of Members of Group)	57 (49)	29 (26)	12 (8)	0 (1)	
Audit & Standards Cttee	4	2	1	0	7
Admissions Cttee	4	2	1	0	7
Senior Officer Emp Cttee	9	5	1	0	15
Appeals and C/Disputes Cttee	9	5	1	0	15
Total Initial Allocation	83	43	16	0	142
Overall Political Balance Requirement	83	44	13	2	142
Adjustments Required	0	+1	-3	+2	

Total of 142 seats (98 of which are seats on “main” Cttees)

Labour	142 x 58.34%	=	82.84	(82)	+1	= 83
Liberal Democrat	142 x 30.95%	=	43.95	(43)	+1	= 44
Greens	142 x 9.52%	=	13.52	(13)		= 13
Other	142 x 1.19%	=	1.69	(1)	+1	= 2
				(139)		(142)

3 adjustments required (1 seat from 3 different Committees) – a minimum of 1 seat required from a “main” cttee.

Table 4 - Illustrative Example of Proportional Seat Allocations to Political Groups based on the 2019/20 composition and a Committee System with 1 Committee and 1 Scrutiny Committee

Committee	Labour	Lib Dem	Green	Other	Total
1 Cttee	9	5	1	0	15
1 Scrutiny Cttee	9	5	1	0	15
Planning and Highways Cttee	8	4	1	0	13
Licensing Cttee	9	5	1	0	15
Sub-total seats on main Cttees (no. of Members of Group)	35 (49)	19 (26)	4 (8)	0 (1)	
Audit & Standards Cttee	4	2	1	0	7
Admissions Cttee	4	2	1	0	7
Senior Officer Employment Cttee	9	5	1	0	15
Appeals and Collective Disputes Cttee	9	5	1	0	15
Total Initial Allocation	61	33	8	0	102
Overall Political Balance Requirement	59	32	10	1	102
Adjustments Required	-2	-1	+2	+1	

Total of 102 seats.

Labour	102 x 58.34%	=	59.51	(59)		= 59
Liberal Democrat	102 x 30.95%	=	31.57	(31)	+1	= 32
Greens	102 x 9.52%	=	9.71	(9)	+1	= 10
Other	102 x 1.19%	=	1.21	(1)		= 1

(100)

(102)

3 adjustments required (1 seat from 3 different Committees). The total of 102 seats (split 59 : 32 : 10 : 1) provides sufficient seats for all Members of each Group (49 : 26 : 8 : 1).

However, there are only 58 seats on the four "main" Cttees – i.e. a shortfall of 26 seats in order to accommodate all 84 Members. In order to accommodate all 84 Members, these four Cttees would need to be established with a minimum of 21 seats. The initial allocation would be 12.25 / 6.5 / 2 / 0.25 – meaning one committee split 13 : 6 : 2 : 0 , two split 12 : 7 : 2 : 0, and one split 12 : 6 : 2 : 1.