



Name of meeting: Corporate Governance and Audit

Date: 22 April 2022

Title of report: Committee System Proposal – Democracy Commission Update

Purpose of report: A motion was received at Annual Council on 19th May 2021 which requested the Corporate Governance and Audit Committee consider a report that would enable the council to make a decision on whether to move from the strong leader and cabinet system to a committee system. This report sets out the progress of the Democracy Commission to date in addressing the terms of reference agreed by Corporate Governance and Audit Committee.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u> ?	No
The Decision - Is it eligible for call in by Scrutiny?	No
Date signed off by <u>Strategic Director</u> & name	Rachel Spencer Henshall – 6 April 2022
Is it also signed off by the Service Director for Finance?	Not applicable
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft – 12 April 2022
Cabinet member portfolio	Cllr Paul Davies

Electoral wards affected: All

Ward councillors consulted: No

Public or private: Public

Has GDPR been considered? No GDPR implications

1. Summary

- 1.1 The Corporate Governance and Audit Committee has a clearly defined and important role in ensuring the adequacy of the Corporate Governance arrangements and monitoring and reviewing the operation of the Council's constitution. As a result, the Committee has been central in the oversight of the ongoing work in relation to the review and examination of alternative models of Governance.

2 Information required to take a decision

- 2.1 On 24th September 2021 Council approved the appointment of the Local Government Advisor (LGA), Mark Edgell to advise and work with Councillors on the governance review process. Council further approved that the Corporate Governance and Audit committee be tasked with determining the next steps of the proposal for a committee system arrangement
- 2.2 Subsequently, an informal session was arranged on 13th October 2021 with this Committee to receive further advice from the LGA and discuss the approach to the review of the different governance models available. Mr Edgell attended that session and discussed the various governance models available, the approach to a governance review and the issues specific to Kirklees.
- 2.3 On 4th November 2021 an all-Councillor committee system session was held to discuss the issues together, in a balanced, neutral way and to capture the views of all members. The outcome report of that session was considered by this committee on 26 November 2022. The Committee determined that further work should be undertaken to consider:
- (i) further evidence from LA's who had moved from cabinet and scrutiny model to a committee system
 - (ii) further evidence from LA's who had moved from committee system to cabinet and scrutiny model
 - (iii) further evidence from LA's who had returned to a cabinet and scrutiny system after changing to a committee system
 - (iv) how the evidence base for decision making could be improved
 - (v) how the rationale for decision making could be more effectively communicated
 - (vi) how non-executive members could influence decision making
 - (vii) how pre-scrutiny consideration could be improved.
- 2.4 On 26th November 2021 the Corporate Governance and Audit Committee resolved that the Democracy Commission be convened to undertake this work. The Terms of Reference for the review were set and agreed by the Corporate Governance and Audit Committee on 21st January 2022 and are set out at Appendix 1

- 2.5 An initial meeting of the Democracy Commission was held on 19th January to discuss the terms of reference and proposed methodology for the review work. Further meetings were held on 14th February and 24th March to refine and finalise the local authorities and witnesses that the Commission wishes to hear from, identify research areas and to develop some key lines of enquiry to inform the evidence gathering sessions.
- 2.6 The Commission have identified a number of local authorities they wish to hear from and have looked to achieve a balance between those Council's operating under a Leader and Cabinet Model and those operating under a Committee System model.
- 2.7 Approaches have been made to Brighton and Hove, Wirral and Cambridgeshire (committee system) along with Nottinghamshire County Council, Newark in Sherwood and Plymouth and Basildon (Cabinet and Leader).
- 2.8 The Democracy Commission have recognised that exploring and considering the terms of reference in an arena of considering different avenues of governance is an extremely large piece of work in a complex area and have concluded that it is not realistic to complete this work in advance of the 2022 Annual Meeting.
- 2.9 As such, a draft timeline has been developed that will allow for a comprehensive evidence-based review that will enable the Commission to hear from all relevant stakeholders and partners, including Local Authorities operating under different models of governance. The indicative timeline is set out within the document at Appendix 2 and has been developed to allow for scheduling of a large number of witnesses, set out at Appendix 3. It is envisaged that evidence sessions will take place through the summer, followed by evaluation sessions to inform the final draft report of the Commission. A final report back to this Committee is planned for the late Autumn/Winter.

3 Implications for the Council

3.1 Working with People

The Council's capacity to work effectively and to deliver all aspects of its corporate outcomes is underpinned by ensuring that it takes informed and transparent decisions with openness and accountability. The Council's choice of governance arrangements is fundamental to this. The decision-making structure of the Council should provide a framework of transparent accountability to users, stakeholders, and the wider community.

3.2 Working with Partners

No implications

3.3 Place Based Working

No implications

3.4 Climate Change and Air Quality

No implications

3.5 Improving outcomes for children

No implications

3.6 Other (e.g. Legal/Financial or Human Resources) Consultees and their opinions

There are likely to be resource implications to the review due to the scope of reviewing governance models, complexity and timeframe involved. It may be necessary to instruct external support such as an expert advisor or additional legal support. The committee may recommend actions that have a financial implication, including an impact on the Members' Allowances Scheme, and these should be contained within the committee's findings.

A review of governance arrangements will need to ensure that the recommendations are in accordance with the Localism Act 2011 and other relevant legislation, particularly the Local Government Acts and the timeframes included therein.

Next steps and timelines

The Democracy Commission will progress its work in line with the methodology and timelines set out in the report and appendices, with updates provided at each Corporate, Governance and Audit Committee meeting.

4 Officer recommendations and reasons

That Corporate Governance and Audit committee notes the work of the Democracy Commission to date along with the timelines set out in the report.

5 Cabinet Portfolio Holder's recommendations

Not applicable

6 Contact officer

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7. Background Papers and History of Decisions

AGM: 19 May 2021

[Agenda for Annual Council on Wednesday 19th May 2021, 12.30 pm | Kirklees Council](#)

Council: 8 September 2021

[Agenda for Council on Wednesday 8th September 2021, 5.30 pm | Kirklees Council](#)

Corporate, Governance and Audit: 24 September 2021

[Agenda for Corporate Governance and Audit Committee on Friday 24th September 2021, 10.00 am | Kirklees Council](#)

Corporate, Governance and Audit: 26 November 2021

[Agenda for Corporate Governance and Audit Committee on Friday 26th November 2021, 10.00 am | Kirklees Council](#)

Corporate, Governance and Audit: 21 January 2022

[Agenda for Corporate Governance and Audit Committee on Friday 21st January 2022, 10.00 am | Kirklees Council](#)

7 Service Director responsible

Julie Muscroft, Legal, Governance and Commissioning

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Terms of Ref for Democracy Commission:

1. To review the advice, conclusions and recommendations of the LGA Independent Advisor.
2. To consider evidence from other Local Authorities operating under alternative models of governance such as those who have changed from:
 - Leader and Cabinet model to a Committee System.
 - Committee System to Leader and Cabinet model.
 - Leader and Cabinet and changed to Committee system and back to a Leader and Cabinet model
3. To review the current model in light of evidence from other Councils/Models and consider whether more inclusive decision making can be achieved through:
 - Strengthening the impact of scrutiny – Increased member involvement and focus on pre-decision scrutiny
 - Increased understanding of evidence, openness and transparency in relation to Cabinet Decision Making
 - Improved flow of information and processes in place
4. To submit a report to Corporate Governance and Audit Committee setting out findings and recommendations arising from the review.
5. The Commission will report back to Corporate Governance & Audit committee at every meeting.

Meeting Dates/Timelines

Appendix 2

Date	Agenda items
19/01/2022	<ul style="list-style-type: none"> • Consider and Approve Project Plan • Agree Terms of Reference
14/02/2022	<ul style="list-style-type: none"> • Identify Local Authorities • Identify Witnesses • Discuss timeline • Scheduling and running order – Group sessions/individual
24/03/2022	<ul style="list-style-type: none"> • Update on contact with Local Authorities • Update on witnesses/groups • Agree Timelines • Agree key line of enquiry/questions for evidence sessions
18/5/2022	<ul style="list-style-type: none"> • Finalise and agree key lines of enquiry • Agree communications and invites for written submissions
Summer 2022 (dates tbc)	<p>Evidence Sessions</p> <ul style="list-style-type: none"> • Witnesses/contributors tbc
Early Autumn 2022 (date tbc)	<p>Evaluation Session</p> <ul style="list-style-type: none"> • Meet to discuss outline/key areas for inclusion in final report and potential recommendations based on evidence sessions
Late Autumn/Winter 2022 (date tbc)	<p>Consideration of Final Draft Report</p> <ul style="list-style-type: none"> • Meet to agree report in advance of submission to CGA

Appendix 3

List of Witnesses – Democracy Commission

- Local Authorities (x 6)
- Group Leaders
- Former Cabinet Members
- Cabinet Members
- Former Scrutiny Chairs
- Scrutiny Chairs
- WYCA/Regeneration Partners
- West Yorkshire Monitoring Officers
- Local Government Association
- Any additional witnesses (from written submissions inc ward members)
- Senior Officers

Written Submissions

- Ward Members
- Member of Public
- Report writers

Partners

- Youth Council
- Civic Society
- 3rd Sector
- Health
- Education
- Police

