



Report on Change of Governance Model

1. Background

- 1.1 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.
- 1.2 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.
- 1.3 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 CGA 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.

- 1.4 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**

The Commission

- 1.5 During the research and planning process the Commission identified a number of local authorities they wish to hear from in line with the terms of reference with an aim to achieve a balance between those Council's operating under a Leader and Cabinet Model and those operating under a Committee System model.
- 1.6 Evidence has been heard from Brighton and Hove, Cambridgeshire (committee systems) along with, Newark in Sherwood and Basildon (Cabinet and Leader).
- 1.7 Following those sessions the Commission reconsidered the evidence they had heard from the Local Authorities, report from the LGA and recommendations of Mark Edgell, the written submissions submitted by Members, stakeholders and officers and drafted recommendations for Corporate Governance And Audit to Committee.
- 1.8 At the conclusion of the review process, particularly after the evidence from the Local Authorities, consideration of the SWOT analysis (**Appendix 1 and 2**) and hearing from a variety of witnesses the Commission recommended The Cabinet and Strong Leader model as the most suitable governance model with some improvements as the method in terms of decision making for Kirklees. It also became evident that feelings of disengagement from the democratic process experienced by some councillors had resulted from 'cultural' rather than 'procedural' issues that could be addressed from within the current governance model.
- 1.9 During the review members and officers identified and recommended some measures intended to facilitate the 'cultural shift' required to better enable all councillors to make an active and informed contribution to the business of the Council.
- 1.10 This report summarises the review methodology; feedback from witnesses and key messages from stakeholders; evidence gathered from meetings with four councils operating committee systems and cabinet strong leader models of governance; and makes recommendations in light of these.

2. Methodology

- 2.1 The review was broken down into two phases. The first, where, through the LGA consultation and initial work with Members this provided valuable feedback from members and initial recommendations from Mark Edgell, LGA

Adviser to start to identify areas of concern, reasoning for the change of model and potential improvements. As a result of this CGA agreed a set of terms of reference for the Commission to explore further.

2.2 The second phase was the Commission considering the following: -

- Development of a project plan
- Identify key lines of enquiry
- Desk top research including national publications and guidance
- SWOT Analysis
- Local Authority evidence sessions with Local Authorities
- Consideration and review of written evidence submissions from Members, officers and external stakeholders and partners

2.3 The evidence sessions and reports considered the reasons and expectations held of those local authorities administering a Committee system or had previously done so.

2.4 Largely, the reasons stated for such a change often related to a political change and included the belief that the Committee system was inherently more open and democratic, or that existing scrutiny arrangements needed to be improved or were ineffective, and that it was more inclusive of a greater number of Members. The expectations, therefore, in deciding to change to the Committee system were that the perceived weaknesses identified as resulting from the Leader and Cabinet model would automatically be addressed by moving to the Committee system.

2.5 The Commission did not find any definitive evidence to support this supposition. In 'Musical Chairs: Practical Issues for Local Authorities in moving to a committee system' the Centre for Public Scrutiny 1 suggested that, rather than one or other governance model being 'better' than the alternative, it was the culture and behaviours prevailing within local authorities that had the most impact, more than formal structures and processes. This was also very apparent and came through strongly as a key message in the evidence the Authorities gave to the Commission.

2.6 All members of the Commission acknowledged that culture was key and there was a recognition by the majority of members that either a committee system or Cabinet Model will work depending on the culture as well as the systems and processes in place.

3. Stakeholder, Member and Officer Feedback

3.1 The Commission wrote to a number of external partners and organisations during the review and received responses from some organisations, Members and officers.

3.2 The responses were varied but there were a number of key issues highlighted in the main they related to support for greater engagement for members,

improvement of scrutiny/pre-decision scrutiny, transparent and enhanced flow of information and more support than not to retain the current model.

3.3 Key messages from Local Authorities

- The driver for change to a committee system was hugely reliant on consensus politics across the council to make it work effectively.
- Culture of the organisation is crucial – whatever the system, it is unlikely to work if culture is poor. For decision making to work effectively it needed openness and a willingness to work with people collaboratively.
- If a committee system – No formal independent scrutiny process as it is performed by the committees when making the decisions, with the exception of Health Scrutiny
- There was often a Policy/Finance/Audit Committee that could make decisions on behalf of (or overturn) other committees – defacto cabinets
- Difficulties filling committees in both models
- No evidence of improvement in public participation or increase in attendance at meetings
- Committee system can be a slower decision-making process and delay – felt less agile and responsive. Responses from the Local Authorities was mixed.
- Drivers for the change of governance model were often political change
- Committee system works requires significant officer and senior management resources (briefings etc) to make work. Each committee meeting can have additional pre-meets to achieve consensus/approval at committee
- Significant officer resource is drawn from the senior management team to support the committee system.

4. Conclusions

- 4.1 When considering all the evidence heard, the majority of the Commission agreed that although either the Committee system or Cabinet Leader Model could work depending on culture, systems and processes the commission concluded that it would be possible and more appropriate at this time to improve councillors' engagement by recommending improvements to the operation of the current Cabinet and Strong Leader model.
- 4.2 The commission recognised that constitutionally Kirklees had a permissive and open approach which was viewed positively by all Members and were

keen to build on this with the suggested improvements set out in the recommendations below at paragraph 5.

- 4.3 There was a strong desire to enhance pre-decision scrutiny by ensuring there was an understanding that pre-decision scrutiny is carried out some time before a decision is made, at the point decision-makers may still be weighing up different evidence and assessing available options. The Commission recognised that such an approach may require some more time and resources and as such it would be limited to significant strategic matters. All Commission Members supported this view and recognised that it would require a commitment of openness from Cabinet.

5. Recommendations

That Corporate Governance and Audit approve the following: -

1. The Commission supports the retention of the current model of governance (Cabinet Strong Leader Model) with the suggested improvements set out below: -
2. The Commission recognises the key role of the scrutiny function, including key strategy formation in engaging non cabinet members in the decision-making process, which can be further developed through the following suggested enhancements:
 - (i) Improvements to enhance and improve pre-decision scrutiny to include reviewing the current scrutiny panels
 - (ii) Clear guidance as far as reasonably practicable in defining pre-decision scrutiny and associated timelines
 - (iii) Annual training and work programme briefings provided to all Members of the Council's Scrutiny Panels.
 - (iv) Providing clear information to Members and officers on the benefits of pre decision scrutiny and to ensure there is an understanding of the requirements to engage in early pre-decision scrutiny to enhance good decision making
3. The Commission recognises that good scrutiny and decision making relies on the provision of transparent, accessible information in a timely manner and supports the development of sharing information to raise awareness, increase understanding of and ensure clarity for Members and Officers around scrutiny, Access to Information Rules and the sharing of information.
4. That Cabinet be requested to explore increasing dialogue on key strategic issues with Members to increase transparency and explore developing both formal and informal engagement with Members.
5. That consultation be undertaken with Group Business Managers and Members, to identify any potential barriers preventing some Members being appointed to Committees/Panels such as timing, frequency, location, format of meetings and any actions appropriately co-ordinated.

6. That information be communicated to all Members (across different roles) in relation to engagement with the decision-making process, including access to information rules, scrutiny, raising a notice of concern, speaking and questioning rights at committees.
7. That work is considered to explore enhancing training and development for Councillors to help understand and carry out their roles.
8. To note and thank Mark Edgell and the Local Government Association for the advice, report and recommendations which has provided the panel with an independent starting point for the review by the Commission.
9. To note and thank the Local Authorities and stakeholders who gave their time and shared their experiences with the Commission.

Appendices

Appendix 1 – Democracy Commission Terms of Reference

Appendix 2 – SWOT analysis – Cabinet and Leader Model

Appendix 3 – SWOT analysis – Committee System

Appendix 1

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.