

COUNCIL	AGENDA ITEM. 12(a)
15 JULY 2015	PUBLIC REPORT

ALTERNATIVE GOVERNANCE ARRANGEMENTS

RECOMMENDATIONS
FROM : Chair of the Alternative Governance Working Group
<p>(1) The Council resolves to adopt an alternative form of governance to take effect from the Annual Council meeting 2016</p> <p>(2) The Council notes that the preferred model of alternative governance is a hybrid model of executive decision making with a greater involvement of pre-scrutiny review (a Peterborough model).</p> <p>(3) The Council agrees the formation and terms of reference of a working group to design and implement the new proposals</p> <p>(4) The Council agrees that the design and implementation working group should report their detailed constitutional proposals to Council by December 2016</p>

1. PURPOSE AND REASON FOR REPORT

- 1.1 On 15 April 2015 the Alternative Governance Working Group presented a report to Council asking it to note the Group's preferred model of governance. This is a 'hybrid' model of governance where the executive (Cabinet and Leader) is retained but the scrutiny function alters its focus to become an advisory body to the executive in addition to providing its post scrutiny functions.
- 1.2 This report asks the Council to agree that it will adopt the new model from the annual council meeting in 2016 and sets out the proposals for how those changes will be achieved.

2. BACKGROUND

- 2.1 Before the Local Government Act 2000, there existed a single model of governance for all Councils. All decisions were made at either full council or the committee to which it had delegated its responsibilities. Individual officers also had some limited delegation of responsibility.
- 2.2 The 2000 Act abolished the committee system and required all councils to adopt a new executive model of governance with either an elected mayor and cabinet, a council manager or an elected leader and cabinet.
- 2.3 Peterborough City Council has operated executive arrangements since 2001 under a Leader and Cabinet model with delegated decision making resting with the Cabinet or individual Cabinet members according to their portfolio. There is limited delegation to officers only for non-key executive decisions.

- 2.4 The Council retains some principal functions. It has responsibility for the budget and the major policy framework of the Council. It also retains some regulatory decision making powers, the majority of which it has delegated to individual committees (planning committee, employment committee, service appeals and scrutiny).
- 2.5 The Localism Act 2011 allowed Councils to exercise discretion regarding their governance arrangements and Councils could continue their existing executive arrangements, return to a committee system or adopt other governance arrangements.

3. ALTERNATIVE GOVERNANCE WORKING GROUP

- 3.1 The Alternative Governance Working Group was set up to explore the form of governance most suitable for Peterborough City Council. The Group reported back to Council in April regarding the exploratory visits it had made to several councils operating different models of governance. The Group also met on 4 occasions, has hosted visits from two councils and invited John Cade of Inlogov to the informal All Party Policy meetings to provide advice and guidance on the alternatives models available.

4. THE PREFERRED MODEL OF GOVERNANCE

- 4.1 Although the Working Group did not unanimously agree on a preferred single form of governance, all members of the Working Group agreed they would not object to a form of governance based largely on a model operated at Wandsworth London Borough Council.
- 4.2 In this model the executive system of decision making is retained but all reports are, where possible, referred to Scrutiny meetings in advance of the decision being considered by the executive. The scrutiny make recommendations on those proposals which the executive take into account before making their decision.
- 4.3 The Leader and Cabinet are therefore retained, providing the leadership and focal point for the Council which many in the Working Group considered to be a primary benefit of the executive model. With the new role played by scrutiny, this model also allows for backbench and opposition members to take part in the formulation of policy and decision making and so provides the inclusivity which other members of the Working Group considered to be the primary benefit of a new model.
- 4.4 The Forward Plan, which gives notice to the public of forthcoming meetings, will also be retained. The Forward Plan is considered to be of such benefit that some councils which have converted to the committee system have nonetheless retained the Forward Plan, and the concept of key decisions, because of the transparency this gives to the public.

5. DESIGN AND IMPLEMENTATION

- 5.1 The findings of the Alternative Governance Working Group have highlighted the need to increase the opportunities for non-executive members to shape and influence the policies of the Council. Within the Council, the scrutiny committees will undergo a refocus of the way in which they operate which will have a consequent impact upon the workings of the executive and officers. This change has already been identified within the scrutiny work programmes this year, and consultation will begin with the scrutiny committees once Council has confirmed this decision.
- 5.2 The Leader and the Cabinet have an essential role in the Design and Implementation Group to ensure the primary leadership role of the executive continues through into

the new model. The Alternative Governance Working Group therefore recommended that the Leader, various Cabinet members and non-executive members ought to sit upon the Group to ensure that the accountability, transparency and leadership role of the executive is preserved within the new governance framework.

- 5.3 The senior officers of the Council also have a significant role to play in developing the new model. In order to ensure that service delivery remains unaffected by the change to the new model, it is vital that officers have a good understanding of their role within a new decision making structure.
- 5.4 Consultation with the public, businesses and other service users of the Council will also be important. The purpose of any governance model is to provide open and transparent decision making to our community so as to provide assurances that public funds are being deployed wisely. Engagement with our wider community is therefore essential.
- 5.5 This report is therefore highlighting the need to provide clear guidance to those using the decision making system and those whom it will impact upon. It is important therefore that the Design and Implementation group comprises or involves a range of stakeholders in its deliberations.
- 5.6 One of the clear messages from the visits to other Councils is the necessity to allow sufficient time to plan for the constitutional changes brought about by the new model. It is therefore suggested that in order to ensure that a sufficiently robust and transparent model of governance is developed, the Alternative Governance Working Group recommends that a new design and implementation group is established. This new Group will be a cross party working group of members and officers which will examine the issues arising from the design of a new model and provide the appropriate timetabling for the introduction of the new constitutional arrangements.
- 5.7 A copy of the proposed terms of reference is attached to this report at Appendix 1.

6. IMPLICATIONS

- 6.1 Financial implications: There are no direct financial implications arising from Part of the terms of reference of the Design and Implementation Group will be to assess whether there are any financial implications arising out of the change to the new model. It is not possible to anticipate the needs of the new structure at this stage
- 6.2 The Design and Implementation Group will comprise officers and members of the Council.
- 6.3 Legal implications: The Council can alter its governance arrangements by a resolution at Council.
- 6.4 There are no further implications arising from this report.

7. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

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