

Subject: Committee/Cabinet Form of Governance
Report to: Council – 24th November 2015
Report by: Committee/Cabinet Form of Governance Working Group

A Council decision on 26th January 2015 established a cross party working group to consider in detail issues relating to the establishment of a committee form of governance this report summarises the work undertaken by the Council culminating in the three reports to Scrutiny Committee (4th December 2014); Cabinet (10th December 2014) and Council (26th January 2015).

In addition this report looks at Councils that have explored changing to the committee system and the practice of the change and identifies implications that the Council will face if it decides to change the current form of governance.

1.0 Executive Summary

1.1 At Council on 26th January 2015 Members agreed “That before a final decision is made in respect of a committee system of governance further detailed information is required on this issue and therefore a cross party committee consisting of two members of each party be established to consider in detail issues relating to the establishment of a committee form of governance, such appointments to the cross party committee to be determined by the Group Leaders.”

1.2 Since the introduction of the Local Government Act 2000 (Section 11) and The Localism Act 2001 three main models of governance have been available for councils to choose from:

- Leader and Cabinet (current system at Great Yarmouth)
- Directly Elected Mayor and Cabinet System
- Committee System

In practice, the governance options available to councils have more variations than the above classification suggests because councils can adopt a so-called “hybrid” arrangement.

1.3 The Localism Act 2011 specifies that governance arrangements can be changed either by a Council resolution which will lock in the decision for five years or by a Council resolution mandated by a referendum which would lock the decision for a ten year period.

1.4 A change in formal governance arrangements must occur at a specified “change time”, which is at the Council’s Annual General Meeting (AGM) or special council meeting. Prior to the change time, the council needs to have resolved formally to make a governance change. For the purposes of this report any resolution taken at this Council meeting would be binding for adoption at the AGM in May 2016.

- 1.5 Any change in governance will naturally involve costs – the one off costs of making the transition, plus the potential for higher costs on an on-going basis, or cost savings in the long term.

The report outlines the implications for the Council of changing the decision making structure and includes a summary of the current costs for servicing a Cabinet meeting of approximately £2,000 per meeting. This provides an indication of the current arrangement in respect of the officer structure, and includes the officer time. When applying these costs to the number of meetings under a committee structure this does not necessarily represent the actual increased costs to the Council but the opportunity cost, for example managers would need to re-adjust their time to ensure that it reflects the time required to service the committees.

The one off costs of implementing the change including member and officer training and constitution review could be in the region of £20k to £30k for which an in year budget would need to be identified or allocated from reserves.

If Members adopted a six weekly system with fewer meetings than currently administered, then the financial impact could be minimised and kept closer to the existing budget.

The total costs of the change have not been quantified in full as there are factors that will be subject to review, for example review of member allowances and the level of allowances payable to committee chairs and vice chairs. The initial estimate is that member support would require two full time equivalents at an annual cost of £70k.

The ongoing financial implications would be dependent upon the model adopted and would need to be factored into the budget for 2016/17 and future years as no financial implications were previously taken account of within the Medium Term Financial Strategy as presented to Members in September.

- 1.6 There are significant implications for the Council in changing its decision making structure to any new governance arrangements:

- A comprehensive review of the Council's constitution, governance and decision making processes would be required.
- Comprehensive review of the Scheme of Delegation to Chief Officers.
- Decisions are taken through politically balanced committees, appointed by full Council.
- There are no restrictions on the number of committees, meeting frequency, or the size of the membership, but there are cost implications.
- A new approach would be required to engage with partners and partnerships.
- Impact on the decision flow and relationship with current Directorate officer structure.
- Significant resource implications for those officers involved in formal

and informal engagement with Councillors. Specific significant implications for Member Services (£70k – 2 fte posts).

- Review of the members' remuneration arrangements.
- Additional extensive training for members and officers.
- There would be no requirement for a formal scrutiny committee.

- 1.7 A clear fundamental principle of any governance review must be that any system of governance must reflect and be designed to meet the requirements of the Council so that it can function effectively and efficiently and that its supports its service delivery framework to the community.

2.0 Introduction

- 2.1 Members will recall that Council at its meeting on 26th January 2015 agreed the following:

“That before a final decision is made in respect of a committee system of governance further detailed information is required on this issue and therefore a cross party committee consisting of two members of each party be established to consider in detail issues relating to the establishment of a committee form of governance, such appointments to the cross party committee to be determined by the Group Leaders.”

- 2.2 Previous to the Council meeting Scrutiny committee on 4th December 2014 recommended to Cabinet “....that the current status quo should remain for the Councils form of governance.”

- 2.3 Cabinet on 10th December 2014 resolved “That Council be recommended to agree that the status quo should remain for the Councils form of governance.”

3.0 Background

- 3.1 The Local Government Act 2000 (Section 11) introduced a separation of powers in local government for all but the smallest local authorities with the aim of making council decision- making more efficient, transparent, and accountable. The Act required most local authorities to change governance arrangements from the committee system to an executive-scrutiny model. One of three models was available:

- Directly Elected Mayor and Cabinet Executive
- Leader and Cabinet Executive
- Directly Elected Mayor and Council Manager

The Council adopted the Leader and Cabinet Executive model in 2001.

- 3.2 The Local Government and Public Involvement in Health Act 2007 (part 3) restricted the governance options available to local authorities. The 2007 Act required the Council to introduce a choice of two models: the “Directly Elected Mayor model”, unchanged, and “Leader and Cabinet Executive (England) model”. Both models place executive powers in the hands of an individual, who, in the normal course of events, will serve an uninterrupted four year term. A directly elected mayor and the new style Council leader have the power to appoint and dismiss Cabinet members and decide what executive powers they will exercise (if any).

- 3.3 In 2010 a petition was presented to the Council calling for a referendum on a change from Leader and Executive to Elected Mayor. This referendum was held in May 2011 and the result was that the Elected Mayor proposal was rejected and the fall back position of Leader and Executive retained. The fact that there was a referendum may have been significant in any future decision. Further legal advice and counsel's opinion was sought on whether a referendum is mandatory in our current circumstances before any change to the governance arrangements is implemented and the opinion was that no referendum was required.
- 3.4 The Localism Act 2011 increased the governance options to allow local authorities to choose to operate one of the followings:
- Executive arrangements (Leader & Cabinet or Directly Elected Mayor & Cabinet);
 - A committee system; or
 - Prescribed arrangements, If councils propose their own system of prescribed arrangements this will require the approval of the Secretary of State.

Below are the three main models of governance available for councils to choose from:

- Leader and Cabinet system: The decision making structure operated by most councils, and the model currently run by Great Yarmouth Borough Council. The Leader is elected by full Council for a term determined by Council and leads the Cabinet. The Leader once appointed decides on all Cabinet delegations and Councillors in the Cabinet are appointed by the Leader. At least two and up to nine Councillors can be appointed to the Cabinet. Some local authorities require decisions to be made by the whole Cabinet, other councils delegate such powers to individual Cabinet members. Some non-executive functions are reserved for committees (such as Planning or Licensing). The appointment of at least one Overview and Scrutiny committee is required under this system.
 - Directly Elected Mayor and Cabinet system: A Directly Elected Mayor is elected by local residents and holds office for four years. The mayor is additional to the elected Councillors. A cabinet, of at least two and up to nine Councillors, is appointed by the mayor who may (or may not) delegate decision making powers. Some non-executive functions are reserved for committees (such as Planning or Licensing). The appointment of at least one Overview and Scrutiny committee is required under this system.
 - Committee System. Decisions are made by committees, which comprise members from all political groups. Committees receive briefings and commission reviews to develop policy. The Council appoints the committees and sets their terms of reference. Overview and Scrutiny is optional under this model, with certain powers reserved to Overview and Scrutiny (such as crime and disorder scrutiny) exercised by another committee.
- 3.5 The Localism Act 2011 only makes amendment to the LGA 2000. So the substantive provisions are the LGA 2000 ones.

- 3.6 In practice, the governance options available to councils have more variations than the above classification suggests because councils can adopt a so-called “hybrid” arrangement. While not a formal change of governance, such a hybrid approach typically retains the Leader and Cabinet system but builds in a layer of committees advising and making recommendations to Cabinet.
- 3.7 The perceived merits and shortcomings of various governance models for Great Yarmouth Borough Council are not discussed in this report, not least because the objectives against which to judge the models in the Great Yarmouth context are not identified adequately. Such an evaluation will form a key part of the review by the working group.

4.0 Trends in other local authorities

- 4.1 A guide ‘Rethinking governance’, published jointly by the Local Government Association (LGA) and the Centre for Public Scrutiny (CfPS) in January 2014, identifies nine local authorities that changed governance arrangements to move to a committee system in May 2012 or May 2013. An additional seven local authorities adopted hybrid arrangements in the same period; another two authorities considered the arrangements but decided against it; and seven authorities may adopt it, one being Norfolk County Council, which did adopt the committee system in May 2014. Norfolk County Council has undertaken a review of the committee system (March – April 2015) and apart from a couple of minor changes the committee system remains in the same format.
- 4.2 Since May 2014 a number of authorities have considered the committee system but decided against it. In July 2014 a member motion was put to Norwich City Council full Council meeting and the motion was declared lost with 23 votes against and 15 in favour. More recently in July 2015 a member motion at Fenland District Council asked that the Council investigate the change back to a committee system, the motion was dismissed.
- 4.3 North Norfolk District Council, through its Constitution Working Party, is investigating the committee system of governance. An initial report went to the Working Party on 23rd February 2015. Further meetings have taken place and an update was presented to Council in March 2015. The Democratic Team at North Norfolk District Council state that work on looking at the committee system has gone no further at this point in time.
- 4.4 Gathering evidence from local authorities with experience of governance change is likely to be of interest to a review of governance arrangements; hence they are listed in Appendix 1. Other councils are investigating different arrangements in public, while others may be discussing proposals internally.
- 4.5 It is up to the individual authority how the governance model will be operated when they move to the committee system model. Appendix 2, an extract from a report by Canterbury City Council in September 2014, lists governance models operated by local authorities that have adopted the committee system since May 2012. The list shows the main committees operated by the authority and where available how many meetings per year. It also shows how the scrutiny function is operated. The last column states what the financial implications were to changing to the committee system.

- 4.6 Appendix 3 shows the committee structure for 5 local authorities who have changed to the committee model form of governance. The committee structures of councils that have chosen to return to the committee system vary but there are some common themes. Most have a Policy Committee in addition to service area committees such as housing, community and environment which take decisions on all aspects of their service area. Councils adopt different approaches, some operate a traditional system with multiple service committees. However, most Councils have adopted a streamlined system which consists of two or three service committees plus regulatory committees.
- 4.7 Peterborough City Council has been considering an alternative form of governance and a report went to Council on 15th July 2015 from the Alternative Governance Working Group with the recommendation of adopting an alternative form of governance from May 2016. The preferred model of governance would be largely based on a model operated at Wandsworth London Borough Council. The report also recommended that a Design & Implementation Group be set up, comprising of officers and Members, the group is due to report back to Council in December 2015.

5.0 Costs: transitional and in the medium and long term

- 5.1 Any change in governance will involve costs – the one off costs of making the transition, plus the potential for higher costs on an on-going basis, or cost savings in the long term.
- 5.2 Several Councils who have moved to the committee system had developed their proposals sufficiently for an assessment of costs to be made, many proposals were expected to be cost neutral. They also 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.
- 5.3 In moving to the committee system a number of Councils proposed in the “design stage” to manage the number of meetings, and committee work programmes, so that cost implications are kept to a minimum.
- 5.4 Increased cost, even should it arise, is not a prima facie reason not to make governance changes. 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 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 difficult to reach, and not especially useful even when it has been made.
- 5.5 However, the issue of cost is also tied up in the issue of making best use of Members’ time. The Audit Commission research 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 has been seen repeated on some overview and scrutiny committees, where time is spent considering too many reports for “noting”, and for “information”.
- 5.6 A number of Councils have made a conscious decision that changing to the committee system will be cost neutral, apart from any transition costs. Whether

a committee system will lead to additional costs mainly depends upon the number of committees and the frequency of those meetings that will take place.

- 5.7 Norfolk County Council when evaluating the proposal to change to a committee system calculated the approximate cost of servicing a single Cabinet meeting at that time. The total figure was then used to calculate the total cost of servicing the committee system based on a proposed structure of the number of meetings of full Council and the service committees.
- 5.8 Using a similar methodology as Norfolk County Council, but splitting the costs into four stages, report; preparing agenda; Cabinet meeting; and minutes, a cost of servicing a Cabinet meeting has been calculated. Appendix 4 gives some comparative cost information evaluated the cost of servicing a meeting using the Council's current Leader/Cabinet model and comparing two district Councils who have changed to a committee model as well as a district Council which has maintained the Leader/Cabinet model, but has introduced three Cabinet Advisory Boards (CABs) that participate in the development of cabinet decisions and help develop the policy framework cabinet recommends to Council. The remit of the CABs are agreed at the beginning of each civic year.

6.0 Process for changing governance arrangements

- 6.1 The Localism Act 2011 specifies that governance arrangements can be changed either by a Council resolution alone or by a Council resolution mandated by a referendum. If the change is made by a Council resolution alone then the change will be locked in for five years. However, if the change in governance form is implemented as a result of a referendum then the change is for a ten year period. When a previous governance change has been subject to a referendum, any proposal to move to a committee system must be as well.
- 6.2 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.
- 6.3 The LGA/CfPS guide 'Rethinking Governance' 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 will need to be undertaken, 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 recently and research carried out in 2012 by the Centre for Public Scrutiny (CfPS) on councils moving to the committee system.
- 6.4 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. 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.

- 6.5 Section 9KC (4) (below) of the Localism Act prevents local authorities from changing the form of governance from taking place within 5 years of the date of the first resolution without a referendum. Resolution A would be the date Council passed the move to a new governance model.

“ (4) The local authority may not pass another resolution that makes a change in governance arrangements of a kind mentioned in subsection (3) (“Resolution B”) before the end of the period of 5 years beginning with the date Resolution A is passed, unless Resolution B is approved in a referendum held in accordance with this Chapter.”

- 6.6 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 policy making. Member involvement in policy making is a longer-term, more involved process and can happen under any governance option.
- 6.7 There are variations for each of the 3 models that can lead councils to adopt “hybrid” approaches; typically, this is a hybrid between Leader and Executive model and the committee system (with such an approach usually seen legally as being a modified version of the Leader and Executive system, and therefore not requiring a formal change under the Localism Act).
- 6.8 Some authorities, in order to secure greater involvement of all Councillors in policy and significant decisions, have established a number of politically balanced “Cabinet Advisory Boards” (CAB). The boards would consider and make recommendations on relevant matters prior to their formal consideration by the Executive. Their terms of reference, which are reviewed annually by the Council, would be aligned to the themes of the Council, i.e. Corporate Plan. This would emphasise their role in driving corporate priorities and give Councillors more scope to serve on the boards that best suit their skills and experience.
- 6.9 CABs would have a degree of autonomy to decide what matters they should refer to the Executive and to initiate their own research and reviews, including instructing officers in this regard. They could also set up their own panels or working groups to look at specific issues as and when required.
- 6.10 Each board would meet in advance of the relevant scheduled meeting of the Executive and would be chaired by an appropriate Executive Councillor. This link with an Executive Councillor would provide strong representation of the views of the board at subsequent Executive meetings. Other Executive Councillors would be expected to attend board meetings as and when required, but in a non-voting capacity. All other voting members of the board would be non-Executive Councillors.
- 6.11 Whilst the above (6.7 to 6.9) detail how CABs could operate in a “hybrid” model it would be up to the individual authority to determine the composition of the model and the role of the CABs, including how many boards. Councils who have operated CABs have found backbenchers feeling more informed and engaged in the system.

6.12 The guide 'Rethinking Governance' sets out the process in five steps:

- 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

6.13 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.

7.0 Implications of change for Great Yarmouth Borough Council

7.1 There are significant implications for the Council in changing its decision making structure to any new governance arrangements:

- A comprehensive review of the Council's constitution, governance and decision making processes would be required.
- Comprehensive review of the Scheme of Delegation to Chief Officers.
- Decisions are taken through politically balanced committees, appointed by Full Council.
- There are no restrictions on the number of committees, meeting frequency, or the size of the membership, but there are cost implications.
- A new approach would be required to engagement with partners and partnerships.
- Impact on the decision flow and relationship with current Directorate officer structure.
- Significant resource implications for those officers involved in formal and informal engagement with Councillors. Specific significant implications for Member Services (£70k – 2 fte posts).
- Review of the members' remuneration arrangements.
- Additional extensive training for members and officers.
- There would be no requirement for a formal scrutiny committee.

7.2 **Advantages and Disadvantages:** In considering a change specifically from a Cabinet form of Governance to a Committee system there are a number of advantages and disadvantages of each system which would have to be considered and looked at in close detail. The following is a very brief snapshot of what are often put forward as the pros and cons of each system

- **Cabinet:** Arguments often put in favour include: efficient decision making; clear lines of responsibility and transparency; clear Leadership of the Council; clear separation between decision makers and those

- holding to account; and easier partnership working.
 - **Cabinet:** Criticisms include: power concentrated in a few hands; under-utilised backbenchers; decisions taken "behind closed doors".
 - **Committee:** Arguments often put in favour include all members involved in decision making; debate takes place before decisions considering all alternatives; all decisions in public; politically balanced Committees.
 - **Committee:** Criticisms include: voting on party political lines and application of the 'whip'; bureaucratic and slower decisions; increased officer briefings and support; no individual responsibility and accountability; much higher cost of administration.
- 7.3 It is evident from the initial research undertaken that a conversion from a Cabinet System to a Committee system is an enormous change for any Authority and one that those authorities involved have not taken lightly and have had to invest significant officer and member resource into effecting the change, which in all cases have taken a significant amount of time.
- 7.4 There are significant risks to the Council in any change of political governance structure as highlighted in this report in terms of cost; impact on resources; reputational issues; effective governance of the authority; effective operation of the Council's decision making structure in accordance with statutory requirements; and impact on the Council's member and officer structures.
- 7.5 The Council would have to ensure that it continued to demonstrate transparency in decision making and effective engagement with the public particularly during any transitional period.
- 7.6 These significant risk issues and the detailed consideration of implications of any change to the political governance structure will have to be addressed and be an integral part of the Council's major process of overall organisational transformation.

8.0 Conclusion

- 8.1 There are implications with any change in governance arrangements, in terms of resources, transparency of decisions, effective engagement with the public and effective use of Council and officer time.
- 8.2 A fundamental principal of any governance review must be that any system must reflect and be designed to meet the requirements of the Council so that it can function effectively and efficiently and that its supports its service delivery framework to the community.
- 8.3 The decision taken at The Council meeting on the 24th November 2015 will lock in the decision for five years.
- 8.4 Budget implications will need to be considered as part of the budget setting process in February 2016.

- 8.5 The Timetable below outlines the required steps to move to a Committee form of governance:

| Task | Timetable |
|--|---------------------------------|
| Full Council Resolution to change to a Committee System of Governance – binding decision | 24 November 2015 |
| Working Group to develop the Committee system arrangements | December 2015 – February 2016 |
| Working group recommend proposals for new Committee system arrangements to Full Council | 16 th February 2016 |
| Proposed new arrangements published | March 2016 |
| Constitutional changes submitted to Political Groups | April 2016 |
| Implementation of new arrangements | Annual Council meeting May 2016 |

Appendix 1

The following tables provide further information on councils who have:

- Table 1: councils who moved to a committee system in May 2013
- Table 2: councils who moved to a committee system in May 2012
- Table 3: recently made other changes to their governance arrangements
- Table 4: have considered a governance change but have decided against it.
- Table 5: are considering a governance change in the near future

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 Council member. 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. |
| Reading | Unitary | South East | | 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. No overview and scrutiny committee, with |

| Council | Type of Council | Region | In May 2012 | In May 2013 |
|----------------|------------------------|---------------|--------------------|--|
| | | | | functions exercised by each committee with regard to its services. Policy committee to cover scrutiny across council services covered by more than one committee. |
| Stroud | District | South West | | 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. There is no separate scrutiny function. The community safety scrutiny functions of the authority are transacted by the Community Services committee. |

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

| Council | Type of Council | Region | In May 2012 | In May 2013 |
|----------------------|------------------------|---------------|--|--|
| Brighton | Unitary | South East | Adopted committee arrangements in 2012, with significant cross-party support. Planned to review and revise after one year. | Arrangements have now been reviewed with some minor changes (mainly in the remit of committees) being brought in from May 2013. 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. It has been proposed to appoint certain members to take lead responsibility for certain policy areas, to augment the role played by committee chairs. |
| Kingston upon Thames | London Borough | London | This council adopted a hybrid-style arrangement for a transitional period in 2011 with a view to adopting the committee system in 2013. Under the transitional arrangements committees made decisions which are then ratified by the executive. There is no individual cabinet member decision-making. | The council decided by a resolution on 17 April 2012 to adopt the committee system in May 2012. No significant amendments made to constitution or working practices in May 2013. |
| Nottinghamshire | County | East Midlands | Put in place a committee system closely reflecting pre-2000 structure, with no | A separate Health Scrutiny committee was established almost immediately following the establishment of the new structure in May 2012. |

| Council | Type of Council | Region | In May 2012 | In May 2013 |
|-----------------------|------------------------|---------------|---|--|
| | | | separate scrutiny committee. | |
| South Gloucestershire | 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. |

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. | |

| 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 | | 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. The system is designed to promote more consensus, as opposed to a culture of adversarialism which had previously existed. Overview and scrutiny has been retained. |
| 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 are considering a governance change in the near future (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. |
| 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 |

| Council | Type of Council | Region | In May 2012 | In May 2013 |
|----------------|------------------------|---------------|--------------------|---|
| | | | | 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. |

Appendix 2

Governance models operated by local authorities that have adopted the Committee System since May 2012

This table, produced in the summer of 2014, provides a summary of local authorities that have adopted a committee system of governance.

From the information provided, it is apparent that most councils have a combination of policy/service area committees, regulatory committees and external partnership boards. Public engagement or area forums have been retained by some unitary councils but are not evident at a district level. The majority of councils have retained limited or no scrutiny functions with the exception of their statutory duties, whereas some councils have incorporated scrutiny work within the individual committees.

| Council | Type | Main Committees (number of meeting per year in () where available) | Overview & Scrutiny Committee | Financial Implications |
|----------------|--------|---|---|------------------------|
| Cambridgeshire | County | Audit and Accounts (6) Children and Young People (11) Constitution and Ethics (6) Economy and Environment (11) General Purposes (12) Health (12) Highways and Community Infrastructure (11) Planning (10) | No. Only the statutory scrutiny functions are exercised by individual committees: - Health scrutiny by the Health Committee - Crime and disorder by Cambridgeshire and Peterborough Police And Crime Panel - Flood risk management by the Economy and Environment Committee | |

| Council | Type | Main Committees (number of meeting per year in () where available) | Overview & Scrutiny Committee | Financial Implications |
|-------------------|----------|--|---|---|
| Newark & Sherwood | District | Audit and Accounts (5) Economic Development (5) General Purposes (4) Homes and Communities (5) Joint Economic Prosperity (3) Leisure and Environment (5) Licensing (4) Planning (12) Policy (7) Standards (2) | The Council does not have dedicated Overview and Scrutiny Committees but applies overview and scrutiny principles in the work of the Economic Development, Leisure & Environment and Homes & Communities Committees. | No additional cost other than officer time implementing the new system which has not been recorded. There was a slight reduction in terms of Members Special Responsibility Allowances. |
| Norfolk | County | Adult Social Care (8) Audit (4) Children's Services (8) Communities (8) Environment, Development and Transport (8) Economic Development Sub-Committee (7) Planning (9) Policy and Resources (9) Standards (2) | No. Only the statutory scrutiny functions are exercised by individual committees: - Health scrutiny by the Health Overview and Scrutiny Committee - Crime and disorder by Police and Crime Panel - Flood risk management by the Environment, Transport and Development Committee | No significant increase in cost. Member Allowances were changed to reflect the new structure. |

| Council | Type | Main Committees (number of meeting per year in) where available) | Overview & Scrutiny Committee | Financial Implications |
|-----------------------------------|----------|--|--|---|
| Nottinghamshire County Council | County | Adult Social Care and Health (11) Audit (5) Children and Young People (8) Community Safety (7) Culture (8) Economic Development (10) Environment and Sustainability (8) Finance and Property (11) Planning and Licensing (11) Policy (10) Public Health (8) Transport and Highways (11) | The Policy Committee and each of the 'policy area' committees undertake scrutiny roles with regard to policy development and ensuring that new and existing council policies are implemented, operated and reviewed appropriately. There is a Joint City/County Health Scrutiny Committee and the Health Scrutiny Committee. | |
| Stroud | District | Audit and Standards (10) Community Services and Licensing (6) Development Control (13) Environment (5) Housing (5) Strategy and Resources (5) Housing Forum (5) | Community Services and Licensing has a broad portfolio including health and well-being and crime and disorder scrutiny. | Since the adoption of the committee system there has been a reduction in Democratic Services resources. |

| Council | Type | Main Committees (number of meeting per year in () where available) | Overview & Scrutiny Committee | Financial Implications |
|-----------------|---------|---|--|---|
| Brighton & Hove | Unitary | Audit & Standards Children & Young People Economic Development & Culture Environment, Transport & Sustainability Housing Licensing Planning Policy & Resources | 1) Overview and Scrutiny, and 2) The Health and Wellbeing Overview and Scrutiny | An initial budget increase of £45k was set to implement the committee system with the intention that would be reduced as the system settled in. The change to a committee system has increased democratic services workload and budgetary pressures, officer workload (increased briefings and cross-party working in a minority administration) and public participation. |
| Hartlepool | Unitary | Adult Services Audit and Governance Children's Services Neighbourhood Services Regeneration Services Planning Finance and Policy Licensing | The Audit and Governance Committee is responsible for conducting reviews that fall under the remit of its scrutiny responsibilities. | |
| Reading | Unitary | Adult Social Care, Children's Services | The overview and scrutiny functions are exercised by | Initially there was concern that it would require more |

| Council | Type | Main Committees (number of meeting per year in () where available) | Overview & Scrutiny Committee | Financial Implications |
|-----------------------|----------------|---|---|--|
| | | & Education Audit and Governance Health & Wellbeing Board Housing, Neighbourhoods & Leisure Licensing Applications Personnel Planning Applications Policy Standards Strategic Environment, Planning & Transport | the individual committees. | officer time generally to support the committee system but it hasn't in reality. The Councillors were keen to ensure that there were no more meetings as a result of the change to the committee system and by and large this has been achieved. |
| South Gloucestershire | Unitary | Adults and Housing Appointments & Employment Panel Audit and Accounts Children & Young People Communities Planning, Transportation and Strategic Environment Health & Wellbeing Board Licensing Regulatory Policy and Resources Standards Committee Membership Panel | No. Only the statutory scrutiny functions are exercised by individual committees: - Health scrutiny by the Public Health and Health Scrutiny Committee - Crime and disorder by Communities Committee - Flood risk management by the Communities Committee. | |
| Sutton | London Borough | Adult Social Services and Health Appeals | 1) Scrutiny Committee, and 2) Audit Committee | The transition in this respect was relatively seamless. |

| Council | Type | Main Committees (number of meeting per year in) where available) | Overview & Scrutiny Committee | Financial Implications |
|-------------------------|-------------------|---|---|---|
| | | Children, Family and Education Environment and Neighbourhood Health and Wellbeing Board Housing, Economy and Business Pension Planning and Licensing Scrutiny and Audit Standards Strategy and Resources | | There was no added cost in the new structure. In fact there was a saving on member allowances due to a reduction in SRA payments |
| Kingston upon Thames | London Borough | Audit Committee Health Overview Neighbourhood Standards Strategic Licensing Committee Scrutiny Panel Policy and Finance Committee | 1) Health Overview and Scrutiny Panel, and 2) Joint Health Overview and Scrutiny Committee | The Executive arrangements at RBK were never deeply embedded, for example Neighbourhood Committees continued to exercise considerable powers and few Scrutiny Committees were introduced. The Officer structure and Scheme of Member Allowances always reflected this and as a consequence the cost implications of the transition were broadly neutral. |

Appendix 3

Examples of Committee Structures Adopted

The following structures have been adopted by the individual local authority listed below:

Newark & Sherwood District Council

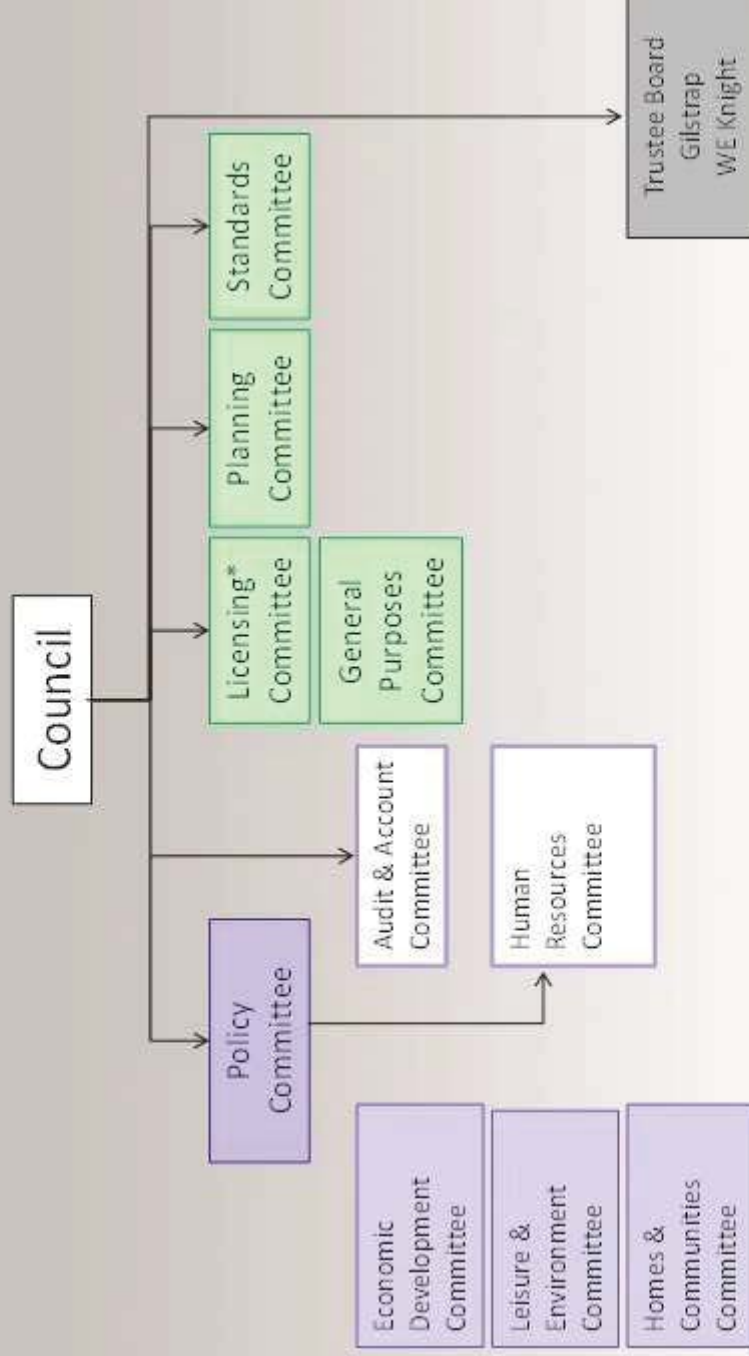
Stroud District Council

Canterbury City Council

Brighton and Hove Council (Unitary)

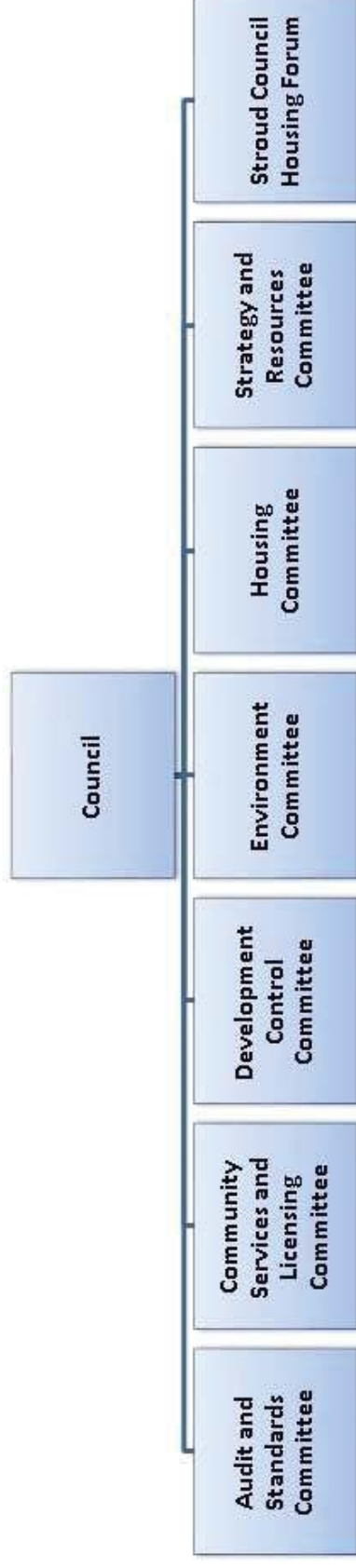
Norfolk County Council

Committee Structure

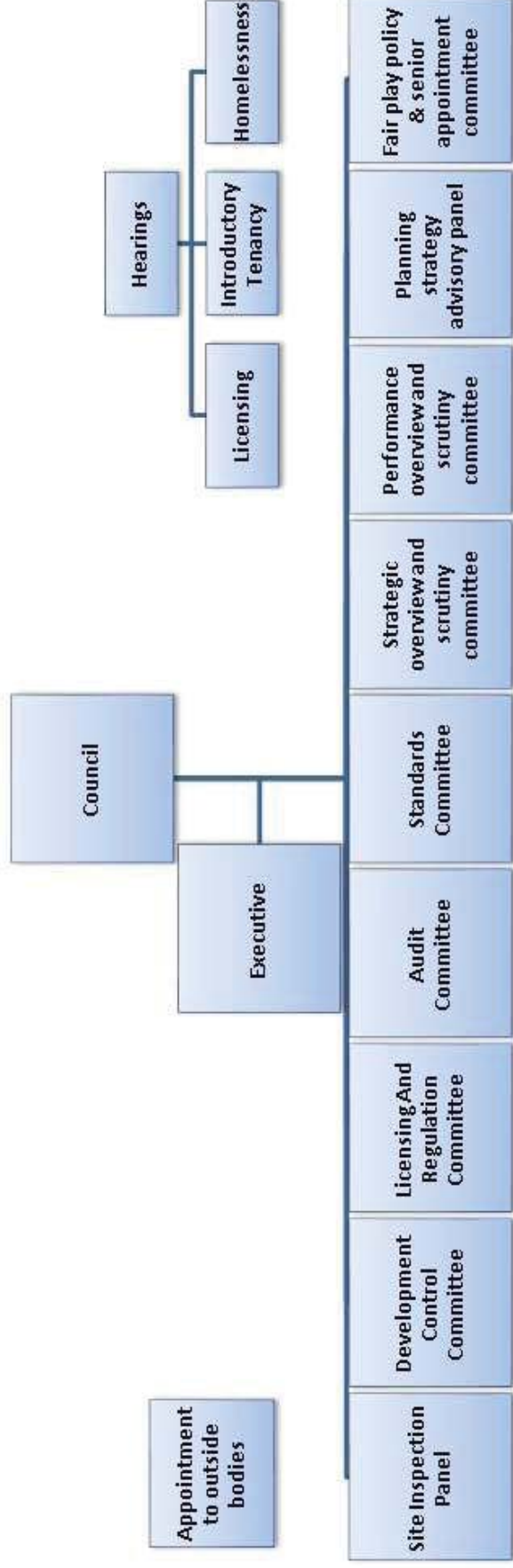


* Statutory Committee established under Licensing Act

Stroud District Council – Committee System



Leader and Executive System



A council guide to...

THE NEW COMMITTEE STRUCTURE

FULL COUNCIL

- Decides the budget and policies
- Adopts council constitution
- Appoints councillors to committees

The way the council takes its decisions has now changed to a committee system.

For the last few years we have had a Leader and Executive system, which has seen the majority of council decisions taken by a small group of councillors. Those decisions were then scrutinised and challenged by other councillors.

The new committee system involves councillors of all parties sitting on committees and taking decisions on the different services we provide.

Full Council remains the governing body of the council and decides the budget and

policies. There are then three new service committees – Policy and Resources Committee, Community Committee and Regeneration and Property Committee, which take detailed decisions.

Many of the other committees in the previous structure, such as Planning Committee and Licensing Committee, and the Area Member Panels, also remain.

On these two pages we explain the new structure and give a flavour of which committee deals with which services. On the following two pages you can see who the new councillors are.



Planning Committee

- Decides planning applications
- Planning enforcement



Planning Sub-committee



Property and Regeneration Committee

- Property acquisitions and disposals
- Economic development
- Regeneration
- Parking, travel and some highway matters



Policy and Resources Committee

- Recommending the capital and revenue budget to full council
- Local Plan preparation
- Corporate performance and budget monitoring



Appointments Sub-committee



Governance Sub-committee



Regulatory and appeals Sub-committee



Audit and Governance Committee

- Internal and external audit issues
- Constitutional and governance matters
- Statement of accounts
- Corporate risk



Community Committee

- Environment
- Waste and recycling
- Culture, leisure and tourism
- Housing



Licensing Committee

- Licensing of:
 - Alcohol
 - Gambling
 - Taxis
 - Entertainment



Licensing Sub-committee

OTHER COMMITTEES

Joint Transportation Board

Standards Committee

Decision Review Committee

Whitstable Harbour Board

AREA MEMBER PANELS

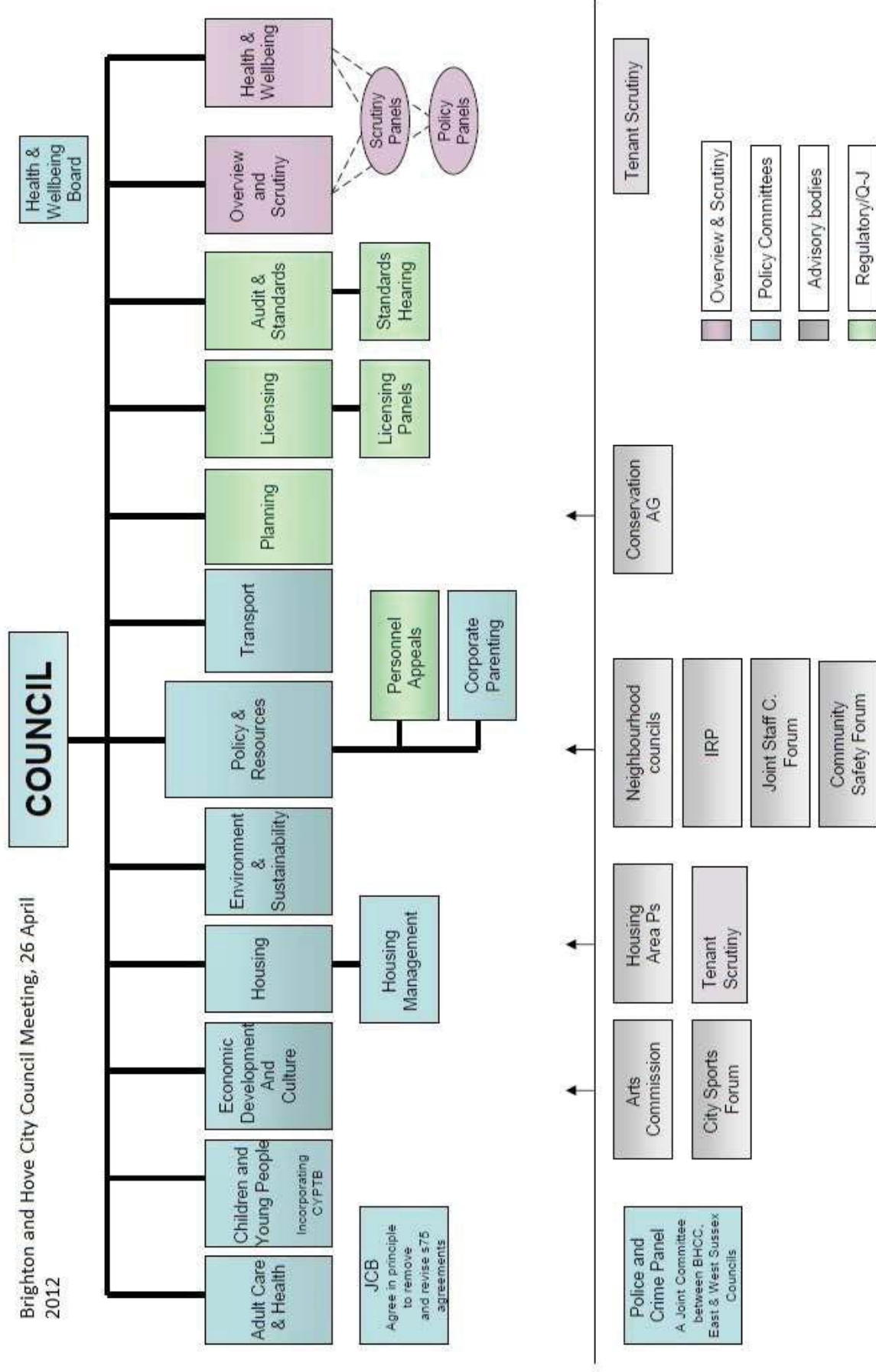
Rural North

Rural South

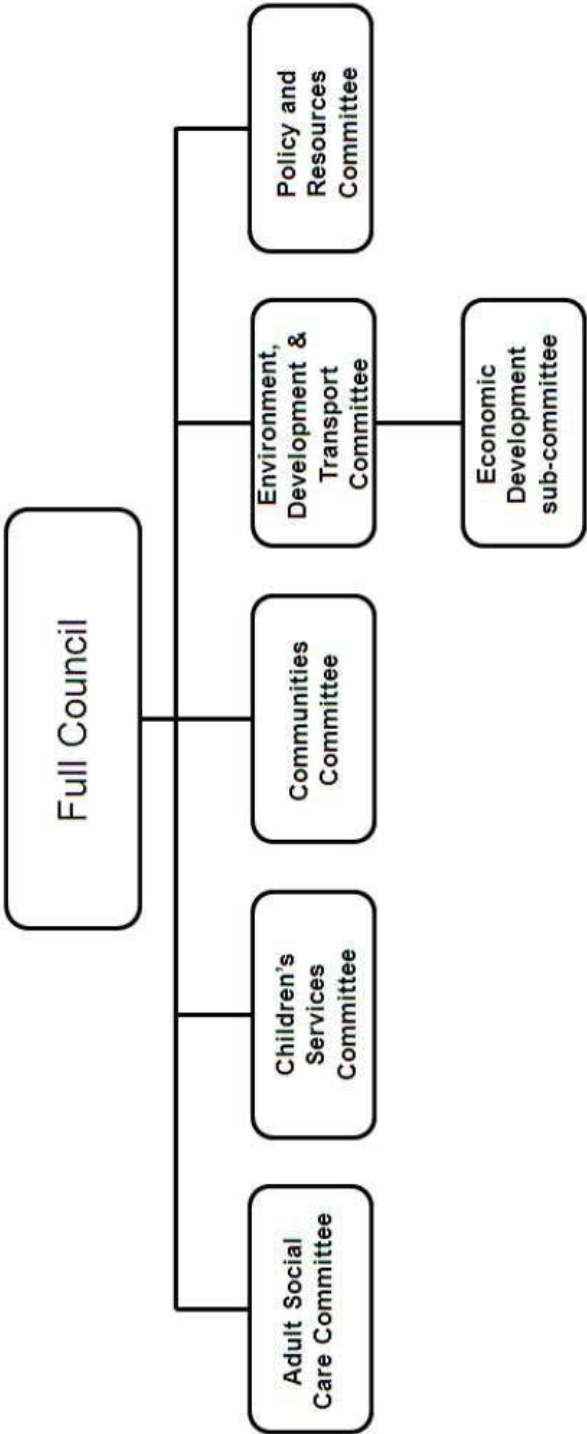
Canterbury

Heme Bay

Whitstable



New Governance Model for Norfolk County Council



Appendix 4

When Norfolk County Council was considering the move to the committee system they undertook a costing exercise based on the approximate cost of servicing a single NCC Cabinet meeting.

The figure for the Cabinet meeting was based on a number of assumptions, including preparation of an agenda; Committee Officer support; IT support; Member travel costs and service involvement, which includes report writing, officer attendance at briefings and meetings. The figure used by Norfolk County Council was £4,172.

Using a similar methodology, but splitting the costs into four stages, production of report; preparing agenda; Cabinet meeting; and minutes, a cost of servicing a Cabinet meeting has been calculated, see table below:

Costs for servicing Cabinet meeting

| Action | Description | Hours | Hourly rate/charge | Total £ |
|------------------|--|-------|--------------------|------------------|
| Report | Preparing, drafting and consulting on report. Average 8 reports per Cabinet meeting | 3 | £38.50* | £924.00 |
| | Research for reports by junior officer | 3 | £18.00** | £432.00 |
| Preparing agenda | Pre agenda briefing (CEO, Leader, Cabinet Secretary) | 1 | £73.00 | £73.00 |
| | Collating documents, enter onto CMIS | 4 | £18.50*** | £74.00 |
| | Printing agenda 15 copies | | £31.40 | £31.40 |
| Cabinet meeting | Attendance at meeting for officers. | 2 | £175.40**** | £350.80 |
| | Member travel costs estimated 16 miles average x £0.522 | | £50.11 | £50.11 |
| Minutes | Preparing and publishing minutes | 3 | £18.50 | £55.50 |
| | | | | £1,990.81 |

* average of CEO, Director and Group Manager hourly rate

** average rate of officers likely to have input in research work (Band 6 to Band 10)

*** average of Cabinet Secretary and Member Services Officer

**** cost of CEO, 2 Directors, 1 Group Manager and Cabinet Secretary

Please note: there is no exact science in the above and has only been produced to give comparative data between different models and frequency.

A comparison between the current Leader/Cabinet model at GYBC, two district Councils (Committee A and B) that operate a committee system and a Leader/Cabinet model with Cabinet Advisory Boards (Cabinet C) has been undertaken using statutory committee meetings. Figures have been produced for committee model on four weekly meetings and six weekly meetings for Committee A and B and for Cabinet C meetings are variable, similar to those of GYBC, where Cabinet meets every 4 weeks and Council every 8 weeks. The figures used are based on the cost of £1,990.81 per meeting.

| GYBC | | Committee A | | | Committee B | | | Cabinet C | |
|--------------|-----------|-------------------------|-----------|-----------|--------------------------------|-----------|-----------|------------------------------|-----------|
| Meeting | No. | Meeting | 4 wk | 6 wk | Meeting | 4 wk | 6 wk | Meeting | Var |
| Council | 6 | Council | 12 | 8 | Council | 12 | 8 | Council | 6 |
| Cabinet | 12 | Planning | 12 | 8 | DC | 12 | 8 | Cabinet | 12 |
| CBS | 12 | Property & Regeneration | 12 | 8 | Environmental | 12 | 8 | 3 x Cabinet Advisory Boards* | 24 |
| Scrutiny | 8 | Policy & Resources | 12 | 8 | Audit & Standards | 12 | 8 | Scrutiny | 8 |
| Audit & Risk | 4 | Audit & Finance | 12 | 8 | Community Services & Licensing | 12 | 8 | Audit & Risk | 4 |
| Licensing | 8 | Community | 12 | 8 | Strategy & Resources | 12 | 8 | Licensing | 8 |
| DC | 12 | Licensing | 12 | 8 | Housing | 12 | 8 | DC | 12 |
| Standards | 4 | Standards | 4 | 4 | | | | Standards | 4 |
| Total | 66 | | 88 | 52 | | 84 | 46 | | 78 |

Note: Housing Appeals has been removed from the list for GYBC as the other authorities do not have a housing stock.

* Each of the three Cabinet Advisory Boards (CABs) meets 8 times a year. The three Cabinet Advisory Boards participate in the development of cabinet decisions and help develop the policy framework cabinet recommends to Council.

Information: Cabinet Advisory Boards for Cabinet C are Finance & Governance; Communities and Planning & Transport.

Non-statutory meetings like Parish Liaison; Area Committees; Community Housing Boards; Tenant Forum; and Great Yarmouth Sports Council are not included in the above, but those meetings will have to be serviced. It was decided not to include these non-statutory meetings in the above as it would be difficult to compare one

Council against another as non-statutory meetings will vary from Council to Council and particularly how some are serviced.

Based on the number of meetings above and multiplying the total by the assumed cost of a meeting £1,990.81 the table below shows the cost of servicing statutory meetings in each of the cases.

| Council | Total £ | % difference with GYBC |
|---|----------|------------------------|
| GYBC | £131,393 | |
| Committee A (4 weekly meetings) | £175,191 | 33.33% |
| Committee A (6 weekly meetings) | £103,522 | -21.21% |
| Committee B (4 weekly meetings) | £167,228 | 27.27% |
| Committee B (6 weekly meetings) | £92,577 | -29.54% |
| Cabinet C (meeting frequency same as currently operated by GYBC, with CABs added as 6 weekly) | £155,283 | 16.66% |