Report of	**Monitoring Officer**	**Author**	**Andrew Weavers** ☎ **282213**
Title	**Review of Political Management Arrangements**		
Wards affected	Not applicable		

1. Executive Summary

1.1 This report provides a review of our political management governance arrangements i.e. Leader and Cabinet executive and provides details of the committee system model.

2. Action Required

2.1 To note the contents of this report.

2.2 To consider whether the Panel wishes to make any recommendations to Cabinet following consideration of this report.

3. Reasons for Review

3.1 The Panel at its meeting on 19 June 2019 recommended to Cabinet that approval be given for a review to be included in the Panel's work programme of the Council's Leader and Cabinet model of administrative arrangements to determine whether the Council should continue with these arrangements or revert to a committee model. The Cabinet subsequently gave approval for this at its meeting on 10 July 2019.

4. Background Information

4.1 The Local Government Act 1972 established the governance framework for Local Authorities. This created the traditional method of decision making, with the Full Council and its service committees making the decisions. Delegation of decision making to an individual councillor was not permitted and some decisions were routinely referred to Full Council or referred if a councillor thought that a decision should be made by Full Council. There were various well-rehearsed arguments both for and against this type of governance arrangements, for example: for; it enabled more inclusive decision making by involving more councillors, and against; it could lead to slow and protracted decision making.

4.2 Accordingly with these concerns in mind, the Government of the day legislated, as part of its Local Government modernising agenda, to change Local Authority political governance arrangements, which culminated in the Local Government Act 2000. This Act included the requirement for each Local Authority to have a Constitution to detail how their arrangements worked. The 2000 Act introduced the concept of executive arrangements and required most Local Authorities to adopt an Executive system by undertaking a process and adopting one of the specified models. These were:
- Directly elected Mayor and Cabinet
- Leader and Cabinet
- Directly elected Mayor and Council Manager

- Alternative arrangements *(committee system but only available to Local Authorities with populations below 85,000)*

4.3   The Council in 1999, with the knowledge of the then forthcoming requirements of the 2000 Act, decided to embrace the Government's modernising agenda and sought to modernise early. Following a public consultation, a pilot Leader and Cabinet executive structure was set up in February 2000.

4.4   Following the commencement of the 2000 Act, the lessons learned from the pilot executive structure were used as the basis for refining the model into a more efficient and transparent methodology of taking decisions in Colchester. In 2001 the Council undertook a further public consultation and of the 1,476 responses received the result was:
- Directly elected Mayor and Cabinet – 27.2% in favour
- Leader and Cabinet – 62.1% in favour
- Directly elected Mayor and Council Manager*- 8.4% in favour
- Spoilt - 2.3%
  *[*NB this option was abolished in 2007.]*

Subsequently the Full Council in July 2001 resolved that the Council adopt the Leader and Cabinet model of executive arrangements. These came into effect on 15 May 2002.

4.5   The Local Government and Public Involvement in Health Act 2007 required Local Authorities to reconsider how decision making by the Executive (i.e. Cabinet) would operate from May 2011. The 2007 Act required the Council to undertake a public consultation on which option it should adopt. The options were:

- Leader and Cabinet
- Directly Elected Mayor and Cabinet

This revised Leader and Cabinet model introduced the concept of a "strong leader". This was due to all executive power being vested in the Leader personally who then determines how it is discharged, as opposed to the previous version where it was vested in the Cabinet collectively. In addition, the Leader was also to be elected for a four-year term of office and have to power to hire and fire Cabinet members including a Deputy Leader.

4.6   The 106 responses to the public consultation undertaken in 2010 were as follows:
- Leader and Cabinet – 57.5% in favour
- Directly Elected Mayor and Cabinet - 40.5% in favour
- No preference - 2%

The Full Council in December 2010 resolved that the Council adopt the Leader and Cabinet model of executive arrangements. These came into effect on 8 May 2011.

4.7   The Localism Act 2011 introduced further changes to Local Authority political governance arrangements by providing that a Local Authority may operate either:

- Executive arrangements or;
- A committee system

Under the committee system, a Local Authority can decide how its functions are delivered. The full council can delegate certain responsibilities to a committee, sub-committee or an officer.

- **A traditional committee system** will have a relatively large number of service committees often aligning closely with council departments. There may or may not be a policy and resources committee to co-ordinate work programmes. Scrutiny committees are optional but if appointed they have the same powers as under executive arrangements. Usual regulatory committees.

- **A streamlined committee system** consists of two or three service committees, which may be supplemented by one or more overview and scrutiny committees. Scrutiny committees are optional but if appointed they have the same powers as under executive arrangements. Usual regulatory committees.

4.8 The following table provides a high-level comparison between executive arrangements and the committee system.

Leader and Cabinet Executive	Committee System
Leader is elected by the Council for a term of up to four years. The Leader appoints a Deputy. The Leader appoints and removes the councillors in the Cabinet. At least two and up to nine councillors can be appointed to the Cabinet. Each Councillor has a portfolio of responsibilities such as Health and Wellbeing or Economic Development and Regeneration upon which they have delegated authority to make decisions. The Cabinet makes decisions on key strategic issues including the budget and is responsible for implementing the agreed policies of the Council. The Scrutiny Panel holds the Cabinet to account for the decisions it and the councillors within it make. The Panel comprises councillors who are not members of the Cabinet (i.e. backbenchers) Their role is to assist the Cabinet with policy development and to scrutinise the decisions that the Cabinet is about to take or has already taken. Advantages: • Strategic decisions can be taken in a swifter and more coordinated way • Easier for partnership organisations to work with a Cabinet rather than a number of committees • Portfolio Holders offer a clear point of contact within local authorities. This is a mechanism through which partners can access and navigate the organisation and its information Disadvantages: • The political balance on scrutiny committees can favour the majority party • Councillors not on the Cabinet can feel disengaged with the decision-making process • Great deal of responsibility in the hands of a few	Decisions are taken by committees comprising members from all political groups (where there are at least two councillors in that group). The Council appoints the committees and sets their Terms of Reference. Committees receive briefings and commission reviews to develop council policy. They are concerned with matters that must be dealt with at councillor level and not with the day-to-day administration of the Council, which is the responsibility of the officers. They can be permanent standing committees, or temporary task and finish committees. Optional whether to include overview and scrutiny but if it does include it, committee has same powers as under executive arrangements but as a committee of Council. Advantages: • More councillors directly involved • Wider range of views influencing decisions Disadvantages: • There is a risk of decisions being made in silos as cross-cutting issues can be difficult to identify and address • Widely considered to be inefficient, slow in decision making and overly focused on operational matters rather than policy and results. • Can require a greater amount of council officer time to provide briefings and support than has generally been experienced under most executive arrangements • More meetings to transact business

4.9   In Essex, all local authorities operate Leader and Cabinet executive arrangements with the exception of Basildon Borough Council, Brentwood Borough Council and Maldon District Council who are all operating the committee system.

5.   Review of Colchester's Executive Arrangements

5.1   As can been seen from above the Council's executive arrangements have evolved over time and are kept under review by the Monitoring Officer as an integral part of the statutory role to keep the Council's Constitution under review.

5.2   Both executive arrangements and the committee system are required to have committees that deal with regulatory matters which are the responsibility of full council; i.e. planning and licensing. It is optional whether a committee system has a scrutiny function, but if it does, it has the same functions as under executive arrangements.

5.3   Under executive arrangements, there is a presumption that a function is the responsibility of Cabinet unless regulations provide otherwise. Accordingly, Cabinet is the most important meeting and is at the core of decision making. The following table shows the split between our executive and non-executive decision-making meetings.

Executive	Non-Executive
Cabinet Revolving Investment Fund Committee Portfolio Holders Task & Finish Groups Colchester & Ipswich Museums Service Joint Committee North Essex Parking Partnership Joint Committee Essex Countywide Traveller Joint Committee Scrutiny Panel Policy & Public Initiatives Panel	Full Council Planning Committee Licensing Committee Licensing Sub-Committees Local Plan Committee Governance and Audit Committee

5.4   The Constitution states (Article 12.01) "one of the purposes of the executive structure is to expedite the decision-making process. It is the intention of the Council that decision taking should be delegated in the interests of speed where that is consistent with the democratic process in terms of accountability and openness.

The various levels of decision making are: -

(a) Council – Panels / Committees – delegations to Officers
(b) Cabinet – Cabinet Members – delegations to Officers."

5.5   Figure 1 shows our current executive arrangements and Figure 2 is an illustrative example of a committee system structure.
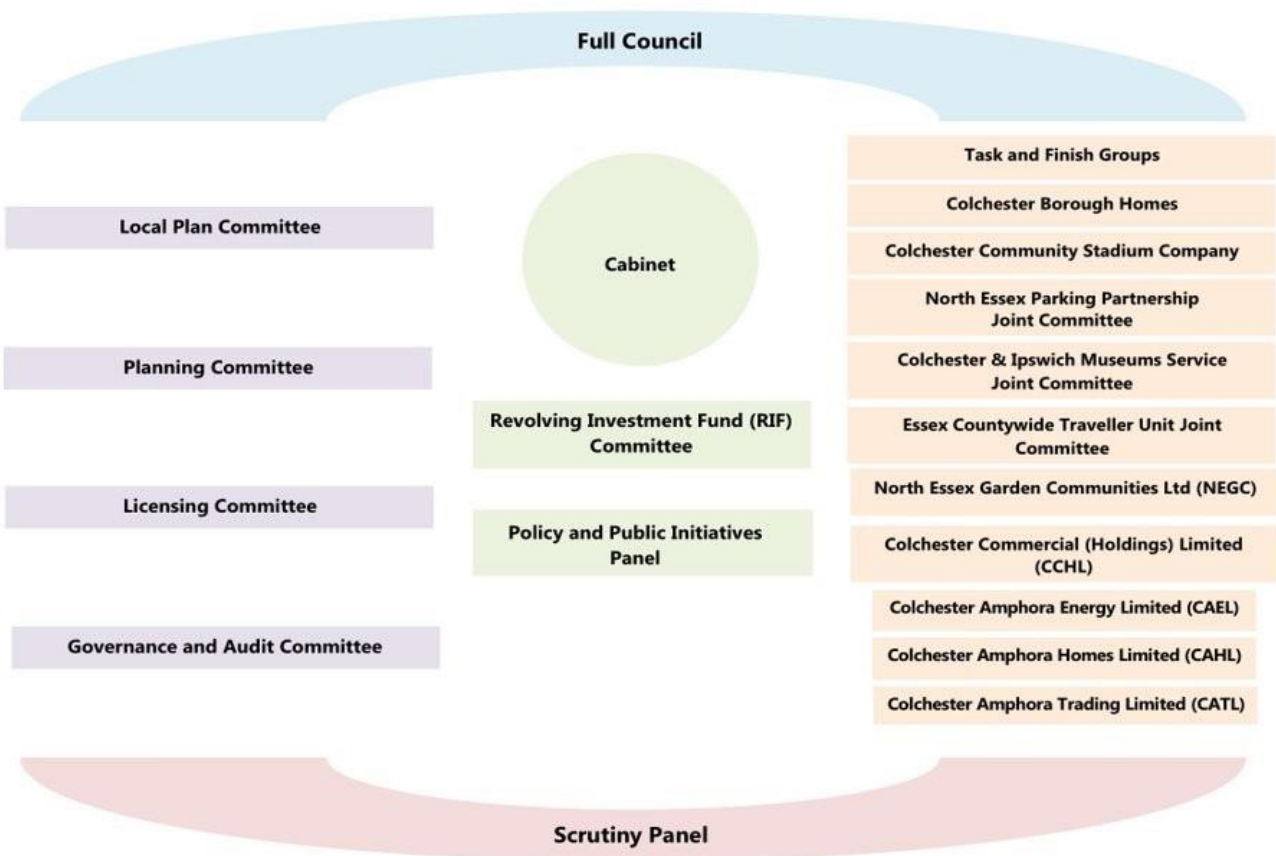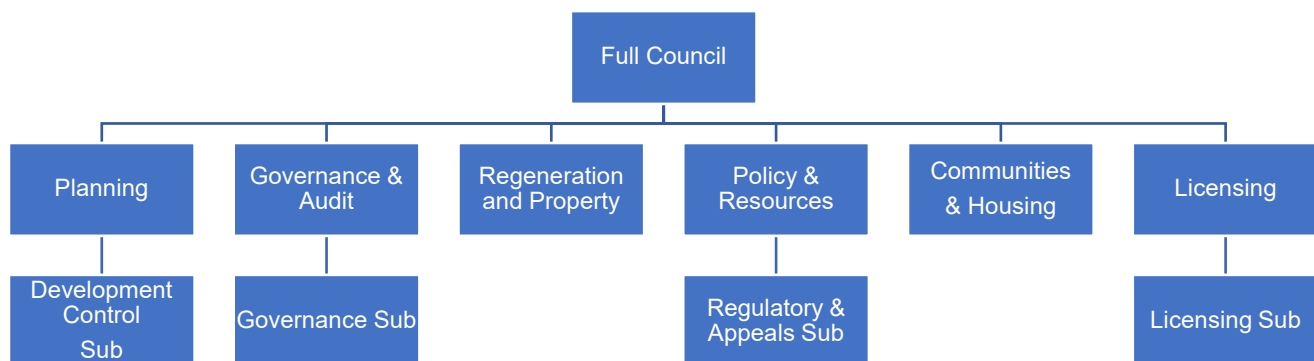
Figure 1.

Figure 2.

5.6 There is an overriding principle that local authority decisions are taken in public. This applies to whatever form of governance arrangements are implemented. Furthermore, public accessibility to record, etc, the meetings has been enshrined in legislation and the Council along with most other local authorities broadcasts its public meetings thus enabling public access in accordance with the transparency agenda.

5.7 Under executive arrangements it is the responsibility of the Cabinet to take decisions within the Budget and Policy Framework agreed by the Full Council. As a balance to the Cabinet the Scrutiny Panel holds it to account and scrutinises policies and performance. It can also consider other matters of local concern. The Scrutiny Panel also acts as the Council's Crime and Disorder Committee. As part of the transparency agenda, notice of certain decisions is required to be published in advance on the Forward Plan. These are known as key decisions and give prior notice of important decisions. In addition, the Cabinet is required to give notice of any decisions that it proposes to take which may comprise exempt information (within the meaning of the Local Government Act 1972; e.g. containing personal information) and require the decision to be taken in private.

5.8   One feature of Colchester's executive arrangements has been a Scheme of Delegation of responsibilities to Cabinet Members (portfolio holders). This type of scheme is optional and without it all decisions would be required to be considered by Cabinet. This inevitably leads to longer Cabinet agendas and less responsive decision making unless Cabinet meets more frequently. Delegated decisions made in accordance with the Scheme of Delegation to Cabinet Members are subject to the same call-in arrangements, in accordance with our overview and scrutiny procedure, as Cabinet decisions. Under a committee system there is no scheme of delegation to individual councillors and accordingly all decisions are required to be considered by a committee. This leads either to slower decision making or the necessity for much more frequent meetings with the consequent additional call on councillors' time etc. Both governance systems permit the delegation to officers as appropriate.

5.9   Cabinet Members also represent the Council on joint committees. These are joint committees of the respective Authorities' executives; i.e. Colchester and Ipswich Museums Joint Committee, North Essex Parking Partnership Joint Committee and the Essex Countywide Traveller Joint Committee. As these are taking executive decisions, they are subject to scrutiny arrangements.

5.10   The Cabinet has established a sub-committee, the Revolving Investment Fund Committee which has delegated authority to manage the Revolving Investment Fund, which has been established for the commercial management, disposal of and investment into key assets in order to drive forward income generation projects. This enables a more in-depth consideration of issues whilst again being subject to our scrutiny arrangements.

5.11   The Policy and Public Initiatives Panel provides legislative, improvement and policy advice to Cabinet and Portfolio Holders on issues that may affect executive functions. The Panel considers issues at the request of Cabinet and Portfolio Holders and must seek approval from Cabinet on whether and how issues proactively identified by the Panel are examined. The Panel also considers initiatives for review from members of the public. The Panel, which consists of backbench councillors from across the party groups, decided on a proportional basis, and provides Cabinet with advice and also enables a wider councillor input by consisting of non-executive councillors.

5.12   Task and Finish Groups have enabled the Cabinet to involve non-executive councillors in examining and developing policies on its behalf. The Task and Finish Group will examine in depth agreed areas of work or polices and should report back to Cabinet within an agreed timescale. The current Task and Finish Groups are: Conservation and Environmental Sustainability, Heritage and Tourism, and Alternative Service Delivery. The Scrutiny Panel at its meeting on 5 February 2020 considered a report on the review of the Council's Task and Finish Groups and has made a series of recommendations to Cabinet. These will be considered by Cabinet and any agreed changes will be reflected in the Constitution.

5.13   Colchester's executive arrangements are well established and have evolved over the years and have been the subject of public consultation. In my view they are fit for purpose and enable an ambitious organisation to respond and make timely decisions in an appropriate manner. However, it is for the Panel to consider this on its merits and decide whether they wish to recommend to Cabinet that further work be undertaken on the Councils' political management arrangements.

6.   Process for changing governance arrangements

6.1   The Localism Act specifies that, in order to change from executive arrangements to a

committee system, a local authority must:

- Pass a resolution (simple majority) in full council to change their governance arrangements and to specify when it proposed that they be introduced

- Ensure copies of the documents setting out the arrangements that will have effect following the resolution must be available for inspection by members of the public

- As soon as practicable after passing the resolution, publish in one or more newspapers circulating in the area a notice advertising the decision to change its governance arrangements and date on which the change will take effect (from an Annual Meeting).

6.2 Prior to the above formal resolution considerable detailed work would be required to determine what the committee structure will look like, terms of reference for committees, etc. This is the most critical part of the process to ensure that the structures are fit for purpose and would need to be considered in detail before any decision is taken by full council.

6.3 There is no requirement to consult on a change of governance arrangements however best practice would suggest that this would be appropriate. In addition, a Local Authority can decide to hold a referendum on the proposed change. The proposal can only be implemented if approved under the referendum. Once a resolution to change is made it is not permissible to make a further change in governance arrangements within the period of five years from the date of resolution unless approved in a referendum. Another consequence of changing to a committee system is that it would be necessary to re-align the special responsibility allowances in the Members' Allowances scheme to reflect the changed roles and responsibilities.

6.4 The Local Government Association and Centre for Public Scrutiny have published a toolkit for local authorities looking to make a change to their governance arrangements. The toolkit covers the steps that local authorities should consider when thinking about making changes including putting together a set of design principles and considering which of the existing governance options best fits those principles. https://www.cfps.org.uk/wp-content/uploads/Rethinking-Governance.pdf

7. Strategic Plan References

7.1 The manner in which Council governs its business is an underpinning mechanism in the Council's Strategic Plan aims to lead our communities in delivering high quality accessible services.

8. Financial Considerations

8.1 Any change to our political management arrangements would draw on a considerable amount of Member and officer time. Any specific financial implications are not possible to quantify at this stage.

9. Publicity Considerations, Equality, Diversity and Human Rights Implications, Consultation Implications, Community Safety Implications, Health and Safety Implications, Risk Management Implications and Environmental and Sustainability Implications

9.1 None