

Appendix A

Report of the Member Officer Working Group – Political Governance Structures

Meeting 1: 7 May 2014 - Summary

The Working Group considered how it might wish to undertake the review of the County Council's Political Management Structure. Two existing research papers produced by the LGA and CfPS relating to Local Authority governance structures were presented.

In considering the detailed report before them the Working Group noted the statutory framework and the full range of options for political management structures available to the County Council. The Working Group also noted the timetable of implementation and impact of any change in political structure on: the County Council's management structure; service delivery; the community; partner organisations and the County Council's constitutional framework.

It was noted that the County Council had embarked on a major process of organisational transformation to create a new organisation aligned to the County Council's key priorities which would likely lead to an entirely new officer structure by April 2016. It was recognised that the system of governance making decisions and the organisational structure supporting and implementing those decisions needed to be fully aligned and complementary to any new structure. Notwithstanding the work on the Transformational Programme the Working Group also recognised the resource implications to the Authority of the implementation of any change to the political governance structure.

The Working Group discussed a range of factors to be considered in any review including:

- any benefits of moving to a Committee system
- the experience of those authorities who had already moved to and operated a Committee system
- the impact of the County Council returning to a Committee system in terms of resources and efficient decision making
- the options available to the Council of operating what is known as a hybrid system, and experience of those Authorities operating such as system
- roles and functions of existing Council committees particularly delivering statutory functions which included the Development Control Committee
- requirements and options for area bodies. It was noted that the Cabinet had recently considered a report on a review of the Council's Three Tier Forums which made reference to two pilot models of governance for Chorley and Lancaster, and had agreed that any decision to continue with these models form part of this review of the future political governance for the Council.
- the relationship with the Scheme of Delegation of officers

In discussing these issues in detail the Working Group recognised that a key element would be gathering evidence from those Authorities who have already changed or are considering a change in their Political Governance Structure.

The Working Group also debated the number of Committees/Sub-Committees and the resources required for servicing the County Council's previous Committee Structure. In considering any change in political governance structure the Working Group also acknowledged the changing role of service delivery and functions of the County Council since the Committee Structure was replaced by the Cabinet System in 2001.

Decisions

The Working Group noted the detailed report presented and agreed to ask officers to report back to the next meeting of the Working on the following matters:

1. to research other Councils who had considered and implemented a change of political governance arrangements to a Committee Structure
2. to provide information on the number of Committees and Sub-Committees; frequency of meetings; and where possible the staffing resources required for the servicing of those meetings for the Committee system operated by the County Council immediately prior to the introduction of a Cabinet System
3. where possible a comparison of an outline of services and functions provided by the County Council prior to the introduction of a Cabinet System and the present time.

Meeting 2: 19 June 2014 - Summary

The Group were presented with a range of evidence as requested at the last meeting. This included

- Evidence from other county councils who had reviewed their governance structures and developed different arrangements. Information from discussions with other councils was made available.
- A summary of the Committee structure and staffing in Lancashire prior to the introduction of new Cabinet arrangements in 2001
- A summary of changes in the roles, functions, powers and responsibilities of the County Council since 2001.

In response to this information, it was widely agreed by the group that a return to the committee system similar to that in existence prior to 2001 would not be appropriate nor feasible, given the different responsibilities and the significantly changed resources position of the County Council.

It was felt that any governance review must take particular cognisance of the wider organisational transformation programme in the council, due be completed

by April 2016, which would create an entirely new structure for the council. It was agreed that the political governance structure review would need to be closely linked to this.

It was confirmed that the original agreement at Full Council had been for a final report in December, with update reports to council meetings until that point. Members felt that it would be appropriate for any final report to be in the form of a set of options for consideration by council, rather than a single recommendation. To that end, it would be appropriate as a next step to draw up three alternative models – a Cabinet model, a Committee model, and a Hybrid model.

It was agreed that there were a number of "design principles" that would need to inform each of these models. Members listed the following principles:

- **Cost effectiveness**
- **Councillor time**
- **Efficiency of decision making:**
- **Inclusivity**
- **Transparency**
- **Accountability**
- **Partnership working**

In addition, it was also recognised that the review of any new system must include consideration of appropriate area bodies and / or locality working arrangements. Any new system must also crucially be aligned with the organisation transformation. Members recognised that, whilst important lessons could be learned from experiences and structure elsewhere, the governance system adopted would need to be specifically suited for the needs, objectives and culture of Lancashire

The working group agreed that, for the next meeting, officers would develop a draft of three alternative governance options in line with the set of principles.

Further consideration will also be given on the best way to engage more fully with other councils which had undertaken a review of their governance structure.

Decision:

That officers develop a draft of three alternative governance options in line with the principles set out above.

Background papers

The following background papers are available from Josh Mynott, Office of the Chief Executive, 01772 534580, josh.mynott@lancashire.gov.uk. Additionally, County Councillors can access them through the C-First website (see "Governance Working Group Background Papers" on the left hand side menu):

- "Rethinking Governance" 2014 Report by the LGA and CfPS aimed at Local Authorities considering their governance structure
- "Musical chairs" 2012 report from the CfPS on the changing governance
- Reports from Cornwall Council on a review of governance changes
- Analysis of the committee structure and officer support at Lancashire County Council before the introduction of the cabinet system and now.
- A summary of key legislative and statutory changes since the introduction of the cabinet system
- Overview of key County Council service and function changes since the introduction of the cabinet system.