Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Review of Governance / Political Management Arrangements
Date:	14 December 2012
Reporting Officer:	Ronan Cregan, Director of Finance and Resources
Contact Officer:	Ronan Cregan, Director of Finance and Resources

1.0	**Relevant Background Information**
1.1	In recognition of the evolving role of the council and elected Members within the city and to take account of known emerging drivers for change, as set out below, Members have indicated that it would be timely to review the political management and operational governance arrangements within the council to ensure that they remain fit-for-purpose in this new context as set out below: (i) Local government reform and associated legislative and governance changes. (ii) Transfer & delivery of new statutory functions e.g. planning and regeneration and a duty to lead and facilitate community planning within the city. (iii) Shift towards thematic and area-based working. (iv) Enhanced relationships with external delivery agencies; with a growing focus on co-design and co-delivery.
1.2	On 5 October the council's SP&R Committee agreed that Jonathan Huish prepare, in liaison with Members and taking into account good practice elsewhere, an initial discussion paper regarding potential future political management options which may be available.
2.0	**Key Issues**
	What is the changing role of Members?
2.1	It is important to recognise the evolving roles undertaken by the council and councillors in terms of: • delivering key statutory and discretionary functions and services within the city; • acting as civic leader and working in partnership for the betterment of the city and its citizens; • investing in the city and its infrastructure; and • working at an area level to address identified local priorities and to improve the wellbeing and quality of lives of citizens across the city.
2.2	It is therefore important that regardless of any future political management arrangements considered, they must embrace and enable the following four broad roles to be undertaken by Members.

FOCUS	ROLES & RESPONSIBILITIES
1. Internal	- Political leadership and oversight - Develop policies and corporate priorities - Guide the allocation of resources - Scrutinise policy and performance - Ensure value for money and effectiveness - Drive continuous improvement
2. External	- Civic Leadership and advocacy - Co-design and co-delivery with partner agencies

			- Encourage/stimulate investment into the city
			- Representational role on external agencies
		3. Regulatory & Governance	- Oversee the delivery of statutory responsibilities e.g. licensing, regulatory environmental health issues, waste, cleansing, building control, registration of births/deaths/marriages, burials etc.
			- Establishing standards and undertaking audit and scrutiny roles
			- Future delivery of statutory planning functions including creation of development plans, adjudication of planning applications and enforcement against breaches to planning decisions.
		4. Community/Area Working	- Community leadership and advocacy
			- Facilitating community planning process and community engagement
			- Place-Shaping and regenerating local areas
			- Improving quality of life and well-being of citizens
			- Responding to constituents enquires and representations
			- Informing the prioritisation and allocation of resources at a area level (e.g. local investment fund)

		What is good governance?
2.3		Governance in local government is currently defined by CIPFA/SOLACE and the Audit Commission as follows:
		'Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people in a timely inclusive, open, honest and accountable manner. It comprises the systems and processes for the direction and control of local authorities through which they account to, engage with and lead their communities.'
		Effective political management principles?
2.4		A key element of good governance is ensuring that effective political management arrangements are in place which deliver an appropriate balance across the following core principles:
		- Clear political leadership and oversight
		- Democratic inclusiveness
		- Enhanced role of elected Members in strategic decision making
		- Effective and timely decision making and implementation
		- Greater co-ordination and alignment of activities
		- Clear accountability
		- Effective scrutiny of policy and performance
		- Adaptability to changing political, legal or governance circumstances
		- Outward focused and responsive organisation
		Political management and operational governance options
2.5		The council's current system of governance has served the organisation well and has led to a gradual move towards a more integrated and strategic approach by the council to addressing some of the big challenges facing the city in recent years.

2.6	If however the council is to fully maximise the opportunities presented by the local government reform programme and Members are to simultaneously deliver their ambitions for the city and its communities whilst keeping rates low, there is a need to ensure our political management and governance arrangements are fit-for-purpose within this new context. With elections to the 11 new Shadow Councils scheduled for June 2014, it is therefore suggested that the possible introduction of any new political management arrangements should be considered within, and coincide with, this timescale.
2.7	**Research has shown that there is no single preferred governance model which is applied across the board but rather a spectrum of models which take account of local political circumstances and desires.** The common trend is for the introduction of a tiered form of governance based around a strategic tier and a thematic/portfolio tier supported by area/local committees with increased levels of delegation from full Council to committee and committee to officers.
2.8	Based on preliminary discussions undertaken with Members through the Party Leaders Forum, there appears to three broad options emerging ranging from retaining the status quo through to a cabinet style type model. Option 1: **Traditional Committee System (Status Quo)** - Council business and decisions are progressed through a number of Standing Committees (normally linked to functional areas). - Majority of decisions taken by Standing Committees remain subject to ratification by Full Council. The Full Council may agree to delegate certain decisions to a particular Committee (e.g. Licensing and Town Planning). - Strategic Policy and Resources Committee provides a Member led focus on strategic planning and resource allocation. - The role and remit of each Committee and relationship with Full Council is clearly defined within the Council's Standing Orders. - All elected Members are represented, based on the principle of proportionality, across all Council Committees. Option 2: **Cabinet Style System** - Executive responsibility for all operational decisions is devolved from the Full Council to a relatively small, defined group of Members. - Clear separation between the role of the Cabinet, which acts as the political executive and decision-making body; and the Full Council which normally agrees policy and holds the cabinet to account. - The Council would delegate the Executive powers to be undertaken by the cabinet; with all decisions taken by the cabinet being a decision of the authority. - The Cabinet may choose to identify individual portfolio holders from within its membership to lead and make decisions within specific themes. - Decisions of a non strategic nature are normally delegated to officers. - Non-Cabinet members undertake a scrutiny role – both in terms of pre-cabinet policy development and performance scrutiny. - Additional scrutiny mechanisms (i.e. committee) are built into the governance arrangements. – with representation from non-cabinet Members. Option 3: **Streamlined Committee System** - This model is an evolution of the council's current Committee system. - It enables a strategic Committee/Board, a defined group of decision makers, to operate in a strategic manner with a degree of delegated authority from Full Council for certain decisions. - The strategic Committee/Board can further delegate to designated thematic and/or

		area Committees who make decisions within defined policies/framework - These Committees are normally engaged in both policy development and scrutiny - Members would be nominated to the central Strategic Committee and/or other Committees or a proportional representation basis.
2.9		The table below provides an initial high-level summary of the perceived pros and cons of each model.

Advantages and disadvantages of each model

Traditional Committee System

Advantages:

- Minimal change and disruption
- Inclusive/participatory based model with all councillors directly involved in making and influencing decisions
- Politically accepted and known system

Disadvantages:

- There is a risk of decisions being made in silos as cross-cutting issues can be difficult to identify & address
- reduces the strategic role of elected Members
- Slow decision making and overly focused on operational matters rather than policy and results
- May not be resilient within the changing operational environment emerging as a result of local government reform

Cabinet Style System

Advantages:

- Member driven process
- Speed of decision making
- Reduced meetings; releasing Member capacity to discuss strategic issues
- Works effectively in majority councils
- Clear political leadership and accountable decision making
- Provides a mechanism to establish specific working groups or panels to explore defined issues which may emerge

Disadvantages:

- Difficult to operate in hung councils
- Requires strong party discipline/trust
- Not inclusive/participatory decision making – Executive decisions taken by a limited number of Members
- Need for a parallel scrutiny process to be built into the governance model
- Potential distance/tensions between members of the cabinet & Full Council
-

	Streamlined Committee System	
	Advantages:	
	- More inclusive/participatory based model	
	- Streamlined and timely decision making processes	
	- More strategic and integrated approach to key decisions	
	- Reduced meetings; releasing Member capacity to discuss strategic issues	
	- Degree of delegation to Committees can evolve over time	
	- Can accommodate a focus on thematic and/or area-based working	
	- Provides a mechanism to establish specific working groups or panels to explore defined issues which may emerge	
	Disadvantages:	
	- Political accountability for decision making not as strong as in cabinet model	
	- The degree and type of executive decisions to be delegated must be agreed through political consensus within Full Council	

	Annex 1 attached sets out an initial benchmark assessment of each of the aforementioned models against the proposed principles of 'effective political management arrangements' set out at paragraph 2.4 above.
2.10	Clearly there are a number of important detailed issues which need further development to inform any consideration given by Members in regards to potential future political management and governance arrangements. As a phase II detailed work will be progressed, in liaison with Members and Party Groups on the following key areas: - Defining the roles and responsibilities of the various tiers of governance. - The number, size and proportionality of any Committees put in place. - The degree and nature of delegated decisions introduced. - Frequency of meetings and associated decision making processes. - Relationship and interface between the tiers of internal governance put in place. - Relationship between internal Committees and any external governance arrangements which may be put in place e.g. community/area committees. - Members' remuneration and allowance schemes aligned to any new political management arrangements.
	Party Briefings
2.11	In advance of moving forward with phase II of any detailed work around potential political management arrangements, it is suggested for Members consideration that briefings take place with Party Groups in January 2013 to discuss the report in more detail.

3.0	Resource Implications
	There are no financial or HR implications contained within this report

4.0	Recommendations

	Members are asked to:
	   (i) note the contents of this report;
	  (ii) agree that briefings be held with Party Groups in January 2013 to explore with Members in more detail and to capture initial views.

BLANK PAGE

ANNEX 1: **Benchmark assessment against principles of 'Good Political Management'**

Benchmarking Success	Traditional Committee System	Streamlined Committee System	Cabinet Style System
	Status Quo – decisions of Standing Committees ratified by Full Council	*Delegation of a number of key decisions to a central Committee*	*Executive responsibility for all operational decisions is devolved from the full council to a relatively small committee of councillors*
Clear, visible & accountable leadership/oversight	◐	◐	●
Democratic Accountability	●	◐	○
Democratic Inclusiveness -consensus decision-making	◐	◐	○
Strategic role of Elected Members	◐	◐	◐
Effective & timely decision making / implementation	○	◐	●
Strategic co-ordination and alignment	○	◐	◐
Effective political scrutiny of policy & performance	◐	◐	○
Adaptability to changing circumstances	○	●	◐
Outward focused and responsive organisation	◐	●	◐
OTHER			
Ease of implementation	●	◐	○

○ Weak Fit   ◐ Medium Fit   ● Strong Fit