

Divisions Affected – ALL

COUNCIL

13 December 2022

REVIEW OF COUNCIL GOVERNANCE ARRANGEMENTS

Report by Director of Law & Governance and Monitoring Officer

RECOMMENDATION

1. The Council is RECOMMENDED

- a) To undertake a review of the Council's governance arrangements as proposed in Annex 1.
- b) To establish a 'Future Council Governance Working Group' comprising a minimum of 9 members (4 Liberal Democrat Green Alliance, 3 Conservative Independent Alliance and 2 Labour & Cooperative Party) that reports to the Audit and Governance Committee which will make any recommendations to Council.
- c) To request Group Leaders to nominate members to the working group

Executive summary

2. The Council debated and agreed the following motion on 1 November 2022:

'This Council has considered a change of Governance in the past from Leader and Cabinet to having a more inclusive Committee structure. The Oxfordshire Fair Deal Alliance wishes to review the decision-making structures of the County Council, with the aim of operating in a much more inclusive way that can involve all the talents of the Council.'

The Council now requests the Director of Law and Governance to institute a Full Governance Review of the County Council as soon as practicable, with any recommended changes to the Council's Executive and Governance structure to be decided by Full Council and fully implemented by May 2024.'

Background

3. Oxfordshire County Council has operated the leader and cabinet model of executive arrangements since 2002 in line with the requirements of the Local Government Act 2000.
4. Councils must operate one of three governance models:
 - a) Executive arrangements including leader and cabinet or directly elected mayor and cabinet.
 - b) Committee system broadly similar to the governance arrangements operated by councils prior to the Local Government Act 2000.
 - c) Submit a different form of governance for consideration by the Secretary of State. It is understood that none have been submitted to date.

Governance review 2018-19

5. The last time that the Council considered a change of governance was in 2018-19. Council passed the following motion on 11 July 2018:

‘This Council, wishing to ensure that governance arrangements for the County are transparent, inclusive and reflect the political situation which exists, asks the Cabinet to work with Political Group Leaders to come forward with a plan to replace the Cabinet with a committee structure or alternative governance and committee models which could further strengthen the work of the Council.

These Committees would have delegated decision making powers from the Council and would be politically balanced. Locality Committees would be consulted on policy and budget matters by the Committees. Robust Scrutiny Structures would be put in place. The Plan to be worked on with a view to the change in the structure being put in place as soon as practicable.’
6. On 18 October 2018, the Cabinet resolved:
 - a) To agree that the governance review should also include a review of potential improvements to the existing arrangements, in the interests of completeness.
 - b) To note the headline themes arising from the councillor survey.
 - c) To agree in principle to the setting up of a Governance Review Task Group.

- d) To note that Group Leaders will be asked to make appointments to a task group (once Cabinet has agreed to its constitution and terms of reference).
 - e) To agree that the task group report back to Political Group Leaders and to Cabinet with recommended options for change.
7. The recommendations from the working group included the formation of politically balanced Cabinet committees, earlier publication of decisions on the Cabinet Forward Plan, exploring the value of area committees, improving the work of locality groups and allocating specific time for the discussion of policy matters in scrutiny committee work plans.
8. At the meeting held on 22 January 2019, the Cabinet was not supportive of making a major constitutional changes at a time of significant transformation for the Council as it entered a strategic partnership with Cherwell District Council. The recommendation to establish Cabinet committees and related actions was not taken forward.

Proposed approach

9. It is for Council to decide what the best governance arrangements are for Oxfordshire County Council to achieve effective and efficient decision making that is in the best interests of the county's residents and businesses.
10. It is proposed that a politically balanced working group is established that reports to the Audit and Governance Committee. Political balance does not require a non-aligned member to be appointed to the group but the Council may decide there is some value inviting a non-aligned member in keeping with the Electoral Review Working Group. This would increase the membership of the working group from 9 to 10 members and would need to be reflected in recommendation at 1 b).
11. The terms of reference including timeline for the cross-party working group is attached at Annex 1. These have been developed having regard to the Centre for Governance and Scrutiny and the Local Government Association's jointly developed framework for governance reviews.
12. An important part of the process will be to assess the purpose of the governance change and what it is setting out to achieve. Before looking at potential new governance arrangements, an initial assessment will be undertaken of the strengths and weaknesses of the current governance arrangements.
13. The benefits of different decision-making models will need to be compared by looking at the success or otherwise of governance arrangements in other local

authorities. This will include county councils (and other types of council) who have changed from a cabinet and leader to a committee model of governance and in some instances back again to a cabinet and leader model.

14. Regular updates from the working group will be received by the Audit and Governance Committee and the final report and recommendations will be considered by that committee and presented to full Council.

Corporate policies and priorities

15. The Council has a stated priority to ensure a vibrant participatory democracy

Financial implications

16. This work arises from a Council motion on 1 November 2022 so no budget has been allocated for this purpose in 2022-23. A governance review is wide ranging and external expertise from organisations such as the Centre for Governance and Scrutiny will be required to facilitate particular elements of the process. In the event of a change of governance, members' allowances will need to be revised to reflect the new arrangements. A budget of £10,000 will be required for this purpose. However, it is expected that this one-off budget requirement will be absorbed within current revenue budget.

Legal implications

17. Governance arrangements are included in the Local Government Act (LGA) 2000, as amended by the Localism Act 2011. Section 9B of Part 1A of the LGA 2000 sets out the three governance models: executive arrangements, committee system or prescribed arrangements. Section 9BA sets out the power of the Secretary of State to prescribe additional permitted governance arrangements.

Staff implications

18. The review will require significant support from the Democratic Services Team and this may have an impact on other activities of the team. In the event there is a change of governance the constitution will need re-writing.

Equality and inclusion implications

19. Any proposal to change the Council's governance arrangements will need to be accompanied by an equality impact assessment which will identify how the changes affect protected groups.

Oxfordshire County Council - Governance review	
Council resolution – 1 November 2022	<p>This Council has considered a change of Governance in the past from Leader and Cabinet to having a more inclusive Committee structure. The Oxfordshire Fair Deal Alliance wishes to review the decision-making structures of the County Council, with the aim of operating in a much more inclusive way that can involve all the talents of the Council.</p> <p>The Council now requests the Director of Law and Governance to institute a Full Governance Review of the County Council as soon as practicable, with any recommended changes to the Council's Executive and Governance structure to be decided by Full Council and fully implemented by May 2024.</p>
What do we need to do?	<ul style="list-style-type: none"> a) Assess current position including strengths and weaknesses. b) What is the purpose of governance change? c) Agree design principles: will proposed changes to structures and ways of working meet stated objectives? d) Explore different ways of working e) Decide overall structural needs f) Determine content of final report to Council
Who do we need to consult with?	<ul style="list-style-type: none"> a) County councillors b) Engagement with residents and businesses c) District Councils in Oxfordshire d) Parish and town councils in Oxfordshire e) Centre for Governance and Scrutiny f) Local Government Association g) County Council Network h) Other county councils who have changed their governance arrangements. i) Other local authorities as appropriate
Useful information	<p>External: Centre for Governance and Scrutiny publication 'Rethinking Council Governance for the 20's'</p> <p>Internal: Council motion passed 18 July 2018,</p>

	Cabinet decisions 17 October 2018 and 22 January 2019
How long will it take?	Bi-monthly meetings of the working group – January to December 2023 Progress reports to Audit and Governance Committee – 19 July and 20 September 2023 Progress reports to meetings of Political Group Leaders Draft report to Audit and Governance Committee – 29 November 2023 Final report to Council - 12 December 2023