WIRRAL COUNCIL

CABINET

21 JUNE 2012

SUBJECT:	**Corporate Governance KLOE 6 – Committee Services (Proposals for Improvement)**
WARD/S AFFECTED:	**All**
CABINET PORTFOLIO:	**Councillor Ann McLachlan Governance and Improvement**
REPORT OF:	**Director of Law, HR and Asset Management**

1.0 EXECUTIVE SUMMARY

1.1 This report provides details of the work undertaken by KLOE 6 and its conclusions and proposals for improvement as part of the governance work programme agreed by Cabinet on 16th November 2011.

1.2 A number of the proposals and initiatives outlined/proposed are linked and must be considered as a whole. The objectives are KLOE 6 impact upon a number of working arrangements/methods. Accordingly, there is no one specific initiative or proposal that achieves a KLOE 6 objective.

1.3 The proposals and initiatives detailed within this report were developed by a cross-party working group supported by Officers from Legal & Member Services. The Members of the KLOE 6 Working Group were (at the material time):

Councillor Ann McLaughlin (Chairperson)	Councillor Brian Kenny
Councillor George Davies	Councillor Tom Harney
Councillor Dave Mitchell	Councillor Ian Lewis
Councillor Steve Williams	

1.4 This report was considered by the Improvement Board 30 March 2012.

2.0 BACKGROUND AND KEY ISSUES

2.1 The Director of Law, HR and Asset Management was appointed as the project manager to undertake the review of committee services and a project team was established in November 2011.

2.2 As part of this review, a KLOE 6 cross party working group was established to consider, explore and develop proposals to meet the objectives of KLOE 6.

2.3 The objectives of the KLOE 6 review into committee services focused specifically upon the need to:

i.   Implement transparent decision making based on appropriate information, in a timely manner; and

ii.   Provide the most appropriate committee services support to the democratic process of the Council.

2.4   The remit of KLOE 6 included:

i.   Competence of committee reports placed before Members for consideration;

ii.   Delegation to Members and Officers; and

iii.   Appraisal of the forward planning process.

2.5   KLOE 6 was not required to consider the Council's democratic structure as that is being considered by the Council's Democracy Working Group. However, it was acknowledged that KLOE 6 could provide observations to the Democracy Working Group as it deemed appropriate.

2.0   The Review

2.1   Members of the KLOE 6 Working Group recognised that for the Council to achieve transparent decision making based on appropriate information, in a timely manner, and provide the most appropriate committee services support to the democratic process of the Council, a number of improvements and measures would be required.

2.2   There are many variables and factors that impact upon and influence the objectives of KLOE 6. As such, it is recognised that it is only through the introduction of a series of specific improvements and measures can the objectives of KLOE 6 be achieved.

2.3   During the review it became quickly apparent that to achieve the objectives there were a number of underlying issues that needed to be considered and addressed. It also became clear that not all the changes that were required to achieve the objectives could be evaluated and implemented within the limited timescale afforded. The key issues identified requiring consideration were:

i.   Improving the information provided to members (and the public);
ii.   Utilising modern technology in disseminating information to members;
iii.   Ensuring greater involvement by Committee Chairpersons in the running of their respective Committees;
iv.   A need to instil greater confidence in Cabinet Members when making decisions under delegation by encouraging a more open and transparent approach;
v.   The need to ensure more effective use of Officer delegations by promoting greater use and accountability.
vi.   Improving decision making by Cabinet and Committees through the use of ICT and a more focused approach.

2.4 **KLOE 6 Objective: Transparent Decision Making**

2.5 The KLOE 6 Working Group identified the following six critical factors that it considered determined whether a decision made by a Council Committee was transparent, informed and effective:

   (1) Quality;
   (2) Explanation;
   (3) Presentation;
   (4) Distribution;
   (5) Time; and
   (6) Opportunity.

2.6 Transparent, informed and effective decision making requires the information upon which decisions are made to be:

   '…of high quality; properly and fully explained; presented in an appropriate and 'user friendly' manner; distributed effectively and efficiently; provided in good time; and properly considered and debated.

2.7 Exploration of the above key issues and critical factors led the review to specifically focus upon the following:

   i.   Committee reports

   Consideration was given to the current committee report layout, structure, level and quality of content, the manner in which information was provided, and volume.

   The Committee report layout was revised to include:

   - a new section that requires details of previous actions to be provided (see paragraph iv. below);
   - Environmental implications to be confirmed along with Carbon Reduction Implications;
   - Identification of relevant Council Strategies and Policies within the report;
   - Briefing Notes History (see below); and
   - Hyperlinks to all key documents referred to in the report (not just EIAs);

   The above changes are considered necessary to improve the information provided to Members (and the public) and help them better appreciate and understand the matters and issues raised within the report.

   As part of the changes proposed by the KLOE 6 Working Group, Members will not receive hardcopies of full Committee Reports. Instead Members will receive a hardcopy of Summary Reports (see below). The rationale behind this change is explained below.

   The revised Committee Report template is set out at Appendix 1 (which includes the revised EIA issued in May 2012 for use in Committee Reports).

<u>Summary Reports</u>

There was consensus amongst Members of the KLOE 6 Working Group that the volume of Committee reports distributed to all Members was excessive; and that a more efficient and cost effective solution was required.

The review led the KLOE 6 Working Group to recommend the introduction of a Summary Report.

The Summary Report Template will not exceed more than two A4 pages and its purpose is to provide Members with an overview of all salient issues and matters contained within a full Committee Report. The Summary Report will include a hyperlink to the full Committee Report and hyperlinks to relevant documents referred to throughout the Report (such as EIA, Strategies, policies etc).

The Summary Report template is set out at Appendix 2.

Hardcopies of Summary Reports will be provided with every Committee Agenda instead of full Committee Reports. Members will be required to access the full Committee Reports electronically. In the event of an ICT failure, hardcopies of the full Committee Reports will be provided to Members as necessary.

It is envisaged that Members will bring Summary Reports to Committee meetings, having read the full report (together with all appendices and other relevant documents) using the ICT facilities provided to them. Members will of course be able to print off any specific reports (or any part thereof) that they require for a Committee meeting. At Committee meetings, the projector will be used to follow reports and highlight any specific paragraphs referred to within the full Committee Report (or any relevant appendix or other document).

<u>Briefing Notes</u>

The review also highlighted the common practice of Committee Reports simply being used as a vehicle to provide updates and general information to a Committee (albeit in relation to relevant and legitimate matters). The Committee in such cases is often simply invited to "Note the contents of the Report". A Committee Agenda can often include several Committee Reports 'for noting'. The KLOE 6 Working Group considered that this practice was not the most effective method of providing updates or general information to members, particularly when many reports rehearsed the same background information contained in previous reports. Such reports therefore contained a significant amount of duplication leading to unnecessarily lengthy reports.

As alternative to this practice, a Briefing Note would be used that would be distributed to all members electronically. The Briefing Note will not exceed one A4 page and would include details of its purpose, a summary of the matter/issues and key documents and future reporting plans. The intention is to provide a more focused and targeted communication that achieves the

same outcome as the current reports that are provided to Committees 'for noting'.

The Briefing Note template is set out at Appendix 3.

To ensure that a clear audit trail exists, the new Committee Report template has been amended to include details of all Briefing Notes (access to which will be by hyperlink). This enables Briefing Notes to be referred to at Committee meetings if required.

Importantly, this change will help reduce the number of items appearing on Committee Agendas (particularly for Cabinet) and facilitate more focused and effective debates at Committee meetings.

<u>Guidance and Training</u>: New guidance will be provided to report authors on the new arrangements and assistance with regards the level of information and detail that needs to be included within reports. Specific training will be provided to report authors and key administrative support staff on the Mod.Gov System.

ii.   Preparation of Committee Reports

Pivotal to the Council's administration of Committees is use of the Modern.Gov system. This is an electronic committee management system designed specifically for local authorities. The Council uses many of its functions effectively and is the vehicle used to distribute Committee Agendas, Reports and related information to Members and the public.

A preliminary review of the Modern.Gov System has been undertaken and it is recommended that all Committee Reports should be generated within the Modern.Gov System. This enables the timely production of Committee Reports and ensures that all requisite Access to Information Rules are satisfied. This change will also impose an important discipline upon both Members and Officers to ensure that issues and matters are discussed in sufficient time to allow reports to be generated and published within the relevant timescales. This approach will also avoid the need for 'Supplemental Agendas' which are not considered consistent with effective decision making.

In addition to this, a new report guidance to report authors will be prepared that provides helpful assistance in relation to the nature, detail and extent of information that should be included. One specific obligation that will be included in the guidance will be for Chief Officers to critically appraise reports to ensure that they are clear and concise, comprehensive and focused.

A protocol has been devised which outlines how the Committee Reports should be prepared and is set out at Appendix 4.

iii.   Cabinet/Committee Agendas

An assessment was undertaken with regards to the approach adopted in generating/compiling Cabinet/Committee Agendas, the role of the Committee chairperson in that process and the distribution of agendas.

The review revealed that there was a patchy approach to how Committee Agendas were compiled and approved. One significant issue raised in the AKA Report related to the number of items appearing on Cabinet Agendas and whether it was good practice for the Cabinet (and other Committees) to endeavour to consider, digest, debate and decide matters where the Agenda contains many items for debate that were often complex, significant and/or voluminous.

The KLOE 6 Working Group concluded that the Chairperson must play a more pro-active role in determining and approving his/her Committee Agendas. To assist in achieving this outcome, a 'Setting Cabinet/Committee Agendas Protocol' has been devised which it is hoped will prompt Chairpersons to critically appraise the inclusion of items on a Committee Agenda and consider alternatives options.

The protocol is intended to assist the Chairperson focus specifically on the purpose and business of his/her Committee and scrutinise whether the item in question warrants the Committee's time and attention. It is not intended to undermine a particular issue but rather encourage Chairpersons and Chief Officers to recognise the need to ensure that the Committee's time is utilised fully and address those factors which could lead to ineffective decision making.

This aspect of the review also led the KLOE 6 Working Group to consider the duration of Committee meetings. It was acknowledged that lengthy Committee Meetings were not consistent with good practice and effective decision making. Accordingly, it is recommended that Chairpersons should endeavour to manage the duration of Committee Meetings to no more than two (2) hours (unless there is good reason to extend this time). This change will ensure Committee Agendas are focused and include necessary items and importantly allow for improved debates and decision making.

The KLOE 6 Working Group also considered whether certain Council meetings should be scheduled at a different time, namely during the working day rather than evening. It was recognised that certain Council meetings, such as Council, often continued until late into the evening. In order to enable Council more time to discuss significant issues (such as setting the Council's Budget), consideration was given to meetings of Council being held during the day. This suggestion was referred to the Democracy Working Group for consideration.

The Setting Cabinet/Committee Agendas Protocol is set out at Appendix 5.

iv.   Use of Delegated Powers by Members/Officers

The use of delegated powers by Cabinet Portfolio Members was reviewed and consideration given to how such powers could be used more effectively.

(It is of course recognise that such delegations will not be in issue should the Council decide to change its governance arrangements).

The review highlighted that whilst delegated powers were available to Cabinet Members, many powers were either not exercised at all, or if they were, they were infrequently used. Officer delegations were used more widely; however a review was required to ensure that Officer delegations were relevant and accountability embedded. Whilst the review of these delegated powers was not within the remit of KLOE 6, in the context of reducing the number of items on Cabinet Agendas, the need to encourage Cabinet Members and Officers to use such powers was considered important.

One material factor that was identified as having a significant impact upon whether Cabinet Member delegated powers were used was the perceived concern of adverse representations being made by Ward Councillors, who often found out about such decisions after they were made. Whilst the nature of the adverse comments may not have changed the decision itself, the level of disquiet expressed was often due to the lack of engagement.

Accordingly, it is recommended that to improve engagement and confidence, a Cabinet Portfolio (when contemplating making a decision that relates to a specific Ward or Wards (but not the whole Borough)) should consult all members in the relevant Ward/s before making that decision.

The Cabinet member will determine which Ward/s are relevant in terms of those members to be consulted and how that consultation should take place.

To assist Cabinet members further, a protocol would be developed, which is agreed by all three Group Leaders, so that there is both clarity and transparency around when and how Cabinet Member would use their respective delegated powers. (This protocol will be developed depending on the decision of Council with regards its future governance arrangements).

The Scheme of Delegation of Functions to Cabinet Members has been amended to reflect this change and is set out at Appendix 6.

With regards Officer delegations, it was not possible to undertake a review of these delegations and therefore has been included in the Further Improvements Action Plan at Appendix 10.

v.   Monitoring Arrangements of Committee Actions/Recommendations

An assessment was undertaken with regards the current monitoring arrangements and the measures needed to ensure that more robust procedures and practices were adopted to enable the effective monitoring of committee actions/recommendations.

Whilst improvements have been made to the monitoring of Cabinet/Committee actions and recommendations, the review highlighted the need for more robust arrangements to be adopted.

It was recognised that it is in fact *both* Members and Officers who have an obligation to ensure that Cabinet/Committee actions and recommendations are undertaken in a timely manner. To help ensure such actions and recommendations are not overlooked and potential exposure to unnecessary risk and challenge mitigated, a 'Cabinet/Committee Actions – Monitoring Arrangements' Protocol has been devised.

Under the protocol the Committee Report template is to be amended to enable details of any outstanding actions to be disclosed and an explanation provided as to why those actions have not been undertaken. The Summary Report template also requires this detail to be provided.

It is envisaged that disclosure of outstanding actions within Committee Reports (and Summary reports) will provide the opportunity for Members to effectively scrutinise the explanation and reasons given for why an action has not been undertaken.

With regards the arrangements for Officers, the Modern.Gov System provides for actions to be logged, communicated and monitored by exception. Although this facility is being used, it needs to be refined (with some input required by the software manufacturer to maximise its use) and be applied more consistently. It is therefore recommended that the facility is fully utilised by Chief Officers who must monitor actions within their respective directorates. In addition, the Chief Executive will regularly review all actions by exception and take action, as considered necessary, to address any non-compliances/inaction. The input required by the software provider is not expected to exceed £7,000. Training would be required for key officers, who would become 'super-users'. The objective is to ensure there are at least two officers within each directorate who are 'super-users'. Those officers will then be capable of training other staff members and deal with any queries other users may have. The costs of training are not expected to exceed £3,000.

The Cabinet/Committee Actions – Monitoring Arrangements Protocol is set out at Appendix 7.

vi.   **Members' ICT**

A preliminary analysis was undertaken with regards both the Council's ICT infrastructure and ICT provision to Members. Particular consideration was given to future ICT projects and how ICT could be utilised more effectively to achieve the objectives of KLOE 6.

The review highlighted the need to ensure that the ICT facilities provided to Members and aligned to agreed ICT needs. For the avoidance of doubt, training would be provided to meet identified Member training needs. Such

training is anticipated to be delivered in-house; however, this would be subject to the needs identified and the level of support required.

It is fundamental that Members' ICT needs are identified and met so that ALL Members feel confident in engaging with and using ICT. The use and integration of ICT in committee administration, communication and decision making in Members' work and role is considered a critical pre-requisite to the necessary improvements required to achieve the objective of KLOE 6.

The Council will shortly be embarking upon a tender exercise to renew Members' ICT. The KLOE 6 Working Group strongly recommends that the Members' ICT Panel be convened as soon as possible so that Members ICT needs can be properly assessed and defined.

The review further revealed a desire amongst the KLOE 6 Working Members for greater use of both ICT generally and the integration of recent developments in modern technology (such as iPads and the like) to assist Members in their role. One particular area of interest was the use of laptops or iPads (or their equivalent) to access reports and information at Committee meetings. Such use would dispense with the need for any hardcopy reports/information and would enable considerable information (including previous reports and library information) to be more readily available to Members during Committee debates thereby improving decision making.

The KLOE 6 Working Group recognised that the introduction of innovative ICT solutions was dependent upon not just cost, but the Council's ICT infrastructure. It is therefore recommended that a review also be undertaken to ascertain the current state of the Council's ICT infrastructure and what improvements are needed to enable more effective and innovative ICT options to be developed.

Given the limited time available, it was not possible for the requisite reviews and assessments mentioned above to be undertaken. Accordingly, these actions have been included within the 'Further Improvements' Action Plan (see below).

vii.   **Number of Committee Meetings**

A statistical analysis and benchmarking exercise was undertaken with regards to the number of Council committee meetings held and an investigation carried out to gauge an understanding as to the reasons for significant fluctuations in the number of committee meetings held.

A benchmarking exercise was undertaken with neighbouring local authorities.

Details of the benchmarking exercise are set out at Appendix 8.

The results showed that Wirral Council, over the last Municipal Year, held the highest number of Committee meetings and considered the most number of reports. Wirral Council had considerably greater number of reports being considered by its Cabinet, Audit & Risk Management Committee and

Licensing Act 2003 Committee (including Licensing Sub). The total duration of Wirral Council's meetings were also much greater – in fact twice as much as the closest neighbouring Council.

It is anticipated that the measures and initiatives mentioned above will reduce both the number of reports considered by Committees and reduce the duration of Committees. However, with regards the Licensing Act 2003 Committee, it was recognised that in order to properly consider what improvements can be made, a more detailed analysis was required. This analysis could not be undertaken in the limited timescale, however has been included within the 'Further Improvements' Action Plan (see below).

To ensure good practice is adopted and the Council is able to effectively monitor the performance of its committee services, it is recommended that the Council joins the Cipfa Committee Services Benchmarking Club. The annual cost of the subscription is £650.00.

viii.   Training

Consideration was given to requisite training needs for Members in relation to the recommendations of the KLOE 6 Working Group.

It is recognised that in order to assist Members implement and embrace the above recommendations, specific training will be required. Accordingly, training needs have been identified which should be considered by the Council's Members' Training Steering Group (subject to approval of the above recommendations).

The identified Training Needs Schedule has been set out at Appendix 9.

ix.   Further Improvements

Given the timetable within which this project is required to be completed, it was recognised that a number of key recommendations would require more time and resource to complete. These recommendations need to be progressed following the conclusion of this project.

One critical area that requires improvement, which will also be impacted by the recommendations proposed, is the level of resources required by Legal and Member Services to deliver the services demanded and meet the needs of the Council. The resources available are under pressure and need to be enhanced. In order for this to be achieved, a full review of the service is required. However, decisions in relation to the recommendations contained within this report will impact upon the level of resources required and so decisions concerning the recommendations outlined in this report should be made as soon as possible. Furthermore, the work of the Democracy Working Group could also have a significant impact upon resources. It was therefore considered prudent to undertake a full review once all changes had been identified and their impact understood.

The Improvement Plan identified the following actions that need to be progressed as soon as possible:

- Review of Members' ICT Needs
- Review of Council's ICT Infrastructure
- Request for Members Training Steering Group (MTSG) to develop an ICT training programme for members
- Explore use of iPads (or similar) with Mod.Gov
- Review resources within Legal and Member Services to enable Corporate Governance needs to be met.

The Further Improvement Plan is set out at Appendix 10.

3.0 RELEVANT RISKS

3.1 The relevant risks have been outlined within the report

4.0 OTHER OPTIONS CONSIDERED

4.1 No other options have been considered save for those outlined within the report.

5.0 CONSULTATION

5.1 The KLOE 6 Working Group is a cross-party working group which serves as a consultative forum for the purposes of KLOE 6.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 There are no such implications arising.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 The resource and financial implications are detailed within the report. Further analysis will need to be undertaken if certain actions are progressed.

8.0 LEGAL IMPLICATIONS

8.1 The Council is under an obligation to ensure all decision making is effective so as to avoid potential challenge. The Council's decision making must stand up to legal scrutiny and be reasonable and proportionate. The recommendation set out within the report improve the Council's Corporate Governance arrangements and decision making arrangements

9.0 EQUALITIES IMPLICATIONS

9.1 No because there is no relevance to equality.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 There are no such obligation arising.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are no such obligation arising.

12.0 RECOMMENDATION/S

12.1 That Cabinet:

   i.   Approves the proposals and action plan detailed within this report and the appendices; and

   ii.   Agrees that the Director of Law, HR and Asset Management, in consultation with the three Group Leaders (or their nominees) and/or relevant Officers (as necessary), undertakes all necessary steps to ensure the prompt and effective delivery and implementation of the proposals and actions (subject to any minor amendments as considered necessary) referred to this report and the appendices.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The recommendations will improve the Council Corporate Governance arrangements and enable other important initiatives to be developed and implemented; and enable continuous development.

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APPENDICES

Appendix 1	**Summary of Proposal & Initiatives**
Appendix 2	**Revised Committee report template**
Appendix 3	**Proposed Summary Report Template**
Appendix 4	**Proposed Briefing Note Template**
Appendix 5	**Protocol for the generation and distribution of Agendas**
Appendix 6	**Protocol for Setting Agendas**
Appendix 7	**Proposed Amended Scheme of Delegation to Cabinet Members**
Appendix 8	**Monitoring Arrangements of Committee Actions**
Appendix 9	**Benchmarking Data – Committee Meetings**
Appendix 10	**Benchmarking Data – Printing costs of Committee Agendas**
Appendix 11	**Identified Training Needs**
Appendix 12	**Further Improvements Action Plan**

REFERENCE MATERIAL

Cipfa benchmarking information
Cipfa guidance
Mod.Gov guidance

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Improvement Board	**30 March 2012**