


Wirral Metropolitan Borough Council

Working Effectively in the Committee
System

November - December 2021

Feedback report





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1. Background and Scope

Following a review of Governance in 2019, Wirral Metropolitan Borough Council (WMBC) voted at their Annual Full Council Meeting on 28 September 2020 to formally move from the Cabinet Leader Governance Model to the Committee System.

The Council approached the LGA in the summer of 2021 to ensure that the Committee System is working effectively, and to support improvement. This work was completed in November and December. The LGA recognise that the Committee System of the Council has only been in place for a little over 12-months, and that there will be natural refinements that the Council will wish to consider reflecting the learning and experiences of this first year. The LGA also recognise that the decision of the Council to move to the Committee System is legally bound, and therefore intended this work to be 'future facing' and to support practical changes to the existing System, rather than revisiting the original review of 2019 or the merits of differing models.

Therefore, the primary aims for this work were to support Councillors at WMBC to consider improvements to the Council's governance and the identification of considerations for the Council to take forward. It was also intended that this programme would:

- Refresh Councillors on the principles and practice of working effectively in the Committee System.
- Reflect on the current practice and approach of WMBC.
- Consider how the System is performing against design principles.
- Develop a shared understanding of recommendations and improvements to support improvement.
- Identify the necessary improvement as set-out through Assurance Reports commissioned through the Department of Levelling Up, Housing and Communities (DLUHC).

This report sets out the context in which this work was completed following the publication of two assurance reports from the Department for Levelling Up, Housing and Communities (DLUHC) on 2 November 2021 and the key issues highlighted, as well as the methodology undertaken through Sector Led Improvement. This report also identifies several considerations for the Council to take forward which may support improved effectiveness and efficiency within their Governance, and the delivery of wider recommendations identified through national Assurance Reports. Finally, it should be noted that this work does not represent a technical review of the Council's Constitution which would require additional legal input, but instead is designed to support facilitated reflection and a 'bottom-up' approach to developing locally owned recommendations for

improvement based upon the experience of the Council, the expertise of external Peers, and the current context of the organisation.

2. Context

WMBC was one of a small number of Councils to request exceptional financial support during the COVID-19 pandemic, asking for part capitalisation of its revenue budget through a formal application to DLUHC. This financial support was agreed in principle, subject to the outcome of an independent and external Assurance Review.

These reviews were announced on 30 June, with the Council's finances being reviewed by the Chartered Institute of Public Finance and Accountancy (CIPFA), and its governance being reviewed by the previous Chief Executive of Darlington Council Ada Burns. These reports were published on 2 November 2021, setting out the methodology used, detailed findings, and a series of recommendations for the Council's improvement.

These reports contained further recommendations regarding the governance of the Council, including strengthening financial governance, reviewing/reducing the number of Committees, and revisiting the role of the Council's Decision Review Committee. This work has been incorporated into the LGA's programme and included in conversations with Councillors at WMBC. Therefore, it is hoped that this report will provide further triangulation of these findings and support the Council to act on their recommendations. These Reports also called for the establishment of an Independent Improvement and Assurance Panel, and the LGA has been invited to sit on this Panel.

Finally, WMBC has agreed to undertake a LGA Corporate Peer Challenge in early 2022 in line with the recommendation in the assurance review. This will provide a further opportunity to engage with Councillors and Officers on progress against recommendations, and to consider wider issues of culture and capacity which may also relate to the Council's Committee System.

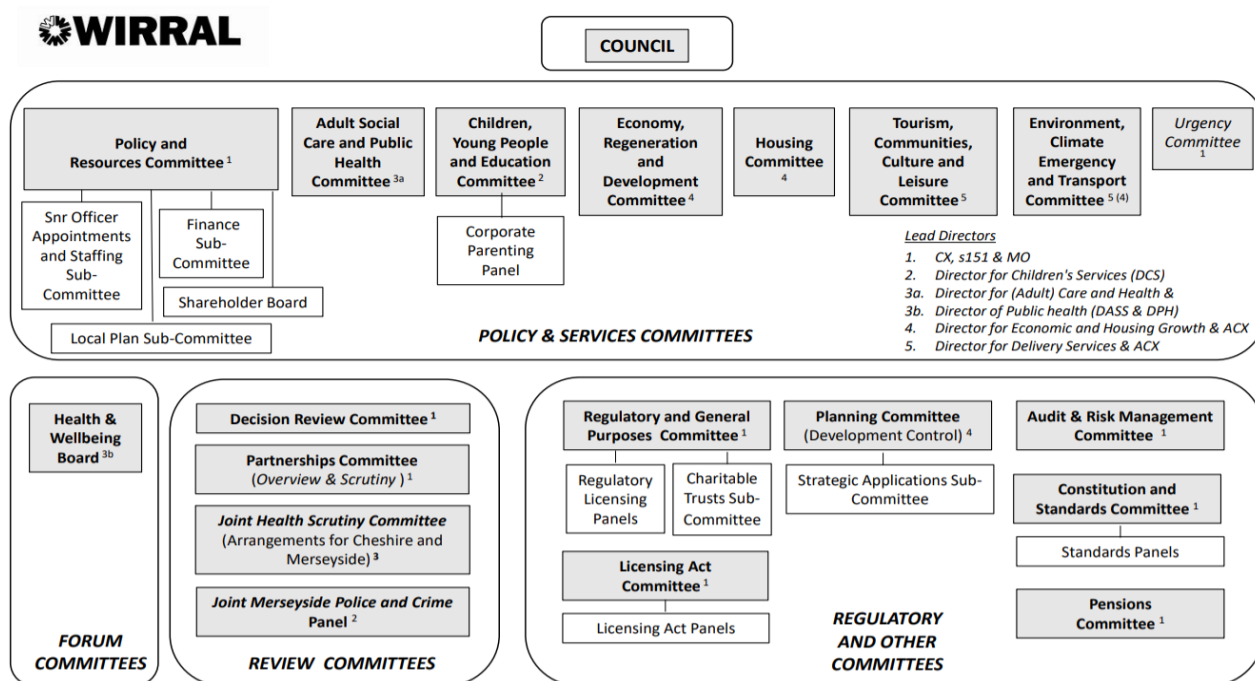
3. Current Committees of Wirral Metropolitan Council

Whilst this work does not represent a formal review of the Council's Constitution, it is still important to set out an overview of the current governance arrangements of the Council, including the design principles which underpin it.

- **Accountability** – responsibilities and accountability should be clear, within the Council and to residents.
- **Credibility** – governance should assist good decision making, which involves proper and early scrutiny.

- **Transparency** – the decision-making process should be open and transparent to Members and to the public.
- **Collaboration** - decision making should be collaborative across parties and less combative.
- **Timeliness** – decision making should be both quick and effective and, when necessary, allow for urgent decision making.

WMBC Committee System includes seven Policy and Service Committees operating beneath Full Council and supported through a number of sub-committees. The Council also operates further Statutory Committees for a range of regulatory and judicial functions, including Planning, Regulatory, Licensing and Pensions. Finally, the Council runs a number of review Committees, including statutory Health Scrutiny, their involvement with wider Merseyside Police and Crime Panel, as well as a locally operated Decision Review Committee. These are illustrated in the diagram below:



The full list of Policy and Service Committees operated by the Council is set out below:

- Policy and Resources Committee.
- Adult Social Care and Public Health Committee.
- Children, Young People and Education Committee.
- Economy, Regeneration and Development Committee.
- Housing Committee.
- Tourism, Communities, Culture and Leisure.
- Environment, Climate Change Emergency and Transport Committee.

4. Methodology & Approach

This work was completed in three-key stages: desktop research, structured conversations with all Political Groups of the Council, and a cross-party discussion on emerging findings and considerations for improvement.

The desktop research for this programme included consideration of the DLUHC assurance reports and analysis of their relevant findings and recommendations. This took place alongside analysis of other Local Authorities that operate the Committee System, including their size and structures in comparison to WMBC. This research also involved ensuring that LGA Peers were familiar with the structures and systems that operated in WMBC, as well as analysis of recent online meetings to observe decision making through these forums.

This research was used to support focus-groups with each of the five political groups at the Council. These focus groups were led by LGA peers working across the sector, selected for their experience of the Committee System and prior knowledge of WMBC. All Elected Members of the Council were invited to these sessions, and approximately two-thirds of Councillors took place in these conversations. Sessions were held on the following dates:

- 3 November 2021 – Discussion with Conservative Political Group.
- 4 November 2021 – Discussion with Liberal Democrat Political Group.
- 16 November 2021- Discussion with the Green Party-Political Group.
- 18 November 2021 – Discussion with Independent Group Members.
- 11 and 21 November 2021 – Discussions with Labour Political Group.

These discussions followed the same session plan to ensure consistency of approach and included common questions to support the triangulation of answers. These meetings were held over MS Teams and conducted virtually. It was important for these sessions to provide a safe space for political discussion and input, and therefore, they were led by the following political peers with the same Officer support being provided by the LGA.

- Cllr Sir Stephen Houghton (Labour Peer) – Leader of Barnsley Council.
- Cllr Mike Wilcox (Conservative Peer) – Staffordshire County Council.
- Cllr Sue Shanks (Green Peer) – Brighton and Hove City Council.
- Cllr Jayne McCoy (Liberal Democrat Peer) – London Borough of Sutton.

Following these sessions information was collated into key findings, themes, and considerations. This was feedback to the Council on 2 December 2021. This final

session was attended by all Group Leads, Committee Chairs and Vice Chairs. This session was also attended by the Council's Chief Executive, Director of Corporate Resources, Monitoring Officer, and Head of Legal and Democratic Services. This meeting was chaired by Cllr Sir Stephen Houghton and attended by the LGA Peers and Officer that supported this work. The presentation that was used to lead this conversation is available upon request, but the key sections and conversations are covered within this report below.

5. Findings & Considerations:

Strong and successful governance is built on two key elements, the first is the formal processes and structures as set-out in the Council's Constitutions, setting out the rules and regulations for both Councillors and Officers. However, as important to these formal aspects is the environment in which they are applied, including the wider organisational culture, approaches to collaboration, and relationships.

First Principles and Key Issues:

It should be noted that during the discussions with the five political Groups of the Council that there was a clear shared appetite across all to support improvement in how the Committee System is working for WMBC. This included a recognition for the Council to respond positively and proactively to the findings of the external assurance reports. There was also a common understanding from these discussions that the Committee System of the Council was still nascent having only been implemented in 2020, and therefore recognition that improvement would be iterative and would naturally include the lessons learnt through the first-12 months of working in this model. It should also be noted that there were several agreed positions that were outlined through these individual group sessions, which illustrate some emerging consensus which should be built on as far as possible.

During each respective discussion with political groups, participants were asked to describe how the Committee System of the Council currently felt from their perspective. Through this question we heard positive replies such as 'inclusive', 'democratic' and 'participatory', highlighting the engaging and open aspects of the system that exist. However, this question also received responses including 'duplication', 'over-complicated' and 'workload' highlighting some of the frustrations which were raised regarding the repetition that exists within the system and some of the challenges that are created regarding timeliness of decision making. This tension between inclusion and pace is a natural challenge that exists and requires further consideration as the Council moves forwards.

These individual sessions with political groups also asked participants to set out how the Committee System is delivering against the design principles included within the Council’s Constitution. This question asked participants to rank performance against the principles from one (poorly) to five (well). The table below shows the aggregated scores submitted:

Objective:	Score:
Accountability	4.18
Transparency	3.90
Credibility	2.5
Collaboration	2.4
Timeliness	1.8

It should also be noted that whilst scores differed across the political groups, the results were provided in the same order. This highlights a consensus across Councillors regarding the performance of the system and areas of improvement. These results also illustrate the tension that exists between the principles of accountability and transparency, and the practice of delivering swift and timely decisions through the system, and a recognition to improve the latter.

When these findings were discussed in a cross-party setting there was a shared appetite across the political groups to prioritise the timeliness of decision making to support this improvement. There was also a commitment across groups to respond positively to the findings of external assurance reports in a collaborative fashion.

Strategic Issues

There was widespread recognition and agreement that there was a need to reduce the number of Committees at the Council. Seven Policy and Service Committees creates challenges of coordination and increases the risk of fragmentation. It was also noted this number of Committees made WMBC an outlier to other upper-tier, Unitary and Metropolitan Committee Systems with Kingston upon Thames having five, the London Borough of Sutton and Reading both having four. Within this context, it was recognised that a reduction would support coordination and would reduce the risk of fragmentation.

Therefore, there was agreement across groups to review and reduce the number of Committees, as well as recognition that this aligns to the following recommendation from the DLUHC Governance Review: *“Members to work with the Director of Law and Governance to review the Committee system to reduce the number of Committees, assign authority to the Policy and Resources Committee in respect of financial recovery, and significantly reduce the related administrative burden”*. When taking this recommendation forward, Group Leaders were keen that this work would be completed

'in-the-round' ensuring that changes were mindful of the need to prioritise financial recovery, but also considered alignment of potential mergers to avoid the risk of individual Committees having too big a remit or containing disparate issues and services. This review of the number of Committees should also consider the Council's approach to proportionality on sub-Committees and working groups. The Council currently takes a quorate approach to these groups, but this places a disproportionate demand on a small group of Councillors, and creates risks of work not being able to progress if meetings are not quorate.

Given the financial context of the Council, it was acknowledged that there is a need for Committees to prioritise issues most relevant to budget delivery, including prioritizing these issues within agendas and reports. This consideration could be enhanced through Member Development with Committee Chairs to ensure that this is appropriately reflected in Committee work-programmes. However, this focus on financial issues will require concerted effort from Officers, to ensure financial issues are clearly and concisely set-out in reports, and that the Committees are provided with regular, timely and accurate financial reporting on issues of service spend and the delivery of savings. This aligns with section 3.21 of the DLUHC Governance Review which highlights the risk of lengthy reports risking distraction from key decisions.

Throughout this programme of work, the LGA heard differing perspectives on the roles and functions of the Policy and Resources Committee. These ranged from presenting the Committee as being 'above' the other Committees and playing a leading role on issues of budget and strategy, to being alongside and equal to other Committees (as illustrated on the diagram in section 3.0). There is an urgent need for the Council to clarify this relationship, and it was recognised that there would be benefits to empowering the Committee to lead on issues of financial recovery (within the budget parameters set by Full Council). This would enable the Committee to sign-off implementation plans and to monitor their implementation. This would take forward the findings from section 3.20 and 3.24 of the DLUHC Governance Review which called for Policy and Resources to lead on the budget process and delegate to the other Committees as appropriate. This will also require collaboration across Committees to ensure that there are not contradictions between them. This cross-Committee working will also be required to avoid the risk of 'silo-thinking' and avoid slippage on the financial decisions made by the Policy and Resources Committee.

It was noted that the Council currently operates three different approaches to scrutiny. This includes the natural scrutiny and debate that takes place on a decision prior to it being voted on in Committee, the opportunity for a decision to be referred out of delegation subject to 40% of the Committee voting against it, as well as the use of a Decision Review Committee. The Decision Review Committee (DRC) has only been used once in the past 12-months, to challenge an item which had already been

discussed at Full Council within WMBC's Budget Framework. The DRC was highlighted through the assurance reports as a risk to the Councils progress and as being at odds with the aims of their new model: "*the Decision Review Committee poses a risk to swift decision making, and it is difficult to understand the rationale for retaining a feature of the strong Leader and Cabinet model in a Committee system*". Therefore, it was agreed across Groups to revisit the need for this Committee considering the Scrutiny provided through existing discussion and referral levels.

Finally, it was also recognised that one of the key factors which had frustrated local groups was the approach and use of Full Council Meetings. This frustration included recognition that this was not conducive to supporting the principles of collaboration or credibility, and that improvements in this forum would be beneficial to both relations across Groups and the Council's reputation. Support for this forum could include ensuring that there is greater clarity across Members regarding the processes and procedures for agenda setting, and the potential benefits of all member training on issues of code of conduct. There should also be consideration of the support required to Elected Members, including the Chair and Deputy Chair to ensure that there is consistent understanding regarding the forum of Full Council, and this could include development and training (including the Council's code of conduct).

Practical Issues

Throughout this programme of work, it was clear that there was respect between Officers and Councillors of WMBC, this included a great deal of recognition from Councillors for the challenges that Officers faced working in the new system. The Committee System has increased the number of Officers who interact directly with Members, and therefore further thought should be given to the training and development needed for staff to work in this space. From experience elsewhere, the LGA have found that this training can often be most effective when jointly developed and delivered. The Council should also consider the content of their Member-Officer protocol to ensure that relationships are well articulated and defined to reflect the working practice that they wish to have in-place in WMBC. This issue was also identified by DLUHC Governance Review (section 4.5) which highlighted the current 'transactional nature' of these relationships.

One of the core elements to this relationship is how information is presented to Members, and through this work we received feedback from Councillors regarding the length and structure of officer's reports. With this in-mind, the Council should set out a programme of report writing training and support learning from best practice across the sector. This training should encourage officers to prioritise and consistently present financial issues presenting information in a format that is easily understood by people who do not have a technical finance background.

The Council may also wish to consider releasing capacity within their Committee System. One example of this was the involvement of Group Leaders in the Council's Appointment Panel which has met 12 times over the past 12 months. The Council should consider the appropriate level of Councillor involvement in this Committee (and the appointments for which it is most necessary) and bring practice in line with wider norms across the sector. This comparison should also extend to Councillor involvement in disciplinary matters, as the time requirements of Councillors through existing Committees means that these create an additional demand.

Finally, given the need to ensure that the Committee System of the Council focuses on financial recovery, supporting timely and empowered decision making, there is a need for the Council to consider their scheme of delegation. It was felt that many papers presented to Committee included delegated decisions which were being presented 'to note' and by considering wider sector-norms on these issues, the Council may benefit by supporting the empowerment of Officers, reducing the administrative burden, and allowing greater political focus on priority issues. In discussions across Groups there was a shared willingness to consider these issues against practice elsewhere.

6. Considerations

The considerations below are set-out for the Council to incorporate in their reforms to the Committee System through the appropriate local forums and Committees. This list will support further dialogue across the Council and will act as a useful mechanism for checking progress through both the Independent Assurance Panel and the 2022 Corporate Peer Challenge. These considerations are not set-out in priority order, but instead reflect the findings as outlined in section 5.0.

- 1: The Council should look to build on the areas of political consensus highlighted within this report to continue to respond positively to the findings of the external assurance reports of DLUHC.
- 2: Recognising the shared frustrations across all Groups on issues of timeliness and collaboration, these design principles should be given primacy when considering improvements to the Committee System.
- 3: All Groups were keen to promote the credibility of the Committee System. This requires joint work across groups in joint forums, most notably, Full Council, and consideration for the required changes for these meetings to be used more productively.

- 4: There is a willingness from all Groups to reduce the number of Committees in operation. However, this work needs to be completed holistically to ensure that there are similar scopes and scales to Committees, and to avoid the risk of work being unevenly distributed or poorly aligned.
- 5: There is a need to make sure that the agendas and work programmes of Committee meetings focus on the priority issues facing the Council. Given an average meeting length of approximately two-hours, issues of financial recovery need to be prioritised as far as possible.
- 6: This focus on finance issues will require officers to ensure that these matters are presented concisely and clearly in reports. Furthermore, this will also require timely and accurate finance reporting to present appropriate information to Councillors to support strategic discussions.
- 7: The Council should revisit their approach towards Scrutiny and consider the appropriateness of the Decision Review Committee given the existing systems in place.
- 8: There is a need to empower the Policy and Resources Committee to provide leadership on the delivery of the Council's budget framework and act as a central and coordinating forum for reporting and monitoring progress. This may require changes to the Committees Terms or Reference but will also need careful communication with Councillors both on and beyond the Committee (including Member Development). This also needs to recognise that there will still be a need for cross-Committee working and collaboration to avoid silo-thinking and mitigating the risk of push back against financial decisions made by Policy and Resources.
- 9: The Council should consider their practice against sector norms to ensure that they are appropriately aligned on issues of Group Leader input on staff appointments, Councillor input on disciplinary proceedings, and the Council's Financial Scheme of delegation. These practical issues have the potential to free up significant capacity within the Committee System, and support more empowered decision making.
- 10: Central to improvements to any governance system is how information is presented to Councillors. There is a need for the Council to set out further training for officers to ensure that there are consistent, clear, and concise reports being provided to Committees to support Members in their roles.

7. Next Steps:

Following the cross-Party meeting with Group Leaders and LGA Peers on 2 December, the materials from this session were distributed to the Council to support dialogue and discussions of the Council's Constitution and Standards Committee Working Group. This Group is leading locally on changes and reforms to the Council's Constitution and wider Committee System.

This Working Group considered a report of the Director of Law and Governance on 14 December that referred to this work to further support local discussions, and it has been agreed this report will be formally taken to this Working Group for their meeting on 9 February 2022.


The LGA appreciate that the Council's approach to reviewing their Committee System arrangements is multifaceted and includes other key strands alongside this review, such as:

- **Assurance Reports:** Recommendations included within the External Assurance Review completed by CIPFA and Ada Burns.
- **Questionnaire:** A locally developed questionnaire which was distributed to all Councillors and several key officers at the Council. The findings of this questionnaire were presented to the Working Group at their January Meeting.
- **External Comparisons:** Officers of the Council have completed comparative analysis on the Committee Structure and System of the Council to other Upper Tier, Unitary and Metropolitan Authorities that have the Committee model.

This approach will enable the Council to bring together different sources of information and will support local and well-informed conversations on these issues. This Report will provide further support and reflections for these conversations, however, it is essential that this work and these reforms are locally owned.

Finally, WMBC have agreed to undertake a Corporate Peer Challenge in early 2022, and this will offer a natural opportunity to review the Council progress with regards to improvements to the Committee System. This report will also be provided to the Peer Challenge Team to support their understanding of the Council's governance. The Peer Team will be able to consider the response of the Council to these findings and their response to external recommendations and will also set out further issues and changes which will support the Council's improvement.

8. Contact Details:



The point of contact for this work at WMBC was Steve Fox (Head of Member and Democratic Services, (Steve.Fox@Wirral.gov.uk and 07786976315). For further information on the content of this report or this programme of work, please contact either of the following LGA Officers.

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