

Item

## CAMBRIDGE CITY COUNCIL GOVERNANCE

**To:**

Civic Affairs Committee

**Report by:**

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**Wards affected:**

All

### 1. Introduction

- 1.1 With cross-party agreement, the Centre for Governance and Scrutiny (CfGS) conducted a review of the Councils 'governance, behaviours, and culture' in 2022. This concluded that the City Council should modernise and simplify its governance arrangements and make its decision making more transparent.
- 1.2 A Governance Reference Group (GRG) was subsequently established with cross party support and participation. Its Terms of Reference and Workprogramme were endorsed by all members of the Civic Affairs Committee on 20 September 2023.
- 1.3 This report provides the Civic Affairs Committee with recommendations that emerged from that process. Specifically, that the Council should fully implement the Leader and Cabinet style of governance, rather than continuing with a a unique hybrid approach – a blend of the committee and cabinet systems - that it has operated since 2002.
- 1.4 Unlike most authorities, decisions are not made collectively by a Cabinet, and those decisions are not held to account by an Overview and Scrutiny Committee that can set its own agenda and operate with greater independence from the Executive. Decisions are currently made by individual Executive Councillors, often following discussion at committee which in turn generally follows more private discussion within political groups. To implement the recommended changes effectively will take time, careful planning, and engagement from members and officers.

## 2. Recommendations

- 2.1 That the Civic Affairs Committee recommend to Full Council:
1. That the Council design and implement a revised 'Leader and Cabinet' model of decision making and authorises the Chief Executive to enable changes to be implemented from the Annual Council Meeting in May 2025.
  2. To establish a member-officer design group with external technical support to develop a revised 'Leader and Cabinet' model with final proposals including an updated constitution being presented to the Civic Affairs Committee and then to full Council for adoption.

## 3. Background

- 3.1 The Governance Reference Group (GRG) was established to consider the Centre for Governance and Scrutiny and Independent Remuneration Panel (IRP) findings and develop proposals for the Civic Affairs Committee that could be put to full Council (see Annex A for role and membership of GRG).
- 3.2 The Centre for Governance and Scrutiny found that the Council's current arrangements lead to a lack of collective democratic accountability, is resource heavy, opaque, did not result in improved outcomes for the Council and was not as inclusive as it could be for residents to engage with.
- 3.2 The GRG has developed four design principles to inform any new governance arrangements for the Council.
- **Decision making is timely / prompt, focussed and efficient** – our processes, culture and behaviour focus time, effort and resource on the issues with the biggest impact (for the Council and/or for residents), and on statutory decision-making.
  - **Decision making is accountable** and subject to appropriate, proportionate and effective scrutiny and challenge,
  - **Our governance system and decision-making processes are transparent**, easy to understand and engage with (for councillors, officers and members of the public), evidence-based, lawful and democratic.
  - Our decision making and governance systems and culture allows different points of view to be explored and considered and **encourages collaboration** and consensus.
- 3.3 The GRG explored how well the committee system and Leader/Cabinet models met these principles. The Leader/Cabinet model provides the best fit. The GRG also commissioned officers to provide some hypothetical options for the Leader and

Executive/Cabinet model based on current best practice; and that these options should consider members' desire for new arrangement to:

- provide for strong scrutiny, and
- enable non-executive members to have a role in the decision-making process.

## **Good Governance**

- 3.4 The core purpose of any model of decision making for the City Council to enable 'good governance'. This is integral to effective performance and delivery. Good governance is essential to enable the Council to meet its duty to secure 'best value', continuous improvement, and achieve the best possible outcomes for residents of Cambridge.
- 3.5 While local government has been under considerable financial strain for more than a decade it has tended to be failures of governance, culture, and behaviours that have led to poor outcomes, financial mismanagement, and government intervention.
- 3.6 Structures do not create good governance, people do. The CfGS review went to great lengths to emphasise the importance of behaviours and culture. They also noted that a change in structure can be an impetus to create the conditions for better ways for working between members and member-officer relationships; but that structures alone do not drive the behaviours and culture necessary for good governance.
- 3.7 The City Council's written constitution already incorporates the Leader and Executive/Cabinet form of governance. The constitution already provides for collective Executive decision making at public meetings (e.g. Cabinet), and an Overview and Scrutiny Committee. However, in practice the Council operates what has been termed a 'hybrid-hybrid' system because it blends elements of the two distinct forms of governance available to local authorities - the Committee and Leader-Cabinet systems. There are around 30 out of over 300 local authorities in England that have forms of hybrid governance and the approach taken by Cambridge City Council appears to be unique.
- 3.8 Fully implementing the Leader and Executive/Cabinet form of governance would complement and enhance changes that have been introduced to the City Council's officer structure, ways of working and plans for future transformation.
- 3.9 The kind of arrangements that Councils in similar cities (e.g. Oxford, Exeter and Norwich) operate are more appropriate to the nature, scale and pace of decision-making required in a fast-growing, diverse and ambitious city like Cambridge. Such arrangements are best suited to delivering timely, transparent and accountable decision-making to support efficient and effective services and projects that deliver the Council's vision and statutory duties.

## **4. Implications**

- 4.1 Legal Implications – the Council constitution is currently set-up to operate a Leader and Cabinet model, the premise is to refresh the model and the constitution to align this with best practices and creating a more transparent form of decision-making.
- 4.2 Financial Implications – A budget of £150,000 has been allocated to support the work of the design and implementation phase of the project. This includes funds to project manage the process and provide external technical support to ensure the constitution is fit for purpose and aligns with member priorities. This budget will also cover member/officer training and a review of the member allowances by the Independent Remuneration Panel (IRP).
- 4.3 Any changes to the scheme of member allowances, including to the Special Responsibility Allowances, or changes to officer structures or processes, could have a financial impact. This will emerge during the design process. Officers recommend members seek to contain the costs of democracy within the existing budgetary envelope.

## **5. Consultation and communication considerations**

- 5.1 The GRG members have fed in their views to the process so far, reflecting the views of other members of their political groups; and have taken advice from the Centre for Governance and Scrutiny, the Chief Executive, Monitoring Officer, Democratic Services Manager and Assistant Chief Executive.

## **6. Appendices**

- 6.1 None

## **7. Background papers**

- 7.1 [Civic Affairs report September 2023](#)

## **8. Contact**

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