



Governance, Audit, Risk Management and Standards Committee

Title	Governance Review Project Closedown
Date of meeting	16 October 2023
Report of	Executive Director Assurance
Wards	All
Status	Public
Urgent	No
Appendices	Appendix A – Governance Review Project Closure Report
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Summary

A motion was passed at a Council meeting in July 2022 which requested officers to review the Council's governance arrangements to:

- Move to an Executive system;
- Introduce an overview and scrutiny function; and
- Strengthen opportunities for public participation.

A resolution was passed on 2 May 2023 to move to the executive system. New governance arrangements were adopted and the new system went live on 23 May 2023.

Recommendation

That the Committee note and comment on the overview of the project set out below and the Governance Review Project Closure Report attached at Appendix A.

1. Reasons for the Recommendations

- 1.1 In May 2014, the Council changed its governance arrangements in accordance with the provisions of the [Localism Act 2011](#) (which amended the Local Government Act 2000) which permitted local authorities to move away from an Executive system and back to a Committee System. For eight years the council operated under a 'Committee System of Governance.'

- 1.2 On 26 July 2022, Council passed a motion instructing officers to undertake a review of the council's governance arrangements to:
 - Move to a Executive System
 - Introduce an Overview & Scrutiny function; and
 - Strengthen opportunities for public participation.
- 1.3 The motion resolved that a Cross-Party Member Working Group should be set up to facilitate the development of the proposals. It was noted in the motion that delivering the new Administration's significant transformation and change programme would require more regular, timely and efficient decision-making which may not be well-served by committee system where there can be long periods between committee cycles.
- 1.4 Following this motion, officers attended a meeting with Labour Members on 30 August 2022 setting out the available governance models and key features, some design principles, and the change process to move to a new governance arrangement. The session was co-delivered by the Head of Governance and Chief Executive of the Centre for Governance and Scrutiny (CfGS) to enable Members to gain relevant information on any formal changes to governance arrangements. The Opposition Group received a similar briefing on 12 December 2022.
- 1.5 After the resolution at Council in July, officers set up a Governance Review project to commence a review of the council's current formal governance arrangements and the steps required to make a legal change to a different governance system, comprising of an all-out change from one governance option to another under the Localism Act 2011. The Governance Review project had the following workstreams:
 - Decision-Making
 - Governance Staffing
 - Engagement
 - Culture

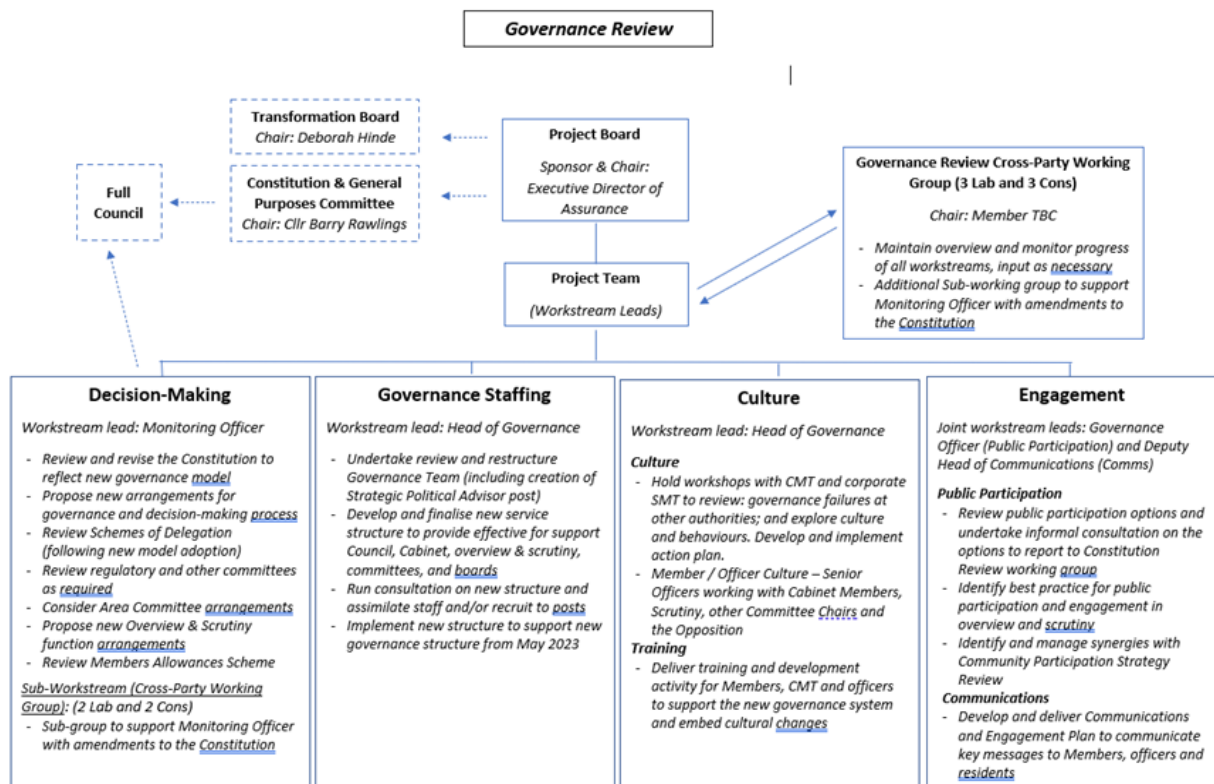


Table A: Governance Review Project Governance and Structure

- 1.6 Details of the project workstreams are set out in the sections below.
- 1.7 An overview of the project structure and workstreams was reported to the Constitution & General Purposes Committee on 6 October 2022. A further update on the workstreams was reported to that Committee on 12 January 2023.
- 1.8 New and updated Constitution sections were reported to Council meetings on 24 January, 28 February, and 2 May 2023. Details of the dates various sections were reported are set out below.
- 1.9 A resolution was passed at an Extraordinary Council meeting on 2 May 2023 as follows:

“That Council resolves to cease to operate the committee system and starts to operate executive arrangements with effect from the start of the 2023/24 Municipal Year at Annual Council on 23 May 2023.”
- 1.10 Following the passing of the resolution, a notice was placed in the local press and the new Constitution was placed on deposit for public inspection in accordance with legal requirements.
- 1.11 The new Constitution and governance arrangements were effective from 23 May 2023.

Decision-Making

- 1.12 This workstream covered:
 - Legal amendments to the Constitution to reflect new governance model;
 - Detailed arrangements for governance and decision-making (including Cabinet Forward Plan and Advanced Notice of Executive decisions, new report templates, training to officers and members about the new types of decision making);

- Review and update Chief Officers Schemes of Delegation (following the adoption of the new Constitution);
- Reviewing Area Committee arrangements;
- Proposed new overview and scrutiny arrangements; and
- Reviewing the Members Allowances Scheme.

This workstream was led by the Monitoring Officer, supported by the Head of Governance, and had input from a Cross-Party Sub-Working Group.

1.13 The Constitution & General Purposes Committee agreed at the 6 October 2022 meeting that the detailed Constitution amendments could be reported from the Cross-Party Sub-Working Group to Full Council for approval (rather than via this Committee and then to Council as is the usual process). Constitution amendments were reported to Council meetings on 24 January 2023, 8 March 2023 and to an Extraordinary Council meeting on 2 May 2023.

1.14 It should be noted that the new constitution was based on a model constitution rather than amending Barnet's current (Committee System) constitution. This will ensure that we adopt a legally compliant constitution which is based on an Executive model. The new constitution included:

- Bringing together audit and other governance mechanisms to produce a Governance, Audit, Risk Management and Standards Committee;
- Different mechanisms for public to engage with the council through the procedure rules;
- Setting up overview and scrutiny committees
- New rules and protocols to assist officers and members including putting the Officer Code of Conduct into the Constitution;
- Amending the employment rules of the council and creating an Employment Sub-Committee; and
- Clarifying which decisions should be reported Full Council.

1.15 Informal working groups have been set up consider the review of the constitution and to consider member complaints prior to these going to a formal committee.

1.16 The following Constitution sections were reported to Council on 24 January 2023:

- Article 1 – The Constitution
- Article 2 – Members and The Council
- Article 3 – The Full Council
- Article 4 – The Mayor
- Article 5 – Decision Making
- Article 6 – The Executive
- Access to Information Procedure Rules
- Members Licensing Code

1.17 The following Constitution sections and items were reported to Council on 28 February 2023:

- Financial Regulations

- Contract Procedure Rules
- Procedure for Dealing with Complaints Against Members
- Officer Code of Conduct
- Terms of Reference of Cabinet and Cabinet Members
- Terms of Reference of Council
- Terms of Reference of Committees
- Article 7 – Officers
- Delegations to Officers
- Budget & Policy Framework Rules
- Committee Procedure Rules
- Council Procedure Rules
- Executive Procedure Rules
- Public Participation Consultation Findings Report
- Equalities Impact Assessment

1.18 The following Constitution sections and items were reported to and Extraordinary Council meeting on 2 May 2023:

- Members Planning Code
- Terms of Reference – Council
- Code of Recommended Practice on Local Authority Publicity
- Members Rights of Access to Information
- Code of Conduct for Officers
- Terms of Reference – Committees
- Terms of Reference and Delegation of Duties to Cabinet
- Introduction to the Constitution and Summary
- HR Regulation
- Protocol for Recording of Decisions Made by Officers
- Code of Conduct for Member Officer Relations
- Article 6 – The Executive
- Authorisation Limits – Tables A and B
- Terms of Reference of Committees
- Executive Procedure Rules
- Committee Procedure Rules
- Code of Corporate Governance
- Members Allowances Scheme

1.19 Officers also produced the following which were required to support the new system:

- Cabinet Forward Plan (Key Decision Schedule)
- Exempt Item Notice
- Late Item Notice
- Cabinet Report Templates
- Chief Officers Schemes of Delegation
- Calendar of Meetings
- Church and Parent Governor Recruitment (for scrutiny committee dealing with education matters)

1.20 Chief Officers Schemes of Delegation were updated to reflect the new governance arrangements:

barnet.moderngov.co.uk/ecCatDisplay.aspx?bcr=1&sch=doc&cat=13721&path=0

Governance Staffing

1.21 A restructure of the Governance Service was required to support the functions and structure of an Executive system. This workstream included developing and finalising the new service structure to provide effective support for council, executive, overview and scrutiny, committees, and boards. Initial staff proposals were drafted, a consultation with staff and trade unions took place with the final, and the final structure was agreed in February 2023. An internal and external recruitment process was undertaken, and the new structure was in place from 1 May 2023. All vacant posts have been appointed to. This workstream was led by the Head of Governance.

Engagement

1.22 The Motion agreed by Council in July 2022 requested that opportunities to strengthen public participation be examined as part of the review. This workstream included:

- Reviewing public participation options and undertaking a formal public consultation on the options to report to the Constitution Review Working Group;
- Identifying best practice for public participation and engagement in overview and scrutiny;
- Identifying and managing synergies with the Community Participation Strategy Review; and
- Training for Members and officers

A public consultation ran from 14 December 2022 to 25 January 2023: [Public Participation at Council Committee Meetings Consultation | Engage Barnet](#) The findings from the consultation were used to inform recommendations on public participation options prior to changes being recommended to Full Council on 28 February 2023.

1.23 This workstream delivered a Communications and Engagement Plan to communicate key messages to Members, officers, and the public. This included promoting the public consultation and sending key messages out via the council's communications channels at key points in the project. Intranet pages were created, and these were regularly updated. In addition, internet pages provided regular updates on the progress of the project and, following the implementation of the changes, all Council and Democracy website pages were updated:

[Council and democracy | Barnet Council](#)

1.24 In addition, briefings and training modules were developed and delivered for Members and officers to ensure that they are familiar with key elements of the new governance system in advance of it becoming operational as follows:

- Barnet Labour Group Briefing – 30 August 2022
- Council Management Team (CMT) Briefing – 14 September 2022
- Senior Management Team (SMT) Briefing – 20 September 2022
- Barnet Labour Group Briefing – 23 January 2023
- SMT Briefing – 30 January 2023
- CMT Briefing on Overview & Scrutiny Arrangements – 20 March 2023
- CMT and Committee Chairs Briefing – 28 March 2023
- Staff Breakfast Briefing – 29 March 2023
- Move to Cabinet System Training – 18 April 2024
- Cabinet Member Training – 19 April 2024
- Move to Cabinet System Training – 20 April 2024
- Barnet Conservative Group Briefing – 27 April 2023
- Effective Scrutiny Training – 10 May 2023
- Effective Scrutiny Training – 24 May 2023
- Chairing and Leading Scrutiny Training – 23 June 2023

1.25 Briefings were also held immediately before committees which were new or had updated terms of reference before first meetings took place.

1.26 Further Member and officers training and/or briefings will be organised as and when required.

1.27 This workstream was led by the Head of Governance, Senior Governance Officers, and the Deputy Head of Communications assisted by the Monitoring Officer.

Culture

1.28 The Governance Review also looked at elements of organisational culture to identify lessons learnt from governance issues at other local authorities and how the council can embed the new governance system. This workstream had the following elements:

- preparing staff for the change (CMT, SMT, the Governance Service and other officers), including roles and responsibilities and Member/Officer relations (e.g., with Executive and Non-Executive Members);
- developing a series of actions following CMT and SMT workshops to review the Centre for Governance & Scrutiny Risk and Resilience Framework; and
- lessons learnt from recent Public Interest / Best Value Reviews.

1.29 Following completion of this culture review, an Action Plan was drafted. Delivery of the Action Plan will be monitored via the Annual Governance Statement. This workstream was led by the Monitoring Officer and Head of Governance supported the Head of Assurance & Business Development.

1.30 **Member Oversight**

1.31 Progress against all workstreams was regularly reported to the Governance Review Cross-Party Working Group and the Constitution & General Purposes Committee. The Constitution Review Sub-Working Group met as required to review detailed amendments to the Constitution documents which were subsequently reported to Council on the dates referred to above.

1.32 Key Milestones

1.33 The table below outlines key project milestones and decision points:

Full Council	26 Jul 2022	Motion by Leader of the Council instructing officers to undertake a review of governance arrangements
Labour Group workshop – governance arrangements	30 Aug 2022	Present available governance models and key features, some design principles and the change process to move to a new governance arrangement
Constitution & General Purposes Committee	6 Oct 2022	Progress update
Public Consultation	14 Dec 2022 to 25 Jan 2023	Public consultation on opportunities for public participation via the constitution
Constitution & General Purposes Committee	12 Jan 2023	Progress update
Council Meeting	24 Jan 2023	Report Constitution amends for agreement
Council Meeting	28 Feb 2023	Report Constitution amends for agreement
New Governance Team structure	1 May 2023	New Governance Team structure go live
Extraordinary Council Meeting	2 May 2023	Report final Constitution amends for agreement
Publication of new provisions	11 May 2023	Publish resolution of the new provisions (s.9KC LGA 2000)
Annual Council	23 May 2023	New constitution takes effect and formal change to Executive governance system

Project Delivery

1.34 The Governance Review project was delivered on time and in budget and the new system has been operational from Annual Council on 23 May 2023.

1.35 A lessons learnt review was undertaken to help Members and officer to understand any learning which could be applied to future projects (Appendix A).

2. Alternative Options Considered and Not Recommended

2.1 N/A.

3. Post Decision Implementation

- 3.1 Lessons learnt which can be applied to future Governance Review projects are set out in Appendix A.
- 3.2 Implementation of the Governance Review Culture Workstream Action Plan will be monitored via the Annual Governance Statement.

4. Corporate Priorities, Performance and Other Considerations

Corporate Plan

- 4.1 The Council's new governance arrangements will support delivery of all Corporate Priorities as detailed in Our Plan for Barnet 2023 – 2026, but particularly the priority of 'Being an engaged and effective council'.

Corporate Performance / Outcome Measures

- 4.2 To help achieve the outcomes of acting on residents' concerns and involving residents in decision-making, the council adopted new governance arrangements, with additional ways that residents can become involved in meetings. The move from a Committee System to an Executive system from May 2023 is intended to support more efficient decision-making, improved accountability with Cabinet Members being responsible for specific portfolios and increased transparency, with webcasting of committee meetings and remote access for meeting participants, including residents.
- 4.3 Arrangements to monitor the level of engagement with the democratic process, such as attending a committee in person, watching a live or recorded webcast meeting, participating in a hybrid meeting, asking questions, making a comment, submitting a deputation or petition and applying for Area Committee funding, are being implemented and will be reported in future reports once a baseline has been established. This will include monitoring:
- Webcasting viewing statistics
 - Remote participants in hybrid meetings
 - Deputations
 - Public questions
 - Public comments
 - Petitions
 - Area committee funding applications
 - Website hits on [Council and democracy | Barnet Council](#)
 - Scrutiny topics suggested by citizens
 - Participation of citizens and community groups in scrutiny task and finish groups

Sustainability

- 4.4 N/A

Corporate Parenting

- 4.5 N/A

	Risk Management
4.6	N/A
	Insight
4.7	N/A
	Social Value
4.8	N/A
5.	Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)
5.1	The costs of delivering this project were contained within existing budgets or funded from the Transformation Fund.
6.	Legal Implications and Constitution References
6.1	The law allowing the move to an executive system is the Local Government Act 2000 Section 9K. Under this section a local authority may cease to operate its existing form of governance and start to operate a different form of governance.
6.2	All legal requirements relating to the council changing its governance arrangements were complied with as detailed in reports to the Constitution & General Purposes Committee and Full Council as referenced in the Background Papers section below.
6.3	The Governance, Audit, Risk Management and Standards Committee is “...a key component of Barnet Council’s corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.”
6.4	Under the Council’s Constitution, Part 2B, Terms of Reference and Delegation of Duties to Committees and Sub-Committees, Section 2 sets out the terms of reference of the Governance, Audit, Risk Management and Standards Committee which includes in section 2.4.1 which includes “To review the council’s corporate governance arrangements against the good governance framework, including the ethical framework, and consider the local code of governance”.
7.	Consultation
7.1	A Public Consultation took place as detailed in section 1.16.
7.2	Consultation with Members and officers too place as detailed in section 1.18.
8.	Equalities and Diversity
8.1	An Equalities Impact Assessment was reported to Full Council on 28 February 2023.

9. Background Papers

- 9.1 [Agenda for Constitution and General Purposes Committee on Thursday 6th October, 2022, 7.00 pm \(moderngov.co.uk\)](#)
- 9.2 [Agenda for Constitution and General Purposes Committee on Thursday 12th January, 2023, 7.00 pm \(moderngov.co.uk\)](#)
- 9.3 [Agenda for Council on Tuesday 24th January, 2023, 7.00 pm \(moderngov.co.uk\)](#)
- 9.4 [Agenda for Council on Tuesday 28th February, 2023, 7.00 pm \(moderngov.co.uk\)](#)
- 9.5 [Agenda for Council on Tuesday 2nd May, 2023, 7.00 pm \(moderngov.co.uk\)](#)
- 9.6 [Browse plans - Cabinet, 2023 \(moderngov.co.uk\)](#)