

## **Defining the Principles of Good Governance (report by Professor Robin Hambleton)**

### **Purpose:**

For discussion and direction.

### **Summary:**

This short study of *Executive models of governance* is to help local authorities create suitable forms of executive governance for combined authorities. The Cities and Local Government Devolution Act 2016 sets out the legislative framework enabling the invention of new forms of city regional or sub-regional governance in England. This study aims to review mayoral and non-mayoral forms of governance on an international basis in order to widen the evidence base available to councils. This Initial Ideas Paper introduces the work and seeks views on the scope of the work and the criteria to be used for defining good governance.

### **Recommendation:**

Board members are asked to agree the criteria set out below in section 9.

### **Action:**

Officers to take forward as directed by members.

**Contact officer:** Rebecca Cox

**Position:** Senior Adviser

**Phone no:** 020 7187 7384

**Email:** rebecca.cox@local.gov.uk

## **Orientation and purpose**

1. The Cities and Local Government Devolution Act 2016 opens up new opportunities for elected local authorities to reshape their local governance arrangements. In particular, the Act allows for new arrangements to be developed for **combined authorities**. Two main options for the governance of combined authorities appear to be available:

1.1 An elected mayor model in which the citizens directly elect the mayor of the combined authority to provide leadership. In practice, there are, potentially at least, considerable variations within this model.

1.2 A collective governance model in which elected councillors form an executive group to exercise leadership of the combined authority. As with the mayoral model there are, potentially at least, considerable variations within this model.

2. The purpose of this project is to produce a report, suitable to be developed into an online resource, to better equip councils to:

2.2 Explore different options for the institutional design of combined authorities

2.3 Widen their horizons by drawing on the experiences of other countries

2.4 Examine the strengths and weaknesses of alternative institutional designs

2.5 Develop their own bespoke proposals for combined authority governance to provide strong leadership and effective, efficient and accountable local democracy

## **This Initial Ideas Paper**

3. This *Initial Ideas Paper* identifies the main elements of the study and seeks member views on:

3.1 The overall scope of the study

3.2 The draft criteria to be used in evaluating alternative governance models

3.3 An **Appendix** provides more details of the Project Brief, Outline and Phasing.

## *Overall scope*

4. The study will present a range of possibilities for the executive governance of combined authorities in England. Some models to be included have already been

set out in some detail. For example, the Greater Manchester Agreement on devolution provides for the introduction of a directly elected mayor. As from the Mayoral election in 2017 various city region powers in Greater Manchester will be allocated to 1) the directly elected mayor, and 2) the combined authority. Other models are being discussed and developed in different parts of England.

5. It is suggested that the study should provide an accessible guide to the main options for executive governance currently being considered, alongside other models that are in use in other countries. The Greater London Authority model of governance should also be included in the analysis. The report should: highlight the continuum of mayoral models (from 'strong' mayor models through to more collaborative models); include models not involving directly elected mayors; and give full attention to alternative ways of ensuring effective scrutiny at the combined authority level.

6. A key distinction to be examined in the study concerns the differences between a directly elected and an indirectly executive leader. There are arguments on both sides of this divide and the aim here is to widen horizons and encourage new thinking.

7. The report will provide objective evidence about alternatives and will not make recommendations. It will be for local authorities to make their own judgements.

**8. Comments on the broad scope of the study are welcome. Are there particular issues that you feel should receive attention? Pitfalls to avoid?**

*Criteria for assessing the alternative models*

9. Following a detailed analysis of previous studies of local governance carried out in the UK and in other countries, six inter-related criteria are suggested for this study:

*9.1 Civic leadership.* Does the model provide for effective place-based leadership? Leadership in this context includes the capacity to develop a vision for the combined authority coupled with a governance arrangement that can ensure effective and accountable delivery of this vision.

*9.2 Considered judgement.* Does the model support high quality decision-making processes that go beyond discovering the self-interested preferences of various stakeholders? The importance of creating sound arrangements for the development of deliberative local democracy is difficult to overstate.

*9.3 Transparency and efficiency.* Transparency is fundamental not only in building trust and confidence in the political process, but also in ensuring efficiency. Does the model make it crystal clear (to other councillors, professionals and the public at large) who is making decisions, on what issues, when, why and how?

*9.4 Accountability and legitimacy.* Does the model ensure that decision-makers are held to account? More specifically, are sound arrangements in place to ensure that there is effective scrutiny of decision-making by those seeking to hold the executive to account (non-executives, the public, other parties)?

*9.5 Inclusive public involvement.* Does the model provide for effective public involvement in decision-making? A criticism of combined authorities, one that is already well established, is that they have a tendency to emasculate public debate about important public policy choices. Processes of decision-making need to ensure that the voices of citizens are included.

*9.6 Inclusive business involvement.* Does the model provide for effective involvement of the voices of business interests? What role will Local Enterprise Partnerships (LEPs) play in the governance arrangements?

**10. Comments on the proposed criteria are welcome. Do these criteria provide a sound basis for evaluating the various models?**

**Apology**

Professor Hambleton sends his apologies to the meeting as he is out of the country due to a prior commitment. He looks forward to receiving feedback on these initial ideas.

**Appendix: Project Brief, Project Outline and Project Phasing**

**Project Brief**

1. The Project Brief requires the final report to provide:
  - 1.1 Descriptions of mayoral and non-mayoral governance arrangements not already in use in English local government. This should cover powers, scrutiny, accountability and decision-making arrangements
  - 1.2 Brief analysis of the strengths and weaknesses of the models described above
  - 1.3 A description of the Mayor of London model, to the same specification
  - 1.4 An executive summary and key points for councils to consider
2. The ethos to be adopted in this study is to combine a spirit of adventurous enquiry with a solid commitment to providing practical guidance to councils, including councils in very different situations. The Government is proposing far reaching changes to the governance of England and these changes are being introduced at great speed. The study is intended to help councils to bring their own ideas to the conversation about governance arrangements for combined authorities.
3. The Government has introduced some fresh thinking on how to improve local governance via a series of 'devolution settlements', and the new legislation creates space for democratic innovation. However, as the recent report from the House of Commons Communities and Local Government Committee

notes, the debate about governance arrangements has tended to become polarised into two broad camps:

- 3.1 those for and those against the introduction of directly elected mayors. (1)  
The Government has consistently linked directly elected mayors to devolving a full package of powers to local areas. However, many of those giving evidence to the Committee felt that the introduction of a directly elected mayor did not represent the best way forward. In the light of the evidence submitted to it, the Committee concluded that:
- 3.2 'Local authorities should be allowed to decide whether or not they wish to have an elected mayor. Those which do not want an elected mayor, but nonetheless want substantial devolved powers, should be allowed to propose an equally strong alternative model of governance' (p 32)
- 3.3 Members of Parliament are, then, inviting the Government to allow new models of governance to emerge as part of the devolution strategy. This study takes account of this political context. It aims to help elected local authorities take steps to 'enlarge' the conversation relating to devolution and, as part of this, to offer a variety of solid proposals on how to improve the institutional design of local democracy.

### **Project outline**

4. The four main elements in the study are:
  - 4.1 A scoping exercise to identify possible models of governance
  - 4.2 Consideration of criteria (to assess the models)
  - 4.3 Consultation on strategic choices
  - 4.4 Write-up and development of a user-friendly online resource for councils

### *Scoping exercise*

5. This will involve desk-based, international analysis of alternative mayoral and non-mayoral models of governance currently in use in local government. It will include the mayoral model of governance currently operating in Greater London. To make this task manageable a small number of illustrative models will be identified (in consultation with the LGA). A useful starting point is provided by Professor Hambleton's new book, *Leading the Inclusive City*. (2)

### *Consideration of criteria for evaluation*

6. A second task is to develop a set of robust criteria for evaluating the alternative models of governance. Previous work on the evaluation of governance models can assist in this task. For example, an early effort to evaluate local government management models, *Community Leadership and Representation: Unlocking the Potential*, identified six criteria: 1) leadership in the community, 2) effective representation of the citizen, 3) clear accountability, 4) effectiveness in decision-making and implementation, 5) effective scrutiny of policy and performance, and 6) responsiveness to local people. (3) These criteria have been used in a recent

evaluation of mayoral governance in Bristol carried out by Professor Hambleton and Dr David Sweeting. (4) In addition, the Centre for Public Scrutiny has developed 'principles of good governance' that resemble the criteria mentioned here; these principles feature in the Local Government Association's report on *English Devolution*. (5)

*Consultation on strategic choices*

7. In the light of the previous two steps, and taking account of the new legislation, the main strategic choices facing those concerned with the design of combined authority governance arrangements will be set out. It is to be expected that elected councillors in different combined authority areas could well have different views about the kind of combined authority they wish to create. The strategic choices will reflect different ideas about the guiding principles that should dominate institutional design.

*Write-up and development of a user-friendly online resource*

8. The final stage of the project involves preparing a short, readable report. The report will contain an executive summary and will identify the key points for councils to consider. The report will also provide the basis for the preparation of an online resource that will be designed to help councils create and/or modify their combined governance arrangements.

**Phasing of the work**

9. The project will proceed through three main phases:

*9.1 Scoping study and development of draft criteria*

17-29 February 2016

This short phase will involve an intensive effort leading to the preparation of a draft *Initial Ideas Paper* for consideration by LGA Lead Members of the City Regions Board on Monday 29 February.

*9.2 Consultation and reflection*

29 February - 24 March 2016

This phase creates space for evidence to be gathered and soundings to be taken, including at the LGA City Regions Board on 21 March, and for new ideas to emerge.

*9.3 Write-up and development of user-friendly online resource*

29 March (after Easter) - 22 April 2016

This final phase involves taking account of the feedback on the *Initial Ideas Paper*, preparation of draft text, redrafting and preparation of online resource.

## References

- 1) House of Commons Communities and Local Government Committee (2016) *Devolution: the next five years and beyond*. First Report of Session 2015-16. HC 369, 3 February, pp 30-32. London: The Stationery Office.
- 2) Hambleton R. (2015) *Leading the Inclusive City. Place-based innovation for a bounded planet*, pp 181-188. Bristol: Policy Press.
- 3) Working Party on the Internal Management of Local Authorities in England (1993) *Community Leadership and Representation: Unlocking the Potential*. June. London: The Stationery Office.
- 4) Hambleton R. and Sweeting D. (2015) *The Impacts of Mayoral Governance in Bristol*. Bristol: University of Bristol. More: <http://bristolcivicleadership.net>
- 5) Local Government Association (2015) *English Devolution. Local solutions for a successful nation*. May, p 16 London: Local Government Association.

## Author

Robin Hambleton, Professor of City Leadership, University of the West of England, Bristol and Director, Urban Answers