

Stoke-on-Trent Governance Commission

Report to John Healey, Minister for Local Government and to
Stoke-on-Trent City Council



May 2008

The findings and recommendations in this report are those of the authors and do not necessarily represent the views or proposed policies of the Department for Communities and Local Government

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**‘If local public opinion cannot
decide about local government,
then there is no value in public
opinion at all.’**

**Lord Cromer – House of Lords Select Committee on Local
Government Provisional Order (No 3) Bill 1908 –
The federation of the six towns**

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Foreword

We were appointed by the Secretary of State for Communities and Local Government in autumn 2007 to review the governance of Stoke-on-Trent and to inform the public debate which will be taking place on the future pattern of the city's governance. The current arrangements become redundant in 2009; the city has to choose between one of two models currently allowed in the new legislation – the directly-elected mayor and cabinet or the indirectly-elected leader and cabinet. We are delighted to present this report which summarises our conclusions and recommendations.

We are extremely grateful to all those who responded to our call for written evidence and those who have been prepared to spend time talking with us. A full list of these people is in Appendix 3 and we have quoted some of their evidence in our report. We could doubtless have gone on taking more and more evidence and talking to more and more people. We believe, however, that we have engaged with most points of view and most key interests in the city. They have enriched our understanding and led us to our conclusions.

We have been alternately excited and dismayed during the course of our journey. Excited by the interest shown in our work, by the commitment to Stoke-on-Trent and the concern for its future shown by so many. Dismayed by the repeated stories of missed opportunities; the apparent breakdown of conventional politics in the city and the fragmentation of the mainstream parties; and the – we believe consequential – rise of extremist politics. We have also been saddened by the apparent unwillingness of able and engaged people to stand for elected office and take part in this crucial aspect of the city's life. While we have probably seen nothing in Stoke-on-Trent which wouldn't be found somewhere else in local government in the United Kingdom, it is the coincidence of factors and their intensity which makes the city distinctive.

Some of us live or work in Stoke-on-Trent and some of us come from outside the city. We have all come to share a passionate commitment to wanting to see Stoke-on-Trent flourish. We believe that this will only happen if the city is underpinned by robust governance and strong leadership. We have noted the changes which are beginning to happen in the Council's service delivery organisation and applaud them even though they have a distance to go. It is the breakdown in the city's political system which has given us most cause for concern.

We have also heard countless stories of the absence of leadership in the city, of low levels of aspiration and attainment, of parochialism and an unwillingness to learn from the experience of other places. We have no way of judging whether this picture is completely accurate. What we do know is that we have heard the same perceptions articulated from so many different people and quarters that they cannot be ignored. We have, at the same time, seen signs of “green shoots” and have met people with real energy and vision in the business, BME and voluntary communities. If we were allowed a united wish, it would be that the positive flourished and became the hallmark of a new Stoke-on-Trent rather than the negative perceptions which so often seem to dominate.

We do not believe there are any single or simple solutions. The city is going to have to choose one or other of the models of governance provided for in the 2007 Local Government and Public Involvement in Health Act (these are not ours, but are the national templates which all local authorities have to use). There is evidence elsewhere that both models can work. We are conscious that the change of governance model alone will not solve the problems and that strong and visible political leadership is critical to both models. The model chosen will depend on the people – elected and appointed – to then make it work, and on the citizens of Stoke-on-Trent to engage with it and play their part.

As will become clear, our recommendations go well beyond the two governance models. We have come to believe that success will only happen if certain other conditions are in place. Stoke-on-Trent needs a new start; we believe that this will be best achieved – in governance terms – by creating a new basis for the Council (hence our recommendations about all-out, four-yearly elections and new warding arrangements). We also believe there is a desperate need to increase the volume and intensity of civic engagement. Some of this can be done at city-wide level, but we contend that it will only really take root if there are arrangements for devolved governance. We did not see it as our place to plan these, but we have recommended that urgent attention be given to developing a framework at sub-city level. Civic engagement needs to come from as diverse a range of the city’s population as possible – young and old, newer residents as well as older and so on. We believe that will only happen with deliberate encouragement and development. Hence our recommendations for a programme of community support, training and development. We believe that, imaginatively approached, Stoke-on-Trent could become a leader in this field in the UK.

We recognise that these recommendations, taken together, are wide-ranging and long-term. We do not think it fair to put the full weight of responsibility of delivery on the City Council alone. Nor do we believe that external intervention by Central Government is the right way of dealing with the issues. The solutions must be Stoke-on-Trent's, designed and delivered locally. In order to provide support and an external reference point, we are proposing the establishment of a Transition Board, comprising individuals drawn from key stakeholder groups in the city. We feel that this might unlock support from a wider constituency of those involved in the city. This body would be responsible for signing off the City Council's action plans for the implementation of our recommendations and receiving regular reports on progress. The Board would also be available to the leadership of the City Council as a sounding board and adviser on matters the City Council chose to raise with it. It would not, however, have independent executive authority.

We submit our report and recommendations to the Secretary of State and to the City Council with optimism that Stoke-on-Trent will rise to the challenge which confronts it and demonstrate that issues such as the ones we identify can be satisfactorily and successfully tackled at the local level. We look forward to seeing the opportunities grasped and the city prosper.

A handwritten signature in black ink, appearing to read 'Michael Clarke', with a small flourish at the end.

Professor Michael Clarke
Chair of the Stoke-on-Trent Governance Commission

Introduction – the process

1. Our Commission was established following the publication of the Local Government White Paper¹ – *Strong and Prosperous Communities*² which proposed simplifying the options for council executive arrangements. The elected mayor and council manager model adopted by Stoke-on-Trent City Council following the Local Government Act 2000 would no longer be an option and the white paper stated that the Government would work with Stoke-on-Trent City Council on transition to new governance arrangements.
2. A proposal to establish a Governance Commission was agreed by the Council on 2 August 2007 and the Minister for Local Government, John Healey, launched the Commission on the Secretary of State's behalf on 5 October 2007. He appointed Professor Michael Clarke CBE MA DL, Vice Principal of the University of Birmingham as Chair of the Commission with four other members: Professor Christine King CBE DL, Vice Chancellor of Staffordshire University; Right Reverend Doctor Gordon Mursell, Bishop of Stafford; Ian Dudson CBE DL, Chief Executive of Dudson Ltd; Mohammed Tufail OBE, former Chief Executive of North Staffordshire Race Equality Council. Joan Jones CBE, a former Director of the Local Government Association was appointed to serve as an expert advisor³. The Commission subsequently nominated Ian Dudson as Deputy Chair. The Secretariat was provided by the Government Office for the West Midlands, supported by officers from Stoke-on-Trent City Council. The Commission is grateful for their support – without which it could not have done its job.
3. The Terms of Reference for the Commission were agreed as set out below:

To consider options about future governance arrangements for Stoke-on-Trent City Council to deliver that strong, effective and accountable leadership the city needs to address the economic, social and community cohesion challenges which it faces.

¹ Definition of a White Paper see Appendix 6.

² Local Government White Paper – Strong and Prosperous Communities (Communities and Local Government, October 2006)

³ Bibliographical details of Commission members are in Appendix 5

The Commission should have regard to the governance of the wider public sector across the city including the Local Strategic Partnership and the Local Area Agreement and to the importance of economic regeneration, neighbourhood renewal and creating community cohesion across the whole area of Stoke-on-Trent.

The Commission should have regard to relationships between Stoke-on-Trent City Council and wider sub-regional, regional and national bodies, including other local authorities and their partners within the region.

4. Provisions concerning local governance arrangements contained in the white paper *Strong and Prosperous Communities* were included in the Local Government and Public Involvement in Health Bill which was granted Royal Assent on 30 October 2007. During the Bill's passage through the House of Lords, the directly elected executive model (one of the three proposed governance models) was removed, leaving a choice of two executive models (directly elected mayor and cabinet⁴ and indirectly elected leader and cabinet⁵), one of which the City Council must adopt by May 2009. The Secretary of State can provide through regulations for additional models of executive arrangements but we understand she has received no alternative proposals for executive arrangements and currently has no intention to make such regulations.

5. Our Commission was asked to inform the debate around which executive model the City Council should choose and to report to both the City Council and Minister by the end of May 2008. In order to inform ourselves of the background to the current arrangements and to receive the broadest possible range of views and opinions, we issued a call for evidence and also talked to a wide range of people all of whom are listed in Appendix 3.

6. Notwithstanding our efforts, our report must necessarily be a snapshot at a particular point in time, seen from particular perspectives. We could have talked to more people and we would have liked to probe many of the issues in more depth, but we are constrained by the timetable which the Act imposes. The City Council must draw up proposals for either a mayor and cabinet model or a leader and cabinet model. The Council must consult on these proposals, and must pass a resolution by 31 December 2008 to change the governance arrangements to either a mayor and cabinet model or a leader and

⁴ Definition of directly elected mayor and cabinet see Appendix 6

⁵ Definition of indirectly elected leader and cabinet see Appendix 6

cabinet model. A referendum must be held if the Council resolution is for a leader and cabinet. There appears to be some doubt about whether a referendum is required, or even legally possible, if the Council decide to opt for a mayor and cabinet.

7. Prior to these formal decisions, the City Council will no doubt wish to consult widely. Given the complexity of the process, they will want to communicate as clearly as possible with the people of Stoke-on-Trent over the coming months to ensure that they fully understand what choices they have.

Time is therefore short.

Executive summary

1. Our Commission was established following the publication of the Local Government White Paper – *Strong and Prosperous Communities* which proposed simplifying the options for council executive arrangements. Provisions contained in the white paper *Strong and Prosperous Communities* were included in the Local Government and Public Involvement in Health Bill which was granted Royal Assent on 30 October 2007. The elected mayor and council manager model adopted by Stoke-on-Trent City Council following the Local Government Act 2000 would no longer be an option and the white paper stated that the Government would work with Stoke-on-Trent City Council on transition to new governance arrangements.

2. We issued a call for written evidence on 7 November 2007 by letter to local people and to local, regional and national organisations and also through the local paper, radio station and BBC 1's, 'The Politics Show'. The call for evidence was translated and sent to local minority groups.

3. We asked for written evidence to be submitted by 31 December but continued receiving further contributions throughout January, February and March. Between January and March we also held a series of hearings in Stoke-on-Trent and all those who submitted or gave evidence are listed in Appendix 3. We met with a wide range of people from different backgrounds, age groups and cultures who all shared a passion for Stoke-on-Trent and believed in the future of the city. What surprised us was the consistency of the evidence given to us. There were clear messages about the lack of strong and visionary leadership, the breakdown of the local political system and the lack of delivery. There was frustration but also a belief in the people of Stoke-on-Trent and in the potential of the area to grow and succeed.

4. Chapters 1-3 summarise the context of Stoke-on-Trent, the position of the City Council and the evidence given to us relevant to the task in hand. In Chapter 4 we set out the evidence given for and against both the directly elected mayor and the indirectly elected leader and cabinet, executive models of governance. What became clear during the evidence gathering was that the important question to answer was not which executive model of governance would best suit Stoke-on-Trent City Council but rather what underlying issues need to be tackled in order for either governance model to succeed. Both models have been shown to work elsewhere while executive models might be seen not to have had a good start in Stoke-on-Trent.

5. In Chapter 5 we have set out our conclusions and recommendations outlining the changes which the City Council needs to implement if these underlying issues are to be tackled. These are not a random collection of recommendations to choose from but an interlinked set which need to be implemented if the City Council is to move forward.

6. The conclusions and recommendations detailed and explained in Chapter 5 are as follows:

1. Move to all-out elections
2. Single member wards
3. A smaller Council
4. Further devolution of governance
5. Improve community engagement
6. Increase the involvement of young people and Stoke-on-Trent's diverse communities
7. Strengthening of the political machinery
8. Member development
9. Review of Overview and Scrutiny
10. Review of Councillors' pay and Special Responsibility Allowances
11. Clarification of MPs' roles
12. Raising the profile of the City of Stoke-on-Trent
13. Stoke-on-Trent and North Staffordshire
14. Appointment of a Transition Board and Development of an Action Plan

7. These recommendations involve formal procedural and organisational change as well as long term cultural change; several of them will need to be acted upon quickly. Given the evidence about civic disengagement we are recommending appointment of a Transition Board of stakeholder representatives which will monitor progress on the implementation of our recommendations if they are accepted by the Secretary of State.

8. We believe that the Transition Board should be appointed as soon as possible during the summer of 2008 and should comprise people who live or work in Stoke-on-Trent and be representative of community and business interests, the third sector, the universities and key public agencies. The City Council should be required to present an Action Plan, with detailed timelines, for the handling of our recommendations as a matter of urgency.

Chapter 1

The context of Stoke-on-Trent – what people told us

1.1 We heard from a large number of individuals and groups who all had one thing in common – a passion for Stoke-on-Trent and a belief in the potential of its people and communities.

1.2 We heard from many different sources of the problems and the opportunities for Stoke-on-Trent. Some people focused on the problems and some on both the problems and the opportunities. Some looked very locally and some looked more strategically. Drawing together all the comments, we heard that for most problems that Stoke-on-Trent faced, there was an opportunity to turn a negative into a positive.

Geography

1.3 The negative: The geography leaves Stoke-on-Trent stranded between Manchester and Birmingham, unsure which way to face. *"Currently deep seated parochialism in Stoke-on-Trent..." and, "...its marginalisation between Birmingham and Manchester."*

The positive: The city is attractive to business, to business start up, to students and other potential investors who find easy access to both Manchester and Birmingham a unique opportunity.

The six towns

1.4 The negative: The six towns, with their individual histories and cultures, bring a parochialism and inward looking attitude which hinders progress for the city as a whole. *'It is not one city with one city centre. It is six towns. All with strong identities still. All with great needs.'*

The positive: Stoke-on-Trent is composed of a number of communities with a strong identity and the potential for excellent community life.

Decline of the traditional industries

1.5 The negative: The dominance of a few major industries, particularly mining and ceramics, and their decline has meant that the city has lost its employment base and its identity. *'It is a city which has experienced more job losses than almost any other city in the country.'*

The positive: Stoke-on-Trent is not alone in this phenomenon. It can learn from other areas of the country which have changed and grown and take the best of their experiences. There is still a world class ceramics cluster with a significant employment comprised of leading edge technologies and creative design talent. Recent performance in enterprise and innovation in other industries provide the opportunity with Government regeneration funding to attract new business and employment to the area. At the same time it can retain an element of its heritage and well known brands.

Low educational attainment, poor health statistics

1.6 The negatives: The city experiences high level of deprivation and the area is ranked 16th most deprived local authority area in England out of the 354 local authority areas. Education achievements are below both the national and West Midlands average with only 48% of its pupils gaining 5 A*-C's at GCSE. The health of the population is poor and Stoke-on-Trent is the 10th most deprived local authority district in England on health issues. The average household income is below the national average with the area being among the lowest in the country for house values. Many people spoke of a 'that's good enough for us' attitude of people expecting and accepting second best.

The positive: With clear political leadership there is the opportunity to turn these trends around using the strength of the communities and the determination of the people of the area to build a better life for themselves and their children.

The danger of extremism

1.7 The negative: We heard from many people of their fear that widespread political disengagement and despair might lead to growth in extremist views and the damage such views might do to the area as it looked to a new future.

The positive: Stoke-on-Trent could celebrate its rich diversity of peoples and communities, including its six towns, and the business brought to the towns by the universities' international students and visitors. This social and cultural diversity could be important in attracting new business now that working in a global market is increasingly the norm.

A multitude of partnerships, committees and reports

1.8 The negative: Recent years have seen a large number of commissioned reports and consultancies, most recently by the Work Foundation, and a large number of partnerships and plans – none of which are perceived to have made any difference. *"Stoke-on-Trent has lots of visions and strategies but what is needed is delivery."*

The positive: The reports have all given a similar analysis and have data and proposals for action which could be used, given strong and visionary political leadership.

A crisis in local politics

1.9 The negative: Whilst there was respect for the work of some individuals, we heard widespread disillusionment with local politics. This disengagement brought a feeling of hopelessness and despair. Alongside this comes a reluctance to get involved. Without a transparent, competent and dynamic political team of councillors representing local people in all their diversity, and building with them a vision for the future, people would continue to feel let down by their elected representatives. *"Lack of any political leadership in regeneration. Lack of ambition and purpose."*

The positive: We met some amazing people with vision and dedication, who, if they could be persuaded to stand for election, could clearly represent and lead their communities in the Council. We met and heard of others currently involved in the political system who, with personal development and new kinds of support, have the potential to give, through democratic leadership, the new start to the people of Stoke-on-Trent that they want and deserve.

1.10 The messages are stark and clear. The problems and needs are apparent but there is a widespread weariness with the perceived infighting, self-interest and lack of action or communication seen to be coming from the people's elected local representatives, whose job it is to lead Stoke-on-Trent to a new future. There is seen to be a lack of vision, strategic thinking and leadership from the City Council alongside a history of not delivering. Business partners spoke of lost opportunities to access regeneration and other funding. The frustration felt by this situation was tangible. On the other hand, there is belief in the people of Stoke-on-Trent and in the potential of the area to grow and succeed.

1.11 We heard a variety of views on the best political system for Stoke-on-Trent from people with different levels of understanding about the choices and possibilities. The majority, however, were agreed on the need for strong 'made in Stoke-on-Trent' leadership to lead the city into the next phase of its history – with improved educational opportunities, health, economic investment and thus employment. There was a consensus on the need to refresh and renew the democratic systems of political leadership in the City Council both to improve local services and to take advantages of the regeneration opportunities facing Stoke-on-Trent. There is a feeling that 'something urgently needs to be done'.

1.12 The overwhelming message was that Stoke-on-Trent needs and deserves a local council worthy of local people and all the possibilities of the area.

Chapter 2

Stoke-on-Trent City Council – where they are now and how they got there

2.1 Stoke-on-Trent City Council was dominated historically by the Labour Party. This has changed over the last few years and no single party currently has control of the Council. Prior to 1 May 2008 elections there were 60 members covering 20 wards with the Labour party having 23 members, the City Independent group 11 members, the Conservative and Independent Alliance with 9 members, the Potteries Alliance 4 members, the British National Party 6 members, the Liberal Democrats 4 members, 2 non aligned members and one Liberal Democrat Libertarian. Elections take place in three years out of four, with a third of the council seats being contested in each election.

2.2 Since 1 May 2008 the Labour Party has 16 members, the City Independent group 15 members, the Conservative and Independent Alliance 9 members, the British National Party 9 members, the Liberal Democrats 5 members, 3 non aligned members, the Potteries Alliance 2 members and one Liberal Democrat Libertarian.

2.3 Thus fragmentation of the traditional political parties has continued and it appears to be exacerbated by the willingness of individual councillors to 'party hop' to an extent which is uncommon in most other local authorities.

2.4 Having been a non-metropolitan district council since 1974, the Council became a unitary council⁶ in 1997, initially operating with a committee system and subsequently with a leader and cabinet in 1999. The boundaries of the Council did not change in 1997 and the Council appears to have found it difficult to adapt to its new status as a unitary council. '*A city of villages that has not yet truly assumed a unitary authority governance delivery.*' This is best reflected in a propensity to concentrate on detailed, local matters and to fail to take a strategic

⁶ Definition of Unitary Council in Appendix 6

approach to the Council's responsibilities. *'In 2001 this city was named as the worst place in the UK to live... with appropriate warnings to the political leaders in the council.'*

2.5 In 2002, following the new executive arrangements set out in the Local Government Act 2000, Mike Wolfe, the local Citizens Advice Bureau manager led a campaign to call for a referendum on the issue of an elected mayor. The referendum was successful and Mike Wolfe became the Elected Mayor on 17 October 2002. It was argued that the success of the referendum was a 'cry for help' to fill the leadership gap and demonstrated local people's frustration with the inaction of the City Council over a long period of time.

2.6 Dr Ita O'Donovan, who had been appointed as Chief Executive in January 2002, became Council Manager. Stoke-on-Trent City Council was the only council in England to adopt the elected mayor and council manager model where all executive functions are vested in the Council Manager and the members perform scrutiny and regulatory functions in addition to their representative role.

2.7 This led to a power struggle between the 60 members and the politically non-aligned Elected Mayor. There was also a lack of trust between the Elected Mayor and members, with the members feeling disengaged and marginalised from decision making and therefore attempting to thwart the Elected Mayor at every opportunity. There was a lack of trust between members and officers which led to a high turnover of senior officers.

2.8 It is argued by some that there was a lot of confusion during the referendum with local people thinking they were voting for the continuance of the Lord Mayor role. The Elected Mayor argued that he had received more votes than all the members put together and had a mandate from the city.

2.9 The first Mayor served for a period of 2½ years with a second mayoral election following in May 2005. Mark Meredith, a Labour Party candidate, was elected as Mayor on the understanding that there would be a further referendum on the mayoral issue as soon as legislation allowed. Following the departure of Dr Ita O'Donovan as Council Manager an interim Council Manager was appointed, followed by the permanent appointment of Steve Robinson, Stoke-on-Trent City Council's former Director of Community and Adult Services, in October 2006.

2.10 The political history of the City Council seems to have compounded and exacerbated the challenges the city faces with the continual power struggle between the first Mayor and the members following the adoption of the elected mayor and council manager model in 2002. The city councillors have failed to work together for the prosperity of the people of Stoke-on-Trent and there is a pervasive culture of negativity, parochialism and self interest. This was highlighted in the evidence not only from those outside the Council but also the majority we saw from within the Council.

2.11 The lack of vision, strategic thinking or clear leadership from the City Council has caused frustration for local people and a feeling of disengagement with the City Council. There has been severe criticism from external partners about a continual loss of funding opportunities for regeneration and development of the area and a history of non delivery from the City Council. There is a feeling of a lot of wasted energy from partners over a number of years.

2.12 There has been a history of poor relations between the City Council and the local paper which, it has been argued to us, has contributed to the poor public image of the Council.

2.13 The breakdown of the traditional party structures into the current fragmented party Council and the loss of faith in the current Council to move the city forward have led to rising extremism in the city. Some of those from whom we took evidence commented upon the low levels of party membership in the city and declining political activism. This weakened the effectiveness of the parties at community level. The loss of the traditional structures, which were a route to political engagement, civic responsibility and elected office, left a vacuum which was filled by minority groups and individuals.

2.14 The weakness of political leadership was reflected in the poor performance of the Council. The Department for Children, Schools and Families took intervention action in 2006, following which the City Council outsourced Children's Services. The Home Office intervened in 2007 to support the restructure of the Community Safety Partnership. In February 2007 Stoke-on-Trent City Council was given one star and rated as the worst council in England by the Audit Commission under its Comprehensive Performance Assessment⁷ (CPA) system.

⁷ Definition of Comprehensive Performance Assessment in Appendix 6

2.15 From this low point, a number of changes have been made to the Council's governance arrangements. In order to broaden collective responsibility the present Elected Mayor introduced a Mayor's Advisory Panel. This has developed into the cross party Executive Members' Board introduced in July 2007, comprising nine portfolio holders drawn from a range of Parties and groups. This group meets fortnightly to consider reports and make decisions which are subsequently endorsed by the Council Manager to make them legally effective.

2.16 Overview and Scrutiny⁸ arrangements have been restructured. Thirteen Overview and Scrutiny Committees have been reduced to six, combining policy development and scrutiny to make them more challenging and more effective. The scrutiny function is still regarded as underdeveloped and is operating in a way similar to the committees under the previous committee system. The Overview and Scrutiny Committees are not providing the checks and balances that they were envisaged to provide, but the City Council is not unique in this regard.

2.17 An Excellence Board has been set up by the City Council to oversee the City Council's improvement in performance. The Excellence Board meets quarterly and comprises external representatives from the West Midlands Regional Improvement and Efficiency Partnership, Government Office for the West Midlands, the Audit Commission, the leader of Coventry City Council and the Chief Executive of Walsall Council.

2.18 Many of those from whom we took evidence have observed the beginnings of a noticeable improvement in the Council's performance in service delivery. This has been reflected in the Audit Commission's CPA rating in February 2008 for Stoke-on-Trent City Council which showed the Council as the most improved council in England and gave the Council three stars. We believe that this improvement in service delivery can only go so far without similar improvements in political management at the City Council.

2.19 The principle of the Executive Members' Board has been generally welcomed by members as has the devolution of resources to the wards and the Neighbourhood Area Implementation Teams. Much of the evidence given to us explained the importance of building on these (often fragile) initiatives.

⁸ Definition of Overview and Scrutiny in Appendix 6

2.20 Historically there has been a lack of effective partnership working to help drive the regeneration agenda forward. However there is also some evidence that the City Council is now engaging more widely in partnership working. The Local Strategic Partnership (LSP)⁹ is now chaired by the cabinet portfolio holder for partnerships and the North Staffordshire Regeneration Partnership has been restructured and is now being chaired by the Elected Mayor, giving both bodies more direct leadership from the Council.

2.21 The City Council was among those councils which had a second round Local Area Agreement¹⁰ (LAA) and is now half way through that original three year contract. The City Council is working with other local councils on shared services and is part of the local authority group comprising Staffordshire County Council, Newcastle-under-Lyme Borough Council and Staffordshire Moorlands District Council looking at developing a Multi-Area Agreement¹¹ (MAA) for the sub region focusing on skills, worklessness and integrated transport.

2.22 Less positively, during the period the Commission was active, the Council was consulting on education proposals which caused significant ill-feeling towards the Mayor and Cabinet. This may not be surprising as education changes inevitably generate controversy and there is evidence that changes to the proposals as a result of consultation will be generally accepted. This episode has undoubtedly left a legacy but may come to be regarded as leadership in an area where, historically, difficult decisions have not been made.

2.23 We have noted the pattern of events and long history which have led to the Council's present position and the evidence of the 'green shoots' which are now showing. We go on to set out the evidence we received on a number of issues which will need to be resolved if the Council is to consolidate the recent signs of progress and to achieve the stability necessary for continued improvement.

⁹ Definition of Local Strategic Partnership see Appendix 6

¹⁰ Definition of Local Area Agreement see Appendix 6

¹¹ Definition of Multi-Area Agreement see Appendix 6

Chapter 3

What the evidence shows – a summary

3.1 We issued a call for written evidence on 7 November 2007 by letter to local people and to local, regional and national organisations and also through the local paper, radio station and BBC1's, 'The Politics Show'. The call for evidence was translated and sent to local minority groups. We asked for written evidence by 31 December but continued receiving further contributions throughout January, February and March and between January and March we also held a series of hearings at Staffordshire University in Stoke-on-Trent and all those who submitted or gave evidence are listed in Appendix 3. We met with a wide range of people from different backgrounds, age groups and cultures who all shared a passion for Stoke-on-Trent and believed in the future of Stoke-on-Trent.

3.2 The evidence we have received has been wide ranging and varied. We feel that we engaged with most points of view and there was a remarkable consistency of evidence. The evidence provided us with the history of Stoke-on-Trent and how both the city and the City Council have got to where they are now. This evidence has been summarised in Chapters 1 and 2.

3.3 What is more difficult is to summarise all the views and evidence that have led to our conclusions and recommendations outlined in Chapters 4 and 5. However there was a number of issues and core themes that emerged and in order that our readers will understand where our recommendations are coming from we have attempted to distil the main evidence below under broad headings.

Mayor and Cabinet or Leader and Cabinet

3.4 There was substantial evidence about which executive model of leadership would be best for Stoke-on-Trent City Council. The evidence was fairly evenly balanced with the business and 'external' communities largely favouring the mayoral model because of its independence from party politics and the ability to choose an individual on the basis of

leadership skills and vision. They also argued that the mayoral model was no more expensive than the leader and cabinet model. However the majority of those from within the City Council supported the indirectly elected leader and cabinet because of the belief that the leader being elected by the councillors from the strongest party would provide whole Council backing and therefore consistency and credibility. A minority of councillors supported the introduction of an enhanced committee system involving all councillors in decision making. This however did not meet the requirements of an executive model of leadership and, as explained earlier in the Introduction, only new executive models of leadership will be considered by the Secretary of State.

3.5 Local people were more mixed in their views between the two executive models although the current education proposals created a backlash of ill-feeling in a number of quarters against the current Mayor. External partners were also more mixed in their support, largely because of the recognition that either model works elsewhere and that given the right conditions in Stoke-on-Trent City Council either could work here, although several wondered if the mayoral model was now so tarnished in Stoke-on-Trent that it was unworkable in the city even under different executive arrangements. In light of this a number of people commented that the executive model which Stoke-on-Trent City Council choose is not as important as the underlying and 'softer' issues which need to be tackled if Stoke-on-Trent is to move forward.

3.6 The points made for and against each model are summarised in Chapter 4.

Strong and visionary leadership

3.7 Everyone we spoke to agreed there needed to be strong and visionary leadership if the city was to realise its potential to move forward. While this was often equated with the elected mayor model of governance, it was also recognised that there were no guarantees that an individual with these qualities would stand for mayor. Equally it was argued that strong leaders can (and do) emerge through the indirectly elected leader model.

Elections

3.8 The majority of those giving evidence to us proposed all-out elections¹² as a means of securing stability and policy direction. It was argued that all-out elections would remove the annual turbulence and period of policy paralysis which precedes annual elections¹³. All-out elections would enable meaningful manifestos, policy and budget processes to be promoted and delivered within the life of each council and medium term strategies to be developed. It would stabilise the Council and build up member experience and expertise. It was suggested that all-out contested elections would also increase voter interest and enable more effective engagement with local people and remove the confusion that currently exists with annual elections. Evidence from those who supported annual elections argued that annual elections made councils more accountable and gave local people the ability to chastise or reward the Council for performance annually. It was also argued that all-out elections worked against independent candidates as major parties had greater resources to support an all-out campaign.

Warding

3.9 The introduction of single member wards¹⁴ was supported in a lot of the evidence received. It was argued that three councillors per ward were confusing for local people and that in single member wards, councillors would be more directly accountable to local people and that people would feel more engaged. Single member wards would possibly also bring in a new generation of councillors. Since a review of the number of ward boundaries would be necessary, it would be possible to make wards smaller reflecting the 'real neighbourhoods.'

3.10 Some people argued that two-member wards were a better option to cover for illness, holidays or death with others arguing that a division of roles with one operating at a ward level and one at a strategic level was required. Others argued that three members always ensured that local people were represented if there is sickness or the ward councillor is tied up with strategic council business and that three members gave local people choice. It was argued that smaller wards increased the risk of polarising rather than integrating local communities.

¹² Definition of all-out elections in Appendix 6

¹³ Definition of annual elections in Appendix 6

¹⁴ Definition of single member wards in Appendix 6

Size of the Council

3.11 A reduction in the number of councillors was widely supported in the evidence with 60 councillors generally considered to be too many by party group leaders, local people and stakeholders alike. The suggested optimum number of councillors required to fulfil the range of tasks and functions under either governance model varied between 20-40 councillors. The precise number would depend on the roles envisaged for councillors and whether single member wards were created to reflect natural communities, as set out in a previous paragraph.

3.12 A number of those giving evidence drew attention to cost savings as an advantage of fewer members, but it was argued by others that there might need to be better remuneration for a smaller number of councillors performing new roles, and in order to attract a younger and more diverse cadre of councillor.

City Councillors

3.13 There was a large amount of evidence voicing concern about the parochial nature and self interest of many members. This questioned whether the calibre of the current members was sufficient to carry out the role of a modern day councillor. Such evidence came from outside and from within the Council itself. It was suggested that the role of councillors needed to be better defined and that councillors should be subject to an induction system and continuous professional development. Councillors needed to embrace change and complete training and mentoring opportunities and look at best practice from elsewhere. There was some evidence that suggested that drawing on advice from non councillors (e.g. business people and those with a range of backgrounds), would give the cabinet a broader perspective. Cabinet members needed to be committed members with time available and with strategic vision. It was suggested that councillors needed to be paid more to attract different people into the role. There was concern that currently 51 out of 60 councillors received Special Responsibility Allowances, significantly above normally recommended levels.

Overview and Scrutiny Committees

3.14 The evidence presented gave us the historical background and development of Overview and Scrutiny in the City Council outlined in Chapter 2. The evidence showed that the Overview and Scrutiny Committees are currently underdeveloped and are not providing the checks and balances that they were envisaged to provide. It was suggested that the Overview and Scrutiny Committees work best where resources are committed to them and they should be reviewed and strengthened referring to the best practice advocated by the Improvement and Development Agency¹⁵ and others.

Engagement of local people

3.15 The evidence we received almost universally suggested that local people and local communities felt disengaged from the Council. The evidence highlighted that people did not understand how decisions were made or where decisions were coming from, that people felt disempowered and disenfranchised, and did not know how to get involved.

3.16 It was suggested that the Council needed to re-engage with local people and that two-way engagement was of the utmost importance. There needed to be transparency, openness and honesty in how decisions are made and that local people need to be given support to help them to develop the capacity to engage with the Council. It was suggested that a process of citizen education and citizenship be developed both to equip people for democratic and civic life, and to encourage more and different people to stand for election. It was also suggested that initiatives such as citizens juries and shadow youth councils be established.

3.17 The evidence presented showed that the City Council had devolved individual ward budgets and that the five Neighbourhood Area Implementation Teams were already working well with cross agency teams working together in service delivery. Some identified a gap in governance arrangements with devolution confined to managerial or operational matters rather than democratic structures.

¹⁵ Definition of Improvement and Development Agency in Appendix 6

3.18 There were many models presented to us as possible solutions for devolved governance arrangements, including the six towns, the parishes, and the 50/54 'real neighbourhoods.'

Stoke-on-Trent and North Staffordshire

3.19 Strong evidence was presented to us both for and against the need for an elected authority covering a wider Staffordshire area.

3.20 The advantages were identified as better integration of strategies and policies allowing better, cost effective delivery of services, making local government easier to understand, allowing innovation, enabling the development of policy for the sub region while being more responsive to economic structures and travel to work areas and taking account of geographical cohesion of towns around Stoke-on-Trent. It was argued that the problem of North Staffordshire needed to be addressed as a whole if Stoke-on-Trent was to remain competitive. It was also considered that a council drawing members from a wider area would be more representative of different skills and backgrounds, many people having left Stoke-on-Trent for the surrounding areas.

3.21 In contrast it was argued strongly that any changes in local government boundaries would create more confusion, division and conflict and would divert the City Council and the community from the more immediate issues that needed addressing. Any redrawing of boundaries must be of benefit to other areas not just Stoke-on-Trent.

3.22 Several people argued that the adoption of a North Staffordshire Unitary Authority had been an opportunity missed in 1992, but that it was then a very divisive issue and would be again with people fighting over structures and being distracted.

3.23 Evidence was also given of ongoing discussions with other local authorities in the sub region about shared services, for example refuse, leisure and housing benefits and also the possibility of a North Staffordshire Multi-Area Agreement. The re-configured North Staffordshire Regeneration Partnership (NSRP), now chaired by the Mayor was also mentioned as covering a wider North Staffordshire perspective. It was argued that the North Staffordshire Regeneration Partnership should form an intrinsic element of any new governance structure and the City Council needed to devolve responsibility for key decisions to the NSRP. Other evidence suggested that leadership roles needed to be given to other organisations apart from the City Council.

It was also reported to us that the City Council played little part in regional and other external debates and activities.

Stoke-on-Trent MPs and the City Council

3.24 The evidence showed that there has been a difficult relationship between the MPs and the City Council over the last few years. We received evidence from several people on the role of the MPs. Some argued that the Stoke MPs intervened in City Council business while others argued that their intervention had been necessary because of the inaction of the City Council. The evidence mentioned that the local MPs were good constituency MPs but they needed to respect the Council's mandate and work on strategic issues and not get over involved in detailed Council business.

Chapter 4

The Directly Elected Mayor and Cabinet versus the Indirectly Elected Leader and Cabinet

4.1 Stoke-on-Trent City Council has to move to a new form of governance by May 2009 as their unique governance arrangements of a council manager and a mayor adopted after the Local Government Act 2000 will no longer exist as an option following the Local Government and Public Involvement in Health Act 2007. A decision by the City Council to opt for one of the two new models will be preceded by consultation with the people of Stoke-on-Trent. If the decision is for a leader and cabinet then a referendum must be held.

4.2 We were asked to inform the public debate about which executive model of leadership would best serve the city in the future. The directly elected mayor and cabinet model and indirectly leader and cabinet model are both national templates that all local authorities have to choose from. The Secretary of State can provide through regulations for additional models of executive arrangements but we understand no alternative proposals for executive arrangements have been received and currently there is no intention to make such regulations.

4.3 Very early on in our evidence giving we were made aware that a new governance model alone would not solve all the problems and Chapter 5 details our recommendations which will need to be implemented alongside the introduction of a new governance model if Stoke-on-Trent is to make the most of the opportunities offered in the future.

4.4 Both governance models work well elsewhere as shown by the recent research commissioned by the Department for Communities and Local Government^{16,17}. Equally, neither model is a guarantee of success.

4.5 One fact that the majority agreed on was that strong civic leadership is needed if Stoke-on-Trent is to move forward. From the evidence received the elected mayor and cabinet and the leader

¹⁶ *The New Council Constitutions, The Outcomes and Impact of the Local Government Act 2000*, July 2007

¹⁷ *Does Leadership Matter. A summary of evidence on the role and impact of political leadership in English Local Government*, June 2007

and cabinet governance model both received support. Views were polarised. For the most part, those within the City Council support the leader and cabinet model, while significant business and ‘external’ communities support the mayor and cabinet model. We were struck by the excitement and energy which the mayoral model seems to attract from many. However, others commented that while believing in the concept of the mayoral model ‘it had been so tarnished during the last few years it would be extremely difficult to make work.’ Away from the political and business interests, the preferences of external partners and observers were more evenly balanced between the two models of executive leadership.

4.6 In both models all executive powers will be vested in either the Mayor or Leader who will have responsibility for deciding how these powers are discharged and will allocate portfolios to cabinet members¹⁸. The intention is that both the mayor and the leader would have a fixed four year term.

4.7 The table below summarises the evidence we received for and against each model as seen from Stoke-on-Trent.

Mayor and Cabinet Model	
<p>Potential For</p> <ul style="list-style-type: none"> • Greater degree of independence and impartiality not dependent on favours of councillors • Power to get things done • Able to choose someone for leadership skills, vision, dynamism etc • Accountability to the people as directly elected by them • Able to choose cabinet comprising most capable and qualified rather than relying on political considerations • Can choose people from outside the Council to advise the cabinet • More accessible to people and freer to engage with all sectors of the community • Provides figurehead and gives Stoke-on-Trent an edge in terms of promotion and profile • Less likely to get extreme groups because party machines in operation during election 	<p>Against</p> <ul style="list-style-type: none"> • Could be politically inexperienced • Past history means mayor no longer credible choice • Local people need re-assurance as to how model varies from previous model • Could be hi-jacked by extremists • No control over quality of person • Councillors need to back elected mayor if model is to work • Power of patronage • Open to corruption • Danger of power struggle between mayor and cabinet • Could be from party that is not strongest party in Council • Does not fit into party political system • Has no values underpinning decisions • Place for elected mayors is in big cities

¹⁸ Definition of Cabinet members in Appendix 6

Leader and Cabinet Model	
<p>Potential For</p> <ul style="list-style-type: none"> • Leader elected by democratically elected councillors • Emerges from strongest party and would give consistency • More legitimacy • No conflicting mandates • Commands a majority in the chamber • Links in better with other authorities • Councillors who are elected should elect leader • Decisions would be carried by whole Council • Can speak on behalf of the Council • Councillors have power to remove leader 	<p>Against</p> <ul style="list-style-type: none"> • Compromise candidate rather than the most effective leader • Leader has to answer to party • Under pressure to select cabinet members for reasons other than competence • Power of patronage • Deals could be done • Council leader remote from local people • Decisions held up by party politics • Fragmented party structure of Council makes it difficult for strong leadership to emerge

4.8 We also received evidence supporting an enhanced committee system which would involve all councillors but this did not meet the requirement of an executive model of leadership (ie a separation of executive powers and scrutiny) required under the 2000 Act¹⁹ to enable it to be considered as an acceptable alternative option.

4.9 We are clear that either model, with the right conditions and people, could provide the governance and leadership that Stoke-on-Trent needs. We strongly suspect that the leader and cabinet model best fits a stable political environment with 'normal' party groupings. Notwithstanding the difficulties Stoke-on-Trent has had with the mayoral model, a mayor and cabinet may well be better suited to the fragmented and potentially unstable politics that currently dominate the City Council. However it is for the City Council members and the people of Stoke-on-Trent to consider all the views expressed and the research available and ultimately to make the decision on which executive governance model to adopt. We strongly recommend the City Council to recognise the importance of consulting with and listening to the community.

¹⁹ The Local Government Act 2000

4.10 A referendum must be held if the Council resolution is for a leader and cabinet while a referendum may not be required if the resolution is to go for a mayor and cabinet. The Commission regrets this situation, since we believe that the people of Stoke-on-Trent should be allowed to choose the model of governance which best meets their needs. A referendum, whether it led to an indirectly elected leader or an elected mayor, would provide credibility and legitimacy. If there is a referendum, communications by the City Council will be key to ensure that all the people of Stoke-on-Trent fully understand what they are voting for and the choices they have.

Chapter 5

Conclusions and recommendations

5.1 As we have said, the evidence we received made it clear that the issue for Stoke-on-Trent is not just which executive model of leadership is the most appropriate but that more fundamental matters need addressing if the Stoke-on-Trent political system is to thrive and either model is to work in the future.

5.2 We want our recommendations to be seen not as a menu to choose from but an interlinked set of propositions for implementation if both the city and the Council are to move forward and grasp the opportunities available to them. We have concluded with a way to take forward these recommendations. We also urge that the wealth of support and advice available from within the 'local government family' is recognised and drawn upon.

Recommendation 1 – move to all-out elections

5.3 We strongly support the evidence we heard in favour of all-out elections. It is in line with the findings of the Electoral Commission's report on the 'Cycle of Local Government Elections in England,' (2004) and with the recommendations of the Councillors Commission (2007)²⁰. The Local Government and Public Involvement in Health Act simplified the procedures to enable councils to adopt all-out elections every four years and we **recommend** that the Council does so at the earliest opportunity.

5.4 We make this recommendation as the cornerstone of a series of proposals to strengthen the political and policy processes of the Council. There is no other single recommendation which alone will stabilise the Council's operations, enable forward planning, medium term strategic thinking and radical decisions to be taken in the interests of Stoke-on-Trent.

²⁰ *Representing the future, the report of the Councillors Commission* - Communities and Local Government, December 2007

Recommendation 2 – single member wards

5.5 We recognise that single and multi member wards both have their supporters. There is evidence from elsewhere that suggests this is rarely a party political issue, but one where the status quo is usually supported. The Local Government and Public Involvement in Health Act makes provision for councils which opt for all-out elections to request the Electoral Commission to undertake a review for the purpose of re-warding an area with single member wards. Such a review has to take account of issues like electoral equality and community identity and we **recommend** that the Council makes such a request to the Electoral Commission as soon as it has decided to have all-out elections. Our support for single member wards is based on our belief that in Stoke-on-Trent's circumstances, such a system would connect councillors better with their locality, would re-engage local people with their councillor and with the Council and might encourage new people to stand as councillors in their communities. We noted the wide range of witnesses who argued this point.

Recommendation 3 – a smaller Council

5.6 We understand the arguments for a smaller council, with clearly defined roles for councillors. We also recognise that an electoral review leading to single member wards as recommended above is largely supported on the basis that it would allow councillors to connect more directly with 'real' localities, the number of which need to be determined. For this reason, we are not proposing a particular council size. Indeed, we do not consider it our place to do so. However, the Council will need to recommend a particular size which best reflects local circumstances – the role of councillors, the number of local communities, the optimum number of electors per councillor – when the electoral review commences. We therefore **recommend** that work commences on building a case for an appropriate council size at an early date.

Recommendation 4 – further devolution of governance

5.7 We conclude from the evidence that local people feel disengaged from the decision making processes and agree that devolution of governance would help to reconnect the decision makers with local people. We note and applaud the work the City Council has currently achieved on decentralisation of service delivery, the individual ward budgets and the five Neighbourhood Area Implementation Teams which work together with the local Primary Care Trust and police to deliver local services.

5.8 We **recommend** that the Council reviews the options for parallel devolution of governance to the local level. We leave open whether this should be developed around the Neighbourhood Area Implementation teams or developed on a separate basis, with different areas defined.

Recommendation 5 – improve community engagement

5.9 This follows on from the previous recommendation and the feeling of disengagement of local people. We recognise that a range of initiatives will be needed to specifically improve community engagement.

5.10 We **recommend** the introduction of approaches such as Citizens' Juries, Citizens' Panels and the like and also training and development opportunities for local people to develop their civic and political know-how and capability. Community engagement should be further reviewed by the Council following the publication of the Community Empowerment white paper in summer 2008. The Council also needs to develop its Communications Strategy to ensure that it informs local people of Council decisions – and the reason for them – and the opportunities for their involvement.

Recommendation 6 – increase involvement of young people and Stoke-on-Trent’s diverse communities

5.11 We heard surprisingly little in the evidence about or from young people or the city’s diverse communities. Building on the previous two recommendations youth engagement should be seen as an integral part of building community engagement and in line with the Councillors Commission we **recommend** the development and implementation of a strategy to ensure meaningful engagement with young people in Stoke-on-Trent. We believe that this should be similarly extended to embrace the members of Stoke-on-Trent’s newer communities.

Recommendation 7 – strengthening of political machinery

5.12 We heard repeated evidence of the breakdown of party politics in Stoke-on-Trent and the subsequent frustration and disengagement and the need to find new ways of working to embrace a wider range of people. The May 2008 elections underline this.

5.13 We strongly **recommend** that the national party organisations work with the local parties to develop the way they operate and relate to individuals and the city, in order to engage a broad range of people in politics and civic activity.

Recommendation 8 – member development

5.14 The evidence presented to us clearly questioned the capacity of the current members to carry out the role of a modern day councillor and recommended appropriate training and development opportunities be offered to all members. This is also in line with the findings of the Councillors Commission (2007). We believe it applies both to the immediate term and to the new Council which will follow from the implementation of recommendations 1-3.

5.15 We agree with the evidence and **recommend** the introduction of a member induction system with ongoing professional development and a programme of required training for members before being given any extra responsibilities. Job/role descriptions should be introduced and used as the basis for personal development plans. Leadership

skills should be developed, and the opportunities provided by the Improvement and Development Agency (IDeA) and the Leadership Academy to broaden skills and experience should be taken. Coaching and mentoring by councillors from successful authorities which face similar issues and challenges should be introduced on a systematic basis. There should also be a programme developed to support city councillors' involvement on national and regional bodies as well as developing engagement in peer review and visits to other councils.

Recommendation 9 – review of overview and scrutiny

5.16 We heard evidence that the Overview and Scrutiny Committees are currently underdeveloped and are not providing the checks and balances that they were envisaged to provide under the executive system. We agree with the evidence and note the new powers given to Overview and Scrutiny Committees in the Local Government and Public Involvement in Health Act 2007.

5.17 We **recommend** that the Overview and Scrutiny Committees should be reviewed and strengthened building on best practice advocated by the Improvement and Development Agency and having regard to the new powers for Overview and Scrutiny Committees outlined in the Local Government and Public Involvement in Health Act 2007.

Recommendation 10 – review councillors' pay and Special Responsibility Allowances

5.18 The evidence presented reflected the concern that currently member allowances are spread too thinly throughout Stoke-on-Trent City Council members, with 51 members out of 60 members receiving Special Responsibility Allowances. We note that this is significantly above the recommended levels.

5.19 We **recommend** that the Council's Independent Remuneration Panel review the allowances and recommend a set of allowances that are fit for purpose both in the short term and in the longer term, allied to the roles envisaged in the new governance arrangements.

Recommendation 11 – clarification of MPs’ roles

5.20 We heard that there has been and still is a difficult relationship between the City Council and the local Stoke-on-Trent MPs with a tendency for MPs to step into operational Council matters. We believe that it is crucial that the MPs and City Council work together but respect each others mandates.

5.21 We **recommend** that the MPs and City Council work together to agree a protocol that they can all sign up to as a basis for a new relationship.

Recommendation 12 – raising the profile of the City of Stoke-on-Trent

5.22 The evidence we heard outlined the low perception most outsiders have of Stoke-on-Trent, which is reinforced by the national deprivation indicators that place Stoke-on-Trent the lowest in the region for the majority of indicators. We agree that the City Council needs to improve the regional and national public perception of Stoke-on-Trent. We strongly support the ‘Ambassadors’ programme being developed by the North Staffordshire Regeneration Partnership to raise the profile of the area. We are clear that a better profile for and perception of the city are necessary precursors to raised self-esteem and pride.

5.23 Consequently we **recommend** that the Council further develops its Communication Strategy and together with other partners positively promotes Stoke-on-Trent outside the city both regionally and nationally. The City Council should work closely with the Stoke Sentinel to promote a positive image of Stoke-on -Trent. The City Council should also support the North Staffordshire Regeneration Partnership ‘Ambassadors’ programme and the Council should develop further twinning opportunities particularly with the new eastern European economies.

Recommendation 13 – Stoke-on-Trent and North Staffordshire

5.24 We heard strong arguments both for and against a wider North Staffordshire authority and the division and conflict that could happen if this was proposed. We note the ongoing cross boundary work of the North Staffordshire Regeneration Partnership together with the

work the City Council are undertaking on shared services with other councils and the developing work on the North Staffordshire Multi-Area Agreement. We can see the benefit for Stoke-on-Trent of a wider sub region, particularly in the context of economic activity and capacity, but consider that, in the short term at least, a recommendation for structural change without the support of neighbouring councils would be a distraction.

5.25 We **recommend** that the City Council continues to concentrate on developing the shared services agenda, whilst also taking advantage of the partnership opportunities offered by the ongoing work of the North Staffordshire Regeneration Partnership, the Local Strategic Partnership and the development of a North Staffordshire Multi-Area Agreement which all bring together a wider North Staffordshire perspective.

Taking forward our recommendations

Recommendation 14 – appointment of Transition Board and development of Action Plan

5.26 We **recommend** in our report a number of initiatives which will involve formal procedural and organisational changes (eg single-member wards, all-out elections, devolution of governance arrangements, etc). A number of these (particularly the electoral ones) will need to be acted on quickly and within a very tight timeframe if they are to be capable of implementation even in the medium-term. To these changes have to be added the implementation of a new governance model and a possible referendum. In addition, we have identified the need for serious work on a series of “softer” issues such as rebuilding established political parties and developing citizenship and civic engagement, not least among younger people and a diverse range of communities, and we have made a series of recommendations in this regard.

5.27 Given the evidence presented to us about civic disengagement in Stoke-on-Trent and about the weak capacity of the City Council to act on many fronts, we remain concerned about the creation and maintenance of momentum in the implementation of this report. We have therefore given considerable thought to ways in which this might be enhanced.

5.28 We consider that constant ministerial intervention would be inappropriate but that, equally, the contemporary 'light touch' approaches of peer support and review in local government don't have sufficient teeth or immediacy, whatever their capacity to assist.

5.29 Consequently, we **recommend** the establishment of a Transition Board of local stakeholder representatives which will monitor progress on the implementation of our recommendations and help hold the Council to account. Action Plans will be presented by the City Council for 'sign off' by the Board and regular reporting to the Board will also take place. The Transition Board will have the freedom to comment publicly and to the Secretary of State on the adequacy or otherwise of plans and progress and to ask the City Council to reconsider matters about which it is not persuaded. We believe that this will maintain local pressure from the people of Stoke-on-Trent on the City Council to make the significant changes which are needed.

5.30 We do not believe that the Transition Board should have any executive powers. The development and implementation of our recommendations must lie with the City Council and, where appropriate, with the Council working with its partners and citizens. The Board's role will be to strengthen local accountability for the reform process. The Executive (Leader or Mayor) may choose to seek the advice of the Transition Board on matters in hand, but that must be a matter for their determination.

5.31 We believe that the Transition Board should be appointed as soon as possible, during the summer of 2008, and should be thought of as having a three-year life in the first instance. It should comprise people who live or work in Stoke-on-Trent and be representative of community and business interests, the third sector, the universities, key public agencies etc. We believe that the membership should be sufficient to represent the broadest possible interests, but no more than 15. The Board could be chaired by one of the local members of our Commission to ensure continuity and to carry forward the thinking behind our recommendations. The Leader/Mayor and Chief Executive would be in attendance at meetings. The City Council should be asked to provide the secretariat.

5.32 The City Council should be required to present as a matter of urgency an immediate action plan, together with detailed timelines, for the handling of our recommendations.

5.33 Decisions and action on electoral matters are required on very short timescales. The Action Plans will need to address this but also

embrace the determination of devolved governance arrangements and the 'softer' issues which surround the business of strengthening engagement, the rebuilding of a robust local politics in Stoke-on-Trent, and developing/supporting elected politicians. There should be quarterly reporting by the City Council. We thus envisage the Board meeting at least four times per year.

5.34 We believe the City Council and the Transition Board should report to the Secretary of State in parallel and recommend that this happen twice a year. We recommend this not because we wish to encourage interference by Central Government in the local reform process, but because Government shares responsibility for ensuring robust local governance in Stoke-on-Trent. It was the Government which appointed our Commission and to whom we are jointly reporting. We believe this principle should continue in play.

5.35 We also believe that the responsibility for formal appointment to the Transition Board should lie with the Secretary of State, in consultation with the City Council, as was the case with our Commission. We would encourage the use of an open and transparent process and would hope that there might be public advertisement in parallel with the inevitable search processes. We say elsewhere in this report that we have been dismayed by the small number of people who have indicated their willingness to stand for public election. However, we have also been impressed by the number of people who are concerned about the apparent breakdown of the local polity and appear to have a determination to work for something better.

5.36 Our assumption, therefore, is that it should be possible to make good appointments to such a Board, providing that it is seen to be serious. We repeat, however, that the Board is not designed to detract from the City Council's responsibility to rebuild governance in Stoke-on-Trent. Constitutionally and properly, that lies with the City Council. The basis of the proposal is that it would be difficult for – and unreasonable to expect – the City Council both to design and manage the reform process and hold itself to account for delivery. We have drawn up some suggested terms of reference for the Transition Board which are attached in Appendix 1 to this report.

We wish the people of Stoke-on-Trent well with their deliberations and we share the belief that there is an exciting future for Stoke-on-Trent.

Appendix 1

Terms of reference for the Transition Board

The Transition Board will be established by the Secretary of State for Communities and Local Government to assist and hold the Stoke-on-Trent City Council to account for the implementation of the governance reform process.

It will:

- receive and sign off Action Plans from the City Council relating to:
 - implementing the result of the referendum on governance models;
 - electoral matters;
 - devolved governance;
 - programmes to develop civic engagement; and
 - the development of those involved in the governance of the city.
- monitor progress against timelines in the Action Plans and receive quarterly reports from the City Council about which it may make public comment.
- report half-yearly to the Secretary of State; and
- give such advice to the Leader/Mayor and Chief Executive of the City Council as may be requested.

The Transition Board will serve until 30th September 2011 or until such time as may be determined by the Secretary of State in agreement with the City Council.

The Board shall comprise no more than 15 members appointed by the Secretary of State. The Leader/Mayor and Chief Executive of the City Council will be in attendance at meetings. Secretariat support will be provided by the City Council.

Appendix 2

Timeline

- | | |
|--------------------------------|---|
| May 2008 | <ul style="list-style-type: none">– Local council elections– Commission reports |
| June-August 2008 | <ul style="list-style-type: none">– Council consults on governance model and Transition Board established |
| September-December 2008 | <ul style="list-style-type: none">– Council decides on governance model– Referendum if required– Council approves move to all- out elections |
| Early 2009 | <ul style="list-style-type: none">– Council requests Electoral Commission to conduct electoral review– in preparation for electoral review Council agrees optimum Council size |
| May 2009 | <ul style="list-style-type: none">– Mayoral Elections (if required) |
| May 2010 | <ul style="list-style-type: none">– Elections for one third of Council seats (under existing system) |
| May 2011 | <ul style="list-style-type: none">– First all-out elections |

Appendix 3

Evidence gathering

The Commission issued a call for evidence by letter to local people and to local, regional and national organisations and also through the local paper, radio station and BBC1's 'The Politics Show'. We received written evidence and views by letter, telephone, email and website from the following people and organisations:

Jacqueline Abrahams

Brian Ball

P A Ball

Trevor Barnett

Gordon W Bossom

Peter Bounds, Chair of RENEW, North Staffs Housing Renewal Pathfinder

Harry Brunt, Vice President of Staffordshire Parish Councils

P H Chadwick

Adam Colclough

Mr Cookson

Dr Nicola Davis

Neil Dawson

Democracy4Stoke

Nick Dodd

Kevin Ecclestone

Professor Janet Finch, Vice Chancellor, Keele University

Liana Flackett

Christine Forrester

Councillor Joy Garner, Stoke-on-Trent City Council

Anthony Glossop, Chairman of St Modwen Properties PLC

Colin and Ann Goodfellow

Ethel Harris, Greenfields Resident Association

Daniel James

Mark James

A Jones

Councillor Peter Kent-Baguley, Leader of the Potteries Alliance

Councillor Adrian Knapper, Stoke-on-Trent City Council
Stan Leese, Chair of Abbey Hulton Community Association
Meir resident
Mark Meredith, Mayor of Stoke-on-Trent City Council
Ted Miles
Jonathan Mitchell, Cornwell Chemists
North Staffordshire Chamber of Commerce
Dr Ita O'Donovan, Chief Executive of Haringey Council
Richard Ogden
Kate Potts
Stephen Robbins
Paul Ruscoe
Michael Salih
Michael Skudder
Philip Snow, Chairman of North Staffordshire Pensioners Convention
Stoke-on-Trent City Council Independent Group
Councillor Michael Tappin, Leader of the Labour Group, Stoke-on-Trent
City Council
Jonathan Tinsley
J H Tongue
Craig Trevor
Steve Turner
Graham Urwin, Chief Executive of Stoke-on-Trent Primary Care Trust
Councillor Albert Walker, Leader of British National Party, Stoke-on-Trent
City Council
Joan Walley, MP for Stoke-on-Trent North
Councillor Gavin Webb, Stoke-on-Trent City Council
Clare-Marie White
Mick Williams
Mike Wolfe, Former Mayor of Stoke-on-Trent City Council
Simon Woodings
Karen Yeomans, Director of Operations, Advantage West Midlands

We also had discussions with or took evidence from the following:

Charlotte Atkins, MP for Staffordshire Moorlands
Councillor Paul Billington, Deputy Leader of the Liberal Democrats
Peter Bounds, Chair of RENEW, North Staffordshire Housing Renewal Pathfinder
Harry Brunt, Vice President, Staffordshire Parish Councils
Mo Chaudry, Owner of Waterworld
Councillor Kieran Clarke, Liberal Democrats
Paul Coen, Chief Executive of the Local Government Association
Lloyd Cooke, Faith and Voluntary Sector
John Cotterill, the Audit Commission
Howard Davis, Regional Associate of Improvement and Development Agency
Lucy De Groot, Chief Executive of Improvement and Development Agency
Democracy4Stoke, (Mick Williams, Councillor Michael Barnes, Nathan Wallace, Pauline Joynson, Nathan Dawson, Trevor Barnett, Graham Wallace)
John Edwards, Chief Executive, Advantage West Midlands
Trudi Elliott, Regional Director, Government Office for the West Midlands
Paul Farrelly, MP for Newcastle-under-Lyme
Mark Fisher, MP for Stoke-on-Trent Central
Robert Ffello, MP for Stoke-on-Trent South
Anthony Glossop, Chairman of St Modwen Properties PLC
Malcolm Harbour, West Midlands MEP
Philippa Holland, Government Office for the West Midlands
Councillor Roger Ibbs, Leader of the Conservative Party
Councillor Ann James, Leader of the Independent Party
Professor Peter John, University of Manchester
Alex Jones, The Work Foundation
Eamonn Kelly, West Midlands Strategic Health Authority
Councillor Peter Kent-Baguley, Leader of the Potteries Alliance Party
Tom Macartney, North Staffordshire Regeneration Partnership
Chris Marsh, Government Office for the West Midlands
Mark Meredith, Mayor of Stoke-on-Trent City Council
Sir Simon Milton, Chairman of the Local Government Association

North Staffordshire Chamber of Commerce (Bryan Carnes, David Carr, Bob Young, Bob Ashton, Mike Frewer, Jane Cook)

North Staffordshire Pensioners Convention, Philip Snow and Peggy Seisdon

Dr Ita O'Donovan, Chief Executive of Haringey Council

Councillor Mohammed Pervez, Stoke-on-Trent City Council

Paul Richards, Deputy Vice Chancellor, Staffordshire University

Steve Robinson, Council Manager, Stoke-on-Trent City Council

John Ryan, Head of Policy and Transformation, Stoke-on-Trent City Council

Mike Sassi, Editor Stoke Sentinel

Professor Chris Skelcher, University of Birmingham

Staffordshire Police, (Jane Sawyers, Divisional Commander for Stoke-on-Trent and Inspector Bill James)

Councillor Michael Tappin, Leader of the Labour Party

Graham Urwin, Chief Executive of Stoke-on-Trent Primary Care Trust

Joan Walley, MP for Stoke-on-Trent North

Councillor Brian Ward, Deputy Leader of the Independent Party

Clare-Marie White, Editor of the Local Edition, community newspaper

Mike Wolfe, former Mayor of Stoke-on-Trent City Council

Karen Yeomans, Advantage West Midlands, Corporate Director of Operations

Individual roles and titles listed were the status of individuals at the time of giving evidence. All the evidence is available on request.

The Commission would like to thank everyone who took part.

Appendix 4

Bibliographical details of commission members

Chair

- Professor Michael Clarke CBE MA DL, Vice Principal of the University of Birmingham. Professor Clarke has extensive experience of local government and his academic interest lies in the field of good governance at the local level. He is a member of the West Midlands Regional Assembly and a non-executive Board Member of the Government Office for the West Midlands. He is a former Deputy Electoral Commissioner and Deputy Chair of the Local Government Commission. He is a Deputy Lieutenant for Worcestershire and Chair or member of a range of partnership bodies in the region.

Members

- Ian Dudson CBE DL, Chief Executive Officer of the Dudson Group. He is President of the British Ceramic Confederation, former President 2005-07 of the European Federation of Porcelaine and Faience and a Board Member and former Chairman of the Ceramic Industry Forum. He is Board and Council Member of North Staffordshire Chamber of Commerce and Pro-Chancellor and Chair of Council at Keele University. He is also Chairman of Trustees of the Dudson Centre – a resource centre for voluntary groups. Ian was appointed Deputy Lieutenant of Staffordshire in 2001.
- Professor Christine King CBE DL, Vice-Chancellor and Chief Executive of Staffordshire University. Professor King has an international reputation for her studies on the victims of National Socialism. A passionate advocate of inclusion and social regeneration, she is past Chair of the National Institute of Adult and Continuing Education, a former Board member of Advantage West Midlands and has been engaged in regeneration partnerships in Stoke-on-Trent over a number of years. Professor King is currently Chair of the West Midlands Higher Education Association, trustee of the Wedgwood Museum and a Deputy Lieutenant of Staffordshire.

- The Rt Revd Dr Gordon Mursell is the Bishop of Stafford in the Diocese of Lichfield. He was formally Dean and Provost of Birmingham Cathedral where he was Chair of Connecting Faith Communities steering committee which encouraged faith communities to apply for regeneration funding for local initiatives in the West Midlands. He also chaired the North Staffordshire Faiths Forum.
- Mohammed Tufail OBE is a freelance advisor on Community Cohesion, Equality and Diversity and Preventing Violent Extremism and Community Engagement. He was formerly Chief Executive of North Staffordshire Racial Equality Council, Interim Chief Executive of West Mercia Racial Equality Council, an Equality and Diversity Advisor, Chair of Stoke Community Cohesion Pathfinder and Strategy Group and was an Executive Member of the British Federation of Race Equality Councils.
- The Commission has also appointed Joan Jones CBE as their expert advisor. Joan has held the position of Director of Management and Member Services with the Local Government Association, and was previously the Deputy Secretary of the Association of Metropolitan Authorities. She currently advises on executive and board-level recruitment as well as providing consultancy services to local government and was a member of the Commission on the Governance of Cardiff Council. Joan is a Deputy Commissioner of the Electoral Commission and a member of the Boundary Committee for England.

Appendix 5

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Appendix 6

Glossary of Terms

- **All-Out Elections** – Whole Council elections when all councillors are elected simultaneously, once every four years.
- **Annual Elections** – Where a third of councilors are elected each year with no elections in the fourth year.
- **Cabinet Members** – Executive decision making body. Cabinet members have responsibility for particular services and have considerable delegated authority. They are often the public face of the Council for their particular portfolio of services.
- **Comprehensive Performance Assessment (CPA)** – Comprehensive Performance Assessment (CPA) is carried out by the Audit Commission on local authorities to produce an overall assessment of council performance and continuous improvement.
- **Directly Elected Mayor and Cabinet** – Mayor elected once every four years and appoints cabinet of 2-9 from elected councillors.
- **Executive** – A separate decision making executive body consisting of senior councillors, who have responsibility for council service portfolios and can take the form of a leader and cabinet, an elected mayor and cabinet (or until May 2009 a mayor and council manager).
- **Full Council** – Meeting attended by every councillor in a local authority. Certain statutory decision making responsibilities.
- **Improvement and Development Agency (IDeA)** – The Improvement and Development Agency (IDeA) helps councils, individually and collectively, to get better at what they do now, and to keep that improvement ongoing into the future.
- **Indirectly Elected Leader and Cabinet** – Leader elected from councillors for a four year term and leader appoints cabinet of 2-9 from elected councillors.
- **Local Area Agreement (LAA)** – A Local Area Agreement is a three-year agreement between a local area and central government. The LAA describes how local priorities will be met by delivering local solutions. It also contributes to national priorities set out by the Government.

- **Multi Area Agreements (MAA)** – Multi Area Agreements are designed to be cross-boundary Local Area Agreements (LAAs). They bring together key players in flexible ways to tackle issues that are best addressed in partnership – at a regional and sub-regional level. The major issues that MAAs can tackle include skills deficits, housing market imbalances, transport and infrastructure projects and economic development.
- **Multi-Member wards** – Where two or three members represent a particular ward.
- **Local Strategic Partnership (LSP)** – Local Strategic Partnerships were introduced as a result of the Local Government Act 2000. They are single non-statutory bodies that bring together local public, private, community and voluntary organisations to work together on key priorities for the area such as crime, unemployment, education, health and housing.
- **Overview and Scrutiny Committees** – These committees involve councillors who are not members of the executive and they are able to examine the decision making of the cabinet objectively, as they are not involved in the process. Overview and Scrutiny also applies to council services and services provided by external organisations, such as health trusts.
- **Primary Care Trust (PCT)** – Primary Care Trust the organisation responsible for delivering a range of local medical services.
- **Single Member Wards** – Where one member represents a particular ward.
- **Unitary Council** – A Unitary Council is a single tier authority, which means it has responsibility for delivering all council services in its area. In some areas these responsibilities are divided between two tiers (district councils and county councils). Some areas also have parish (neighbourhood) councils at a very local level.
- **White Paper** – Statement of central government policy. The Government may publish a White Paper indicating policy on a matter, before presenting it to Parliament as a Bill, which becomes an Act after agreement by both Houses of Parliament.

**'The full potential for
Stoke-on-Trent's future will
only be realised by the shared
commitment of every citizen
supporting visionary leadership
by the elected Council.'**

Stoke-on-Trent Governance Commission 2008

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