

Agenda Item	13
Report No	HC/61/19

HIGHLAND COUNCIL

Date: 9 December 2019

Report Title: Governance Review

Report By: Executive Chief Officer, Performance and Governance

1. Purpose/Executive Summary

1.1 The following report makes a number of recommendations for the next and final phase of the Governance Review. The primary focus is the development of consistent arrangements for Boards, sub committees and working groups; changes to area committee remits; the establishment of a new area committee; and proposals for review of the new governance arrangements in March and June 2020.

2. Recommendations

2.1 Members are asked to agree:

- (i) The operational arrangements for Sub-Committees, Boards and Working Groups set out in Appendix 1 to this report and the introduction of annual reporting to Council as set out in paragraph 5.2
- (ii) Additional functions and responsibilities for Area Committees as set out in paragraph 6.3
- (iii) Agree the resources set out in Paragraph 3.1
- (iv) The establishment of a new Area Committee as set out in paragraph 6.5
- (v) The review arrangements as set out in Section 7

3. Implications

3.1 Resource Implications: Doubling the number of strategic committees and changes to the area committee structure will have resource implications. A review of Democratic Services has been undertaken, and from this it has been determined that it will be

necessary to increase the team by 2 new Committee Officers (HC06) at a cost of approximately £56,000 p/a to provide support for the Principal Committee Officers in relation to the 3 new Strategic Committees and also in advance of the introduction of new Local Committee.

- 3.2 Legal: The approach set out in this report will support the Council to meet its legal duty to secure Best Value and continuous improvement and to enhance the Council's governance arrangements.
- 3.3 Community (Equality, Poverty and Rural): The additional functions identified for area committees and the Council's commitment to the continued development of the Place Based Strategy will have a positive impact on communities.
- 3.4 Climate Change / Carbon Clever: There are no implications arising from the recommendations in this report.
- 3.5 Risk: the recommendations arising from the Review should have a positive impact on risk because of the focus on improved scrutiny, oversight, control and assurance.
- 3.6 Gaelic: There are no implications for Gaelic arising from this report.

4. Background and Summary

- 4.1 The Governance Review was established following a 2 day Members' seminar in January 2019. Since then, the Governance Review Steering Group has met on a fortnightly basis to review the Council's governance arrangements, agree the approach to wider Member engagement and consider proposals to bring forward for Council approval. This is the last report for this stage of the Review and represents the final adjustments to governance arrangements for the Council identified by the Steering Group as a consequence of wider Member engagement. The next reports to Council will be to assess the impact of these changes and identify whether any adjustments are required.

5. The operation of Boards, Sub Committees and Working Groups

- 5.1 The last Members' seminar looked at the operation of sub committees, boards and working groups. This area was selected for discussion because of the perceived lack of consistency in the purpose and operation in the wide variety of sub groups that exist currently and also the proliferation of groups with no apparent end point. Appendix 1 reflects the arrangements that were discussed and widely supported.
- 5.2 All Council sub groups need to be able demonstrate that they add value at least equal

to the time and resource being committed to them by Members and officers. It is also the case that, whatever may have originally prompted a sub group to be formed can have less or different relevance over time. It is consequently proposed that there is an annual review of these groups, reported to Council, so Members have visibility of all activity and can decide which groups need to be wound up, extended, or re-purposed to ensure they stay relevant and worthwhile.

6. Area Governance

- 6.1 The Council remains committed to the principle of subsidiarity and the successful operation of the local committee arrangements is one way in which this can be delivered. The current Scheme of Delegation lists a wide range of powers and responsibilities available to local committees. Nevertheless, it is clear from Member feedback that, despite what may be listed in the Scheme of Delegation, there is a need to improve the content and substance of area committee agendas and provide greater opportunities for Members to determine the prioritisation of resources at a local level: to deliver genuine delegated authority in a way that has real impact in each local committee area. Paragraph 6.3 below proposes to add a number of new powers and responsibilities to area committee remits in response to calls for greater local Member influence. In addition, the Transitions and Transformation report also at Council today reaffirms the Council's commitment to develop a Place Based Strategy, led by the Executive Chief Officer for Communities and Place at a strategic level, but also highlighting the responsibility that all ECOs have to support locally responsive services and ensure that their teams and resources are directed in a way that delivers this.
- 6.2 There will be opportunities for Members to be involved in the development of the Place Based Strategy early in the New Year and a report will come forward to Council in March 2020 which will define its purpose and key principles as well as how the Strategy will be put into practice. Further reports will be taken to the Communities and Place Committee to ensure regular oversight and scrutiny.
- 6.3 Following engagement with local committees, Member seminars and the Executive Leadership Team it is proposed that the following additional functions be added to the remits of local committees. These are reflected in the revised Scheme of Delegation which is also presented for Members' consideration at this Council meeting. The last proposal would follow the same procedure as for Council and, if agreed, will need to be included in Standing Orders rather than the Scheme of Delegation:

- To work with partners to achieve the effective promotion and future prosperity of the Area, facilitating opportunities for inward investment, regeneration and economic development of the Area;
- To ensure implementation of the Council's approach to localism and place planning as it relates to the locality;
- To approve local initiatives to encourage waste minimisation, reduce litter and increase recycling within the strategy and budget agreed by Communities and Place Committee;
- To declare individual land and property held on the HRA surplus and available for disposal;
- Set rents for local HRA garages;
- In accordance with the Council's Parking Policy, agree the prioritisation of spend of the local allocation of income generated as a result of car parking charges;
- To consider an annual report on the attainment of young people from deprived backgrounds;
- To present Notices of Motion.

6.4 Area Committee Structures: Members will be aware that Council agreed the Governance Review should consider a proposal for Ward 5 to be separated from the Ross and Cromarty Area Committee and established as a standalone area committee. Ross and Cromarty Members have had a series of discussions about how this would impact on the current arrangements and what knock on changes should be established as a consequence.

6.5 A range of options have been considered but it has not been possible to identify a single solution that has achieved unanimous agreement. The proposal with the most support has been for a simple split of Ward 5 away from the Ross and Cromarty Committee which would retain the remaining 4 wards. However, whilst this gained more support than any of the options it still did not represent the majority of Ross and Cromarty Members overall.

6.6 It is consequently proposed that, on the basis of majority support, a new Wester Ross, Strathpeffer and Lochalsh Local Committee is established. Members of the remaining 4 Wards have the opportunity to revisit their committee arrangements if they wish.

7. Review Arrangements

7.1 The Governance Review Steering Group has highlighted that there will be a

requirement to keep all of the new arrangements under review in the first part of 2020 in order to assess the resource implications of the changes, identify and rectify any unforeseen issues that may arise and pick up on any matters that may have been overlooked. An example of this may be to consider whether there are implications of having non-elected representatives voting on the Education Committee once committees have reduced in size from 25 to 18. Another might be to adjust the remit of a committee to move a function from one committee to another. There may also be a need to make further adjustments as the Council's organisational structure develops.

- 7.2 It is consequently proposed that the Governance Review Steering Group is put into abeyance whilst the new arrangements bed in, but that it meets again towards the end of February 2020 to determine whether any early adjustments are required - with a view to taking a report to Council in March 2020. The Group would then meet again in April/May 2020 to undertake a more thorough review and agree what wider Member engagement may be needed prior to taking a report to Council in June 2020. Annual reviews of the Scheme of Delegation and Standing Orders would resume thereafter, as is the case now.

Author: Kate Lackie

Designation: Executive Chief Officer, Performance and Governance

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Sub Committees and Working Groups

Principles for the operation of sub committees working groups and Boards

Sub-Committees

- Sub committees may be established by a Strategic Committee
- Sub Committees have decision making authority as set out in the Scheme of Delegation
- Membership of Sub-Committees is made up from the membership of the main committee
- Membership of a Sub-Committee is on the basis of political balance
- The quorum is one quarter of the membership subject to a minimum of 3
- Minutes of the sub-committee meetings will be reported to the parent committee
- The sub-committee will cease to operate if the parent committee ceases to operate

Joint Sub Committees

- A JSC has decision making authority as set out in the Scheme of Delegation
- All JSCs should have an agreed purpose and terms of reference
- Where not listed in the Scheme of Delegation, a JSC makes recommendations to the appropriate Strategic Committee for decision
- Membership is made up of members from each parent Committee on the basis of political balance overall.
- The quorum is one quarter of the membership subject to a minimum of 3
- The JSC will cease to continue if one or all of the parent committee/s cease to operate
- Minutes of joint sub-committee meetings will be reported to Council

- In the case of the THC/NHS Joint Monitoring Committee, arrangements are as set out in the Joint Monitoring Committee – Public Bodies (Joint Working) (Scotland) Act 2014 and will be subject to the outcomes of the Partnership Review currently underway.

Boards

- Board membership is based on political balance
- All Boards should have an agreed purpose and terms of reference
- Boards are not time limited but will be required to submit an annual report on activities and outcomes to Council
- The quorum is one quarter of the membership subject to a minimum of 3
- Minutes of Board meetings will be reported to the parent committee

Formal Working Groups

- Formal Working Group membership is based on political balance
- The quorum is one quarter of the membership subject to a minimum of 3
- Formal Working Groups should have an agreed purpose and terms of reference
- Working Groups are not decision making bodies but may make recommendations to the parent committee/Council
- Formal Working Groups should be time limited from the outset with a maximum 12 months duration unless/until an extension is granted by the parent committee/Council
- Formal Working Groups are required to report to each meeting of the parent committee/Council on activities and outcomes; and annually to Council;
- Extensions to the lifespan of a Working Group will need to be agreed by the parent committee/Council
- Monitoring Groups of the Audit and Scrutiny Committee are formal Groups, but the Membership is as agreed at Audit and Scrutiny Committee

Informal Groups

- Informal Panels, Steering Groups, Policy Development Groups etc are supported by in-service teams
- Membership of Informal Groups will be agreed by the parent committee/Council
- Informal Groups should have an agreed purpose and terms of reference
- Informal Groups should be time limited from the outset with a maximum 12 months duration unless/until an extension is granted by the parent committee/Council
- Informal Groups are required to report to the parent committee every 6 months on activities and outcomes; and annually to Council;

General

- There will be an annual report to Council on the work of all Member groups, formal and informal so Members have visibility of all activity and can decide which groups need to be wound up/extended/reinvigorated and whether any groups need to provide progress reports to their respective committees.