

ELECTED MEMBER INDUCTION NOTEBOOK 3

Governing Effectively: Keeping Your Eye on the Big Picture



About this notebook

Each local authority in Scotland is governed by a council, which consists of you and your fellow elected members. Almost all the powers and duties of the council lie with you and your fellow elected members, bar those which lie with statutory officers (this is covered in the Developing your Working Relationships with Officers notebook).

This means you and your fellow members have a collective responsibility to govern effectively and ensure officers run the day-to-day operations successfully and in line with the vision and direction provided by the members.

While nearly all the powers and duties of the council lie with members, it's important to understand where these powers and duties come from, as well as the checks, balances and limitations of these powers.

This notebook will help you understand how you will contribute to governing the council. This is the context in which you will be carrying out your decision-making, strategy and policy development, scrutiny, regulatory and partnership working roles.

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“You're not there to run the council. Councils employ people — chief executives, planners, teachers, and people to sweep the streets. You don't have to do that; you're there to make sure what's being done is being done well, is being done properly and that the direction of travel that the council has is the right one.”

Elected Member



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The governance context

Your council operates within a complex network of governance and accountability that includes the UK Government and the Scottish Government, as well as local public service partners including the NHS, Police Scotland and the Scottish Fire and Rescue Service. This means accountability for outcomes experienced by people and communities within the council area doesn't just rest with councils and it's necessary for the council to work with other public service partners to ensure services jointly and together make the best contribution to people's lives.

Your council's budget is heavily impacted by decisions of the Scottish Parliament on how much funding to allocate to Local Government. Income from fees and charges raised are in some cases prescribed and regulated.

How the council spends, and what it spends on, is also subject to substantial external direction and scrutiny. Some of the income allocated by the Scottish Government is "ring-fenced" for particular purposes and priorities prescribed by the Scottish Government. This often prescribes not only what it can be spent on but also how it may be spent. Broader conditionality's are also periodically attached to national grant allocations (e.g. an obligation to maintain teacher/pupil ratios at an agreed level). These controls limit the availability of financial resources to spend on the council's own priorities and on services not subject to that type of Scottish Government direction.

Although "ring-fencing" and conditionality's attract a lot of attention, overall they are less important in directing council spending than the framework of statutory powers and duties within which councils operate. These are set by the UK Parliament and the Scottish Parliament and cover the bulk of council spending on education, children's services, care and support for vulnerable adults, care of older people, environmental and regulatory services.

The proper delivery on these duties is monitored and enforced by external inspection and regulatory arrangements through the Local Government in Scotland Act 2003. It is open to the Scottish and UK Parliaments to create new duties that councils must discharge and this can have major financial implications (e.g. the doubling of the hours of entitlement for pre-school care or education for 3 or 4 year olds).

The Scotland Acts set out which powers are reserved and the Scottish Parliament can act in all other areas. The Scottish Parliament in its turn has its powers, functions and duties set by UK Parliament legislation. Even with the devolution of tax powers and assignment of taxes, the Scottish Parliament's financial and fiscal resources are impacted by the UK Parliament's decisions about tax and spending priorities at Westminster.

The context in which you and your fellow members of the council make decisions

is therefore complex and accountability for outcomes experienced by people in your communities isn't clear. The council must be responsible for how it responds to external budget constraints by being open and transparent about the choices it makes, why it makes them and being accountable for that. It cannot be accountable for the decision to impose constraints in the first place.

You cannot be expected to understand all the powers, duties and constraints of the council at all times, and officers are there to advise you on these matters. As you gain more experience you develop a fuller understanding of what is within the competence of the council, and how outcomes experienced by people in your communities are influenced by different institutions. This understanding will be crucial for carrying out your roles and responsibilities for decision-making, strategy and policy development, scrutiny, regulatory work, and partnership working.

Limitations of your powers

It's important to note that the power you have as an individual member is limited. With the exception of any designated support staff who help you with your councillor duties, you cannot instruct officers on the day-to-day operations of the council. Officers work on authority from the council collectively through their line managers, and not from individual members. The **Developing your Working Relationships with Officers notebook** covers this in more detail.

This is an important check and balance on the power of elected members. It's also important for the effective running of a large complex organisation delivering hundreds of services that affect people's lives. Imagine if any individual elected member could instruct officers to carry out work that the member felt was of importance. The result would be officers getting pulled in lots of different directions and never being able to deliver services in a coherent and managed way that made best use of the available resources.

While your individual powers are limited for good reason, what you do have is a seat at the table and that gives you an opportunity to influence the activity of the council in ways ordinary citizens cannot. Your people skills, along with political awareness, will help you read the power dynamics at play within the council and understand how to operate to bring about change that can make a real difference to people's lives. This should include you playing a role in contributing to the development of your council's strategic plans and policies.



“Sometimes you come across policies that are clearly rooted in the principles and priorities of the past, and no longer speak to our communities today, nor respond to the voices we hear of lived experience. If that's the case, we can work together, to change those policies and make them relevant.”

Elected Member

Strategic planning

Strategic planning is the setting and agreement of the longer term direction of the council and it is an area that elected members must be influential in.

Strategic planning is an important activity for councils. Strategies help councils to think through:

- ▶ What they want to achieve for local communities within the resources available;
- ▶ How they will do this;
- ▶ The timescales within which they will do this;
- ▶ The order in which things will be tackled; and
- ▶ Who will be responsible for doing what?

Strategic planning will also be fundamental to supporting the council, working with its community planning partners, to meet its statutory duties under the Community Empowerment (Scotland) Act 2015 to develop a Local Outcomes Improvement Plan (LOIP) to coordinate the work of the partners towards achieving agreed outcomes.

Every council has its own process in place for strategic planning. Whatever approach is taken by your council, there should be clear links between any strategic decisions that are made, the policies which the council puts into place and the resulting services delivered to local people. The strategy also needs to have a clear sense of direction, based on some analysis of different strategic choices and their implications.

For many councils, the practical outcome of this will be a mission or vision statement, together with some aims and outcomes that provide a coherent and consistent framework for planning ahead, all supported by clear strategies and policies to guide implementation and delivery.

Within the council, most of the actual work on strategic planning will normally be done by officers. However, as an elected member, you should expect to be able to contribute to and influence the development of the council's strategy as well as approve it and, where necessary, provide scrutiny and challenge. You have a role to ensure that the views of your ward are represented as the strategy is developed.

Corporate governance

Corporate governance is concerned with the structures and process for decision-making and accountability, controls and behaviour at the top of organisations. Quite simply, it describes the need for any organisation to have a clear direction and accountability and appropriate working arrangements in place to ensure that it achieves what it sets out to do.

Good corporate governance is an essential element in the efficient running of a council

and is a critical element in achieving high levels of performance. You and your fellow members have an integral role in ensuring good corporate governance in the council.

The Improvement Service have developed [short videos](#) on aspects of corporate governance which will help you understand different aspects of your corporate governance responsibilities.



Conducting council business

Your council is large organisation, employing staff that must adhere to set rules and procedures to help them function effectively and legitimately. These are set out in your council's constitutional documents.

As an elected member, you will be given a copy of your council's Standing Orders. This may be made up of separate documents that govern how council and committee meetings are convened and run and how and where decisions are taken by members. There will be Financial Regulations controlling budgeting, spending and financial planning and there will be Standing orders relating to procurement and contracts. Your council will also have a Scheme of Delegation setting out how council officers can make decisions on behalf of the council. .

These constitutional documents provide the framework within which the council conducts its business and makes decisions.

They describe the council's democratic decision-making structure, who is responsible for making decisions, how decisions are taken, how contracts are awarded and money spent. They vary from council to council as each has the power to make and change these constitutional documents.

Your council's constitutional documents typically provide details of:

- ▶ the committees that the council appoints, their functions and delegated powers and their relationships with council meetings and each other;
- ▶ the timing and frequency of council and committee meetings;
- ▶ the quorum required (i.e. the minimum number of elected members needed to constitute a meeting which has the authority to make decisions);
- ▶ the rules of debate (e.g. how many times an elected member may speak, the right of reply, the power of the chair, procedures to move or withdraw motions, voting etc.);
- ▶ procedures to deal with tenders and contracts;
- ▶ the functions which the council has asked the Chief Executive, Directors, Heads of Service and other relevant staff to undertake on its behalf, and the conditions with which they must comply when doing so; and
- ▶ Financial Regulations that describe the arrangements the council has made for the proper administration of its financial affairs. These deal with accounting arrangements, financial reporting, budgets, audit, income, insurance and other related matters.

While you will need to familiarise yourself your council's constitutional documents, you and your fellow members are not passive recipients of them. They are yours and it is up to you and your fellow members to make changes to them should you wish the council to conduct its business differently.

Decision-making structures

Provisions in the Local Government (Scotland) Act 1973 allow local authorities to devolve most decision-making to a committee, sub-committee or officers of the council. Local authorities in Scotland must take corporate decisions: there is no legal provision for policies being made by individual elected members.

Council committees normally consist of a smaller group of elected members selected by the council. However, particularly in smaller councils, it is not uncommon for all elected members to serve on some committees.

Councils tend to operate either a traditional Committee system or a Cabinet/Executive system, each of which is described below. Some councils have combined aspects of the two systems to form a 'hybrid' system. All these systems are however subject to the legal rules about decisions being made by council, committee, sub-committee or officers. It is a decision for each council as to what it thinks is the more appropriate and effective decision-making and scrutiny structure for its particular circumstances and context.

It is also for each council to decide who sits on the committees and sub-committees it establishes, including the political balance on them. There is no legal requirement in Scotland for the membership of committees and sub-committees to reflect the overall political make-up of the council. Each council has its own way of selecting members for all committees. If you are elected on a party political platform you should check with your party group on the method adopted by your council. If you are an independent councillor, check with the appropriate senior officer on how committee places are allocated.

Committee system

Your council may operate a traditional committee system, inherited from the previous council, or may choose to move to such a system. The remit for committees will be decided by the council and specified within the constitutional documents.

Committees tend to have a mixture of responsibilities such as policy development, decision-making and scrutiny. If you are chosen to serve on a committee, you will need to familiarise yourself with that committee's remit.

Committees can be set-up to cover specific service areas or have more cross-cutting thematic remits. There are pros and cons for both service specific and thematic committees and it is up to the council to decide what will work best for them. Most councils operate thematic committees with a more holistic approach that tries to join up policy and decision-making across services. This approach aims to reduce the

chances of making policy and decisions in silos. The downside is the broader remit of these committees can make it more challenging for members to have in-depth knowledge of services which can come from membership of a more service specific committees.

Officers and experienced elected members will be able to advise and help you understand the pros and cons of different approaches.

Cabinet/executive system

Some councils operate a cabinet or executive structure whereby a small 'executive' group of elected members make key decisions delegated to it by the council. In legal terms, the cabinet or executive is still a committee. The roles of the cabinet or executive are likely to be:

- ▶ providing strategic leadership;
- ▶ taking executive decisions within a budget and policy framework approved by the full council;
- ▶ leading the council's partnership activities with other bodies; and
- ▶ developing and making recommendations about strategy and budget to the council.

Where an executive or cabinet structure is created, it is necessary to create much more forceful structures to allow scrutiny of these bodies. This tends to take the form of scrutiny committees through which non-executive or non-cabinet elected members can question and challenge the performance of the executive or cabinet in a manner that will enable public debate.

Full Council

One decision-making body you will take part in is Full Council. The Full Council meeting is the sovereign body of the council and is where all elected members meet to debate and take key decisions of the authority. Some decisions must be made at Full Council as a matter of law and councils will decide for themselves what additional decisions are to be reserved to full council.

While Full Council is important, the bulk of the decisions the council takes will happen in committees, or are taken by officers through delegated authority.

You need to familiarise yourself with how the council conducts its business and what decision-making structures are in place. The best way to do this is to take part in your council's induction programme and engage with officers who are there to support you in these matters.



Representing the council on Joint Boards and outside bodies

In order to develop effectively their town, city or local area, many councils seek to extend their influence through developing close working relationships and partnerships with statutory agencies in their area and voluntary sector and community groups. The council's involvement in some partnerships are statutory – for example the [Community Planning Partnership \(CPP\)](#).

One way of extending this influence is to nominate elected members to the governing bodies or management boards of these agencies and organisations. If you are nominated to such an agency or group you should ask the relevant officers in your council to provide you with a full briefing on the organisation, including its involvement with the council and its history, its strengths and weaknesses.

Make sure you read through and properly prepare before you attend meetings of outside bodies as this will help you to make effective contributions. When you are appointed to any outside body make sure you receive an explanation of your legal responsibilities.

It's good practice for you to ask the council or the outside body for guidance on your responsibilities when being appointed.

Arm's Length External Organisations (ALEOs)

Some councils have created separate organisations to deliver a services such as leisure services, economic development and property maintenance. These are typically known as Arm's Length External Organisations (ALEOs) and take the form of companies or trusts. They are 'arm's length' because the council retains only a degree of control or influence, usually through a funding or membership agreement, and 'external' because they have a separate legal identity to the council. While the ALEO is responsible for delivering services, the council remains responsible for ensuring that the ALEO uses the public funds provided by the council properly and can demonstrate best value.

It is vital that strong governance arrangements are in place to ensure that ALEOs contribute effectively to the delivery of the council's corporate objectives and local outcomes. The effective governance of ALEOs requires clear roles and responsibilities, both for those in the council with responsibility for monitoring the ALEO and for those elected members or officers asked to sit on the ALEO Board.

A key challenge for elected members sitting on ALEO boards is to find an appropriate

balance between their responsibilities to the ALEO and to the council. For example, elected members have a duty under the [Councillors' Code of Conduct](#) to act in the interests of the council. However, when sitting on the board of an ALEO you will be required to act in the interests of that organisation and not the council.

If you serve as a director of an ALEO that is constituted as a company, you will assume personal responsibilities under the Companies Acts. If the company engages in wrongful trading or if any other offence arises, you may find yourself personally liable.

Similarly, if you serve as a trustee on a charity, you must observe the legal provisions which apply to charities and trusts. If you are selected to serve on a board of an ALEO, you should be provided you with guidance and training on your roles and responsibilities.

The Standards Commission has also produced [Advice for Councillors on Arm's Length External Organisations](#).

The Improvement Service (IS) has a notebook on [Effective Board Membership](#) which will help you to understand how to be an effective board member.

Joint Boards

Joint Boards are set up to run specific services across a large geographical area covering several councils or across sectors within a local authority boundary.

Joint Boards also have to ensure that the services being provided do give best value. They are a commonly used model for Health Boards and Local Authorities to integrate the governance, planning and resourcing of adult social care services and other key services.

You may be appointed to a Joint Board, and if so you should undertake any additional induction training offered to you to understand what your role on that board is.

If you have been appointed to an Integration Joint Board (IJB) you may find it useful to undertake the '[Introduction to Integration](#)' learning opportunities that have been developed by the Improvement Service (IS), NHS Education for Scotland (NES) and the Scottish Government.



Questions and notes

What questions do you have for officers after reading this notebook?

What questions do you have for your political group (if applicable) after reading this notebook?

How well do you understand the arrangements your council has in place for conducting its business? What could you do to improve your understanding?

What actions do you want to take to better learn and understand your roles and responsibilities for governing effectively?

Additional notes

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