
Report To:	Policy and Resources Committee	Date:	7 August 2018
Report By:	Steven McNab, Head of Organisational Development, Policy and Communications	Report No:	PR/18/18/SMcN/MMcK
Contact Officer:	Miriam McKenna, Corporate Policy and Partnership Manager	Contact No:	01475 712042
Subject:	Local Governance Review		

1.0 PURPOSE

- 1.1 The purpose of this report is to bring to the attention of the Policy and Resources Committee the work going on around the Scottish Government's Local Governance Review and to suggest that discussion takes place with both the Elected Members and Officers to inform Inverclyde's response to the review.

2.0 SUMMARY

- 2.1 COSLA and the Scottish Government have embarked on a review of local governance. The review's remit is open, offering local government an opportunity to place key issues onto the reform agenda. While the first phase of the review focuses on a programme of community engagement with communities, the second phase invites councils and wider public services to identify proposals that can improve outcomes, reduce inequalities and drive inclusive economic growth.
- 2.2 The first phase of the review involves engagement with communities via Democracy Matters. The Scottish Government has committed to review how responsibilities and resources can be shared across national and local government in a way that delivers the greatest benefit to Scotland's different places. There are a series of questions which the government are asking communities to respond to, to inform the review.
- 2.3 For the second phase, involving public bodies, an initial scoping exercise is being carried out by Professor James Mitchell, Chair in Public Policy, University of Edinburgh, to which Inverclyde Council has made a brief response. This is attached at appendix one.
- 2.4 A further letter has been received from the Scottish Government setting out in more detail the engagement phase with the public sector. This is attached as appendix two.
- 2.5 In order to raise awareness of the Government's Democracy Matters engagement the Chief Executive has contacted representatives from the Community Councils offering to meet to discuss any ideas they have. At the time of writing no Community Council had taken up this offer.
- 2.6 There are possible links between the Local Governance Review and the private members bill on the European Charter of Local Self Government, which is the subject of a report elsewhere on the agenda of this committee.
- 2.7 Contact has been made with CoSLA to attend a workshop for Elected Members and Officers to discuss Inverclyde Council's view on the Local Governance review and to capture any suggestions for devolving power to local areas. A representative from the Scottish Government

will also attend. The meeting will be held on Thursday 23 August between 12.30pm and 2.30pm, with a lunch provided from 12pm.

3.0 RECOMMENDATIONS

It is recommended that the Policy and Resources Committee:

- a. Note the start of the engagement on the Local Governance Review
- b. Agree to attend the workshop on 23 August at 12.30pm with representatives from CoSLA and Scottish Government, officers and Elected Members to identify local governance issues for Inverclyde, to inform the response to CoSLA and the Scottish Government.

Steven McNab
Head of Organisational Development, Policy and Communications

4.0 BACKGROUND

- 4.1 The Programme for Government 2017-18 sets out the intention to “decentralise power to a more local level in Scotland and launch a comprehensive review of local governance ahead of a Local Democracy Bill later in this Parliament”. In December 2017, the Scottish Government and COSLA jointly launched the Local Governance Review.
- 4.2 The Scottish Government recognise that it is often better for decisions about the issues that affect different communities in Scotland to be taken with more active involvement of those communities. Whether that is communities in different places organising at a very local level, or communities with a shared interest organising at a more regional level. This enables public services to work in ways which meet local circumstances and reflect the priorities of different communities.
- 4.3 The Government wishes to review how powers, responsibilities and resources are shared across national and local spheres of government and with communities in the context of significant change to the governance of Scotland over the last two decades.
- 4.4 The issues of subsidiarity and local democracy were highlighted in the Commission on Strengthening Local Democracy’s report, ‘Effective Democracy: Reconnecting with Communities’. This was an independent commission set up by the president of CoSLA in 2013. <https://www.inverclyde.gov.uk/meetings/meeting/1716>
- 4.5 The Review of Local Governance will explore what might be achieved in regard to local and community decision-making and democratic governance in ways that improve outcomes in local communities, and highlight opportunities for positive change. In doing so it brings a wide range of Scotland’s public services into scope, takes cognisance of reforms where work is already progressing, and will include powers and functions held at national level. Participatory Budgeting, which is the subject of another report on the agenda of this committee meeting is one way in which local decision making can be developed.
- 4.6 The Government are therefore very keen to engage with public services about how changes to how Scotland is governed can make the lives of Scotland’s people better. Accordingly, they are now inviting public sector leaders to bring forward proposals to feed into the review. The deadline for written proposals is 14 December 2018, but the Government and CoSLA are keen to hear from public services as early as possible in order to understand any proposals, help them take shape and identify where other evidence or assurances might be required to deliver change, and consider how they might link with other ideas.
- 4.7 To get the process underway, the Government are seeking an initial indication of the kind of issues public sector leaders would like to discuss by the beginning of September, and they will follow up their letter at that point. There is no fixed format for this, however they do want to receive initial input no later than early Autumn in order to leave enough time to work with public sector bodies on proposals.
- 4.8 The two strands of the Local Governance Review will run in parallel for a period of around 6 months, and inform a programme of changes to governance arrangements in different places where these can increase the pace and scale of public service reform, focus on shared outcomes, and strengthen local decision making. In the event of legislative change being required, a Local Democracy Bill is provisionally scheduled for introduction later this parliament.
- 4.9 The Chief Executive contacted representatives from Community Councils in order to raise awareness of the Democracy Matters element of the review, and offered to listen to what ideas they might have in regard to local governance. No response has so far been received from any of the Community Councils.

IC/05/14/
PC/MMcK

5.0 IMPLICATIONS

5.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a					

Financial Implications - Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
n/a					

5.2 Human Resources: none at present

5.3 Legal: none at present

5.4 Equalities: none at present

5.5 Repopulation: none at present

6.0 CONSULTATIONS

6.1 The Chief Executive and Leader of the Council were consulted on the initial response to the scoping exercise which is set out at appendix one.

7.0 CONCLUSIONS

7.1 The Local Governance Review provides an opportunity for Inverclyde Council to be involved in a dialogue around how local democracy could work better and how communities can be better involved in local decision making and achieving better outcomes. Further work is required to gather the views of Elected Members, officers and the community to inform the response to the Scottish Government and CoSLA. To this end it is suggested that members and senior officers attend a workshop on 23 August to have an initial discussion on the Inverclyde situation and what would best suit local decision making.

8.0 LIST OF BACKGROUND PAPERS

8.1 <http://www.gov.scot/Publications/2018/05/6780/354026>
<https://www.inverclyde.gov.uk/meetings/meeting/1716> Agenda item 7: Effective Democracy: Reconnecting with Communities
<http://www.localdemocracy.info/2014/08/14/time-to-rebuild-scottish-democracy-what-the-referendum-decides/>

Appendix One

Inverclyde Council Response to Initial Scoping Exercise on Local Governance Review

Has your authority prepared a position on reform, identified key issues for reform or engaged in any other preparatory work related to the local governance reform? Can you briefly outline what has been done, if anything, to date?

There has not been any formal discussion at a local level among elected members or officers. The Leader of the Council at the CoSLA Leaders meeting has made the point that all public services should be within the scope of the review and that we should be looking at what services currently delivered by other public bodies could come under the control of local government.

As a smaller local authority we are intrinsically closer to our communities. Having only 22 members, who more often than not reach consensus, allows for local perspectives to inform policy decisions. The Elected Members have a good understanding of their communities.

In the past, discussion around, for example, community councils tend to be focused on ensuring that they are co-terminus and actually reflect the geographic communities in the area, rather than any powers to be devolved.

What, if any, plans, does your authority have to inform the process of reform?

Whilst there are no formal plans in place as yet, the process of reform will be discussed at various fora across the authority, e.g. committee, Strategic Leadership Forum, Corporate Management Team. The Council will take advantage of any opportunities which arise to engage in the local governance review.

Can you provide a list of the key themes/issues/reforms, and offer these in order of priority, that you want placed on the reform agenda?

Further engagement with Elected Members and senior officers is required in order to discuss what the priority key themes, issues and reforms would be for Inverclyde Council, in regard to local governance.



Scottish Government
Riaghaltas na h-Alba
gov.scot



Public Sector Leaders
By email

22 June 2018

Dear Public Sector Leader

LOCAL GOVERNANCE REVIEW – ENGAGEMENT PHASE

Programme for Government 2017-18 set out the intention to “decentralise power to a more local level in Scotland and launch a comprehensive review of local governance ahead of a Local Democracy Bill later in this Parliament”. In December 2017, the Scottish Government and COSLA jointly launched the Local Governance Review.

We believe that it is important to review how powers, responsibilities and resources are shared across national and local spheres of government and with communities in the context of significant change to the governance of Scotland over the last two decades, and in recognition that outcomes for citizens and communities are best when decisions are taken at the right level of place.

This review reflects local and national government’s shared commitment to subsidiarity and local democracy, and builds on joint agreement between COSLA and the Scottish Government to focus on and strengthen local and community decision-making and democratic governance in ways that improve outcomes in local communities, grow Scotland’s economy for everyone’s benefit, support communities to focus on their priorities, and help new ideas to flourish.

The Review of Local Governance will explore what might be achieved, and highlight opportunities for positive change. In doing so it brings a wide range of Scotland’s public services into scope, takes cognisance of reforms where work is already progressing, and will include powers and functions held at national level. It is therefore very important that we hear from you.

Many of you will know that the review is being undertaken in two key strands. First, a highly inclusive conversation with communities is getting underway, and will listen to views about how decision making can work best for towns, villages and neighbourhoods around the country. This reflects our shared commitment to community empowerment, and builds on the work already done to give people a direct say over the decisions that matter most to them. If you would like to support this process, for example by hosting events, please get in touch. As part of that

conversation, we expect people will be interested in how decisions about a range of public services can be made in the communities that they serve.

Second – the main purpose of this letter – we wish to involve you, as Scotland’s public sector leaders, in a dialogue about how changes to how Scotland is governed can make the lives of Scotland’s people better. Accordingly, we are now inviting you to bring forward proposals to feed into the review.

Just like the first strand, the second strand of the Local Governance Review offers a broad scope, and we anticipate that all public services will wish to offer proposals for improved governance arrangements at their level of place. This is based on an acceptance of increased variation in decision-making arrangements across the country: what is right for one place will not necessarily be right for another. For example, these could be at the level of a city or local authority, community planning partnership or regional economic grouping, or focus on how existing national arrangements can support a more local way of working.

We know that there are already many examples of working creatively across traditional boundaries to deliver responsive services for people. We want to hear how these approaches can be strengthened and scaled up, whether there are new powers or other changes that are needed to make more progress and the benefits these would produce, and about opportunities to hardwire better local governance arrangements into the places you serve. We are also keen to hear about how this landscape could be made to work better overall.

What is important is that proposals reflect our shared aspirations in light of the new National Performance Framework to tackle inequalities and drive inclusive growth, are consistent with Christie Commission principles, and strengthen local decision making.

We also want to have an interactive process with you to consider and develop ideas. Whilst we are setting a deadline for written proposals and evidence of 14 December 2018, we want to hear from you as early in the process as possible in order to understand your proposals, help them take shape and identify where other evidence or assurances might be required to deliver change, and consider how they might link with other ideas.

To get that process underway, we are seeking an initial indication of the kind of issues you would like to discuss by the beginning of September, and we will follow up this letter at that point. There is no fixed format for this, however we do want to receive your initial input no later than early Autumn in order to leave enough time to work with you on proposals. We also want to avoid setting an arbitrary date that would put you under undue pressure to take things forward. But we can’t stress enough that we would welcome you getting in touch as early as possible in the process of you forming your ideas. We would of course be happy to meet with you and your networks as part of this process too.

Where there is interest in developing an idea, it will also be important to involve all partners with a potential contribution to make. For example, this approach is already opening up new possibilities for the Islands, following the commitment in Programme for Government 2017-18 to support those Island authorities who want to establish a single authority model of delivering local services.

These two strands of the Local Governance Review will run in parallel for a period of around 6 months, and inform a programme of changes to governance arrangements in different places where these can increase the pace and scale of public service reform, focus on shared outcomes, and strengthen local decision making. In the event of legislative change being required a Local Democracy Bill is provisionally scheduled for introduction later this parliament. However, should you have ideas that will make a real difference, but will take longer to develop and deliver, we do of course still want to hear from you.

Joint oversight for the Local Governance Review overall is provided by the Cabinet Sub-Committee on Public Service Reform Delivery and COSLA's Political Leadership Team. These arrangements provide the primary forum for determining how proposals will be progressed, with Ministers reflecting this in the scope and content of legislation.

The Local Governance Review is part of a long term commitment by national and local government to place based reform and a more local approach to decision making in Scotland. The newly refreshed National Performance Framework provides a shared set of outcomes that this way of working can help to deliver. It is therefore vital that we hear from all parts of Scotland's public services in line with the timescale above. We look forward to your participation, and to discussing your proposals in the coming months.

To begin this process, you can make contact with the team at: democracymatters@gov.scot or 0131 244 0709.

ANGELA CONSTANCE, MSP
Cabinet Secretary for Communities,
Social Security and Equalities

JOHN SWINNEY, MSP
Deputy First Minister and
Cabinet Secretary for
Education and Skills

CLLR. ALISON EVISON
COSLA President

