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<b>Report to:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>12 April 2012</b>
<b>Report by:</b>	<b>Chief Executive</b>	<b>Report No:</b>	<b>CE003/12/JWM</b>
<b>Contact Officer:</b>	<b>John W Mundell</b>	<b>Contact No:</b>	<b>2701</b>
<b>Subject:</b>	<b>Review of Decision Making/Committee Structure</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this Report is to advise Members of the outcome of a review by CMT of the operation of the existing decision-making structure of the Council.
- 1.2 The Report also identifies potential options for a decision making structure that could be adopted by the new Council after the Local Government Elections on 3 May 2012.

## 2.0 SUMMARY

- 2.1 Following the Local Government Elections in May 2007, Inverclyde Council agreed to adopt a new decision-making structure informed by a Review undertaken by Dr Richard Kerley of Queen Margaret University (Appendix 1).
- 2.2 Five years on, and in advance of the Local Government Elections in May 2012, the CMT considered it appropriate to review the effectiveness, efficiency and transparency of the current structure decision-making structure and develop proposals for consideration by the new Council at its first Statutory Meeting on the 17 May 2012.
- 2.3 The CMT Review examined the key components of the current decision-making structure to identify issues that require to be addressed and potential opportunities for improvement. The following areas are considered in this report:-
  - i) Committee Structure
  - ii) Regulatory Bodies
  - iii) Strategic Leadership Forum
  - iv) Scrutiny
  - v) Audit Committee
  - vi) Logistical Issues
- 2.4 The Review also evaluated other potential decision-making models, including those being operated by other local authorities similar to Inverclyde - it was noted these options as shown below, had not altered significantly since 2007:
  - ***Modified Thematic Committee Model***
  - ***Executive Model***
- 2.5 The Review considered how each of these options might be implemented in Inverclyde and changes required to the key components of the current decision-making structure.
- 2.6 The CMT has had an opportunity to reflect on the issues identified regarding the existing decision-making structure as well as potential areas for improvement. It has also reflected on the advantages and disadvantages of the potential options for a new decision-making structure that could be recommended to the new Council.

- 2.7 Although other local authorities similar to Inverclyde have operated Executive Models over the last five years, the view of the CMT is that given the scale of Inverclyde, and the likely future political composition of the Council, a modified Thematic Committee Structure would facilitate maximum participation by **all** Elected Members.
- 2.8 After careful consideration of the alternatives, the preferred option of the CMT is a Modified Thematic Committee Model that provides clear alignment between corporate directorates and the new Thematic committees.
- 2.9 The modified Thematic Committee Structure proposed by the CMT would, in addition to the Provost and Leader of the Council, result in the following senior councillor roles:
- i) Depute Leader of Council / Vice Convener of P&R Committee (x1)
  - ii) Conveners of three Strategic Committees (x3)
  - iii) Convener of Audit Committee (x1)
  - iv) Chair of Planning Board (x1)
  - v) Chair of General Purposes Board (x1)
  - vi) Chair of Licensing Board (x1)
  - vii) Leader of largest Opposition Group (x1)
- 2.10 The CMT consider that, in line with previous practice, current Members of the Council should have an opportunity to consider and comment on the existing decision-making structure and the potential options for recommendation to the new Council.
- 2.11 An all-Member briefing took place on 10 April 2012 to present the findings of the Review and outline the potential options identified for consideration by the new Council.
- 2.12 Following consideration of this report by the current Council, the Chief Executive will prepare a detailed report for the new Council on potential options for a new decision-making structure for the Statutory Meeting on 17 May 2012.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Council:
- a. considers the CMT Review of the operation of the existing decision-making structure;
  - b. agrees to recommend the adoption of a new Thematic Committee Structure to the new Council subject to further consideration of the detail; and,
  - c. agrees that a report is prepared on the detail of a proposed Thematic Committee Structure, taking into account the views of Members of the new Council, for consideration at the Statutory Meeting on 17 May 2012.

**John W Mundell**  
**Chief Executive**

## **4.0 BACKGROUND**

- 4.1 Following the Local Government Elections in May 2007, the Council agreed to adopt a new decision-making structure informed by a Review undertaken by Dr Richard Kerley of Queen Margaret University.
- 4.2 The Council adopted a Thematic Committee Structure aligned with the emerging priorities of the Community Plan and the Council's new Corporate Plan (see Appendix 1).
- 4.3 Following the implementation of the new decision-making structure, and in recognition of the significant changes to the political composition of the Council, it was agreed to establish a Strategic Leadership Forum (SLF) in August 2007.
- 4.4 There have been various changes over the last five years including the revision of political balance on committees to reflect changes in the political composition of the Council, the introduction of the Local Review Body (associated with the Planning Board) and the establishment in 2010 of the Inverclyde CHCP Sub-Committee.
- 4.5 The new structure has operated since 2007 with an initial review in June 2009 which indicated that it was operating effectively.
- 4.6 Since 2007, significant developments have taken place in community planning with the introduction of the SOA, an increasing emphasis on partnership working and integration, the report of the Christie Commission and the developing public service reform agenda.
- 4.7 In addition, the Council faces significant challenges over the next five years from a strategic and operational perspective - all of these matters need to be taken into account in developing any proposal to revise or replace the existing decision-making structure.
- 4.8 In advance of the Local Government Elections in May 2012, the CMT considered it appropriate to review the operation of the existing decision-making structure and identify potential options for consideration by the new Council at its first Statutory Meeting following a similar process to that used in 2007.

## **5.0 EVALUATION OF CURRENT DECISION-MAKING STRUCTURE**

- 5.1 The view of the CMT is that the existing decision-making structure has operated reasonably well over the last five years. However, some relatively minor improvements have been identified that could be implemented to help improve the efficiency and effectiveness of the Council's Committee Structure.

### ***The Committee Structure***

- 5.2 The Review concluded that the Thematic Committee Structure adopted in May 2007 had worked well - there was a clear sense that decisions were made following due process and that the scrutiny role was completed effectively. However, the Review also flagged up a number of current and emerging issues regarding the effectiveness and efficiency of the existing decision-making structure as follows:-

- the Structure has not always adapted well to significant political, organisational and operational changes that have taken place over the last five years.
- given management capacity will contract further over the next few years consideration needs to be given to whether the amount of time spent attending and preparing for committees represent best use of officer time;
- the committee process could operate more efficiently, possibly through better management of agendas, improved scheduling of attendance by Officers, a reduction in the volume of reports going to committee and increased delegation;
- a recognition that the approval of a report often represents the culmination of a lengthy

development process - a diagram illustrating how a significant policy report goes from service or directorate level through to approval by committee is attached (Appendix 2);

- too much detail is provided in some reports on operational matters and on issues that could be effectively dealt with by Officers under delegated authority;
- there will always be reports that do not require an immediate decision but instead provide information on potentials impact of developments at a national or local level;
- the political nature of the Council impacts on efficiency – there is a need to balance effective engagement of Members and the speed at which decisions are taken;
- the misalignment that has developed between the Corporate Management Structure and committee structure has the potential to cause confusion among Members, and between Officers, on reporting, particularly in relation to Regeneration Committee and Safe, Sustainable Communities Committee; and
- in terms of future developments, the implementation of a single police service and a single fire and rescue service, and further integration of health and social care, will have significant implications for the Council - consideration therefore needs to be given to how Members will fulfil their scrutiny role on decisions affecting local communities.

### ***Regulatory Boards***

5.3 Generally, the decision in May 2007 to establish four independent regulatory boards, with full delegated authority, was seen as a positive development although it was felt that delegation to Officers in some areas should be increased. The CMT Review recognised that :-

- the Licensing Board and Planning Board have operated effectively since 2007 and successfully adapted to a number of changes in legislation;
- there were still some issues regarding the General Purposes Board and the level of decisions being taken which should be addressed, possibly through increased delegation to Officers;
- the Local Review Body had been in place for over two years and it would be appropriate to review how it had operated and address any issues or concerns among Members or Officers;
- there had been discussions with Members in recent years regarding the operation of the HR Appeals Board - from an equalities perspective there should be a single Appeals Board that deals with all employees.
- Members have a key role to play in the appeals process but there is a need for clarity on the type of appeals that are heard by the HR Appeals Board, specifically the distinction between strategic and operational matters; and
- changes being piloted with the HR Appeals Board should continue.

### ***Strategic Leadership Forum***

5.4 The Review identified that that the Strategic Leadership Forum (SLF) was considered to have been a positive development although it had not met since mid 2011. The Review concluded that the Forum:-

- provided a valuable, informal opportunity for Leaders of the main political groups to consider, with the CMT and appropriate Officers, issues of policy, common interest or concern.
- it was acknowledged that information had leaked which resulted in cessation of meetings,
- it was recognised that the SLF could only operate effectively on a strictly private and confidential basis for all matters considered to ensure optimum levels of trust,
- had operated effectively but that an increase in the number of Members participating had had a negative impact; and,
- that the status of the Strategic Leadership Forum should be formalised, its role and

operating principles clearly defined and involvement limited to the leaders of significant political groups (i.e. only those with two or more Members).

### ***Scrutiny***

5.5 Within the current committee structure, Members have the opportunity to exercise their scrutiny role through the submission of a range of reports to the relevant committees (financial monitoring, performance reporting, and updates on major initiatives). This has worked well with a wide range of significant policy decisions over the last five years scrutinised extensively at committee and at Policy and Resources Committee. The Review identified that:-

- there can be too much information in some reports which hinders the ability of Members to exercise their scrutiny role effectively; and
- Consideration should be given to the scrutiny role of the Health and Social Care Committee relative to the operation of the Inverclyde CHCP Sub-Committee in due course. It is suggested that the existing arrangements continue and be reviewed once the emerging national policy has been finalised.

### ***Audit Committee***

5.6 The Review identified that the existing approach to the Audit Committee works well although there is a need to ensure that Members and Officers are clear about the role and remit of the Committee – the Review highlighted that:-

- the role and remit of the Audit Committee is clearly defined in the Scheme of Administration and does not include wide-ranging scrutiny of policy making and operational matters which are the responsibility of the thematic committees;
- there is broad agreement that the Audit Committee should be chaired by a Member from outwith the Administration - there have also been discussions with External Audit on the advantages and disadvantages of an independent chair of the Committee.

### ***Standards***

5.7 In terms of standards it was felt the current approach agreed in May 2007 should be maintained as it had operated reasonably effectively – there was not considered to be any requirement for the establishment of a Standards Committee. However, it was suggested that the current approach should be clarified and, if necessary, turned into formal guidance for Members and Officers. It was also recognised that key messages about standards needed to be reinforced to Members and Officers on an ongoing basis.

### ***Logistical Issues***

5.8 The number of Senior Members that can be appointed by the Council is capped by SLARC at nine (not including Provost and Leader of the Council). The approach that has been adopted to maintaining political balance on the various elements of the current decision-making structure has worked extremely well and has been understood and accepted by Members. There are still a number of issues regarding the operational management of the committee structure which are actively being addressed by the CMT.

### ***Provost's Forum***

5.9 This Forum had not met since August 2009 and alternative arrangements have been put in place to effectively address any issues relating to civic matters or Members Services.

### ***Multi-Member Wards***

5.10 There were no significant issues raised regarding the impact of the introduction of multi-

Member wards on the decision-making structure.

## 6.0 POTENTIAL OPTIONS

6.1 In considering potential options - the following factors should be taken into consideration:-

- there is no certainty as to whether there will be a single party majority in the Council;
- there is a high probability that there will not be a single party majority on the Council;
- there is a possibility that there will be at least one councillor from three or even four parties in the Council.

6.2 The potential options in terms of possible decision-making structures (and their advantages and disadvantages) have not altered significantly since 2007:

- **Modified Thematic Committee Model**
- **Executive Model**

6.3 It should be noted that since 2007 a number of local authorities similar to Inverclyde have been operating Executive Models with apparent success. Details of the models currently being operated by local authorities similar to Inverclyde can be found in Appendix 3.

### A Modified Thematic Committee Model

6.4 The Review identified that the existing thematic committee structure has operated reasonably well over the last five years and, with a number of improvements, could be recommended to the new Council for adoption. A number of potential areas for improvement were identified.

- **Committee Structure** - The Review proposes a reduction in the overall number of committees to ensure effective alignment between the three thematic committees and the new Corporate Management Structure.
- The Safe, Sustainable Communities would be deleted with its remit divided between a new Education and Communities Committee and a new Regeneration and Environment Committee.
- This will align each new Corporate Directorate with the relevant thematic committee and clarify roles, responsibilities and accountabilities for Members and Officers. The recommended Committee Structure is shown in Appendix 4 attached to this report.
- To promote most effective scrutiny of the Inverclyde CHCP Sub-Committee it is proposed that current arrangements are reviewed once the revised national policy is finalised.
- In terms of future developments, the implementation of a single police service and a single fire and rescues service, and further integration of health and social care will have implications for the Council.
- Members may want to consider establishing a Police and Fire Sub-Committee, drawn from the Membership of the new Education and Communities Committee, to enable them to engage with these important local services and fulfil their scrutiny role.
- **Regulatory Boards** - The existing approach to regulatory boards should be retained although a number of improvements should be made. No changes are proposed to the Licensing, Planning or General Purpose Boards although consideration should be given to the current level of delegation to Officers in respect of the latter two boards.
- The Local Review Body had now been in place for over two years – it is appropriate that a specific review should be undertaken of its operation towards the end of 2012/13 to address any issues or concerns among Members and Officers.
- From an equalities perspective, there should be a single Appeals Board which deals with appeals from all employees (including teachers). Agreement must be reached on the type of appeals heard by the HR Appeals Board with a clear line between strategic

matters (dealt with by Members) and operational matters (dealt with by Officers). The changes being piloted with regard to the HR Appeals Board should continue.

- **Strategic Leadership Forum** - The status of the Forum, including the need for strict adherence to confidentiality on all matters, should be formalised, its role and operating principles clearly defined and Membership limited to leaders of significant political groups (those who have more than two Members). If the Council has a number of independent Members after the Local Elections they can ask to be considered as a group and have one representative on the Forum.
- **Audit Committee** - The existing arrangements for Audit Committee should be retained, including requirement that Convener is not a Member of the Administration.
- **Standards** - The current arrangements for addressing issues relating to standards should be reviewed, refined and issued as formal guidance for Members and Officers. It is essential that key messages on standards are reinforced on an ongoing basis.
- **Logistical Issues** - The Modified Committee Model would not require any significant alteration to the existing logistical arrangements for the committee process although it will require some adjustment to the number of Senior Members with the deletion of the Safe, Sustainable Communities Committee.
- The CMT will continue to review this matter and address any issues arising from the management of the committee process.
- It is proposed that the existing arrangements for calculating and maintaining political balance on Council, committees and regulatory bodies are retained.
- **Senior Members** - The Council would, in line with most recent SLARC Regulations, be able to appoint nine senior Members in addition to the Provost and Leader – it is proposed in the modified thematic committee structure there would be the following:
  - Depute Leader of Council / Vice Convener of P&R Committee (x1)
  - Conveners of three Strategic Committees (x3)
  - Convener of Audit Committee (x1)
  - Chair of Planning Board (x1)
  - Chair of General Purposes Board (x1)
  - Chair of Licensing Board (x1)
  - Leader of largest Opposition Group (x1)

### **An Executive Model**

- 6.5 Given that a number of local authorities similar to Inverclyde have been operating Executive Models successfully since 2007 it is appropriate to give consideration to the implementation of an Executive Model by the new Council. This would not be a Cabinet like that operated by the UK Government or Scottish Government.
- 6.6 An Executive would only be able to operate on the basis of authority delegated to it by the full Council in the same way as a traditional committee. The role and remit of the Executive would be set out clearly in the Scheme of Administration and authority would not be delegated by Council to individual Members.
- 6.7 The Review recognises introducing an Executive could help improve the effectiveness and efficiency of the decision-making process. However, it would also represent a significant cultural change for Officers and Members and it could be less inclusive and disenfranchise some Members. A possible Executive Model is attached (Appendix 5).
- 6.8 If the new Council was to introduce an Executive Model a number of changes would need to be made to the existing decision-making structure including:

- **The Council** itself would remain sovereign and retain the key responsibilities it has at present with regard to the structure and budget of the organisation.
- **The Executive** would be chaired by the Leader of the Council (and Executive Member for Strategic Policy and Resources) and comprise of the Depute Leader (Regeneration), Executive Members for Education and Communities, Environment and Health and Social Care.
- In terms of the CHCP the Council would delegate authority directly to a new CHCP Committee (still a joint committee with the Health Board) - the Convener of the Committee would also be a Member of the Executive.
- With regard to Education, the business of the Executive would be scheduled to allow those external representatives to attend as required under legislation.
- The Executive could meet twice in each eight week cycle.
- A new Audit & Scrutiny Committee would be established, chaired by a Member from outwith the Administration, to oversee audit work and scrutinise the work of the Executive, to shape and influence policy and review performance across the organisation.
- The Audit & Scrutiny Committee would meet a week after the Executive and would have the opportunity to call in decisions for review – however, decisions called in by the Audit & Scrutiny Committee would then need to be referred back to the next Executive for a final decision. Decisions called in by the Audit & Scrutiny Committee would be appropriately marked in the minutes of the Executive and could be subject to final challenge by Members at full Council before formal ratification.
- *Regulatory Boards* – as per the Modified Thematic Committee Model.
- *Strategic Leadership Forum* – as per the Modified Thematic Committee Model.
- *Standards* – as per the Modified Thematic Committee Model above.
- *Logistical Issues* - The new Executive Model would require changes to the way in which the business of the Council is currently managed. The existing arrangements for political balance on the Council, CHCP Committee, Audit & Scrutiny Committee, and Regulatory Bodies would be retained.
- The Council could, in line with the most recent SLARC Regulations, appoint nine Senior Members in addition to the Provost and Leader – If this model was adopted, the following would be proposed:-

Executive Members:-

- Council Leader
- Depute Leader (Executive Member for Regeneration) (x1)
- Executive Member for Education and Communities (x1)
- Executive Member for Health and Social Care (x1)
- Executive Member for Environment and Regeneration (x1)

Other Chairs:-

- Chair of Audit & Scrutiny Committee (x1)
- Chair of Planning Board (x1)
- Chair of General Purposes Board (x1)
- Chair of Licensing Board (x1)
- Leader of largest Opposition Group (x1)



## **7.0 CONCLUSION**

- 7.1 The CMT has reflected on the various issues raised regarding the operation of the existing decision-making structure, as well as the advantages and disadvantages of the potential options that could be recommended to the new Council.
- 7.1 After detailed consideration the preferred option of the CMT is the Modified Thematic Committee Model. The CMT believes this option provides clear alignment between corporate directorates and the new thematic committees – the Modified Committee Model will also promote clarity of roles, responsibilities and accountabilities for Members and Officers. It is considered to be a more inclusive approach for all Members and it should also help promote wider ownership of strategic agenda by promoting closer links with partners and wider community planning infrastructure.
- 7.4 The CMT also believe that, in line with previous practice, current Members of the Council should have an opportunity to comment on the operation of the existing structure and potential options for adoption by the new Council.
- 7.5 An all-Member briefing for current Members took place on 10 April 2012 to present the findings of the Review and to outline the potential options that had been identified for further consideration by the new Council.
- 7.6 The Chief Executive will also organise an all-Member briefing for the new Council Members prior to the first Statutory Meeting of the Council on 17 May 2012.
- 7.7 The Chief Executive will then prepare a report for the new Council on potential options for a new decision-making structure for the Statutory Meeting on 17 May 2012.

## **8.0 IMPLICATIONS**

### *Financial*

- 8.1 The Chief Financial Officer was consulted in preparing this Report. Members have previously approved a Workstream Savings Target of £30,000 associated with a review of the Committee Structure of which £20,000 is allocated to 2012/2013.
- 8.2 Further work will required dependent on the option selected by the new Council, to quantify any savings that might be realised from the new decision-making structure that could be allocated towards the Workstream Savings Target.

### *Legal*

- 8.3 The Head of Legal and Democratic Services was consulted in preparing this Report. The proposals contained in this Report comply with the statutory framework.

### *HR*

- 8.4 There are no direct human resources implications arising from this Report.

### *Equalities*

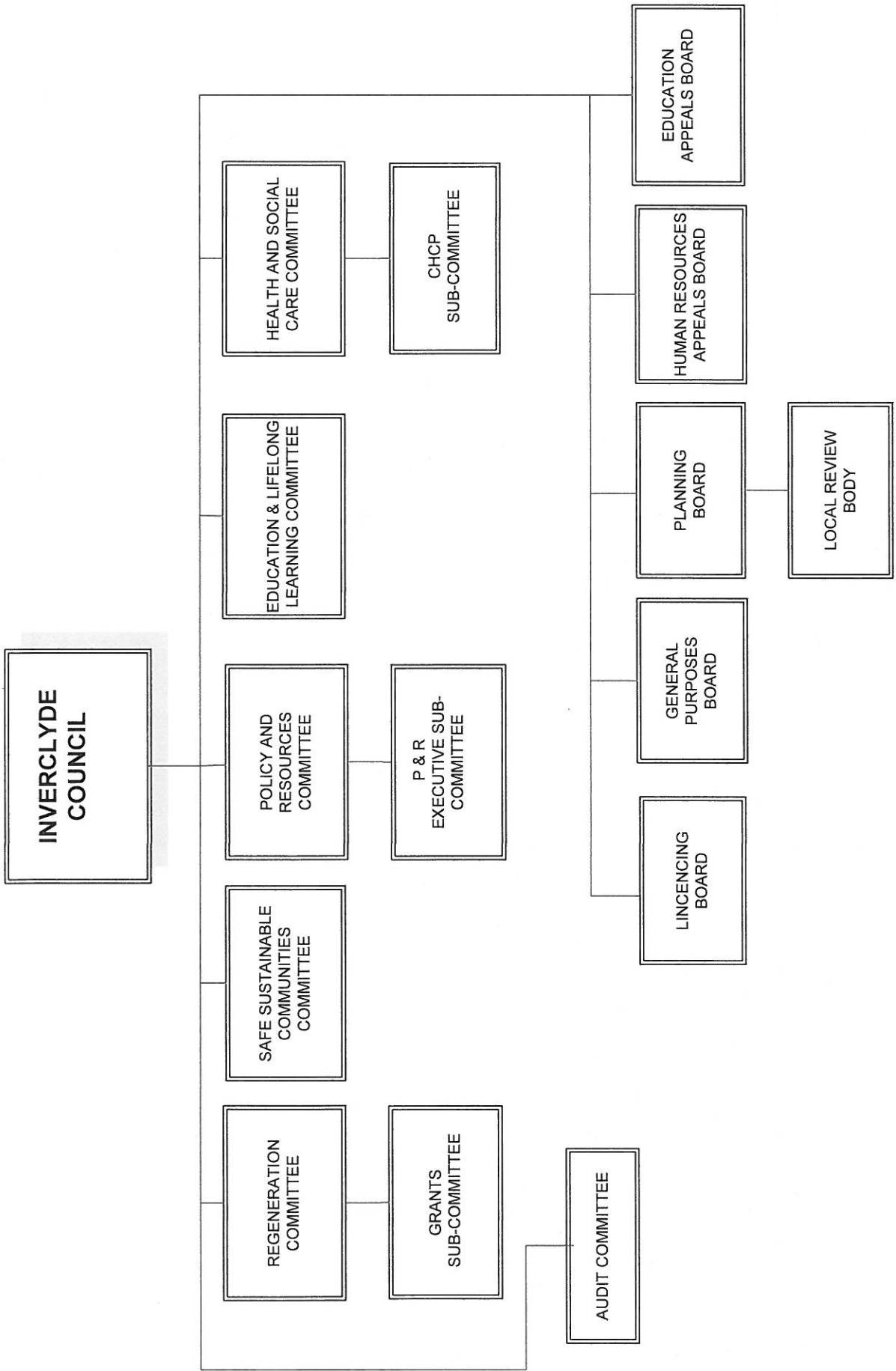
- 8.5 There are no direct equalities implications arising from this Report.

## **9.0 CONSULTATION**

- 9.1 The CMT, Head of Legal and Democratic Services and other relevant Officers were consulted in the preparation of this Report.

9.2 An all-Member briefing for current Members took place on 10 April 2012 to present the findings of the Review and to outline the potential options that had been identified for further consideration by the new Council.

# Inverclyde Council Existing Committee Structure

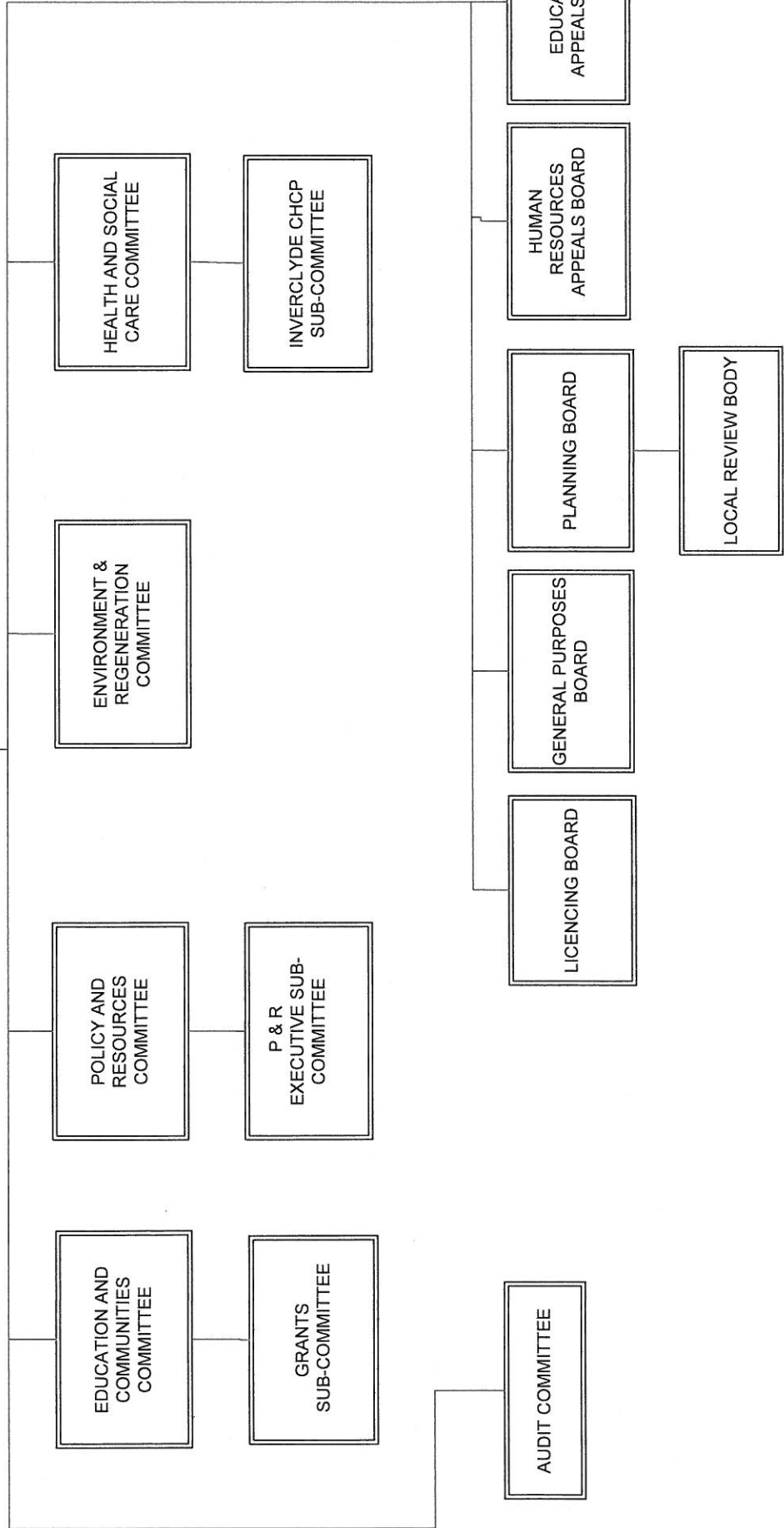


**Strategic Reports - Development Process**

<p><b>Stage 1 - Service</b> generates initial report in response to announcement of new policy or initiative at a national level outlining likely implications for service and Council and proposing options that could be adopted to respond</p>
<p><b>Stage 2</b> - Discussion at service level of initial report generated on policy or initiative results in referral to <b>DMT</b> for discussion of implications for Directorate and Council</p>
<p><b>Stage 3</b> - Discussion of initial report at <b>DMT</b> identifies a number of corporate issues arising from new policy or initiative (for example impact on multiple services or budgetary impact)</p> <p>Corporate Director speaks to Chief Executive and requests discussion at CMT</p>
<p><b>Stage 4 - CMT</b> discusses report on new policy initiative or strategic issues that outlines implications for Council along with potential options for response, agrees most appropriate course of action</p> <p>Depending on nature of policy or initiative, following consideration by CMT, Chief Executive will brief Leader and Depute Leader of the Council and Corporate Director(s) will advise relevant Convener(s) and Vice Conveners(s)</p>
<p><b>At this stage Members become engaged in the development process</b></p>
<p><b>Stage 5 - Draft committee report prepared</b> – consultation with Finance, HR, Legal and any other relevant services - if required discussion with Convener and Vice Convener</p> <p>Report submitted to Committee Administration for inclusion with draft agenda for consideration at Pre-Agenda Meeting</p>
<p><b>Stage 6 - Pre-Agenda Meeting</b> – Convener and Vice Convener briefed on draft agenda and reports for Committee, opportunity to highlight key issues and respond to questions or concerns regarding draft report, if necessary amendments agreed to report which will then be resubmitted to Committee Administration</p> <p>Convener and Vice Convener, in consultation with Corporate Director, may agree that it would be useful to have an all member briefing to give members a chance to discuss key issues arising from draft report in more detail before Committee Meeting</p>
<p><b>Stage 7 - All Member Briefing</b> (where appropriate) to give members opportunity to discuss key issues in draft report in more detail with officers before Committee Meeting</p>
<p><b>Stage 8 – Committee Meeting</b> – report is finally submitted for discussion and formal approval by Elected Members, opportunity to ask questions, raise issue or concerns and, if required, move an alternate course of action</p>

**Inverclyde Council**  
Proposed Modified Thematic Committee Structure

**INVERCLYDE COUNCIL**



**Inverclyde Council**  
Possible Executive Model

