

ANGUS COUNCIL**POLICY & RESOURCES COMMITTEE – 4 SEPTEMBER 2001****Report by Chief Executive****SCOTTISH LOCAL GOVERNMENT'S SELF-REVIEW OF ITS POLITICAL
MANAGEMENT STRUCTURES: REPORT OF THE LEADERSHIP ADVISORY PANEL****SUMMARY**

This report outlines and invites the Committee to consider the content of the Leadership Advisory Panel's Report on Scottish Local Government's Self-Review of its Political Management Structures.

1. RECOMMENDATION

It is recommended that the Policy and Resources Committee considers the content of the Leadership Advisory Panel on Scottish Local Government's Self-Review of its Political Management Structures.

2. THE LEADERSHIP ADVISORY PANEL'S REPORT

Members will recall that following the meeting of Angus Council held on 6 December 2000, and a meeting of the Member/Officer Group held on 24 January 2001, the Chief Executive submitted the Council's formal response to the Leadership Advisory Panel.

The Leadership Advisory Panel's Report was issued in April 2001 and was circulated to all Elected Members.

The following pages of the report are attached for the Council's information:-

- Pages 14-15, which summarise the categories of structures which have emerged across Scottish Councils.
- Pages 42-44, which give the Council's submission to the Leadership Advisory Panel.
- Pages 46-47, which give the Leadership Advisory Panel's response to the Council.
- Pages 234-235, which set out the Panel's general observations and conclusions.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RIGHTS

There are no human rights implications arising from this report.

5. CONSULTATION

The Directors of Finance and Law and Administration have been consulted in the compilation of this report.

A B Watson
Chief Executive

Note: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this Report

ABW/BAK
15 August 2001

INTRODUCTION

1. A foundation stone of the LAP process has been a recognition that a flexible approach is needed to reflect the diverse nature of Scottish local government. We believe this approach has been vindicated. The result has been the development of a number of different models and variations on models designed to meet local needs and circumstances while also addressing the self-review criteria.
2. The new structures that have emerged can be grouped into three general categories:
 - Streamlined committee structures
 - Executives
 - Devolved and partially devolved structures
3. The McIntosh Report stated that, in conducting their self-reviews, '*councils should give particular consideration to formalising the political leadership as an executive, but should also be able to consider other options.*'³ All councils have been asked to consider whether an executive structure is right for them and a number have decided to move to that structure.
4. Throughout the process we have shared McIntosh's view that councils should be able to consider other options. Our key concern has been to ensure that any new structure should meet the set criteria. We have been aware from the outset that central prescription of one model would stifle the creativity and innovation which we now see emerging as councils complete their self-reviews and implement their new structures.

STREAMLINED COMMITTEE STRUCTURES

5. Twenty three councils have opted to streamline their committee structures by reducing the number of service committees and the structures which support those committees. Two of these also share many of the characteristics of an executive structure - see paragraph 12 below.
6. In some cases the preference for the committee structure reflects a clear consensus that an executive structure is not appropriate to the council and that retention of the committee structure is considered to be the best option for the foreseeable future; in others it may be seen as a point in an evolutionary progression which could lead to introduction of an executive structure at some time in the future.
7. Whatever the position, we believe that streamlined committee structures can satisfy the set criteria and we have welcomed councils' efforts to do so in this way. We also wish to stress that among the streamlined committee structures there exists a wide range of variations and innovations on the committee theme. We are conscious that streamlined committee structures might be seen by outside observers as the 'easy way out' for councils. We do not believe so - many councils have put a considerable amount of effort and thought into developing systems which represent a genuine and significant advance from the structures which went before.
8. In particular, we are encouraged where councils have embraced separate scrutiny functions as compatible with streamlined committees and as an important element of their new structures.

³ *Moving Forward: Report of the Commission on Local Government and the Scottish Parliament*, page 6. June 1999.

Streamlined committee structures will also offer greater transparency by delivering a less complex structure within which it is easier to identify who is taking which decisions. For elected members these structures also offer clear benefits in terms of:

- a more strategic cross-cutting approach to policy which more meaningfully reflects the needs of the local community;
- a reduction in the bureaucratic burdens associated with the number of meetings and the volume of paperwork required by traditional committee structures;
- a more efficient dispatch of business.

9. In reducing the number of committees many councils have moved away from service-specific structures towards a more thematic approach which can better address cross-cutting policy areas that are both outcome and client-focused rather than professionally driven. An example might be the formation of a community services committee to bring together key issues like safety and security; healthcare; and criminal justice. These portfolios are often aligned with the key themes of the community plan and seek to involve community planning partners.

10. This development is to be welcomed. However if cross-cutting is to become genuinely embedded in the work of each council it will need to be reflected not only in committees but also in the way in which officers support those committees.

EXECUTIVES

11. Six councils have chosen to move to an executive structure in which the responsibility for most strategic decisions is devolved by the full council to a formal executive of elected members. This is balanced by the establishment of a separate scrutiny function - sometimes chaired by a member of the Opposition - which is remitted to review the decisions of the executive and challenge them as appropriate.

12. Another two councils have developed systems which, while not formally calling themselves 'executives', share many of the characteristics of an executive structure. These have been identified on the map on page 28 as 'streamlined committee/executive structures.'

13. Some of these councils have built on existing structures while making the transition from committees to an executive. This is based on a recognition that a number of components of an existing committee structure have worked well and would add value to a new executive structure without introducing unnecessary duplication.

14. The size of each executive varies from council to council, ranging from 13 members to 5 members. Some councils have chosen to allocate service-specific departmental portfolios to their executive members while others have opted for cross-cutting policy briefs. In five cases the executive is composed of members from the ruling administration while one council has included the Leader of the Opposition.

15. We welcome the fact that all these executives meet in public, or will do so when established.

16. One issue which has been brought to our attention by councils moving to an executive

Angus Council has carried out a systematic review of the way in which it manages its decision-making in the context of the guiding principles set out by the McIntosh Commission and the Leadership Advisory Panel.

Members and Chief Officers had discussions with Neil McIntosh and Alastair MacNish on 16 September and 4 November 1999 respectively, and the Policy and Resources Committee at their meeting on 7 December 1999 accepted a recommendation from the Chief Executive to set up a Member/Officer Group with the following remit:

"Against a backcloth of the recommendations of the McIntosh Commission and the Scottish Executive's response so far; the guidance of the Leadership Advisory Panel chaired by Alastair MacNish; the recommendations of the Renewing Local Democracy Working Group chaired by Richard Kerley; and the contents of the COSLA Task Group Report, "Decision-Making in Local Government",

- to review political decision-making structures in Angus Council with a view to reporting to the Council by June 2000
- thereafter, to recommend how a review of management structures might best be conducted in the context of whatever alterations to political decision-making structures may be agreed."

The Member/Officer Group - which was chaired by the Leader of the Administration and comprised 5 Members of the Administration, 1 Member of the Opposition, the Chief Executive, Director of Finance and the Director of Law and Administration - met on a number of occasions. All Members and Chief Officers received copies of papers submitted to the Group and of their minutes. In their discussions the Group:

- took into account the expectations of the Scottish Executive and the Leadership Advisory Panel
- examined in detail the COSLA document, "Decision-Making in Local Government"
- examined alternative committee structures from Aberdeen City and Falkirk Councils
- examined the recommendations of the Kerley Committee on "Renewing Local Government Democracy"
- examined the terms of the Councillor Development Charter produced by the Local Government Information Unit
- examined excerpts from the SOLACE paper, "The New Management Agenda"
- considered current scrutiny arrangements.

MAIN FINDINGS OF MEMBER/OFFICER GROUP

The following are the main points emerging from the Group's deliberations:

1. They were not minded to move towards an "executive model"; rather, it would be appropriate to undertake a streamlining of the Existing Committee system, to reduce the time spent by members at Committees, to enable a more focused approach to delivery of the Council's corporate strategy, particularly in the context of best value and community planning, and to address cross-cutting issues more effectively.
2. There need be no direct correlation between the Committee structure and the Management Structure.
3. There should be public consultation and the most appropriate way of doing this would be to include questions in the survey to be conducted with the Citizens Panel, seeking their views on the Council's aims in streamlining the Committee structure.
4. They identified a number of issues for further attention:
 - members' involvement in policy development and best value
 - the most appropriate means by which policy could be monitored and reviewed
 - changes to the Council's Scheme of Delegation
 - format of Council/Committee agendas
 - elected member training (some training to be mandatory)
 - protocol on the use of the party whip
 - protocol regarding the provision of information to councillors
 - job descriptions(s) of elected members
 - the management of agendas
 - scrutiny arrangements
5. They debated a number of possible Committee models and agreed to submit a short list of 4 options for consideration by the full Council.

A presentation on progress was made to the Chairman of the Leadership Advisory Panel on 30 October 2000 and the Council's decision on the matter was further informed by comments made at that time and by the contents of a letter dated 22 November 2000 from the LAP Secretariat.

DECISION BY SPECIAL MEETING OF ANGUS COUNCIL: 6 DECEMBER 2000

At a Special Meeting of the Council held on 6 December 2000, the Chief Executive outlined the background to the work of the Member/Officer Group, stressing the view of Ministers as set out in the Scottish Executive's response to the McIntosh Report, and presented the findings of the Member/Officer Group.

The Council decided:

- (i) to note the scope of the Member/Officer Group discussions with regard to political structures;
- (ii) not to move towards an "executive model" and to continue with the current committee system;
- (iii) that there be public consultation via the Citizens Panel on the aims of the Council's review; and
- (iv) that the Chief Executive, the Director of Finance and the Director of Law and Administration

continue to pursue matters identified by the member/Officer Group as requiring further attention and that the Member/Officer Group continue to monitor changes being made by other local authorities.

It is understood that the Council believes that the drive to reduce the number of councillors involved in decision making offers no added value to the Council's business processes. It is unwilling to put at risk the success of the Council to date by making changes simply for the sake of change. The Council has therefore opted for a prudent approach by making no changes to its current committee structure but will monitor developments taking place in other local authorities.

LAP RESPONSE TO ANGUS COUNCIL

Following an extensive review Angus has opted not to make any changes to its current committee structure, which comprises 13 service committees supported by service departments.

Criterion 1: Council business should be managed in such a way that policy proposals and matters for decision by the Council are subject to open debate

The Panel notes:

- That the Council has carried out a systematic review of its decision-making processes under the guidance of a member/officer working group, but has not publicly consulted on that group's recommendations.
- That the Council ruled out an executive-style structure and instead decided to examine a streamlining of the existing committee system.
- That the Council subsequently looked at four options for streamlining the number of its service committees; and has decided to make no changes to its committee structure and indeed to make no changes whatever to its structures.

Criterion 2: The Council must be able to effectively scrutinise the actions of the leadership or Executive and hold it to account for its performance

The Panel notes:

- That scrutiny arrangements and the monitoring and review of policy were identified as a matter deserving further attention by the member/officer working group but that the Council's final submission to the Panel contains no proposal for changes to its structure and does not attempt to relate the Council's present committee structure to the Panel's criteria.

Criterion 3: The work of the Council should take place, as far as possible, in public and whipping practices should be looked at to see if they can be relaxed

- The Panel is unable to comment on Angus' approach to whipping practices as the Council has not yet reached a position on this aspect of Criterion 3.

Criterion 4. Council business should be organised in such a way which allows as wide a cross-section of the community as possible to realistically consider becoming a Councillor

The Panel notes:

- That the Council's final submission does not propose any streamlining of business management, despite the working group having highlighted the management and content of agendas, delegation to officers, and a protocol on provision of information to members as issues for attention.
- That the Council understands the review process to be about a 'drive to reduce the number of councillors involved in decision-making.' This reflects a misunderstanding of the aims of the review process, which is to seek *worthwhile roles* for all members, involving in many cases an increased number of members engaged in policy review, development and decision-making.

Criterion 5: The review itself should be carried out thoroughly and in an open and transparent way

The Panel notes:

- That the review has been carried out systematically.
- That the review has nevertheless not been carried through into open consultation.
- That the Council intends to consult via the Citizens Panel on the aims of its review; though without a commitment to put forward any substantial proposals for consultation.
- That the Council intends only to consult the Citizens Panel. The Panel would ask the Council to consult more widely, for example involving the staff of the Council and the Council's key community planning partners.

TIMETABLE FOR IMPLEMENTATION

There is no timetable for implementation as the Council does not propose to make any changes.

CONCLUSION

We note that after a lengthy review process which highlighted a number of areas requiring attention in its political decision-making processes the Council has opted, without any public consultation up to this point, to make no changes. However the use of so many committees based on existing extensive individual service structures does not sit easily within a modernising programme designed to further develop the effectiveness of local government.

The Council is of course entitled to take that decision; but we do not find it satisfactory that the Council has apparently been unable to offer a reason or explanation for its decision, apart from being unwilling to change for the sake of change. The Panel has been at pains to stress to all councils that it is not in the business of promoting change for its own sake. We have worked under a set of criteria, which were evolved from the McIntosh Report and received all-party support in the Scottish Parliament; and most councils have found that, when they measured their practice against those criteria, some changes were needed. This report sets out the detail of what has been done throughout the country; and we trust that Angus Council will take note of these developments elsewhere and reconsider its own position in the light of them.

TAKING FORWARD THE MODERNISATION PROCESS POST-LAP

1. We were established to advise councils on their reviews of decision-making and policy development processes and to provide advice to Ministers on the outcome of those reviews. As such, we were not commissioned to make a series of general recommendations on council structures and we do not propose to do so. However we would like to offer some general observations on how the modernisation process might now be taken forward.
2. Perhaps the strongest theme which has run through this review process is that structural modernisation is a *continuous evolutionary process with no fixed start or end point*. Any organisation which is serious about maintaining optimal delivery of service to its users must embed within its culture a commitment to review regularly its operations and accept that there is always room for improvement. Embracing such a commitment to continuous improvement is particularly important for councils, given their position as elected bodies responsible for the expenditure of public monies.
3. Therefore we cannot emphasise too much that the process of structural modernisation should not be regarded as having been completed with the submission of this report. Indeed, we see the self-reviews addressed by this report as a way-stage on a journey of incremental improvements to council structures which will continue into the foreseeable future.
4. We are confirmed in this view by the encouraging way in which councils across the country have thought carefully about developing structures which will best respond to their local needs, producing a rich diversity of different models. Many of these are still in a state of gestation and will need further development before being implemented. Others are in the earliest stages of operation. All of them will require careful evaluation after an initial trial period, which we would not see being more than a year after implementation. These reviews will doubtless be the first trigger for identifying further improvements.
5. We also believe that effective structural modernisation rests upon a fundamental cultural shift in members' and officers' working modes and behaviours, demanding that they engage effectively in new approaches to council decision-making, such as cross-party scrutiny. This reinforces the ongoing and long-term nature of the process.
6. It follows that a post-LAP process will need to unfold during the remainder of this year and beyond. We therefore see it as essential that follow-up mechanisms are put in place to keep abreast of councils' progress and ensure that new structures are properly embedded.

CONCLUSION

7. This report has outlined the process of structural modernisation in councils across Scotland which we have been asked to oversee. It has explained how the process has been taken forward, described the different models which councils are now developing, and highlighted the key themes which have emerged from the exercise. We have also made a few general observations on how we see the process continuing into the future.

8. Most fundamentally we have been engaged in taking forward a significant and vitally important change programme for local government. All organisations need to embrace continual change if they are to remain healthy and relevant. Local government knows this more than most, having experienced massive changes over the last decade or more.

9. There is a distinction between reacting, perhaps reluctantly, to externally driven change - which may not be seen to be germane to local needs - and engaging positively in changes which result from constructive self-examination and a locally owned willingness to bring about improvements that will deliver clear benefits. We have sought to engender the latter - to encourage rather than discourage a recognition of the need for change and the commitment that flows from that. We have been impressed by the positive spirit in which most councils have responded to this challenge.

10. We would also stress that to be effective this particular change process will need to go considerably further than the relatively mechanical task of replacing existing structures with new ones. As in any organisation, it is the people who serve local government who are its most valuable and influential asset. Therefore if the business processes of local government are to become truly fit for purpose for the 21st Century they will require a deep-seated change in behaviours among the members and officers who run local authorities and the services they deliver. That is why widening access to local government is so important to revitalising our councils and the role they play in all our lives.

11. As this process unfolds fresh challenges and hurdles may present themselves. We have already identified two potential stumbling blocks in relation to information and communications technology which require attention, these being:

- the legislative limits which currently appear to be placed on using technology to hold meetings by electronic means and transmit business electronically;
- the need to look at increasing the levels of investment in ICT to support local authority activity.

12. For all these reasons we have stressed in this report the degree to which some aspects of modernisation are still unfamiliar to local government and will require councils to climb a steep learning curve. Similarly we have emphasised the degree to which structural modernisation is a continually evolving process, requiring councils to embed within their systems regular review and evaluation of their decision-making arrangements as they continue to develop and refine them.

