

To: Audit, Risk and Scrutiny Board

On: 28 August 2017

Report by: Director of Finance & Resources

Heading: Accounts Commission – Roles and Working Relationships in Councils –
Are you still getting it right?

1. Summary

- 1.1 Audit Scotland on behalf of the Accounts Commission has published a report entitled “Roles and Working Relationships in Councils – Are you still getting it right?”. It is one of a series of reports under the umbrella of “How Councils Work”. It is specifically a follow-up report to a similar report published in August 2010 when the themes and messages of the current report were first explored. Similar to the 2010 report this publication asks a number of questions of councillors and officers and these are detailed in the appendix to the report. The full report can be accessed at <http://www.audit-scotland.gov.uk/report/how-councils-work-roles-and-working-relationships-in-councils-are-you-still-getting-it-right>
- 1.2 The key themes of the report include clarity in roles and responsibilities of members and officers; up-to-date comprehensible and effective governance documents and arrangements; effective arrangements amongst councillors and between councillors and officers; and provision to members of the skills, tools, knowledge and training they require. The Renfrewshire Council position in relation to each of these areas is outlined in section 4 of this report.
-

2. Recommendations

- 2.1 That the key messages highlighted in the Audit Scotland publication: “Roles and working relationships – are you still getting it right?” be noted; and

- 2.2 That the current Renfrewshire position in relation to the checklist points be noted.
-

3. **Background**

- 3.1 Audit Scotland has indicated that the follow-up work was undertaken to reflect the fact that the context in which local government now operates has changed markedly since the 2010 report and that local government is now much more complex and fragmented by, among other things, the growth in arms length external organisations (ALEOs), the City Region Deal programme, the integration of health and social care, the increasing use of the private and voluntary sector, the emphasis on user and community empowerment, increasing financial restraint, the growth of coalitions and cabinet government within councils and the implications on local government of the United Kingdom's decision to leave the European Union.
- 3.2 The report notes that councils need to take major decisions over how they provide services to meet current cost and demand pressures and that these approaches need to be sufficient and sustainable given the scale of the challenges ahead.
- 3.3 The report highlights that this additional complexity demands a broader set of skills of councillors, not only in option appraisal given the financial challenges facing councils but also in scrutiny, audit and risk assessment. The report emphasises that the ultimate aim of scrutiny must be to improve the quality of services and ensure that the decision-making process is clear and accessible to the public and that councillors have the skills, knowledge and confidence to lead their councils, hold officers to account and to manage this complexity.
- 3.4 The report discusses how Best Value Audits show that uptake of training by councillors is, at best, variable. The report states that training and development should be an ongoing process not just a one off induction and that councils should consider wider options including a second wave of training once councillors are settled into their roles and are in a better position to apply new learning. The report recognises that there is not an expectation that councillors should become experts or masters on every area of detail, but have the skills and knowledge in the key areas of good governance to ensure they have the capacity and capability to be fully effective.
- 3.5 The messages highlighted in the report centre on the main themes of clear roles and responsibilities and arrangements for governance that are up to date; effective working relationships with councillors and officers demonstrating appropriate behaviours; and councillors having the skills and tools to carry out their complex and evolving role. The report recognises that councils need to put in place systems for governance that fit their particular ways of working but that there are broad principles of good governance that all councils must observe. The checklists in the report are designed to help

councils assess their governance arrangements. The Renfrewshire Council position in relation to each of these checklist points is set out in section 4 of this report.

4. Renfrewshire Council Position in Relation to Checklist Points

4.1 Keeping governance up to date

- The issues raised in the report are subject to regular annual review whereby the adequacy and effectiveness of the Council's local code of corporate governance is updated in line with developments and best practice and any revised Council policies. The outcome of each annual review is reported to this Board together with a report by the Chief Auditor, following checks of evidence used to demonstrate compliance, providing the necessary assurance.
- The 2017 review mapped the Council's Code against the Chartered Institute of Public Finance and Accountancy's (CIPFA) new Code under the topics of behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law; ensuring openness and comprehensive stakeholder engagement; defining outcomes in terms of sustainable economic, social and environmental behaviours; determining the interventions necessary to optimise the achievement of intended outcomes; developing capacity, including the capability of leadership and individuals; managing risks and performance through robust internal controls and strong financial management; and implementing good practices in transparency, reporting and audit to deliver effective accountability.

4.2 Clear roles and expectations

- As part of the induction process following the 2017 local government elections, members were given a briefing which addressed the respective roles of councillors and officers outlining that councillors hold public office under the law, provide strategic direction and scrutinise performance; officers give professional advice and are responsible for operational leadership and management and are employees of the Council.
- The roles and duties of councillors, including addressing public and council expectations, were set out in the councillor induction booklet. The Council has also developed role descriptions for councillors, senior councillors and conveners.
- The Council has adopted a scheme of delegation which sets out delegations to Boards, the Chief Executive, Directors, Heads of Service and other officers. This ensures that decisions are made at the lowest or most local level consistent with the nature of the issues involved. When exercising any delegated authority, officers are bound to have regard to a variety of stipulations that the Council has decided

should govern and influence the exercise of powers delegated to officers.

- Officers are also bound by the Council's Financial Regulations and Standing Orders relating to Contracts when exercising their roles.

4.3 Effective scrutiny

- In relation to reference in the report that scrutiny and audit arrangements should be independent of the Administration group on the council – this has been addressed by the Council as part of recent changes to its decision-making structure when it was agreed that the Convener and Depute Convener of this Board would be opposition members.
- The rules governing the composition of the Board also require that members of the Leadership Board and members who are Conveners of another Board may not be members of this Board.
- The Audit, Risk and Scrutiny Board's remit includes audit scrutiny, monitoring and review of service delivery, performance, policies and practice, community leadership through monitoring of other public bodies, and standards and ethics. In addition the Board conducts an annual programme of which may include areas for specific investigation.
- Again, as part of the recent review of the Council's decision-making structure, a Cross-party Sounding Board was introduced.
- Each of the policy boards has a scrutiny function and the local area committees also perform this role.

4.4 Partnerships and arms'-length bodies

- The Council has produced information for members and officers in relation to the duties of company directors and trustees.
- As part of the members' induction, an overview briefing was provided and one to one briefings as appropriate will be given to any councillor appointed to a trust, outside bodies or ALEO.
- Members were also provided with guidance prepared by the Standards Commission which provides an overview of matters they should consider when they are involved with or have been invited to participate in ALEOs.
- Revised governance arrangements, including regular monitoring, for Renfrewshire Leisure were introduced following its expansion.

4.5 The role of statutory officers

- As part of their induction, councillors were given briefings on the roles of each of the statutory officers: the Head of Paid Service (the Chief Executive); the Monitoring Officer (Head of Corporate Governance); the Chief Financial Officer (Director of Finance & Resources), and the Chief Social Work Officer (Director of Children's Services).
- The Chief Social Work Officer prepares an annual report for Council on the role and activities of the Chief Social Work Officer and the arrangements for the discharge of the functions of that office including key areas of activity.
- Statutory officers are also identified separately in the Council's Scheme of Delegated Functions.

4.6 Conduct and working relationships

- The Councillors' Code, which was introduced by the Ethical Standards in Public Life etc. (Scotland) Act 2000, sets out a protocol for relations between councillors and employees. Each councillor is provided with a copy of the Code and guidance and when signing their declaration of acceptance of office must confirm that they will undertake to meet the requirements of the Code.
- The report also suggests the establishment of local additions to the statutory Code to address local areas of friction or complaint. This Council has in place a protocol for relationships between political groups, elected members and officers which covers, among other things, member and officer respect for each other; officer advice to party groups; support services to members and party groups; relationships between officers and conveners; responsibilities of elected members and political groups; and rights of members, political groups and political group leaders.
- The Council has in place a code of conduct for employees.
- Briefings on the responsibilities of the Code of Conduct for Councillors are held regularly and councillors have access to road shows delivered by the Standards Commission providing guidance on practical application of the Code.

4.7 Councillors' skills

- The Council established a full programme of induction events and opportunities for members to be delivered to new and returning councillors following the local government elections and throughout their term of office. Details of this were also provided to all candidates. This programme was developed with input from across Council services, from leaders of the political groups and from partner

organisations. The induction programme included a strategic overview and key challenges for the Council, ward profile briefings and also introduced packs for the Leader of the Council, conveners' and the Provost, bespoke training for conveners and those appointed to quasi judicial committees/boards and one-to-one briefings as appropriate for members appointed to ALEOs and trusts.

- Members are encouraged to make use of the national elected members' portal, established by the Improvement Service, which provides a range of development opportunities including induction materials for newly-elected councillors and ongoing continuous professional development for all councillors.
- Councillors are also encouraged to produce a personal development plan, keep this under review and to refresh the content as appropriate at least every two years.
- The Chief Auditor provides a regular briefing programme for members of the Audit, Risk and Scrutiny Board, prepared in consultation with them, to assist them in fulfilling their audit committee role. This programme is approved annually by the Board.
- There will also be an opportunity for members to provide feedback on their induction and development programme later in the year.

Implications of the Report

1. **Financial** – none
2. **HR & Organisational Development** – none
3. **Community Planning** – none
4. **Legal** – none
5. **Property/Assets** – none
6. **Information Technology** – none
7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** – none

12. **Cosla Policy Position** – not applicable

Author: Lilian Belshaw, Democratic Services Manager 0141 618 7112
Lilian.belshaw@renfrewshire.gcsx.gov.uk

Background papers: none

Summary Checklist

Questions for councillors and officers to consider



Keeping governance up to date

As a councillor:

How effective is governance in your council?

Have your views been sought over the effectiveness decision-making and scrutiny, coalition working arrangements, or multi-member ward working for example?

Do you think councillors provide strong and effective leadership?

Do you feel that the council's senior management team has the capacity and capability to deliver the council's priorities?

As a chief officer:

Have you consulted with councillors over the effectiveness of the council's governance arrangements?

Do you regularly review governance eg schemes of delegation, standing orders and working protocols?

How well has the council adapted its governance to take into account significant changes such as health IJBs and its use of arm's-length companies?

Does your annual governance statement address significant issues and identify areas for improvement?

Clear roles and expectations

As a councillor:

How well do you understand and observe the roles expected of you?

Do you need further guidance on how to fulfil your role, for example protocols for member-officer working?

Do you actively contribute to effective governance in the council, as well as fulfilling your representative role as councillor?

Are officers accessible - and to what extent do they provide the right balance between supporting the administration and supporting the council as a whole?

Where your council is led by a coalition, are the working arrangements clear?

Where your council uses the executive or cabinet system, are the roles of the executive and non-executive groups clear?

As a chief officer:

Do you feel you provide the right balance between supporting the administration and supporting the council as a whole?

Have you reviewed the council's governance documents including schemes of delegation, guidelines and protocols to ensure they are clear and easily understood?

Do you think all councillors are clear on their roles and have the necessary skills, and have you taken steps to support them?

Effective scrutiny**As a councillor:**

How open is your council to scrutiny – is scrutiny encouraged as a means to improve services and make better decisions?

Have you received training and support in your scrutiny role?

Do you actively engage in scrutiny and ask constructive and challenging questions?

Do you feel able to ask candid questions, for example about risks?

To what extent does scrutiny take into account service user and community views?

Are the chairs of the audit and scrutiny committees sufficiently independent?

Do you get sufficient information to make balanced decisions, for example on the best options for delivering services?

Does your council's scheme of special responsibility allowances reflect the importance of the scrutiny and audit functions?

As a chief officer:

Do you periodically review the effectiveness of scrutiny - including its impact on decision-making?

Are effective scrutiny and audit arrangements in place for services delivered through local partnerships or arm's-length bodies?

Do you provide councillors with comprehensive information on services, costs and risks?

Have you taken measures to engage service users and communities in scrutiny?

Partnerships and arm's-length bodies**As a councillor:**

Do you think the governance arrangements for local partnerships, the health IJB, and the council's arms-length bodies are clear and fit for purpose?

Do you have the necessary skills and abilities to undertake your role?

Do you receive support and training on your roles and responsibilities in relation to any partnership or arms-length body that you sit on?

Does your training specifically cover your legal responsibilities as a member or trustee in relation to the company or charitable trust that you are a member of?

Do you make a strong contribution through your attendance and engagement at board meetings?

Are the different aspects of the role clear eg providing strategic direction, scrutiny, audit, and representing the council or community?

Is the performance of the local body or partnership sufficiently monitored and reported to council?

Does the IJB have a common culture and purpose – is there a clear vision for improving care?

As a chief officer:

Does your council provide sufficient training and support to councillors in their roles on local partnerships and boards?

Does the council understand and observe the Following the Public Pound guidance? (eg setting clear criteria for funding, audit access, and monitoring)

Does the council have a clear rationale for council representatives having a role on outside bodies and partnerships?

Are you satisfied with the governance of the IJB including how its decisions are reported to the council?

The role of Statutory officers

As a councillor:

Do you understand the roles of statutory officers, and do you have confidence in their abilities and contribution? (eg monitoring officer, chief social work officer, chief finance officer)

Have you received sufficient training on the roles and responsibilities of statutory officers?

Do you/your committee understand how and when to consult with statutory officers?

As a statutory officer:

Do you have sufficient influence to ensure the council operates effectively?

Are you seen to be accessible in the support that you provide throughout the council?

Do you have a constructive relationship with the senior management team?

Are your views sought, and do you provide advice and direction to councillors and senior officials?

Are the responsibilities of the statutory officer roles adequately set out in the council's governance documents?

Conduct and working relationships

As a councillor:

To what extent do you think councillors work constructively together and show mutual trust and respect?

Is there a culture of trust and openness between councillors and chief officers?

Are you made aware of the behaviours and conduct expected of you?

Are cross party or group meetings and member-to-officer working groups used and do they work well?

As a chief officer:

Is sufficient guidance on roles and expected conduct available to both councillors and officers/employees?

Do you have positive and constructive working relationships with officers?

Are sufficient opportunities in place for cross party / group meetings, and for members to work with officers?

Are such meetings constructive, and do they respect the principle for public debate and decision-making?

Does the council undertake exit interviews for councillors and learn from them?

Councillor skills**As a councillor:**

How well do you understand your role in relation to the council, local community, and on partnerships and outside bodies?

Is training and development sufficient for you to do your job?

Are you able to make an effective contribution to scrutiny, audit, and financial aspects of council business?

Do you take up training opportunities and make the most of advice and support from officers?

As a chief officer:

Do you ensure that training and development opportunities are available to councillors?

Does training include essential skills in areas such as scrutiny, audit and financial decision-making

Do you give sufficient support, information and guidance to councillors across their diverse roles, including partnerships and arm's-length companies?

Do you tailor training to the individual needs of councillors make it available on an on-going basis?

Do you seek feedback on the effectiveness of training and act on this?

Has the council reviewed the facilities and support provided to councillors to help them make the best use of their time and skills?



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
 T: 0131 625 1500 E: info@audit-scotland.gov.uk
www.audit-scotland.gov.uk

For the latest news, reports and updates, follow us on:

