NORTH AYRSHIRE COUNCIL

26 June 2024

North Ayrshire Council

Title:	**Working Group on Governance Structure**
Purpose:	To report on the outcome of the short life working group on the governance structure of the Council.
Recommendation:	That Council: a) notes the outcome of the discussions of the short life working group and that in the absence of a unanimous conclusion to the contrary agrees that no substantial changes to the current governance structure as detailed in the Scheme of Administration are required and b) notes that the standard periodic review of Standing Orders including the Scheme of Administration will be brought to the next meeting of Council for consideration.

1. Executive Summary

1.1 At its meeting on 14th February 2024 Council approved a motion on the establishment of a short life Member/Officer working group to consider the governance structure of the Council with particular consideration being given to changing the governance structure from a Cabinet/Executive structure to a traditional committee structure system.

1.2 The working group met on 2nd May 2023, considered a briefing note prepared by officers which has largely been incorporated into this report, discussed the Council's governance structure and whether a change was required. The working group did not reach a unanimous conclusion to change the governance structure of the Council.

2. Background

2.1 A motion by Councillor Marshall and seconded by Councillor Inglis was approved by Council at its meeting on 14th February 2024 on the following terms:

> *a) to approve the formation of a Member Officer Working Group, comprising two representatives of the Administration, two representatives of the Main Opposition, two representatives of the Second Opposition and one Independent Member, plus relevant Officers, to consider altering the governance arrangements of the Council from the present Cabinet system to a traditional Committee structure; and*

(b) that a progress report be submitted to the Council prior to the summer recess.

A cross party member/officer working group was established on the basis agreed by Council.

2.2 Officers undertook some initial research and benchmarking to ascertain the possible implications surrounding any change to our current system and to inform further discussion and decision making. The working group discussed the current structure and possible alternatives including reversion to a traditional committee system.

2.3 Currently, the Council operates a Cabinet system which is commonly described as an Executive/Cabinet and scrutiny governance model. This system was introduced to streamline decision making processes and resultant delivery of outcomes. The system is set up to ensure that decisions are subject to appropriate scrutiny through the call-in procedure. There are 15 Committees in total.

There are seven core Committees which meet within the regular committee cycle of meetings, which are as follows:

1. Cabinet
2. Audit & Scrutiny Committee.
3. Licensing Committee
4. Planning Committee.
5. Local Review Body.
6. Police Fire and Rescue Committee.
7. Integration Joint Board

The other Committees which meet on a more ad hoc basis on the basis of operational requirements are:

8. Appeals Committee
9. Education Appeals Committee.
10. Local Development Plan Committee.
11. Staffing and Recruitment Committee.

Pan-Ayrshire Committees where the clerking arrangements rotate on a three yearly basis amongst North, East and South Ayrshire:

12. Ayrshire Economic Joint Committee and its subcommittees
13. Ayrshire Economic Partnership Board (sub-committee)
14. Ayrshire Skills and Investment Fund (sub-committee)
15. Ayrshire Shared Services Committee

Servicing our existing governance system by the Committee Services team has until recently been carried out by 5 members of staff. Following the Voluntary Early Release (VER) process to realise necessary savings to the Council, that number has reduced to 3 which will have consequent impact on how we deliver the service going forward. This will necessitate a change in how meetings are minuted to the extent that the minutes for meetings will comprise the topic and decision without further detail on questions which have been asked during the process of the discussion being recorded

in the Minute. This process is adopted in several Councils and is compliant with obligations. In addition, on the basis that we record our meetings and retain an indefinite archive of the full meeting, this gives a verbatim account of any questions and debate which augments our minuting process. The exception to this will be full Council which will continue to be minuted in its current way. The change in the minuting process will commence after recess.

2.4 Officers undertook research on governance structures across Scotland through Inquiry with the Improvement Service, SOLAR and direct contact with Councils who currently operate a traditional committee structure.

It is evident from research to date that in general, the majority of those Councils contacted which operate a traditional committee structure have a greater complement of staff than currently exists within the Committee Services team. In those Councils consulted, the majority have staffing levels of between 5 and 7 FTE posts. The level of staffing resource within the Committee Services team which was agreed as part of the Voluntary Early Release process, prior to Members asking for a review of the governance structure, would require review and augmentation if any additional committees are added to the governance structure. In addition, a senior legal officer would require to be present at all committees to provide advice on standing orders and other matters as required if those committees have full decision-making powers (i.e. are not subject to the call-in procedure). There would in addition be increased demand on Service staff to provide reports to these various committees as well as being present when the committees are underway. In essence, the more time spent by staff attending Committees results in time away from operational delivery. It is expected that in addition, a lead officer dedicated to each committee would require to be assigned. This would result in an increase in work and cost to facilitate these committees in the context of reducing staff numbers. The Council records and webcasts committees which currently requires two Committee Officers to attend and operate the system as well as undertaking their traditional roles as Committee Officers.

It is assessed that for a traditional committee structure:

- at least an additional 2 members of the Committee Services team would be required (and potentially three) at a cost of: £52,729 including oncosts per appointment and
- an additional Senior Legal officer at Grade 14: £70,965 (including oncosts).

Therefore, at this stage it is officers' assessment that the immediate staffing requirement to change the system to a traditional committee structure would result in additional costs of £176, 423, the source of which would require to be identified. Further assessment would need to be given to the requirements for a lead officer to be allocated to each new committee along with the resultant additional resourcing implications associated with that. The costs of officer time in preparation for and attendance at any additional committees has not been quantified at this stage.

2.5 The working group discussed possible models for a traditional committee structure, centred on Council Plan priorities and noted the implications for the requirement to increase staffing resource and for wider Member attendance generally if such a model was adopted. The likely number of Committees required to align with the Council's strategic priorities would be 4 in total - i.e. 4 Committees to replace Cabinet. There would remain a requirement for an Audit committee. The possible number of committees for

an alternative governance model could be in the region of 18 committees, subject to the further consideration of Council.

2.6 The working group did not reach a unanimous conclusion on a possible change to the governance structure. Members of the group agreed to have further discussions with their colleagues and revert to Officers with a view. The Conservative and Unionist Group has since indicated a clear preference for the return to a full committee system.

3. Proposals

3.1 In the absence of a unanimous recommendation from the Elected Member Working Group to change the Council's governance structure, taking into account the resourcing implications of the alternative committee system, it is proposed that Council:

(i) notes the outcome of the discussions of the short life working group and that in the absence of a unanimous conclusion to the contrary, agrees that no substantial changes to the current governance structure as detailed in the Scheme of Administration are required and

(ii) notes that the standard periodic review of Standing Orders including the Scheme of Administration will be brought to the next meeting of Council for consideration.

4. Implications/Socio-economic Duty

Financial

4.1 None arising from this report.

Human Resources

4.2 None arising from this report.

Legal

4.3 None arising from this report.

Equality/Socio-economic

4.4 None arising from this report.

Environmental and Sustainability

4.5 None arising from this report.

Key Priorities

4.6 None arising from this report.

Community Wealth Building

4.7 None arising from this report.

5.   Consultation

5.1   None arising from this report.

Craig Hatton
Chief Executive

For further information please contact Aileen Craig**,** Head of Service (Democratic)**,** on Tel: 01294 324125.

Background Papers
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