

Agenda Item	18
Report No	HC/8/20

HIGHLAND COUNCIL

Date: 12 March 2020

Report Title: Governance Review

Report By: Executive Chief Officer Performance and Governance

1. Purpose/Executive Summary

1.1 The following report makes a number of recommendations relating to the Council's Governance arrangements. Some relate to minor adjustments to the Scheme of Delegation and Standing Orders to reflect and enhance the operation of the new Committees; some are consequential changes arising from the new governance arrangements; and others return to areas that had previously been highlighted for further discussion and decision.

2. Recommendations

2.1 Members are asked to agree:

- (i) The minor adjustments to the Scheme of Delegation set out in section 4;
- (ii) The Special Responsibility Allowances (SRAs) set out in Appendix 1;
- (iii) That a report will come back to Council in May 2020 with recommendations on the role of non-elected representatives on Council Committees;
- (iv) The changes to Standing Orders set out in section 7.
- (v) The arrangements for the establishment of the Wellbeing Joint Sub-Committee in section 8 and Appendix 2.

3. Implications

3.1 Resource Implications: Increasing the number of strategic committees and area committees has impacted on the payment of Senior Responsibility Allowances (SRAs). There is a requirement to comply with national requirements in relation to the quantum and cost of SRAs. The proposals at Appendix 1 comply with the national requirements but are more than is currently budgeted for these positions. The balance of £9,572 can be met within the overall Members' budget by reducing expenditure elsewhere. None of the other recommendations in this report have resource implications

3.2 Legal: Recommendations coming forward for Senior Responsibility Allowances are compliant with the relevant legislation. Recommendations coming forward in May 2020 to adjust the voting entitlements of non-elected members of Council committees will also need to be fully compliant with legislation. A number of the amendments to the Scheme of Delegation are required to update references to the relevant Statutes. There are no other legal implications arising from this report.

3.3 Community (Equality, Poverty and Rural), Climate Change / Carbon Clever, Gaelic:
There are no implications arising from the recommendations in this report.

3.4 Risk: the recommendations arising from the Review will have a positive impact on risk because of the focus on improved scrutiny, oversight, control and assurance.

4. Scheme of Delegation

4.1 The revised Scheme of Delegation was approved at Council in December 2019. The outcomes of the Governance Review had necessitated a major review of the Scheme to map functions from the 3 Strategic Committees that had existed previously to the 6 new committees. At the time it was acknowledged that there could be a need to make minor adjustments to the Scheme to reflect the operation of the new governance arrangements and further changes to the Council's new organisational structures around the 8 new Executive Chief Officer roles and responsibilities, and that these could come forward to Council in March and May 2020.

4.2 The Council is asked to approve the following changes to the Scheme of Delegation:

- i. Move responsibility for Harbours from the Communities and Place Committee to the Economy and Infrastructure Committee and for this change to be reflected in Part IV of the Scheme relating to Powers Delegated to Officers;
- ii. Move the consideration of applications for housing development loans and grants and oversight of the operation of the land bank fund from the Housing and Property Committee to the Economy and Infrastructure Committee;
- iii. Move consideration of applications for Scottish Government Infrastructure Loans Fund from the Housing and Property Committee to the Economy and Infrastructure Committee;
- iv. Include the remit of the Joint Wellbeing Sub-Committee in Part III of the Scheme, as set out in Appendix 2.
- v. In Part IV page 134, remove reference to 'Waste Awareness Officer' in Description and Indicative Posts under Environmental Health, and replace with 'Waste Management Assistants (Awareness), Waste Management Assistants (Compliance)';
- vi. In Part IV, page 136, update the Statute section to remove Public Health (Scotland) Act 1897 and include The Food Hygiene (Scotland) Regulations 2006 and The Food Information (Scotland) Regulations 2014;
- vii. In Part IV, page 137, insert the following Statute: "The Water Intended for Human Consumption (Private Supplies) (Scotland) Regulations 2017";
- viii. In Part IV, page 139, insert 'private sector' in front of references to housing grants.

5. Special Responsibility Allowances

5.1 Under The Local Government (Allowances and Expenses) (Scotland) Regulations 2007 (amended 2008 and 2010), Special Responsibility Allowances are payable to the Council Leader, Convener and Senior Councillors. Senior Councillors are Members who hold a significant position of responsibility in the Council's political management structure, for example, a convener of a major committee, the leader of a significant opposition group. Members can receive only one Senior Councillor Rate, if two posts are held then the higher remuneration will be paid.

5.2 The rate paid to Council Leader and the Convener is set by Regulation. The legislation also prescribes the maximum number of Councillors who can receive a Special

Responsibility Allowance, which for Highland is 19. It is for Councils themselves to decide, within the legal restrictions, how many Senior Councillor posts they wish to allocate. The three restrictions that need to be considered when allocating Senior Councillor posts and determining salaries to be paid to Senior Councillors are:

- The limit on the number of Senior Councillor posts that each council may have;
- The total budget for paying Senior Councillors; and
- That councils cannot pay any Senior Councillor more than 75% of the salary paid to the Leader.

- 5.3** The Regulations limit the total value of payments that can be made by Councils for SRAs. In Highland, the legal maximum is £456,416.
- 5.4** Appendix 1 sets out the proposed new Senior Responsibility Allowances for Highland Councillors for Members' approval. This reflects the increase in the number of Strategic and Areas Chairs, and the removal of payments to Vice Chairs approved at the Council meeting in December 2019. As was the case previously, Area Committees comprising 2 or more wards attract an allowance for the Chair; and Committees comprising 4 or more wards attract an enhanced allowance.
- 5.5** The total cost of the revised SRAs is £416,647 which is comfortably below the legal maximum but less than is provided for in the Members' budget by £9,572. This cost can be met within the overall Members' budget by reducing expenditure elsewhere.

6. Non-elected Representatives on Council Committees

- 6.1** A number of Members raised the position of non-elected members at committees during the Governance Review, particularly in relation to the opportunity for religious representatives and the Youth Convener to vote in what was the Care Learning and Housing Committee. It was agreed at December Council that the Governance Review Steering Group would be reconvened in February 2020 to consider this and any other outstanding matters.
- 6.2** The Governance Review Steering Group met on 26 February 2020. The Group agreed that whilst religious and third sector representatives and the Youth Convener should still have a place on specified Committees, non-elected members should no longer be entitled to vote at what is now the Education Committee. The Group agreed that a report should be taken to the next meeting of the Council in May 2020, providing a full briefing on the matter and seeking formal Council agreement to its recommendation. The Council is asked to note this position at this time, pending a full report coming forward in May 2020.

7. Standing Orders

- 7.1** Members are asked to approve the following change to Standing Orders which reflects a widespread theme emerging from the Governance Review regarding Members' wish for a longer period of time to consider Committee and Council reports:

- **SO2 – Calling of Meetings** It is proposed to amend the following paragraph:-

Notice of the place, date and time of meetings of the Council and Committees (including agendas and reports) will be emailed to every member of the Council by or on behalf of the Head of Corporate Governance not later than the 10th (previously 7th) day before the meeting.

It is proposed to include the following wording within Standing Order 2:-

In the event that a report accompanying an agenda item is not distributed in accordance with the paragraph above (i.e. on the 10th day before the meeting) it may, in exceptional circumstances, be circulated subsequently with the agreement of the Committee Chair, Convener, and Head of Corporate Governance.

8. Establishment of the Wellbeing Joint Sub-Committee

- 8.1 The creation of a larger number of standalone committees prompted a decision by the Governance Review to establish a new joint sub committee to consider cross cutting issues to promote wellbeing. Membership will be made up of representatives from The Education Committee, the Health, Social Care and Wellbeing Committee; the Housing and Property Committee and the Communities and Place Committee. The Sub-committee will have 14 members and will be established on the basis of political balance.
- 8.2 The Council is asked to approve the establishment of this Committee as set out in Appendix 2 and for this to be included in the Scheme of Delegation.

Author: Kate Lackie

Designation: Executive Chief Officer, Performance and Governance

Date: 2 March 2020

New structure modeller

Post	Number	Remuneration	Total cost
Leader of the Council (Cllr Margaret Davidson)	1	£40,765	£40,765
Convener (Cllr Bill Lobban)	1	£30,575	£30,575
Sub Total for Leader and Civic Head	2	£71,340	£71,340
Depute Leader of the Council	1	£30,575	£30,575
Strategic Committee Chairs	7	£26,292	£184,044
Strategic Committee Vice-Chairs	0	£0	£0
Leader of the Opposition	1	£26,292	£26,292
Paid Area Chairs	5	£18,578	£92,890
City of Inverness Leader	1	£21,141	£21,141
Unpaid Area Chairs	0	£0	£0
Chair PAC	0	£0	£0
Chair Licencing	0	£0	£0
Sub Total Senior Councillors	15		£354,942

This number must be 19 or fewer

Grand Total (Including Leader and Civic Head)	17		£426,282
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All other members	57	£17,470	£995,790
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TOTAL COST- All members	74		£1,422,072
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Current budget	£1,412,500
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Over/(Under)	£9,572
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N.B. Valuation Board Chair excess salary above basic is set by statute and is not included in senior member costing or structure

Wellbeing Joint Sub-Committee

The Wellbeing Joint Sub Committee is a Sub Committee comprising 14 Members from some or all of the following Committees of the Council: Education; Health Wellbeing and Social Care; Communities and Place; and Housing and Property.

In addition, Substitute Members should be allowed and the Sub-Committee itself should be politically balanced. The creation of the Joint Sub Committee represents the joint commitment of the Committees to work collaboratively on matters that fall to their remit where a joint approach is considered to be beneficial.

In particular it shall have the following powers:

1. To identify suitable projects and initiatives for collaboration and to make recommendations to the appropriate committee.
2. To monitor the effectiveness of cross-service collaboration and to identify potential improvements and efficiencies.
3. To approve an annual performance report for the reporting year on collaborative projects and approaches.
4. To approve and amend Standing Orders for the Joint Sub Committee.
5. To appoint the Chair and Vice Chair of the Joint Sub Committee and any of its Sub-Committees.