

Agenda Item	15
Report No	HC/23/23

THE HIGHLAND COUNCIL

Committee:	The Highland Council
Date:	29 June 2023
Report Title:	Governance Review
Report By:	Interim Executive Chief Officer Performance and Governance

1. Purpose/Executive Summary

- 1.1 On 11 May 2023, the Council agreed to re-establish the Governance Review Steering Group ('the Steering Group') with a refreshed membership. This report asks Members to agree the refreshed membership and terms of reference of the Group. The purpose of the Steering Group will be to review the current governance arrangements for managing the business of the Council and present options for improvement to the Council by October 2023.
- 1.2 **Appendix 1** sets out the proposed Steering Group membership; **Appendix 2** sets out the proposed Terms of Reference for the Steering Group.

2. Recommendations

- 2.1 Members are asked to agree:
 - i. the membership of the Steering Group – **Appendix 1**;
 - ii. the Terms of Reference of the Steering Group – **Appendix 2**; and
 - iii. the next steps as set out in paragraph 6.

3. Implications

- 3.1 Resource
There are no implications arising from this report. Any financial implications arising from the Steering Groups's proposals will be assessed and will be included in the report to Council in October 2023
- 3.2 Legal
The governance review will support the Council in meeting its legal duty of Best Value and continuous improvement through improved governance arrangements.

- 3.3 Community (Equality, Poverty, Rural and Island)
There are no immediate Community implications arising from this report. Screening for equality, rural, and socio-economic implications will be undertaken on recommendations arising from the work of the Steering Group.
- 3.4 Climate Change / Carbon Clever
There are no relevant implications arising from the recommendations in this report.
- 3.5 Risk
There are no immediate risk implications arising from this report. However, the Governance Review will focus on risk mitigation when making recommendations to the Council on revised governance arrangements.
- 3.6 Health and Safety
There are no immediate health and safety implications arising from this report. However, any necessary mitigation will be considered, should implications arise when the Governance Review makes recommendations to the Council on revised governance arrangements.
- 3.7 Gaelic
There are no implications for Gaelic arising from this report.

4. Background and Summary

- 4.1 The Council initiated a Governance Review in 2019, which led to series of changes being made to governance arrangements in the latter part of that year. The Council agreed at its meeting in December 2019 that there would be a need to “keep all of the new arrangements under review in the first part of 2020 in order to assess the resource implications of the changes, identify and rectify any unforeseen issues that may arise and pick up on any matters that may have been overlooked.” Due to the pandemic to this review did not take place.
- 4.2 On 28 September 2022, the Audit and Scrutiny Committee approved a series of Audit recommendations arising from an [internal audit report](#) reviewing local democracy arrangements. The report noted that 6 out of the 32 Scottish local authorities operate area committees. Of these, only Highland has single ward committees. Of the 5 other Councils, the minimum area committee Membership is 8. Highland Council has 6 single Ward committees and 9 area committees with 7 or less Members. The Audit recommendations and actions will be considered as part of the Steering Group’s work.
- 4.3 The Member survey, reported to Council on 11 May 2023, showed that almost three quarters of respondents would support reviewing the current committee arrangements, and a third were interested in reviewing Council Standing Orders. It is therefore an opportune time to re-establish the Steering Group in the light of the original intention to review; the 2022 internal audit; the response to the survey; and the opportunity to reflect the experience of new Members. Consequently, it was agreed by Council on 11 May 2023 that the Steering Group be re-established, with refreshed membership, to take this forward with support from the ECO for Performance and Governance.

5. Governance Review Steering Group Membership and Terms of Reference

- 5.1 The proposed Terms of Reference are attached at **Appendix 2**, which set out the purpose, remit, working methods and membership of the Steering Group.

- 5.2 The desired outcome will deliver democratic arrangements that enable Members to discharge their scrutiny role in terms of council strategy, policy, and finances; oversee and monitor performance and improvement; and make well informed decisions at the most appropriate level of the organisation.
- 5.3 Any proposed changes will need to be assessed in terms of the benefits and improvement they would deliver compared with the current arrangements; and be sustainable in terms of their impact on Council resources and capacity.

6. Next Steps

- 6.1 Subject to Member approval, the Steering Group will meet once in August and once in September 2023 to agree improvement options for presentation to Council in October 2023.

Designation: Interim Executive Chief Officer Performance and Governance

Date: 14 June 2023

Author: Paul Nevin

Background Papers: [internal audit report](#)

Appendices:

1 Proposed Governance Review Steering Group Membership;

2 Terms of Reference for the Steering Group

Proposed Governance Review Steering Group Membership

Independent (3)	SNP (3)	Scottish Conservative & Unionist (2)	Liberal Democrat (2)
B Lobban	R Bremner	H Crawford	A Christie
M Paterson	M Hutchinson	Patrick Logue	R Gale
C Munro	E Knox		

GOVERNANCE REVIEW STEERING GROUP

Terms of Reference

Purpose

To Review the current arrangements for managing the business of the Council and to present options for improvement to the Council for approval.

Remit

1. Democratic Structures
 - a. Role, remits, number, membership, and frequency of Strategic Committees
 - b. Role, remits, number, membership, and frequency of Local Committees
 - c. Role, remits and number of Sub Committees, Working Groups, Panels, and other meetings that require formal officer support
 - d. Conduct of Council and Committee Business – Standing Orders
2. Supporting members
 - a. Reports - templates, length, volume accessibility & alternatives to reports
 - b. Hybrid arrangements/protocols/webcasting etc.
 - c. Chairs' introduction – Code of Conduct, webcasting, protocols, etc.
3. Resourcing and Capacity Implications
 - a. Financial
 - b. Staffing
 - c. Organisational

Working Methods

- Initially the Steering Group will meet once in August (focus on Standing Orders) and once in September 2023 (focus on Scheme of Delegation & remainder of remit) to consider improvement options, having regard to the existing internal audit report "Review of Local Democracy" and arrangements elsewhere to compare/benchmark/identify best practice.
- A report will be brought to Council on 26 October 2023 which will coincide with the annual review of the Standing Orders and the Scheme of Delegation.
- The Steering Group will then reconvene annually to review the operation of the Council's Governance arrangements to inform the annual review of Standing Orders and the Scheme of Delegation.

Membership

- The Steering Group will comprise 10 elected members selected based on political balance: 3 Independent, 3 SNP, 2 Scottish Conservative & Unionist and 2 Scottish Liberal Democrat
- Officer support – Paul Nevin, Stewart Fraser & Jane MacLennan
- Admin Support – Kirsty Smailes