

EAST AYRSHIRE COUNCIL

GOVERNANCE AND SCRUTINY COMMITTEE – 14 JANUARY 2011

COUNCILLORS AND OFFICERS: ROLES AND WORKING RELATIONSHIPS: ARE YOU GETTING IT RIGHT?

Report by the Executive Director of Finance and Corporate Support

1. PURPOSE OF REPORT

- 1.1** To advise of the publication of Audit Scotland's report on Councillors and Officers' Roles and Relationships: are you getting it right? And to outline the Council's position in response to the recommendations arising from this report.

2. BACKGROUND

- 2.1** This is the first in a new series of Audit Scotland reports on 'how councils work', which will draw upon audit work to identify common themes and add value by providing material designed to stimulate, change and improve performance. Audit Scotland's report covers the respective roles and working relationships between councillors and officers.

3. ROLES AND WORKING RELATIONSHIPS: ARE YOU GETTING IT RIGHT?

- 3.1** The Report highlights how clarity about the roles and effective working relationships between councillors and officers are central to achieving best value and supporting strong governance and decision making.

- 3.2** The Report presents 5 key messages arising from the audit work carried out by Audit Scotland, details of which are summarised below:-

- Good working relationships are central to good performance;
- Councillors and officers generally understand their roles and responsibilities; but there can be difficulties in practice;
- Governance arrangements that are fit for purpose and up to date are critical in clarifying roles, responsibilities and expected behaviour;
- Statutory officers have a vital role in supporting good governance and decision-making; and
- Councillors need to ensure they have the skills and tools to carry out their complex and evolving role.

- 3.3** The report also contains a number of key action points and suggests the use of checklist questions for both Members and Officers to assess the effectiveness of current practices and identify where there may be scope for improvement. A summary of this Council's current position/arrangements to respond to the key issues identified within Audit Scotland's report and reflected in the checklists is provided below:-

3.3.1 Supporting Good Working Relationships

The Council has fully endorsed the Councillors' Code of Conduct introduced under the Ethical Standards in Public Life etc (Scotland) Act 2000 and the commitment to the Code has been incorporated into the Council's Standing Orders. The Code of Conduct for Councillors, which has recently been reviewed (December 2010), includes a protocol for relations between Councillors and employees. Copies of the revised Code have been circulated to Members. Appropriate training for Elected Members on the Code, including an e-training package is now in place, with further training on the revised Code to be provided in the first quarter of 2011. Members will also have the opportunity to attend the Standards Commission Roadshow on the revised Code scheduled to be held on 24 February 2011 in Ayr. Similarly, the Code of Conduct for Employees has recently been reviewed (March 2010) and re-issued to all employees. This again includes provision of protocols to govern communication between officers and Elected Members.

This procedural guidance is supported by a programme of regular Leadership meetings between the Chief Executive and the Leader of the Council, the Leader of the main Opposition Group and the Leader of the minority Opposition Group as well as regular meetings between Elected Member Portfolio holders and Executive Directors (Every Committee Cycle).

Taken together, these arrangements provide a sound basis for effective communication between Elected Members and Officers and this is supported by Audit Scotland's recently published Best Value 2 Pathfinder Audit Report for East Ayrshire which concluded that:- *'The council benefits from strong and effective leadership from its chief executive, and there are good relationships between elected members and officers. In addition, it was noted that:- 'Elected Members and Senior Managers work effectively together and the political environment is courteous and professional.'*

3.3.2 Understanding Roles and Responsibilities

Clarification of the respective roles and responsibilities of Elected Members and Officers is provided within the respective Codes of Conduct and is outlined within agreed Job Outlines for Elected Members and Senior Elected Members (including the Leader of the Council) and within Officers Job Descriptions.

The Council's Standing Orders and Scheme of Delegation, both of which are the subject of regular review, are key documents which provide clarification on the rules for decision making and the powers delegated to Officers.

These matters are covered at training for new Elected Members to ensure a clear understanding of the relationship between Elected Members and Officers.

3.3.3 Ensuring Good Governance

Each year the Council challenges and reviews its corporate governance arrangements against CIPFA/SOLACE's new framework for Corporate Governance: "Delivering Good Governance in Local Government Framework." This annual process of review results in the Council each year adopting a new Local Code of Corporate Governance, together with an improvement action plan.

In order to add an additional degree of challenge to the annual review of our Corporate Governance arrangements, our Corporate Governance arrangements are subjected to self-assessment and are scored. This is designed to ensure that the ethos of excellent Corporate Governance is embedded in all decisions made by the Council.

Whilst this process of review is co-ordinated corporately and approved by the Corporate Management Team and the Governance and Scrutiny Committee, Executive Directors and Heads of Service have a responsibility to ensure that their own governance arrangements are adequate and operating effectively. In line with the CIPFA/SOLACE Framework, each Executive Director and Head of Service is required to make an annual statement confirming that this is the case and, thereafter, the Council prepares and publishes an Annual Statement of Assurance confirming that corporate arrangements for governance are robust.

This approach was praised within Audit Scotland's Best Value 2 Pathfinder Audit Report for East Ayrshire which concluded that *'the Council's Governance arrangements were well developed and, on the whole, effective'*.

3.3.4 Statutory Roles

The Council's procedural documentation clearly details the decision making structure. This includes Scheme of Delegation; Standing Orders; Standing Orders relating to contracts; Contract Procurement Protocol, Financial Regulations; Local Government Access to Information Registers; Departmental Service Descriptions; Officer delegated responsibility and the role of Elected Member portfolio holders.

The Council's Scheme of Delegation designates the Chief Executive as the Council's 'Head of Paid Service' in terms of the Local Government and Housing Act 1989. This requires the post holder to carry out the specified duties associated with this statutory role, including responsibility, where it is appropriate, for setting out proposals and reporting to Council, in relation to the undernoted matters:-

- the manner in which the discharge by the authority of their different functions is co-ordinated;
- the number and grades of staff required by the authority for the discharge of their functions;
- the organisation of the authority's staff; and
- the appointment and proper management of the authority's staff.

The Head of Legal, Procurement and Regulatory Services, and Solicitor to the Council, acts as Monitoring Officer and ensures that the Council acts within legal and statutory requirements. This is achieved through:-

- the provision of frontline legal advice to client departments on a daily basis;
- the active participation of the Head of Legal, Procurement and Regulatory Services or his representative on the Corporate Management Team in a scrutiny capacity to ensure legal compliance;
- the active involvement of the legal service in the preparation and consideration of legal implications arising from all relevant Committee Reports;
- the attendance of the Head of Legal, Procurement and Regulatory Services or his representative at all Council, Cabinet, Committee and Quasi-judicial

decision making bodies of the Council (including pre-agenda meetings) to provide sound legal advice, undertake a gate keeping role and ensure legal compliance.

The Executive Director of Finance and Corporate Support is the proper officer of the Authority for the purposes of Section 95 of the Local Government (Scotland) Act 1973 and is a member of the Corporate Management Team. This reflects best practice identified by Audit Scotland in their report. Responsible for ensuring that appropriate advice is given on financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control, the Section 95 Officer responsibilities are reflected in the Executive Director of Finance and Corporate Support's Job Description and the Council's Financial Regulations.

These state that the Executive Director of Finance and Corporate Support shall be responsible for the administration of the financial affairs of the Authority and shall act as a financial adviser to the Council, Cabinet and all Committees. Specific responsibilities, as outlined in the Council's Financial Regulations, include:-

- to ensure the proper administration of the financial affairs of the authority;
- to set the financial management standards and to ensure that compliance with them is monitored;
- to ensure proper professional practices are adhered to and to act as head of profession in relation to the standards, performance and development of finance staff throughout the authority;
- to advise on the key strategic controls necessary to secure sound financial management; and
- to ensure that financial information is available to enable accurate and timely monitoring and reporting of financial performance.

The Council's Scheme of Delegation designates the Head of Service: Community Care as the Chief Social Work Officer in terms of the Social Work (Scotland) Act 1968 and requires the post holder to carry out the specified duties associated with this statutory role by ensuring the provision of effective, professional advice to elected members and officers in relation to the provision of social work services.

3.3.5 Training and Support for Councillors

The Elected Member Learning and Development Strategy was agreed by Council on 25 June 2009. An Individual Training Needs Analysis has now been completed for all Elected Members from which development interventions have been identified. These will be addressed and delivered through the agreed personal development plans now in place for each Elected Member.

4 CONCLUSION

- 4.1** Reflecting on the current position outlined in section 3 above, it is clear that East Ayrshire Council is in a strong position to demonstrate that it has put in place the necessary processes, protocols and training arrangements to ensure clarification of respective roles and responsibilities and encourage positive working relationships between Elected Members and Officers. The success of our approach has been validated by Audit Scotland's Best Value 2 Pathfinder Audit,

which found evidence of '*strong and effective leadership*' with '*good relationships between elected members and officers*' and concluded that:- '*Elected Members and Senior Managers work effectively together*' in a '*political environment that is courteous and professional.*'

4.2 Our comprehensive review of Corporate Governance each year challenges and tests the effectiveness of our arrangements in terms of responding to the issues covered by Audit Scotland's latest report on Councillors and Officers' Roles and Relationships and where required, improvement actions arising from this annual review are identified and included within the annual Corporate Governance Improvement Action Plan.

4.3 In order to further strengthen our governance arrangements and to ensure that the effectiveness of our approach is challenged and tested on an annual basis, it is proposed that elements of the key questions checklists appended to Audit Scotland's report (copies of which are appended to this report) be incorporated into the annual review of the Council's Corporate Governance arrangements and the annual Elected Members' needs assessment process.

5. FOLLOW UP BY EXTERNAL AUDIT

5.1 In accordance with established practice, Audit Scotland have advised that our appointed External Auditors will review progress in this area of activity as part of their ongoing work. Accordingly, in order to strengthen our arrangements for responding to such National Audit Reports, and to ensure that all Elected Members are made aware of the publication of such Reports, a copy of Audit Scotland's Report together with this covering report will be made available to Elected Members via the dedicated Members' Portal.

6. FINANCIAL / LEGAL / POLICY IMPLICATIONS

6.1 There are no direct financial implications arising from this report. There are no new policy implications arising from this report. The arrangements which the Council has in place to ensure an effective response to the issues raised within Audit Scotland's Roles and Working Relations Report highlight the Council's commitment to continuous improvement in adherence with the statutory Best Value responsibilities contained in the Local Government in Scotland Act 2003.

7. RECOMMENDATIONS

7.1 It is recommended that Governance and Scrutiny Committee:-

- (i) note the publication of Audit Scotland's Roles and Working Relations Report;
- (ii) consider the key messages of Audit Scotland's Roles and Working Relations Report as summarised in section 3.2 of this report;
- (iii) note the summary of this Council's current position/arrangements to respond to the key issues identified within Audit Scotland's report as outlined in section 3.3 of this report;
- (iv) agree, in order to ensure that the effectiveness of our arrangements in terms of responding to the issues covered by Audit Scotland's report on Councillors and Officers' Roles and Relationships continue to be challenged,

- that elements of the key questions checklists appended to Audit Scotland's report be incorporated into the annual review of the Council's Corporate Governance arrangements and the annual Elected Members' needs assessment process; and
- (iv) otherwise note the contents of this report.

Alex McPhee
Executive Director of Finance and Corporate Support
28 September 2010

LIST OF BACKGROUND PAPERS

1. Roles and Working Relationships: are you getting it right? – Audit Scotland Report prepared for the Accounts Commission (August 2010).

Any person wishing to inspect the above background paper or seeking further information should contact Jim Farrell, tel.: (01563) 576223, or James Lally, Tel.: (01563) 576148.

Implementation Officer: Jim Farrell, Performance, Development and Projects Manager

CHECKLIST TO SUPPORT GOOD WORKING RELATIONSHIPS – COUNCILLORS

Understanding of roles and responsibilities
How well do we understand our roles and responsibilities and those of officers?
How well do we understand the role of committees?
How effective are we in contributing to constructive debate and challenge at meetings?
How confident are we of our purpose and role when involved with external organisations?
How well do we understand the potential implications of activity on external organisations for the council and ourselves?
Behaviour and conduct
Are our relationships with other councillors, and with officers, professional and constructive?
Is there a climate of trust and respect?
How well do we work together as councillors to deliver the best outcomes for our communities?
How well do we work with officers to deliver the best outcomes for our communities?
To what extent do we share information and engage with each other openly?
How well do we understand the importance of good working relationships?
How well do we understand the <i>Councillors' Code of Conduct</i> ? And how well do we apply its principles?
Guidance, information and support
How well are we supported in understanding and fulfilling our roles and responsibilities by: <ul style="list-style-type: none"> – protocols for councillor and officer relationships? – up-to-date and easy-to-understand governance documents? – information from officers about responsibilities on external bodies? – opportunities to develop our skills and knowledge? – access to officers?
How committed are we to developing our skills and knowledge by participating in relevant training opportunities?
Are we provided with the right information at the right time to support policy development and scrutiny?

CHECKLIST TO SUPPORT GOOD WORKING RELATIONSHIPS – OFFICERS

Understanding of roles and responsibilities
To what extent are our relationships with councillors professional and constructive?
How well do we work with councillors to deliver the best outcomes for our communities?
To what extent do we share information openly with councillors?
How well do we understand the importance of good working relationships?
How well do we understand our roles and responsibilities and those of councillors?
Behaviour and conduct
How effective are we in ensuring that governance documents: <ul style="list-style-type: none"> – are up to date and easy to understand? – support understanding of councillor roles, senior and statutory officer roles and committee remits?
Is there a climate of trust and respect?
Guidance, information and support
How well do we support councillors to understand: <ul style="list-style-type: none"> – their role and responsibilities? – their role and responsibilities during activity on external bodies? – the role and responsibilities of officers, including statutory officers? – the role of committees?
How well do we support councillors to fulfil their roles and responsibilities by: <ul style="list-style-type: none"> – implementing protocols for councillor and officer relationships? – providing opportunities to develop their skills and knowledge? – providing the right information at the right time to support policy development and scrutiny? – allowing them access to us?

CHECKLIST - SUPPORTING AWARENESS AND UNDERSTANDING OF STATUTORY ROLES

Questions to help improve awareness and understanding of statutory roles
Do governance documents clearly state: – what the roles and responsibilities of statutory officers are? – which officers fulfil the statutory roles, including any other job title they may use? – what circumstances may lead to an intervention by a statutory officer? – when councillors or committees may wish to consult with statutory officers?
Are the role and responsibilities of statutory officers clearly understood and valued throughout the organisation?
Are statutory officers invited to attend and participate in relevant meetings?
Are the views of statutory officers actively sought and considered?
Does the council's structure and culture empower statutory officers to intervene when necessary to ensure compliance with legal requirements, regulations and established processes?
Do statutory officers understand how to fulfil their role in the context of their organisation's arrangements?
Do statutory officers provide advice and direction where necessary to councillors and other senior officials?