

EAST AYRSHIRE COUNCIL

SPECIAL POLICY AND RESOURCES COMMITTEE – 23RD MAY 2001

COSLA REVIEW

Report by the Chief Executive

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Members of the establishment of a Review Group to look at Cosla's core activities, priorities and related matters and to seek the views of Members on the response to a questionnaire received from the Review Group.

2.0 BACKGROUND

- 2.1 Cosla has determined, in view of its financial position and recently changed circumstances, to establish a Review Group to make recommendations on the priorities and future direction of Cosla. The Review Group has determined to seek the view of Councils on the relevant issues and has therefore issued a consultation paper (previously circulated) and questionnaire with a view to obtaining the views of Councils on these issues.

3.0 RESPONSE TO THE CONSULTATION

- 3.1 The Review Group has been asked to report to the full convention meeting in June 2001 and has therefore asked for views on the consultation paper to be received by 25th May. Whereas the response to the consultation is a matter for the Council, officers have, from the officer perspective, prepared a draft response for consideration of Members and this is attached as Appendix 1. Officers have not, of course, commented on Section 5 (Political Management Arrangements).

4.0 LEGAL/FINANCIAL IMPLICATIONS

- 4.1 East Ayrshire Council is currently a member of Cosla and has provided for the current year's levy within the 2001/2002 revenue budget.

5.0 RECOMMENDATIONS

- 5.1 It is recommended that the Committee consider the consultation document and, unless otherwise minded, adopt the draft response contained within Appendix 1 with, in addition, their comments on Section 5 of the document.

David Montgomery
Chief Executive

14th May 2001
DM/BH/CMCT

DRAFT

LIST OF BACKGROUND PAPERS

Cosla Review Group Consultation Document

Members wishing further information should contact Barbara Haughan, Head of Administrative and Legal Services, Telephone (01563) 576061

Implementation Officer: Barbara Haughan, Head of Administrative and Legal Services

APPENDIX 1

COSLA REVIEW 2001 CONSULTATION SURVEY

Please answer all of the questions and then detach and return this form to **T N Aitchison, Chief Executive, The City of Edinburgh Council, Council Headquarters, Wellington Court, 10 Waterloo Place, EDINBURGH, EH1 3EG.** Where answers to questions are in the form of a choice, e.g. YES or NO, please circle the correct answer.

Please note that all returns will be treated sensitively. However, should your Council wish to ensure that it is not identifiable in the report to the Convention, please tick the box below.

I do not wish my Council to be identifiable

2. FINANCIAL CONTEXT

1. Do you have any general views on how COSLA might reduce its costs or increase its income?

1. **COSLA should aim to reduce its property overhead, while continuing to ensure both proximity to the Scottish Parliament and Executive and accessibility of its headquarters to all Councils.**
2. **Future financing over a 3 year period rather than a year at a time should be examined.**
3. **Review core staffing against identified priorities for the next 3 years, supported by (funded) secondments from councils and taking account of the further potential for input from ad hoc task groups formed from officers, and perhaps also members, from councils.**
4. **In regard to conference business, COSLA should withdraw from organising any conferences or seminars which cannot demonstrate that they will make a profit for the organisation. A “lead authority” model could be considered whereby host authorities could organise, host on COSLA’s behalf other seminars felt to be of potential importance for all councils.**
5. **COSLA should seek opportunities for annual funding from the Scottish Executive for specific initiatives where appropriate – e.g. in the area of Best Value/best practice initiatives; website costs).**
6. **COSLA could also review annually its approach to income generation in the light of Audit Scotland’s guidance “The Challenge of Charging”.**
7. **Outsourcing of appropriate internal services such as payroll/personnel and infrastructure maintenance to member councils where COSLA cannot otherwise benefit from economies of scale**

2. Assuming that the three Councils which have left remain out of COSLA, do you think a separate charge should be levied on these Councils in respect of the employers’ function?

No : There should be no separate charge. The possibility of “cherrypicking” from among COSLA’s core services should not be permitted. Should efforts to secure the return of all councils prove, regrettably, unsuccessful, COSLA should look to review of the whole aspects of employer/employee negotiation

3. If there was a separate charge for the employers' function do you think that this would encourage more Councils to opt out of full membership to COSLA?

Yes

3. COSLA OVERVIEW

4. Do you agree that in representing the collective views of Councils, COSLA's core activities are representing local government and influencing policy development, finance and its role as an employers' organisation?

Yes

1. **The core activities of Finance, personnel and policy development are so inextricably linked that it would be difficult to envisage how they could be constructively discharged in complete isolation from each other.**
2. **COSLA should seek to develop a strong, structured interface with the Scottish Parliament: this could include the seeking of observer status at committees of the Parliament.**

5. Are there any other areas in which you consider COSLA should play an important role?

Yes

If yes, please specify.

Other Important Areas:

1. **Communications – providing a media capability at national level. Projecting a collective local government view on topical issues and raising public awareness through the national media.**
2. **Supporting councils in continuous improvement activities within Best Value.**

6. What do you consider should be the balance between the various activities?
(Please apportion a % to add up to a total of 100%)

Representing Local Government	<u> 5 </u> %
Influencing Policy Development	<u> 30 </u> %
Finance	<u> 30 </u> %
An employers' organisation	<u> 30 </u> %
Other (if applicable)	<u> 5 </u> %
Total	<u>100</u> %

Note:

1. "Representing local government permeates all that COSLA does – the percentage relates to the media/public interface capacity referred to at 3(5) above.
2. The percentage for "Other" assumes the seeking of external resources referred to at 2(1) above.

4. WHAT DOES COSLA DO?

7. To what extent do you believe that the current difficulties facing COSLA may be caused by the strains imposed on COSLA as it tries to adjust to a considerably increased workload and representational role, brought about by the Scottish Parliament and the Scottish Executive?

The suggested causes are not necessarily a factor in relation to current difficulties as such – however issues of the relative effectiveness of COSLA have been brought into sharper relief with the establishment of the Scottish Parliament as a democratic body representative of people and communities, impacting on the difficulties facing COSLA. There are issues for COSLA in looking forward in respect of strengthening relationships and increasing its collective influence with the Parliament and the Executive.

8. What is your view on what has been achieved for Scottish local government by COSLA in 2000?

Neither good nor poor

9. Do you consider:

- (i) That COSLA represents value for money?
No

This Council is looking to the review group to establish a position of better value for money and believes there is scope for improvement in effectiveness and efficiency.

- (ii) That the work programme undertaken in 2000 was focussed around the key issues for local government in Scotland?

Yes

It is considered however that the range of issues covered was too wide and that the organisation was thereby overextended.

10. Has COSLA struck the right balance of workload and emphasis of relationship in its dealings with the Scottish Parliament and the Scottish Executive?

No

11. How satisfied are you with COSLA's work on local government finance and related issues?

Although COSLA is considered to have delivered a reasonable job on a range of issues and put forward views that this Council would have wished to be made, nevertheless the outcome was not as effective as would have been desired.

12. How satisfied are you with COSLA's role as an employers' organisation?

Satisfied

13. With pay deals secured for the next 3-4 years, do you think there is scope to scale back on the organisational development team?

Yes

The scope for scaling back will not be unrestricted as, although pay deals have been secured, major issues remain to be dealt with e.g. the implementation of the McCrone agreement and single status and these may call for fixed term posts, most usefully filled on a seconded basis.

14. How satisfied are you with COSLA's communications activities?

**Very satisfied
dissatisfied Satisfied Neither satisfied Dissatisfied Very
nor dissatisfied**

While fairly satisfied with the media interface, for example in relation to the campaign on trunk road contracts, this council has concerns over the relative costs of the I.T. aspects.

15. Do you think there is any scope to reduce expenditure in this area?

Yes

There should be further investigation of possible outsourcing, and the possibility of governmental contributions towards website development in particular.

16. How satisfied are you with COSLA's work in the corporate strategy/service development areas?

Satisfied

Satisfied in the main with the focus given but dissatisfied with the relative level of influence achieved.

17. Do you see this area increasing or decreasing over the next three years?

Increasing

In view of the Scottish Parliament becoming more established.

18. Do you think this is an area which COSLA should consider becoming more involved in or less involved in? If you see an increasing role for COSLA, how should that be carried out?

More involved

- 1. COSLA should become more involved, but working in conjunction with local authorities.**
- 2. There should be greater input from ad hoc working groups, drawn from representative cross sections of local government.**
- 3. More effective lobbying techniques are required with Scottish Executive Ministers, the Parliament and its committees.**
- 4. There should be closer liaison on UK-wide policy issues with other local government associations in the UK.**

19. What role do you think Scottish local government, through COSLA, should have in relation to European affairs?

1. **There is a role for local government but should be co-operative, taking account of existing partnerships, and any COSLA activities should be cost-neutral.**
2. **The dissemination of information to local government on European issues may be better provided in co-operation with other UK local government associations.**

20. Would you support a review of ESEC, WOSEC and COSLA's activities in European affairs?

Yes

5. POLITICAL MANAGEMENT ARRANGEMENTS

21. How satisfied are you with the current political management arrangements within COSLA?

Very satisfied dissatisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied Very
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22. Specifically, how satisfied are you with:

The Convention:

Very satisfied dissatisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied Very
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Leaders' Meetings:

Very satisfied dissatisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied Very
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The Spokesperson model:

Very satisfied dissatisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied Very
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The General Purposes Group:

Very satisfied dissatisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied Very
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A budget monitoring and audit oversight mechanism should be established with back-bench members with relevant experience (e.g. Finance Chairs from member councils) with a remit for budget monitoring to ensure the financial plan is delivered year on year.

6. FINANCING COSLA

23. What increase in the levy would you be prepared to support?

Any increase in the levy will require to relate to and be judged against the level of service provided and should be the minimum necessary to deliver the core business. The levels of increase in G.A.E. for 2001/02 to 2003/04 (6.3%; 5.6% and 4.3%) should be kept in mind.

24. Would you support a review of the present population-based method of subscribing to COSLA and the introduction of a "Core" element to the levy?

Yes

Support for review with particular reference to the possibility of a flat rate levy, together with a variable element relating to population and established for a 3 year period (with significant notice of any future intention to withdraw being required within the 3 year membership period).

25. Do you favour a policy of increased income generation within COSLA?

Yes

It is important that income estimates should be both reasonable and achievable.

26. Do you have any specific proposals as to how income might be increased?

**Please see reply to question 2.1.
In examining this, it will be important to set overheads against estimated project income. Any projections built into the budget must be realisable.**

27. Given COSLA's budget position, what specific measures do you think should be taken to reduce expenditure?

**Please see reply to question 2.1.
COSLA should also examine, in looking at the staffing issues, the possibility of combining some of its current functions and reducing the number of separate sections.**

Other Relevant Comments

NAME OF AUTHORITY EAST AYRSHIRE COUNCIL

CONTACT NAME DAVID MONTGOMERY

DESIGNATION CHIEF EXECUTIVE

TELEPHONE NO 01563 576002

FAX NO 01563 576200

E-MAIL David.Montgomery@East-Ayrshire.gov.uk

SIGNATURE _____

DATE _____

AGENDA