



REPORT TO PROCEDURES COMMITTEE – JANUARY 19TH, 2018

SCHEME OF GOVERNANCE

1 Recommendations

The Committee is recommended to:

- 1.1 Consider and comment on the report; and**
- 1.2 Note the timetable in Appendix 1 for the review of the Scheme of Governance.**

2 Background / Discussion

- 2.1 At a meeting of Full Council on June 30th, 2016, it was agreed to support the recommendations of the Future Governance Working Group. Full Council therefore agreed that:-
1. the existing 5 committee structure for decision making continue to include four policy committees, a bespoke audit committee and six area committees;
 2. membership of the Council's policy committees continue on the current basis of 1 member 1 committee;
 3. high level functions for committees be approved;
 4. the new vision statements and values for Area and Policy Committees be approved;
 5. the proposed new Audit Committee be allocated responsibility for receiving and providing feedback on reports from the IJB Audit Committee;
 6. substitute members be permitted for the new Audit Committee;
 7. the scrutiny role currently exercised by Scrutiny and Audit Committee be shared amongst all policy and area committees and based on respective remits;
 8. Full Council take on the finance primacy role from Policy and Resources Committee;
 9. decision-making authority for financial matters be delegated to the relevant Policy Committees;
 10. the new front-loading approach for committee involvement in procurement decisions, be supported with further information on financial ceilings for different areas of procurement to be agreed as part of the procurement guidance being produced;

11. procurement training for Members be compulsory;
12. new proposals for Appeals and Appointments Committees be reported to members for approval as part of the Governance; Framework documentation review; and
13. a mechanism for councillors bringing forward issues be developed.

and that officers would draft the necessary constitutional documents to support these agreed matters.

- 2.2 A further report to Full Council on September 29th, 2016 provided the information about the Scheme of Governance in its proposed format and asked Full Council to note that the final approval of the Scheme of Governance would be reported to Full Council on November 24th 2016 with implementation scheduled for January 27th 2017.
- 2.3 At its meeting on November 24th 2016, Full Council approved the Scheme of Governance and the implementation date of January 27th 2017.
- 2.4 The Scheme of Governance has delivered 13 of the recommendations as agreed on June 30th, 2016. Members should note in respect of item 12 that under changes introduced by the new Scheme of Governance approval of procedures for the Appointments and Appeals Committee sits with the Head of HR and OD. Accordingly any review of such procedures shall be undertaken operationally.
- 2.5 The implementation of the new Scheme has however highlighted a number of areas for improvement. The Review of the Scheme of Governance is scheduled to be reported to Full Council in June 2018, and as required by Standing Order 9.1.a; any required amendments require second approval at the meeting of Full Council in September 2018. The timetable of the review is in Appendix 1.
- 2.6 The remit of the Procedures Committee is to consider proposed changes to the Scheme of Governance and make recommendations to Full Council. This Committee will therefore meet in accordance with the dates set out in the timetable with a view to ultimately making recommendations where appropriate for inclusion in the Review of the Scheme of Governance which will be put to Full Council at its meeting on June 2018. The reports before the Committee on this agenda will seek a view on strategic matters identified over the course of implementation of the Scheme including Notices of Motion, committee remits and procurement.

2.6 Key Priorities

The key priorities are analysed in more detail below -

2.6.1 Scrutiny

The Scrutiny at Aberdeenshire document is found in Part 4A of the Scheme of Governance and encompasses the formal process for Scrutiny to be carried out by area, policy and audit committees and also contains the Policy Review

Framework. All elected Members have responsibility for Scrutiny and it is intended that relevant training on the scrutiny process will be developed for all Members.

Audit Committee has delegated powers to request that area and policy committees conduct the Committee Review Process for matters of service delivery for improvement. Audit Committee has made two referrals to Education and Children's Services Committee and the policy committee has agreed to conduct the Committee Review Process for both matters, which start with a formal Stage 1 Report. It has become apparent that the timetabling of the referral between Audit Committee and Policy Committee needs to be reviewed and clarified during the Review of the Scheme of Governance. This process has already begun with Legal and Governance developing an operational procedure once the scrutiny referral has been made. A report shall be submitted to the Committee at its next meeting on this issue.

2.6.2 Frontloading approach for committee involvement with procurement matters

It is accepted that the initial vision has been difficult to implement. However, a full review of the Financial Regulations and the Governance of the Procurement Approval Process is underway. A separate report is on the agenda of this meeting with further details.

2.6.3 Primacy Role

Each policy committee control the aligned service budget as per its remit. This has been implemented and each policy committee receives financial monitoring reports and approves expenditure on procurement. Full Council has the primacy role and will make decisions where required. One report has been received by Full Council since January 2017 due to a policy or an area committee being unable to exercise its delegated powers due to the matter being out with approved budgets.

2.6.4 Committee Remits

The remits of all policy committee are now clearly set out in the Scheme of Governance. There are areas where the potential for continuous improvement has been identified and there is a further report on the agenda that deals with these specific matters.

2.6.5 Member Promoted Issues

The Scheme of Governance allows for an elected Member to raise any issue with the relevant area or policy committee through the Member Promoted Issue procedure under the Standing Orders. Since the Scheme of Governance was implemented in January 2017, four Member Promoted Issues have been submitted, with three having been considered by committees and one currently pending. The procedure has proved an effective tool in enabling Members to promote an item for inclusion on a committee agenda and facilitate discussion on the issues raised.

- 2.7 The new Scheme of Governance document is designed to be accessible, clear and easy to negotiate. Each and every decision that is made by an officer or committee should flow from the Scheme of Governance. Feedback from services has indicated that the new Scheme has provided greater clarity about decisions made by officers. As an example, feedback from the Roads Service has indicated that the Scheme of Governance has improved the process for approving road construction consent and also clarified the authority of officers to submit responses to consultations on technical matters or where timescales are too short for committee authorisation. Discussions with officers have however highlighted areas across the Council where changes are required in terms of officers' powers and these will form the basis of a further report to this Committee.
- 2.8 The Scheme provides a sub-delegation route for all general delegations and specific delegations to Chief Officers. Limitations on use of officer delegations and requirement for consultation have also been clarified and the powers delegated to Chief Officers for use in emergency situations where Committee approval would ordinarily be required have proved effective in enabling business to be conducted efficiently where it would be impractical to convene a Committee meeting. To give an example, two licensing applications for high profile events were granted by Chief Officers using the emergency powers during the summer recess, therefore allowing the events to proceed.
- 2.9 Each Service has Governance Service Champions who provide the link between the Governance Team and Services. This enhances engagement and dialogue. Officers from Legal and Governance have met regularly with Service Champions to identify any issues arising from implementation of the Scheme. Through these meetings and through informal discussions with both Service Champions and officers, a number of technical changes have been identified that will be included in the review of the Scheme. These will form the basis of a report to this Committee at its meeting on 20th April 2018. The changes will address issues identified in such areas as the issue of grants, developer obligations and procurement powers. The Financial Regulations are also presently under review and a report proposing amendments will be submitted to this Committee at its April meeting.
- 2.9 Monitoring solicitors are providing support to report authors to promote compliance with the Scheme of Governance. Feedback from Committee Services has recognised an improvement in consistency of content of reports going to committees through the introduction of the Committee Report Template and Report writing guidance under the new Scheme of Governance. The requirement to confirm which power the committee is using to make decisions has ensured that all reports have a clear purpose and reason for being on a committee agenda.
- 2.10 There is now a framework under Part 4A of the Scheme of Governance for the development and review of Council policies to ensure that the process is transparent and consistent across the organisation. All Council policies must be developed and approved in accordance with the framework. The Policy Development and Review framework imposes duties on officers to undertake specific actions when engaging in the process, including specific requirements on the extent of consultation with relevant stakeholders and committees.

- 2.11 The implementation of the new Scheme of Governance has been kept under review by an Officer group called the Governance Officer Transition & Implementation Taskforce (GOTIT) Group. The Group monitors progress in terms of the implementation of the Scheme, making recommendations to the Strategic Leadership Team (SLT) where appropriate on amendments to improve performance. The Group has also focused on operational improvements through the introduction of guidance and procedures, with particular focus on the procurement process.
- 2.12 In recognition of the work carried out in developing and implementing the new Scheme of Governance Aberdeenshire Council was shortlisted for four awards in 2017 in Governance categories:-
- (i) Finalist in the “In-House Legal Team of the Year” category at the Scottish Legal Awards;
 - (ii) Finalist in the “Good Governance” category at the Public Finance Innovation Awards;
 - (iii) Finalist in the SOLAR Team of the Year award; and
 - (iv) Finalist in the national MJ Awards for Excellence in Governance and Scrutiny.
- 2.13 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3. Scheme of Governance

- 3.1 The Committee is able to consider this item as Full Council appointed the Procedures Committee on May 18th, 2017. The established remit of the Committee is to consider proposed changes to Aberdeenshire Council’s Scheme of Governance and to make recommendations about required amendments.

4. Implications and Risk

- 4.1 An equality impact assessment is not required because the recommendation in this report do not have a differential impact on any of the protected characteristics.
- 4.2 There are no staffing and financial implications.
- 4.3 The following Risks have been identified as relevant to this matter on a Strategic Level BSSR003 Future Governance. The Council needs to be assured that it has the best fit of decision making so as to make it an agile and efficient body and a governance structure that reflects and serves well the communities whose priorities it is here to deliver. The link is here to the [Directorate Risk Registers](#).

Ritchie Johnson
Director of Business Services

Proposed timeline for Review of the Scheme of Governance

Milestone	Action	Date
Officer Review Group reconvene		Early September 2017
Contact all Service Champions	<ul style="list-style-type: none"> • Agree Review timetable • Consider additional Service Champion (SCs) requirements • questionnaire/instructions/response template and schedule of meetings and requests. • SCs to provide a co-ordinated response from their relevant services. If changes suggested. Where in scheme, suggested wording and clear reasons for change. • Review Team continue collation of suggested changes/reasons etc. 	Issue Early October 2017 Response deadline – Mid-end November 2017
All intimated requested changes to SOG recorded.	<ul style="list-style-type: none"> • Review Team continue collation of suggested changes/reasons etc. 	Mid December
Specific Issues Reports Procedures Committee meeting 1	<ul style="list-style-type: none"> • GOTIT consulted/SLT reported to. 	Mid- December – early January 19 January 2018
Procedures Committee meeting 2 Review Group provide update report to SCs	<ul style="list-style-type: none"> • Further response required from SCs on report. Final chance to make any suggestions for changes to SOG. 	Early March 2018 Mid - March 2018
Procedures Committee Meeting 3	<ul style="list-style-type: none"> • Committee consider revised SOG and make final recommendations to Full Council. 	20 April 2018

Milestone	Action	Date
Review Group review all recommendations – draft/respond accordingly	<ul style="list-style-type: none"> Updated Scheme sent out for final comments to SCs 	May 7 th – last submission day
FINAL revised SOG produced	<ul style="list-style-type: none"> Review Team finalise scheme 	May 7 – May 23 – finalising of drafting
Draft report to SLT		May 23 rd 2018
Report to Full Council with recommendations of changes to be made to Scheme. First stage of the required approvals.	<ul style="list-style-type: none"> Comply with committee reporting deadlines 	June 28 th 2018
Final Scheme	<ul style="list-style-type: none"> Review Team finalise Scheme 	By August 29 th
Draft report to SLT		August 29 th 2018
Report to Full Council for second stage approval	<ul style="list-style-type: none"> Comply with committee reporting deadlines 	September 27 th 2018