

**INTERIM REPORT ON A REVIEW OF GOVERNANCE AND ACCOUNTABILITY ARRANGEMENTS
IN GLASGOW CITY COUNCIL**

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Introduction

This review was commissioned by the council in November 2017 with a remit [agreed by all parties on the council](#). The core purpose of the review was to provide an external assessment, and improvement recommendations, on the council's governance and accountability arrangements with a view to improving transparency and engagement with the city's communities of place, interest and identity.

The work has involved reviewing the council's plans, its committee arrangements and remits, and agendas and papers across the period of the review. Discussions have also taken place with the Chairs and Vice Chairs of all the council's committees, with party political groups, with community councils, with council managers and with Trade Unions. This has been a short, sharp review and, as discussed below, a review of a system in a process of rapid change.

For that reason, this report should be read as a contribution to the new council's ongoing development. The suggestions for improvement and development are based on my best judgement, on the evidence available to me, of what will be useful. Like any judgements, mine are entirely open to challenge, revision and improvement. Indeed, my hope is that this report acts as a stimulus to an active process of challenge, discussion and refinement so that it becomes practically useful to the council. The discussion around the interim report will be used to shape a shorter action focused final report.

There are always different ways of assessing how well a council is doing. It can be assessed in comparison with other similar councils and in that comparison, I think Glasgow City Council is doing well, [as evidenced by the Local Government Benchmarking Framework¹](#). It can also be assessed against the council's own ambitions for itself. The council's Strategic Plan and the remit for the review are ambitious for the city to be world class in its governance, openness with citizens, and engagement with communities and partners. That is a much higher benchmark and some of the major longer term recommendations made in the report link to that level of ambition.

The rest of the report is structured into linked sections that focus on specific aspects of the remit. Each section gives observations on the current state of play, identifies issues and makes recommendations for development. This follows a first section that sets the Glasgow City Council context. This is essential to understanding the conclusions and recommendations of the review.

¹ <http://www.improvementservice.org.uk/benchmarking/>

Section 1: The Contexts of the Review

1.1 Given the focus of the review, it needs set in the context of the changes the new council itself has initiated since its election last May and in the context of the national governance arrangements of which the council is part. It also needs seen in the context of the legal and constitutional nature of the council itself. These contexts are explored in turn by way of introduction and then drawn on throughout the analysis and recommendations of this report.

Changes within the Council

1.2 The local elections of May 2017 brought about major changes for Glasgow City Council. As these set a crucial part of the context in which the findings and recommendations of the review should be read, they are worth spelling out in detail. They are:

- (i) For the first time in 40 years, there was a change in political administration.
- (ii) For the first time in 40 years, no party achieved sufficient seats to form a majority administration.
- (iii) For the first time, Glasgow is led by a minority administration without any formal partnership or coalition agreement in place.
- (iv) There was an over 50% turnover of sitting elected members and almost half of elected members are new to council office.

1.3 It was always likely that the incoming SNP administration would wish to review and renew aspects of city governance, strategy and priorities. It was equally likely that, lacking a majority, this would require building a consensus around change with other parties and that this would take some time. In fact, progress has been substantial and rapid. From the time when this review was first mooted in summer 2017 to when the final remit of the review was agreed in November 2017, the council had reviewed and renewed its corporate governance structures and consensually agreed a medium term Strategic Plan for the council laying out its priorities for the next five years.

1.4 With its statutory partners, it has agreed a Local Outcome Improvement Plan for the city, with a priority focus on the cities most deprived communities. The council has also reviewed and revised its Scheme of Delegation, its Standing Orders, and developed and consulted on a "Glasgow Charter" aimed at resetting the relationship between the council and the communities it serves.

1.5 In my view, this is an impressive rate of progress, given a minority administration and many new elected members, but it does mean that most of what this review examines is newly in place and in the process of "bedding in". For example, all of the committee structures and remits, and the relationships between them are new, and the policy committees of the councils have met only a couple of times during the period of the

review. There is continuity with previous committee remits but most members are new to their remit and there is a stronger linkage to the Strategic Plan. The committees are just beginning their work and it would be impossible to offer a credible evaluation of them at this juncture.

- 1.6 The same is true of other aspects of the review. Given the scale of the change, the working relationship between members and officers is evolving and a hard and fast judgement on that at present is unlikely to be either accurate or useful. Equally, all new councils inherit governance and management frameworks, systems, processes and relationships and, though these are open to review, it will always take time to do that while ensuring the council's core public service responsibilities are delivered within the resources available.
- 1.7 Given that context, the focus of the review has been on identifying change or improvements that will accelerate the direction of travel that has been decided, increase ability to address problems or barriers that get in the way, and to flag up opportunities to improve overall impact. As transparency and engagement with the city's communities is at the heart of the council strategy, a particular focus will be on how the changes already agreed can better deliver on these. This includes exploring an explicit and corporate adoption of "open government" principles as a potential development approach.
- 1.8 For the purposes of this review therefore, the decisions already made by the council about governance arrangements and strategy are taken as given. Many of the recommendations in the report codify developments that are already beginning to happen. However, issues of process, resourcing, relationships and culture are still fully explored within that framework. Also, accepting that new arrangements are still "bedding in" does not mean that anything goes: it is critical that what "beds in" is the best possible practice and is clearly in line with the council's stated values and priorities.

The Governance Context of the Council

- 1.9 Glasgow City Council operates within a complex network of governance and accountability that includes the UK Government, the Scottish Government, and local public service partners including the NHS, Police Scotland and the Scottish Fire and Rescue Service. Examining governance and accountability within the council, and creating transparency for and with the people of Glasgow, means being open about that wider network.
- 1.10 For example, Glasgow City Council's budget, and its use of its budget, is substantially decided elsewhere. Over 75% of the council's income is decided and allocated by the Scottish Government through the Scottish Parliament. Its ability to raise income locally through Council Tax is subject to limits set by the Scottish Parliament and it would face potential legal action and grant sanction if it exceeded those limits. Income from fees and charges raised from Glasgow citizens are in some cases prescribed and

regulated. Put simply, the council's income is largely decided elsewhere and the council has limited flexibility even over locally raised income.

- 1.11 How the council spends, and what it spends on, is also subject to substantial external direction and scrutiny. Some of the income allocated by the Scottish Government is “ring-fenced” for particular purposes prescribed by Scottish Government (e.g. pupil equity funding; attainment challenge funding). This often prescribes not only what it can be spent on but also how it may be spent. Broader conditionalities are also periodically attached to national grant allocations, e.g. an obligation to maintain teacher/pupil ratios at an agreed level.
- 1.12 Although “ring-fencing” and conditionalities attract a lot of attention, they are much less important in directing council spending than the framework of statutory powers and duties within which councils operate. These are set by the UK Parliament and the Scottish Parliament and cover the bulk of council spending on education, children's services, care and support for vulnerable adults, care of older people, environmental and regulatory services. The proper delivery on these duties is monitored and enforced by external inspectorial and regulatory arrangements. It is open to the Scottish and UK Parliaments to create new duties that councils must discharge and this can have major financial implications (e.g. the doubling of the hours entitlement for pre-school care or education for 3 or 4 year olds from 2020).
- 1.13 The Scotland Act sets out which powers are reserved and the Scottish Parliament can act in all other areas. Decisions about tax and spending priorities at Westminster determine allocations to the Scottish Parliament and, even with the devolution of tax powers and assignment of taxes, the Scottish Parliament will have decision making control of only slightly over one third of its total income.
- 1.14 This is sketched out to show how complex accountability is here and that “transparency” would need to be at all levels, not just the council level. For example, in understanding Glasgow City Council's budget pattern across the last ten years, the accountability of the UK Chancellor, and the Scottish Finance Secretary, for the monies available to Glasgow is a critical part of the equation. The Council must be responsible for how it has responded to external budget constraints, and for improving the efficiency and productivity with which available resources are used, but it cannot be accountable for the decision to impose constraints in the first place.
- 1.15 There is no proposed “sob story” here: the Scottish Parliament operates under severe constraints as well, and the council has a duty to be open and transparent about the choices it makes, why it makes them and to be accountable for that. The core point here is that transparency and accountability will only be possible if Glasgow people have some understanding of the wider factors that shape services and spending in the city. Equally citizens may expect their elected city governance to campaign to remove unreasonable constraints or to find innovative ways around them.

The Nature of the Council Itself

- 1.16 Legally and constitutionally, Glasgow City Council is all the elected members collectively. All the powers and duties of the council are theirs. Clearly all councils employ large numbers of staff to support them, in managerial, advisory and service delivery roles, but these are employees of the council, not the council itself.
- 1.17 Most Scottish councils, Glasgow included, are “party” political in the sense that elected members largely belong to, and stand for election, as members of political parties. This leads to “administrations” and “oppositions” but these have no legal or constitutional basis. All decisions are decisions of the council either consensually or by majority vote. In the context of a “minority administration”, as at present in Glasgow, this point is reinforced. The “administration” can bring forward proposals but it cannot get them approved by council unless elected members in other party groups support them.
- 1.18 The full council can delegate its powers and responsibilities for particular functions or areas of service provision to smaller groups of elected members (“cabinets”, “executive committees”, “policy committees”, “scrutiny committees”, etc.) but it cannot delegate powers and responsibilities to individual elected members (e.g. the council leader). The extent, nature and pattern of delegation is for individual councils to decide and they vary markedly across Scotland. This is as set out in the Council’s Governance Framework².
- 1.19 Delegation in this context is about finding efficient and effective ways of progressing political decision making and scrutiny by dividing up and focusing the work to be done. The way that work should be done on behalf of the council, the way it is reported back to council, and how business is to be conducted by the council is expressed in “Standing Orders”: rules of procedure that the council has agreed. “Standing Orders” are decided by the council itself but, once decided, are binding and their proper application would be advised by the council’s “monitoring officer”. They are, of course, open to review and revision if the council so wishes.
- 1.20 Fairly obviously, a small number of elected members do not, and could not, directly provide services to the citizens of Glasgow. To deliver on its duties, the council employs almost 20,000 staff and, if the council’s “arm’s length” arrangements are included, around 25,000. To ensure that very large workforce, and all the property, fleet and equipment that goes with them, are properly led and managed, the council appoints a “Head of Paid Service” to act on their behalf. That officer and their team will also act as policy advisors to the council to ensure that its decisions are compliant with legal, regulatory and audit requirements.
- 1.21 The scale of delegation necessary to run a council serving a city as large as Glasgow creates issues of who is ultimately accountable for what and that may create anxieties about “officer run” councils. Given the council spends hundreds of £millions annually

² <http://connect.glasgow.gov.uk/article/21683/Corporate-Governance-Framework>

on senior management, management and staff it would be frankly absurd if the council was not officer “run”, but it should also be “member governed”: clarity around the governance role is critical.

- 1.22 All new councils inherit governance arrangements from their predecessors, and though these are choices that previous members have made collectively as the council, over time they can become institutionalised in the way business is done to the extent that most members and officers do not reflect on them much at all. New members may initially be quite unclear about what is delegated on their behalf, why it was delegated, and how accountability for that delegation works. The key point is that until they choose to change inherited arrangements, the new council is choosing to work with them.

Conclusion

- 1.23 These different elements of context are of great importance. The new council has “hit the ground running” and substantial change has been achieved relatively quickly with good cross party cooperation. An issue, explored in subsequent sections, is that the “need for speed” has meant that insufficient time and resource has been invested in ensuring that both the robust development process and the robust relationships necessary to make new arrangements work well are fully in place.
- 1.24 The wider governance context, and how it is communicated to citizens is vital to creating transparency and accountability. This has nothing to do with a “blame game” between Glasgow City Council and higher levels of government, it is about being honest and clear about interdependencies and interrelationships. Equally, it is also about the council not simply accepting external constraints but, as the elected authority for the city, finding ways of changing them or finding innovative ways around them. For example, making proposals to widen city boundaries and fiscal base through the Local Government review or convening an international panel to advise on national-local resource allocation. Glasgow is Scotland’s premier council and it needs to be confident in using that position.
- 1.25 The nature of the council itself is at the heart of governance and, at the heart of that, is the relationship between members and officers of the council. Inevitably with a new council, and a new administration, a substantial re-exploration of inherited roles, relationships and expectations was likely to occur. An issue, again explored in subsequent sections, is that this needs investment of time and effort, the creation of “safe space” for frank discussion, that the pace of change has not fully accommodated.
- 1.26 I accept the entirely legitimate desire of the new council to move at pace, and I do not see the concerns noted above as fundamental. They reflect a system in motion and they suggest the need for corrective action rather than the abandoning of the programme of change the council has already decided. It is also, however, about retaining and developing further the council’s ambition of creating world class city governance and that may need new approaches

Section 2: Lessons from the Past

- 2.1 The remit for this review did not include review of specific incidents or issues of alleged malpractice or poor practice prior to the new council taking office in May 2017. It did, however, include identifying lessons from the past that could strengthen accountability and transparency. As a consequence, while I have not reviewed individual issues or incidents in audit detail, I have looked across a range of incidents and issues to derive wider lessons that may be relevant to future practice. As some of these instances have given rise to significant media and public misunderstanding, it is also important to set the record straight. Four major observations follow from this aspect of the work based on reviewing documentation from 2015 to 2018.
- 2.2 First, in all cases, when an issue of alleged misbehaviour/malpractice has been identified, whether by an officer or a member of the council, it has been meticulously pursued by Audit, Legal services CPU etc and reports either made to the Finance and Audit Committee or forwarded to other relevant authorities such as Police Scotland or both. Even when the subject of investigation has left the council, audit investigations have been pursued to their conclusion and appropriate reporting has occurred.
- 2.3 Second, some subjects of investigation have resigned or retired while investigations were underway and this has created some sense of them being allowed to “walk away”. This is a complete misunderstanding. The council cannot prevent any member of staff from resigning their post and in no case has the council given them a “pay off” to do so. As noted, all investigations are completed whether the subject still works for the council or not and, if further action is warranted, reports are passed on to the relevant authorities.
- 2.4 Third, again despite misconceptions, the council has not regularly entered into “non-disclosure agreements” or “gagging orders” with departing members of staff. I can identify around 5 such cases per year across the last 5 years within the Council. Of these cases, the vast majority were technical agreements to protect the council’s IPR. This does not cover agreements made by ALEOs.
- 2.5 Fourth, the council has a strong preventative approach in terms of staff and member “codes of conduct” supported by training, and clear standing orders and protocols with respect to procurement and contracts, including the handling of conflicts of interest. Internal audit with CPU have routinely sampled procurements and contract awards in the last five years, and disciplinary action is taken for breach of rules and standards.
- 2.6 This is, of course, not to say that incidents of malpractice or breach of codes of conduct do not occur; they do in every council and, indeed, every organisation. However, it is to say that, across the period reviewed, the council has responded appropriately when these occur. Whether this has created a sense of transparency and accountability with citizens and the media is a different, but important, question.

- 2.7 During any investigation, the council has a duty to maintain confidentiality and cannot act in a way that prejudices the rights and interests of those involved. As an employer, it also has a duty of care towards staff and, as a council, it has a duty not to expose itself to legal risk or liability. That creates a very difficult context for communication until an investigation is fully complete. That may take considerable time, and rumours and misperceptions may arise not least because of the council's desire to control communications very tightly.
- 2.8 There is no easy way to deal with these circumstances, particularly as the vast majority of cases investigated are of poor practice rather than conscious malpractice. However, how such cases are perceived to be dealt with will impact on the council's authority and credibility. The following key lessons can be suggested, with future reference:
- (i) The council should commit to communicating the conclusions of all investigations as openly and clearly as is legally possible. It should also commit to reporting on all and any arrangements the council has entered into with an elected member or member of staff during such an investigation, or at its conclusion, again subject to legal advice.
 - (ii) As a protracted period of non-communication may be prejudicial in itself, the council has and should always seek to agree a public communication with the subject(s) of investigation. If no such agreement can be reached, the council should still publicly report, if at all possible, having taken legal advice.
 - (iii) The council should annually report on all cases arising, the stage of investigation they are at, and on all actions that followed from investigation. This should be a public report by the council, properly press released. Some of this data is included in the annual assurance report, but it may be helpful to have a self-standing report on this matter. This should be aggregate data within a broad set of categories, rather than details of individual cases.
 - (iv) The council should formalise its benchmarking with other councils on the nature and pattern of cases arising, how cases arose or were identified, and use that to identify ways of strengthening its assurance and prevention approach.
 - (v) The council should continue to ensure that full training on the purpose and requirements of the codes of conduct is provided, and updated regularly, and ensure that there is confidence in the council's "whistle blowing" arrangements. This critically needs to include presenting "whistle blowing" as a duty, not simply a right, and guaranteeing full protection for those raising issues through the system.
 - (vi) The council should ensure that its capacity to identify and address potential malpractice and poor practice is sufficient: across Audit, Procurement, H.R and Finance. Indeed, there may be a case for an integrated assurance function.
- 2.9 I have emphasised this dimension of lessons from the past, not because I think the issues are substantial, but because they are at risk of clouding perceptions of the

council. If successful communication is creating accurate understanding among the media and the public, then these recommendations should improve this.

Section 3: The Council's Decision Making and Scrutiny Arrangements

- 3.1 The new council has reviewed and reformed the City's decision making and scrutiny arrangements, and created new committees with new remits for these purposes³. The council has undertaken an initial review of Council and Committee Standing Orders which regulate the conduct of council business, and the relationship between the council and its committees⁴.
- 3.2 The new structure has an executive type committee, the "City Administration Committee" to which most of the decision making of the council is delegated (with stated exemptions with respect to council purpose and objectives, setting budgets and creating joint arrangements). This committee is very highly empowered but summarised minutes are taken and accepted at each full council meeting, and some minuted decisions (C paragraphs) can be challenged at that point. Elements of this process are often not fully understood, partly due to the formal summarised nature of the minutes and decisions. The telecasting of Committees should help address this. Motions proposing alternative decisions can be made. The committee meets fortnightly, has 22 members and is proportionate to party strength on the council. It is chaired by the Leader of the council.
- 3.3 The second element of the new arrangements is "City Policy Committees" which have responsibility for reviewing and developing policy in the service areas specified in their remit, and for progressing key themes in the Council Plan. There are four outcome focused city policy committees covering **"Education, skills and early years"**, **"Environment, sustainability and carbon reduction"**, **"Neighbourhoods, housing and public areas"**, and **"Wellbeing, empowerment, community and citizen engagement"**.
- 3.4 These each have responsibility for strategic outcomes in the Council Plan and responsibility for policy review and development for services within their remit. There is a fifth City Policy Committee, the "General purposes" committee, that is focused more on how the council goes about its business rather than on particular public services and plan themes. This committee will review and develop policy on employment and personnel, communications, customer care, procurement and partnership engagement and has responsibility for the council's corporate services and has oversight of the good governance theme in the Strategic plan.
- 3.5 The City Policy Committees can make recommendations to the City Administration Committee, but they cannot decide on the adoption of new policy themselves, i.e. they do not have delegated decision-making authority for the themes or services within their remit. Equally, despite their review role, they do not have the formal scrutiny role on behalf of the council: this lies with the "Finance and Audit" Scrutiny Committee and the "Operational Performance and Delivery" Scrutiny Committee. The link between "review" and "scrutiny" will be discussed below.

³ <http://www.glasgow.gov.uk/councillorsandcommittees/Agenda.asp?meetingid=15118>

⁴ <http://connect.glasgow.gov.uk/article/21683/Corporate-Governance-Framework>

- 3.6 The third strand of the new structure is the two scrutiny committees noted above. “Finance and Audit” has scrutiny of all the council’s financial and assurance activities, including the financial relations to ALEOS, and corporate risk management and governance. It also has responsibility for promoting best value and oversight of the council’s transformation programme. “Operational Performance and Delivery” has responsibility for the monitoring and scrutiny of performance across all the council services and ALEOs, and monitoring the outcomes of the Community Plan. This includes: taking performance reports from across the council’s services, addressing issues raised by internal and external audit reports, monitoring empowerment, personal and equalities issues, and ensuring ALEOs perform in line with contractual obligations and have appropriate governance and compliance arrangements in place. The full list of responsibilities is twice this length.
- 3.7 These are very substantial scrutiny remits and raise issues about both the division of labour with the City Policy committees, and the resourcing and support available to them. Their role in shaping and streamlining existing reporting mechanisms into a consistent and coherent framework also warrants consideration.
- 3.8 The final strand of the new structure is “Other Committees, etc.” These include “appointments”, “appeals” and “complaints” committees without fixed cycles, quasi-judicial committees (planning, licensing and regulation) and emergency planning and public processions. These committees largely have a narrow dedicated functional focus and the wider strategic and policy context of their work would be considered by the City Policy committees. For example, the potential role of licensing and regulation for health and wellbeing, or the role of development planning in delivering inclusive growth and community empowerment.

The Introduction of the New Committee System

- 3.9 The new arrangement is very new and combines all the key elements of members’ roles in decision making, policy review and development, performance scrutiny and accountability. The core architecture seems solid but, at this early point, there is still a lack of clarity about roles, relationships and division of labour across the structure. There is also a need to create space, time and support to enable the new committees to develop coherent and linked agendas, and to work out with officers what needs to come and what need not come before particular committees. As a general observation, before commenting on each strand of the new structure, there is little sense in creating a new structure without a properly resourced development process to support members and officers to make it work effectively.
- 3.10 The new structure was introduced quickly, partly because of a backlog of reporting that arose in the interim between the previous and new arrangements, and there was little time for preparatory work by convenors and committees. Given the wide ranging and complex remits of many of the new committees, it would have been helpful:

- (i) To have preparatory “away days”, supported by relevant officers, to allow the committees to explore their new remits and consider their forward agendas and work plans.
 - (ii) To have a “position paper” that allowed members to assess the existing “state of play” in both the thematic and service aspects of their remit, and to help focus attention on key areas for development.
 - (iii) To have access to research and policy support to develop their agendas and work plans.
- 3.11 I absolutely understand this would have taken time and resources but (a) the move from the old to the new committee arrangements could have been phased to allow a better planned transition and (b) there is little point in local government if local governance arrangements are not invested in. I think, however, this can be made into a virtue. The summer recess is coming shortly and members and officers will have begun to get used to the new arrangements and will have explored some of the key challenges and opportunities within their remits. It would be possible to plan preparation days, built around position papers, at the end of the recess but before the committee cycle starts again after the summer. Greater familiarity with their remit will allow members to get more out of such sessions and to prioritise future work plans more robustly.

The “City Administration Committee”

- 3.12 As the key decision-making committee of the council, City Administration Committee runs the risk of simply being “one damn thing after another” and its agendas are eclectic reflecting what, at any point in time, requires political decision. Recent agendas have included major items for decision making on early years expansion and the council’s investment strategy but also an item seeking approval for a single convenor to attend a conference. This gives a slightly random feel to agendas over time. It does, however, create transparency and links to the current scheme of delegation.
- 3.13 A key argument for an executive decision-making committee like the City Administration Committee, with a fortnightly cycle, is that it streamlines decision making and speeds it up. Examining the agendas and papers of recent City Administration Committee meetings, it is not always clear that this is, or will be, the case. As the new city policy and scrutiny committees get into their stride, more referrals for approval by the City Administration Committee will occur.
- 3.14 The item on the council’s Treasury Management and Investment Strategy recently considered by the City Administration Committee was referred for approval by the Finance and Audit Committee who had already considered it and endorsed it. Presumably, the City Administration Committee considered it again in depth, rather than rubber stamped it, and therefore two committees have considered this in depth. More generally, a flow of policy proposals for approval from the new policy

committees will either have to be endorsed with minimal discussion or an onerous and duplicative workload would build up for the City Administration Committee. It is recognised that policy committees can consider issues in detail so that when the issues goes to City Administration Committee it may therefore be a rubber stamp. Therefore the same agenda item on two Committees may not necessarily be a bad thing, preventing City Administration Committee from having to consider issues from scratch. However, the linkages could be clearer and more formalised.

- 3.15 To make the new arrangements function smoothly, two steps might be explored. First, greater coordination between the City Administration Committee and other committees with agreement on focus and criteria so that the City Administration Committee can trust and act on the recommendations of other committees, i.e. fairly automatically approve recommendations. Cross referral needs to be a managed process and two separate council committees should never have to explore the same item from scratch.
- 3.16 Second, ensure that all items coming forward genuinely require political consideration and approval, and that the scheme of delegated functions is fit for purpose and is followed (see below).
- 3.17 The final observation on the City Administration Committee is that, as the major decision-making mechanism in the council, its decisions and referrals need to link to the council's Strategic Plan and Community Plan commitments. At present, agendas seem to be made up of self-standing items, often not specifically related to strategy, and reactive (what crops up) rather than proactive (what should be cropping up). Given the almost total delegation of the council's decision-making powers to the City Administration Committee, it should be seen to drive the council's agenda, rather than react to business arising.

The City Policy Committees

- 3.18 The City Policy Committees were consciously designed with "soft" boundaries to ensure interrelated themes and outcomes could be captured. The need for coordination between committee work plans and division of labour between them was explicitly recognised. A second design principle was that the committees should have both a service portfolio and lead responsibility for a strategic plan theme or themes in their remit. This was intended to prevent policy committees simply becoming service committees.
- 3.19 During the enquiry phase of this work, City Policy committees had met only twice at most and had had no "away days" for planning and developing their agenda. The committee agendas were set through conventional pre-agenda meetings with lead officers, and initial agendas and reporting seemed "inherited" rather than decided within the new remit. Three key observations follow:
- 3.20 First, the availability of well supported preparation time would have been particularly helpful in terms of enabling the new policy committees to explore and understand

their remit, and to develop priorities for their forward work programmes. Its absence has meant that service items rather than strategic themes have predominated in initial agendas.

- 3.20 Second, although the City Policy committees have a key corporate governance role in reviewing and developing policy on behalf of the council, they are supported by lead officers from the service portfolios within their remit, and lack corporate policy support. Again, this amplifies the service focus and under supports their role with respect to strategic plan and community plan themes and outcomes.
- 3.21 Third, although I understand the rationale for entirely separate scrutiny arrangements, it is hard to see how policy review and development for services or strategic plan themes could occur without assessing and evaluating current performance and impact. Such an assessment would be essential for prioritising review and development activity across committee portfolios.
- 3.22 That said, my engagement was with the new system at the very earliest stage of its development and I was impressed with the intelligence and commitment of the committee chairs and vice chairs, and their ambition to fully develop the role of the policy committees. It is also the case that combining a service portfolio with a strategic portfolio will create continuing demands, and adequate support for policy review and development in line with the council's Strategic Plan will be essential.
- 3.23 The equivalent UK Parliamentary committees have the House of Commons Library to provide research, evidence and analysis to support their work. The equivalent Scottish Parliament committees have SPICE. Both commission and take evidence from expert external sources and have substantial committee administration support to coordinate all of that. Individual members of the committee also have dedicated personal research capacity. I clearly understand that the council's resources are much more limited but it may be worth exploring imaginative ways of getting to the same point.
- 3.24 The first step would to fully support committees to develop work plans with clear priorities for review and development based on current performance and future challenges and opportunities across their remit. Position papers would need prepared to support that and facilitated preparation time during the summer recess. This should be supported by lead departments within the portfolio and by the council's corporate policy team to ensure the link between corporate and service focus.
- 3.25 The second step would be to coordinate the agendas of the individual committees, identify areas of overlap and duplication but also gaps in these agendas, and ensure that work undertaken by particular committees creates "value added" for others. The policy committee remits were consciously drawn up to link across committees and, given scarce resources, this needs explored. The chairs and vice chairs of all the policy committees should meet regularly to coordinate agendas and work plans and share workload. It would make sense also to have periodic meetings with the Chair of the City Administration Committee and the chairs of the scrutiny committees.

- 3.26 The third step should be to optimise the use of existing external expertise. Glasgow has a very high concentration of academic institutions and expertise. It has a vibrant and expert third sector with significant research and policy expertise. It has Trade Union partners with policy and research capacity. The process of policy review and development within the council should be inclusive and the potential of co-option; of creating advisory roles to give young academics practical policy experience; of open calls for evidence, etc. etc. should all be considered. This would give the committees the support they need but it also extends and deepens relationships between the council, city partners and stakeholders.
- 3.27 A fourth step would be to link the work of the committees to a clear and agreed performance framework derived from the Strategic Plan. The policy committees have responsibility for particular themes within the Plan and that means they are committed to ambitious outcomes for the city and its communities. Exactly what these outcomes mean, how progress towards them will be measured, and what members will regard as an acceptable rate of progress, is as yet unclear.
- 3.28 At the time of writing there is no overarching “Glasgow performs” type framework that would create clarity about outcome measurement, targets and milestones. This would improve transparency and accountability for the public, and guide the review and policy development work of the committees. My understanding is that one will be in place shortly and that should provide framework for each committee to develop the themes within their remit. It will particularly helpful if this is agreed, and in place, to support preparation sessions during the recess.
- 3.29 The City Policy committees have great potential to drive innovation and change, but they need invested in to realise that potential. They are very new, and are developing, but a planned, coherent and resourced development process should be in place to support them.

The Scrutiny Committees

- 3.30 Both the Scrutiny Committees have very extensive remits covering all of the council’s services, its relationships with its ALEOs, and its relationships with community planning, the IJB and other partnerships. The scrutiny elements of each remit are also very extensive, and if every element across all of the services, ALEOs and partnership arrangements the council has was routinely reported, the scrutiny committees would be swamped. That is patently not going to happen and a process of prioritisation, system scrutiny and assurance, and reporting by exception is likely to be used to manage workload. The inherited arrangements for “Finance and Audit” are built around that.
- 3.31 The “Operational Performance and Delivery” scrutiny committee probably has the biggest challenge in developing its remit and a prioritised forward work plan. The key strategic decision is whether its main focus is taking substantive service reports in an orderly cycle, within pre-established reporting frameworks, or on ensuring that the

performance reporting system itself is consistent, robust and balanced across all of the council's activities. The former, even with a planned cycle, would need to be reporting by exception, i.e. deviation from planned milestones or targets.

- 3.32 The system focus would probably look to create a single performance reporting framework that linked inputs, outputs and outcomes, and that had a consistent approach to measuring efficiency/productivity, customer service standards and impact across services. On this approach, the committee's key role is to ensure and assure consistent performance reporting to the council, not simply taking individual performance reports. Indeed, if such an approach was in place, it is not clear why performance reports could not go to the relevant city policy committees to inform their review and development work.
- 3.33 Having examined the committee remit, agendas and papers and spoken with the convenor and vice-convenor, I am not clear precisely what the council intended, but it would appear to cover both elements above. That would certainly not prevent the committee prioritising system (re)design in its work plan. Equally, though "operational" scrutiny is emphasised in the title, that does not and should not preclude examination of whether the council's operations are delivering the intended outcomes for citizens and communities.
- 3.34 Again, accepting this committee is at a very early stage, it will be important to bottom out reasonably quickly on locus (i.e. what did the council intend), focus and priorities. My own view would be that the priority focus should be on ensuring a consistent system of performance reporting is in place across the council's services, and around its relationships with ALEOs and partnerships.
- 3.35 Both scrutiny committees have ALEOs within their remit and it will be important to be precise about what that implies. The ALEOs are legal entities in their own right (companies; LLPs, charities, etc.) and have boards, corporate governance and scrutiny arrangements in place. The focus of the council's scrutiny arrangements is therefore presumably on the council's relationship with the ALEOs (how it is commissioning from them, why it commissions from them, and whether their performance delivers on the commission). It should be the performance of the council as the client that is scrutinised, not the ALEO. This is discussed further in the next section of the report. A similar approach would probably be relevant for the council's engagement with partnerships.
- 3.36 The Finance and Audit Committee has "promoting value for money studies and best value" as one element of its remit. I have no real idea what "promoting" means in that context and any developed approach to best value would cut across the "Finance and Audit" and "Operational Performance and Delivery" remits. For that reason, the committees should work together to agree a coherent framework for monitoring, scrutinising and assuring the best value of the council's activities, and their roles and relationship around that. This should be firmly based on the outcome commitments the council has made through its Strategic Plan and the Community Planning framework.

- 3.37 The final point here is that I would regard the “Contracts and Property” committee as a scrutiny committee, despite it having power to approve contract awards and property transactions. Its approval is contingent on rigorous scrutiny of proposed transactions and it can refuse to let them process or refer them to the C.A.C. It is a “last line” mechanism to ensure contract and property transactions are handled properly and create “Best Value” for the council. I would suggest reviewing the linkage between this remit and the other scrutiny committees.
- 3.38 The final observation on the new governance arrangements is about what is not there, rather than what is there. The Strategic Plan 2017 – 2022 strongly emphasises community engagement and empowerment, and ensuring that decisions about the design and delivery of local services are taken at the local level. Although the language is not explicitly used, there is a strong “localism” and “open governance” narrative in the plan. The new governance arrangements within the council are primarily corporately focused and have a limited spatial aspect: “area” or “locality” or “community” committees.
- 3.39 I accept there are “area” arrangements within community planning, and that the council provides (modest) support to community councils but neither has any formal delegated authority or responsibilities from the council for decision making, policy review or scrutiny. I accept also that empowerment could be achieved by corporate committees and council officers using their delegated powers in new and innovative ways. However, given the national review of “local governance”, it will be important for the council itself to look hard at how it strengthens and delivers localism and community governance within the city, and whether a formally empowered “area” type element in the governance structure would support that.
- 3.40 My suggestion would be that this be taken up within the context of the council’s participation in the local governance review, and that the potential of both delegation of decision making and scrutiny functions to area type committees or greater empowerment of community councils or some new arrangement to enable communities to participate in decision making and scrutiny of performance or some combination of all these should be examined. Given its strategic remit, there should probably be a lead role for the “Wellbeing, empowerment, community and citizen engagement” committee but other committees would have to play in as well.

Conclusions and Recommendations

- 3.41 The new committee structure and remits are sensible but it has been introduced quickly with little preparation time and support. My overall conclusion is that there now needs to be an investment in making sure the new system works well. This should include:
- (i) Using the latter part of the summer recess to allow committees to do a stock take of their work to date, to develop their forward agendas and to coordinate their work with the work of other committees.

- (ii) In the light of that, a review of the resources and support committees would need to deliver on their agreed work programmes, and the combination of internal and externally co-opted resource that can be put in place identified.
 - (iii) To ensure ongoing coordination of the work of committees, all the Chair and Vice Chairs should have regular scheduled meeting together. This is essential in coordinating the interrelated work of policy committees, but also the link between policy committees, scrutiny committees and the City Administration committee.
 - (iv) Given all committees operate on the delegated authority of the council corporately, and within the agreed Strategic Plan, a corporate performance framework derived from that plan should be in place as soon as possible. This would help individual committees to prioritise their work and ensure consistency across committees. It may also be helpful to have corporate policy support for each policy committee to ensure the link back to the Strategic Plan is routinely supported.
- 3.42 A second issue that needs consideration is the role of, and support for, the scrutiny committees. I understand the reasons for separating scrutiny from policy development and decision making but (a) it is hard to see how the policy review element of the policy committee role could be delivered without examining current performance and (b) how the “operational delivery” scrutiny committee could possibly meaningfully scrutinise the whole range of the council’s work.
- 3.43 An agreed division of labour may be helpful here. The key role of the scrutiny committees should be to ensure that a consistent framework for reporting financial and operational performance across the council’s services is in place. This could include protocols for reporting by exception, and protocols for reporting major performance issues to the scrutiny committees. This would allow the scrutiny committees to manage workload and provide consistent data to policy committees to inform their review and development work. This would require the scrutiny committees to review existing reporting frameworks and protocols.
- 3.44 This preserves the implicit division of labour between the policy committee focus on “doing the right thing” and the scrutiny committee focus on “doing the thing right” that is built into current remits. AT minimum, this should be examined as part of a summer stock take. Both scrutiny committees also need to meet to consider how they work together to scrutinise and assure “best value” in the council’s operations.
- 3.45 The final point for consideration is minimising unnecessary work for committees, and ensuring they have the time and support for their necessary work. Papers purely for information or “noting” need not be on committee agendas. They could be posted on a section of the intranet precisely for that purpose and members could receive text alerts to ensure they are aware of them. Papers that do require members’ consideration should be issued seven working days in advance of meetings, except where emergency protocols are properly invoked. This should give members the time necessary to fully review papers in advance of committee meetings.

3.46 The more fundamental question is what needs to come to committees at all and that gets to the heart of the relationship between members and officers. In principle, the council's Scheme of Delegation should determine what needs decided by, or reported to, members and what is decided by, or reported to, officers. In practice, schemes of delegation are skeletal and depend hugely in their operation on judgement and the relationship between members and officers. This is examined in the next section.

Section 4: Member/Officer Relationships & Delegation

- 4.1 All incoming councils inherit an ongoing system from their predecessors: structures, processes and expectations about roles and relationships. Where there is continuity of political administration this can be more readily managed, and shared understandings and established relationships can be drawn on to enable transition.
- 4.2 Where there is a change of political administration, the new administration comes into arrangements decided by the previous Council. As their election strategy may well have been highly critical of how the council had been run, and emphasised the need for a “shake up”, the council management may not be entirely relaxed during the transition either.
- 4.3 The important point is that this is democracy in action and nothing particular to Glasgow. It is always true that much of the way in which councils are organised and run was decided by previous councils, and is open to review and revision by an incoming council. The minority status of the new administration in Glasgow means that any such review and revision has to take place on a cross party basis. As noted, this has actually happened quite rapidly in Glasgow with a new Strategic Plan, a new committee structure and a revised Scheme of Delegation agreed on a cross party basis.
- 4.4 Probably the most challenging aspect of a transition in administration for both members and officers, is establishing a positive working relationship between the new political leadership and the CEO and management team of the council. There is no standard model for this and both the culture and interpersonal aspects of that relationship vary markedly across Scotland. Both culture and relationships around the proper governance and management of the council need negotiated and evolved over time as both parties may start with different perspectives on this.
- 4.5 Incoming administrations are often coming from a culture of scepticism and challenge developed while in opposition. Council managements often come with a sense of “how things should be” and a set of unstated ground rules that were developed under previous administrations. Again, this would not be unique to Glasgow but it does need addressed as a strong relationship between the political and executive leadership of the council is essential for effective corporate governance.
- 4.6 My observation would be that this critical relationship in the council is evolving well and the boundaries are being negotiated. From when this review was first mooted in June 2017 until now, the working relationship between political and executive leadership is much more relaxed and confident, and it has always been professional and respectful.
- 4.7 That said, and this is clearly my judgement, there is not yet a fully shared understanding of roles and relationships and how to manage them. There is sometimes still an element of defensiveness on both sides that can create misunderstandings and tensions. A related issue is that, in the absence of routine and regular meetings between the Leader, the City Convenors and the Council

Management Team, but with very regular meetings between particular City Convenors and the Directors within their remit, individual relationships become more important than the collective relationship. This could be unhelpful in terms of developing a consistent culture of corporate governance.

- 4.8 The ideal would be a full partnership in corporate governance between the political and executive leadership of the council. At present, it still sometimes seems like two “sides” negotiating with each other, and sometimes with themselves. The ideal may not be wholly attainable, but progress is certainly possible if the relationship is invested in seriously. In line with my proposals for the council’s committees, I would strongly recommend that the Leader, the City Convenors and the Council Management Team take time out to do a stock take together during the recess. This should be at least two days, probably residential, designed on “safe space” principles and properly facilitated.
- 4.9 It should focus on what has worked well and what has worked less well across the first year of the new council and honestly explore anxiety, puzzlement or confusion political and executive leaders have about each other’s perceived attitudes and behaviour. The second focal point, building on that, should be the changes and improvement necessary to strengthen the corporate governance and leadership of the council. My view is that a session of this sort is essential to develop beyond year one, and should be scheduled at least annually after that.
- 4.10 These relationships are of great importance, but they revolve around a more important and fundamental issue: the role of members as the council and the role of officers acting with delegated authority on behalf of the council.
- 4.11 At the heart of that relationship is the delegation of the council’s powers and functions to officers so that the council’s objectives and services can be delivered. No officer of the council acts on their own behalf: they act on and with the authority given by their appointment by the council and on and with the delegated authority of the council. The new council has revised its [“Scheme of Delegated Functions”](#) that documents the nature and extent of functions delegated to officers, which officers can exercise delegated authority and, by implication, the limits of that delegation.
- 4.12 It is a detailed document and a critical point is it contains both general and specific empowerments. On the one hand, the Chief Executive as “Head of Paid Service” is “responsible for all aspects of the management of the council”. On the other, Directors and Heads of Service have specific delegated authority to “pay valid claims for loss or damage to employees’ personal property up to a limit of £400”. A second critical point is that the Scheme of Delegated Authority does not replace the council as a sovereign body: it is a decision of the council as the sovereign body. As such, it is open to review and revision by the council over time in the light of experience. What no Scheme of Delegation truly captures is the full extent of what delegation actually means.

- 4.13 Every Teacher who issues homework does so on and with the delegated authority of the council. Every care worker undertaking an assessment does so on and with the delegated authority of the council. So also for every parking ticket issued, every free admission to a city museum, every road closure, etc. etc. The Scheme of Delegation sets the framework within which these actions occur but it does not, and could not, capture the massive scale and scope of delegated activity necessary to enable a large multi-functional council to deliver its service responsibilities.
- 4.14 The vast bulk of staff will be, perfectly properly, relatively unaware of the Scheme of Delegation. Their role, responsibilities and activities are regulated by job descriptions, management supervision, codes of conduct, etc. etc. These are expressions of delegation, and the limits of delegation, but a completely different management and HR language is used. The link to the Scheme of Delegation is that, if senior officers did not have the delegation to employ and deploy staff, none of the rest would exist at all. Such delegations become so institutionalised over time that the sense they are delegations gets lost.
- 4.15 Given the massive delegation to management and staff necessary for the efficient and effective running of a large complex organisation like Glasgow City Council, it is critically important that members are clear and confident in their governance role. Irreducibly this includes:
- (i) Setting clear strategic direction and priorities for the council. This would include the key outcomes to be achieved; short to medium term objectives and priorities that flow from the outcomes; targets and timescales for the delivery of objectives and priorities and key measures of performance and impact that will be used to assess progress.
 - (ii) Agreeing the short, medium and longer term financial parameters within which the delivery of services and outcomes will take place. The more closely the time horizons for financial planning and strategic planning are linked the better in terms of phasing innovation and transformation to support both financing and delivery.
 - (iii) Agreeing the high-level delivery arrangements the council needs including management and service configurations within the council, relationships with ALEOs and relationships with partners and partnerships. Much of this will have been inherited by the new council but, until reviewed or revised, it is implicitly endorsed by the council.
 - (iv) Agreeing standards for customer care and customer service that all of the council's in house, arm's length and external delivery of service will be expected to meet. As elected representatives, the governance role includes not just what is delivered but also how it is delivered. The proposed Glasgow Charter might usefully include such standards within its wider concerns.
 - (v) Relatedly, but distinct, the council should set out clear standards for community engagement and empowerment both in line with its own strategic commitments and

in compliance with its duties under the C.E.S.A. Again, the Glasgow Charter would be a sensible vehicle for this.

- (vi) The council needs to agree a framework for the employment, deployment and remuneration of staff that ensure fairness, positive conditions of work, and mechanisms to protect and promote the welfare of staff. This would include appropriate arrangements for staff representation and engagement with Trade Unions.
- 4.16 If members as the council had considered and agreed all of the above, almost all other decision making, scrutiny and delivery functions of the council could be delegated to the management and officers of the council. This includes a large amount of operational scrutiny and control that is necessary for managers to effectively manage the service operations within their remit. No report to a council committee, whether on financial performance, operational performance or performance against strategic objectives, has not been preceded by a management report. The whole system of reporting by exception, for example, assumes this and assumes that officers are empowered and capable of making judgements about what needs reported to members.
- 4.17 At the early stage in the new council when this review was undertaken, there seemed to be often limited clarity about delegation and reporting back. Members seemed unclear about what had been delegated to officers and unclear about why what was being reported to them was being reported to them. Agendas simply confronted them with items that were “necessary” without it being clear why they were necessary.
- 4.18 At the same time, officers were sometimes potentially over reporting, possibly out of lack of clarity about what members expected. Put simply, there seemed to be a lack of mutually understood ground rules around both delegation and reporting back. This would probably be expected at this stage.
- 4.19 The key point is that members need to accept and become confident with the necessarily massive delegation to officers that necessarily occurs. The key controls they need to have to ensure accountability are:
- (a) That the outcomes they seek to achieve for the city and its people are actually being achieved.
 - (b) That service users are dealt with to the standards members expect.
 - (c) That citizens and communities are engaged and empowered to get involved in decisions that affect them to the extent members expect.
 - (d) That appropriate assurance capacity is in place to validate the above.

- 4.20 If these controls were in place, delegation can occur with confidence and accountability. There is little point in employing experts and then doing their jobs for them.
- 4.21 Officers would also need to accept that delegation means empowerment to make decisions on operational matters, and that “over reporting” is as unhelpful as “under reporting”. The crux is getting strategy and policy translated into measurable outcomes, and getting customer service and community engagement standards codified so they can be routinely monitored. If officers have greater delegated authority, they need to be publicly accountable for their use of it, and reporting against outcomes and standards does that better than operational reports for noting.
- 4.22 The final point is that a culture of routinely reporting back is not helpful for the culture of community engagement and empowerment the council wishes to see. For staff to empower service users or communities, they themselves have to be empowered to be responsive. The greater the reporting requirements, the smaller the space for localism and creativity.

Conclusions

- 4.23 At the early stage at which this review took place, it was always likely that relationships and delegation would be going through an exploratory stage. However, the new council faces a wide range of challenges and it will be important to “fast track” getting the member and officer relationship clarified on a shared basis.
- 4.24 My conclusions are three fold:
- (i) The political/executive relationship needs invested in and my strong recommendation would be for a properly facilitated ‘stock take’ of year 1 progress during the summer recess and that a regular strategic forum between senior politicians and senior officers should be established thereafter.
 - (ii) Members need to embrace the fact that delegation to officers is comprehensive and that Glasgow, like all Scottish councils, is an ‘officer managed’ council. It needs to be member governed, however, with all members being fully supported to develop and further their governance roles. At the heart of that is creating transparency and accountability for the Councils performance and impact.
 - (iii) Officers need also to respect delegation and take responsibility and accountability for the decisions they make. A culture of “feeding the beast” and over reporting needs changed. Reports appropriate to managers should go to managers and never to committee.
- 4.25 More generally, the current mechanisms for governance and accountability are broadly sound but probably not very visible or interesting to the public. There is little “theatre of democracy” about them and accountability is not just about being open: it is about being interesting and generating interest and engagement. For that reason, I would suggest two additional elements to the system:

- 4.26 First, the council leader and the relevant city conveners should report on each strategic plan theme annually. This should be a public event, with a panel of expert external stakeholders, trade unions and the media, to ensure the city's strategic and service approaches, and their performance, are open to public scrutiny and improvement. This would be the most senior city politicians being accountable for how they deliver on their core governance duties. This could build on the city summits approach previously in place
- 4.27 Second, and assuming very substantial delegation to officers, each directorate should be the focus of an annual public performance meeting with respect to the services within their remit. Again, this should include expert stakeholders, unions and the media, and be chaired by the council leader and the relevant city convener. This would be senior officers being directly accountable for their use of the substantial delegated power that they have, and being open to public engagement around that.
- 4.28 I would propose these developments as additional to the core corporate governance activities of the council, and as mechanisms for improving transparency: Political leaders being open to challenge on their governance performance and senior officers being open to challenge on the use of delegated powers.

Section 5: ALEOS and Partnerships

- 5.1 Although the Council's wide range of ALEOs has been seen to create particular issues of governance, accountability and transparency, I do not accept that this is the case for four reasons:
- (i) Each ALEO was created by an explicit decision of the Council on the basis of reasons that were clearly stated: fiscal efficiency; extending funding sources; improving operational efficiency; realising a capital receipt, etc. etc. The council was, and is, wholly accountable for these decisions and the current council remains accountable for the ALEO arrangements it inherited for as long as it maintains them in place.
 - (ii) The council's relationships with the ALEOs is managed through over 1,000 pages of contractual agreements approved by council, specifying what ALEOs are to deliver on behalf of the council, the standards of delivery expected by the council, the protection of staff, review points and arrangements, etc. These arrangements create clear lines of accountability back to the council.
 - (iii) Each ALEO is a legal entity in its own right (LLP, company, etc.) and the Boards of the ALEOs have clear duties under law for the proper governance of their ALEO within the objectives set out in its founding documents. The council can request whatever oversight arrangements it sees as appropriate within its contractual agreements with each ALEO, as long as it does not undermine the integrity of the ALEO Board.
 - (iv) Within the constraint of legally binding arrangements already in place, the council can review the continuing case for an ALEO existing at all as it has done with Cordia and CSG, and the future requirements it may have of an ALEO.
- 5.2 None of this seems to me to create any peculiar issues of accountability or transparency as long as the council fulfils its "commissioning" role with respect to ALEOs robustly and well. (That is true for the council's in-house services as well.) In discussions, some misunderstanding has been evident about the council's role with respect to ALEOs and these can usefully be addressed here.
- 5.3 The council should see itself as an "intelligent client", commissioning services and functions from ALEOs. It is of critical importance that it is very clear about its operational requirements, clear about the contribution to strategic objectives it requires, and clear about its financial requirements in relation to ALEOs. It must also be satisfied that its relationships with an ALEO are "best value" in achieving its operational and strategic objectives, and enables it to fulfil its community planning duties. In short, the role of the council is not to govern the ALEO, it has a board to do that, but to govern the council's relationship with the ALEO and the "value" it seeks from that relationship.
- 5.4 For that reason, the city policy committees can, and should, consider the role of ALEOs in their policy review and development work, and specific new requirements they may have should be built into the forward commissioning framework. Equally, the scrutiny

committees need to be satisfied that both the operational delivery, strategic impact and value for money of links with ALEOs are properly reported and in line with the council's expectations. Again, this follows from the "intelligent client" and commissioning role of the council.

- 5.5 Second, the new council needs to own both the existence of the ALEOs and the relationship with them. Clearly, much of that was inherited but it is entirely open to review and revision. Until such review and revision takes place, it is the new council that is endorsing the arrangement. For example, the issue of differential pay and conditions between ALEOs, and with in-house services, has been raised as if it was a problem with ALEOs. It is not. If the council wished all ALEOs to have exactly the same pay and conditions as the council, it can require that as a condition of contract with the ALEOs. The ALEO board might well refuse to accept such a condition without financial guarantees, but the Council could choose to do that.
- 5.6 Equally, it has been suggested that corporate procurement within the council ought to have oversight of procurement on behalf of the ALEOs. Again, the council could require this as a condition of contract if it so wishes. The limit would be not undermining the legal independence of the ALEO itself.
- 5.7 In summary, as long as the council has the capacity to be an "intelligent client" and appropriate performance monitoring and scrutiny are in place, there is no particular issue around accountability. The council is accountable. The council should also be satisfied that the ALEOs have robust governance arrangements in place, and that procurement and audit arrangements are solid.
- 5.8 My observation would be that the focus ought to be on the "intelligent client" function within the council, not on the ALEOs, if the aim is improved accountability and transparency. Members need to be clear about all the operational and strategic value they require from their ALEOs and satisfied that they are realising that value. This should include the periodic reviews already happening of whether the rationale for creating the ALEO in the first place still holds good, and of whether alternative arrangements could be more cost effective.
- 5.9 My proposal would be that the same mindset should characterise the council's engagement with the various partnerships that are critical to its strategic objectives: the CPP, the Health & Care Partnership, the City Deal, etc. Although the council has less direct autonomy here, clarity about the value the council wishes to realise with and through partnerships is fundamentally important to accountability and transparency. "Commissioning" may seem an odd way to talk about partnering, but it usefully implies a proactive stance to ensuring that all the council's activities and relationships advance its strategic objectives.
- 5.10 Again, the city policy committees will have to consider the utility and "value added" of the partnership arrangements within their remits. This might include, for example, the contribution of the Health and Care Partnership to creating training and employment opportunities for Glasgow's most deprived communities. Equally, the

scrutiny committees will have to consider the financial performance, operational delivery and strategic impact of the council's partnership arrangements. Again, it is not the council's job to directly govern the partnerships, that must be done with partners, but it is the council's role to govern the value it seeks and achieves through partnership.

- 5.11 All Scottish councils do a progressive amount of their business at "arm's length" through ALEOs and partnerships, although the scale and range of Glasgow City Council's arm length arrangements goes beyond others. Given a proactive governance stance, supported by a strong "intelligent client" capacity, that need not be damaging to accountability or transparency. This holds good, however, only if both the principles and practices are solid.
- 5.12 The key principles are:
- (i) That members as the council own, rather than spectate on, the arm's length arrangements the council has in place, and provide both strategic direction and scrutiny of such arrangements.
 - (ii) That the key governance role is governing the value the council seeks and achieves through arm's length arrangements and
 - (iii) That the value sought is shaped by the council's Strategic Plan, vision and outcomes.
- 5.13 In terms of practice, there needs to be a strong and integrative "intelligent client" function and a commissioning approach that goes beyond conventional operational "service level agreements" to strategic "value added". I am not convinced that is wholly in place and two key improvements should be explored.
- 5.14 First, a corporate "commissioning paper" should be prepared for each ALEO and major partnership of the council. These papers should take input from across the city policy committees, and draw on the Strategic Plan, to spell out the value the council wishes to achieve through its relationships with particular ALEOs or partnerships. These papers should also be referred to the scrutiny committees to consider the performance reporting framework necessary to assure the council that value is being achieved.
- 5.15 Second, council officers need to ensure that the council's expectations and requirements are built into the future contractual framework with ALEOs, and the partnership plans agreed jointly with partners. This should enable alignment between the council's operational and strategic requirements, performance monitoring and scrutiny, and commissioning with and from ALEOs and partnerships.

Section 6: Communication and Engagement

- 6.1 The council commissioned a major review of its “communication capacity” from the UK Cabinet Office Policy and Capability team in 2016. It made a number of important recommendations on corporate leadership and coordination of communication, and on making a more joined up use of communication capacity across the council family.
- 6.2 The implementation of the improvement recommendations in that review has indeed improved corporate leadership of communication and coordination of “voice” across the council. I examined the council’s communication output to the public across a month, and there is a high level of competence and coherence in that output. The Council’s web based resources are extensive and relatively easy to navigate. In terms of “corporate communications”, the Council has invested and improved.
- 6.3 However, for most citizens, “communication” will be experienced by letters from head teachers, interaction with a care assessor or a play leader, trying to get views across on planning applications, etc. etc. These interactions will shape how people feel the council communicates with them far more than its corporate output. As importantly, corporate communication often seems focused on messaging to people, rather than communicating with people.
- 6.4 I entirely accept that some of the time the council does have to “message” clearly and, some of the time, a single authoritative voice will be necessary. However, this doesn’t address genuine communication between the council and the people it serves. It is a particularly restrictive concept of communication if the council genuinely wishes to be world class in its openness to and engagement with citizens and communities, as suggested in the remit for this review.
- 6.5 The broader agenda here is probably an “open government” agenda, which would contextualise a narrower “corporate communications” focus. This wider agenda would address a much fuller engagement with communities, and how they can be empowered to participate in decisions that affect their lives, but also the open data and open information agendas that the council is already committed to deliver.
- 6.6 The time is right for a committed and principled approach to “open local government” in Glasgow. The ongoing Local Governance Review will require the council to work with communities and community organisations to explore the next stages of strengthening community governance within the framework of city governance. The more ambitious the council’s approach to empowering communities and to subsidiarity within the city, the more ambitious it can be about greater empowerment of strategic city governance and subsidiarity to the city.
- 6.7 Second, the Scottish Government has already had an “Open Government Action plan” and are looking for partners for a new action plan. As Scotland’s premier council, Glasgow could usefully be the first local council to adopt an “open government” framework and pioneer approaches that can be adopted by other councils.

- 6.8 Finally, the council's new Strategic Plan, is committed to an "open government" agenda in all but name, and key outcomes (inclusive growth, carbon reduction, etc.) depend on engaging and empowering citizens. For all these reasons, this is something that the council ought to pursue and would provide a positive vehicle for working with Scottish Government and civic partners in the city.
- 6.9 So what would an "open government" agenda for Glasgow involve?
- (i) It would certainly involve an explicit commitment to transparency including opening up council data and information to the public on finance and spending, council contracts, the development and impact of policy, use of services and service performance, and the lobbying of the council by third parties. Although some of this data could be compiled just now, commitment to transparency means making it easily available in formats that are useful to citizens and communities.
 - (ii) It would involve resourcing and supporting Glasgow people's right to participate in decisions that matter to them and opening up the council's decision making, delivery and scrutiny to civic society stakeholders and partners. It would also involve ensuring that delegation is sufficient to empower frontline staff to work flexibly and responsively with communities.
 - (iii) Finally, it would involve creating accountability for ensuring that, in all of its activities, the council engages with and listens to communities and responds and changes when it needs to in response to community views.
- 6.10 All of these are connected. Communities cannot be empowered if they do not have the key information they need in an accessible form. Commitment to participation is rhetorical if there is no accountability for ensuring it actually happens. Staff cannot respond to communities if they themselves are not empowered. Open government would imply a major culture shift in how a Scottish council thinks about, and goes about, its business.
- 6.11 It would have implications for all the aspects of governance discussed earlier in this report: for how policy committees review and develop policy; for how scrutiny of delivery takes place and about who is involved in it; for the Scheme of Delegation and accountability for participation and empowerment; for the future role of community level governance. Simply making the commitments noted above would change public expectations, and enhance scrutiny and challenge, as they would be hostages to fortune.
- 6.12 Drawing on themes from across this report, an initial "open government" plan might include:
- (i) Transparency: to clearly explain how the city finances work, so people can understand how money flows into and out of the council to support public services in the city. There is a need to make this as simple and easy to understand as possible, avoiding jargon wherever possible.

- (ii) Measuring city progress: by making simple understandable information available through a city performance framework that follows from the Council Plan. This could link to the Digital Glasgow initiative and use of dashboards.
- (iii) Delivering a fairer city: through working with civic society, NGOs, the private sector and Trade Unions to create opportunities for deprived or excluded citizens and developing channels of communication and engagement that deprived citizens find accessible.
- (iv) Truly participatory budgeting: to empower communities to have greater influence over setting priorities across the whole budget rather than simply input into how very small sums for discretionary spend are used locally.
- (v) Increasing participation: improving citizen participation in truly local democracy, and developing skills to make sure public services are designed with input from users and user needs to the fore.
- (vi) Opening up all non-confidential information to the media to enhance their role in creating accountability. Again, links to the Digital agenda to automate this process as much as possible.

6.13 This is purely schematic and detailed policy development and planning would be necessary to take this forward. It is about long-term change. At this stage, the commitment is the key. If Glasgow truly wishes to be world class in its openness, engagement and empowerment of communities, it could:

- (i) Sign up explicitly to open government principles and join the “open government partnership”, an international reform initiative.
- (ii) Engage with Scottish Government and propose Glasgow City Council as a formal partner on the next open government plan.
- (iii) Create a high level, cross party working group to evolve an open government framework for the city. This should include partners and stakeholders as well as the council.

6.14 “Open Government” is a good way of pulling together all the strands of this review and linking them to the new Council’s ambitions to be world class in city governance. Most of the suggestions for improvement in this report are incremental: this proposal is potentially transformational. It should not be signed up to lightly: it would require sustained commitment and sustained investment to get this right across the whole period of the current Council. Glasgow City Council has to decide if this is the right commitment to make, given the wider challenges it faces across the next five years. My sense is it is the best, and possibly the only, way of successfully addressing these challenges. The proposed Glasgow Charter is an important starting point but will have much more credibility if linked to a wider “open government” agenda.