



Glasgow City Region

Cabinet

Report by Director of Regional Economic Growth

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Item 9

8th December 2020

Glasgow City Region – Review of Governance Structures: Phase One Report

Purpose of Report:

This report sets out findings and suggested improvement actions from the first phase of Glasgow City Region's (GCR) governance structure review, carried out through interviews with Cabinet members, discussions at groups meetings and an online survey for stakeholders.

Phase One key findings and improvement actions address conditions set out within the Gateway Review approval letter from the governments.

Phase One improvement actions, where relevant, will be incorporated within the updated Assurance Framework which will be submitted for Cabinet approval in February 2021.

The findings will also inform Phase Two of the review. Phase Two recommendations will be reported to Cabinet in early 2021 and will be shaped primarily by the outcome of the Cabinet's considerations regarding additional powers and the development of the Regional Economic Strategy (RES).

Recommendations:

It is proposed that the Cabinet:

- a) note the findings from the review exercise;
- b) approve Phase One Improvement Actions outlined in Appendix 1;
- c) note that a Phase Two report will follow in early 2021.

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1. Introduction

- 1.1 This report sets out findings and recommendations from the first phase of Glasgow City Region's (GCR) governance structure review, carried out through interviews with Cabinet members, discussions at groups meetings and an online survey for stakeholders.

2. Purpose

- 2.1 In June 2020, the CEG agreed to a comprehensive review of the City Region's Governance structures. The review was prompted by conditions set out in the recent Gateway Review approval and by other complementary work underway - the Internal Audit review of governance effectiveness.
- 2.2 The primary purpose of the exercise was to assess the effectiveness of governance structures, overall and at an individual group level, to understand whether they are fit for purpose in terms of make-up, scope, membership, how they operate, what they deliver, how they work together and importantly their compliance with our legal and contractual commitments.

3. Reporting Approach

- 3.1 The review has provided findings across all of the above areas. Owing to the wide ranging nature of the review, findings will be reported in two phases. This Phase One report sets out the high level findings from the overall consultation exercise and specifically seeks to address the following Gateway One approval conditions:
- a. Formally review Glasgow City Council (GCC) Chairing the Cabinet and the Chief Executives' Group on an annual basis, with consideration given to rotating the Chair of both groups to other parts of the Region, with findings informed by survey responses and Cabinet interviews; (see Appendix 1, section 5 for findings).
 - b. Consider augmenting the CEG with representatives from FE/HE, national agencies, and particularly the private sector, in order to ensure the Deal's impact and legacy are maximised; (see Appendix 1, section 4 for findings)
 - c. Consider the role of the REP in identifying future projects, with findings informed by survey responses and Regional Partners responses to an email. (see Appendix 1, section 6 for findings).
- 3.2 While views on the overall governance structures are also reported, it does not include recommendations for wider reform to the overall structures nor does it include detailed improvement actions for each of the 20+ individual groups.
- 3.3 Recommendations for wider reform will be outlined through a Phase Two report in early 2021 which will take account of a number of related developments including:
- ongoing discussion and consideration by Cabinet of additional powers for the Region;

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- the planned refresh of the Regional Economic Strategy (RES) in early 2021 and associated changes which may be required to City Region resources and to governance structures to reflect changes/additions to leadership roles across Regional Partners;
 - integration of the Clydeplan Authority staff into the wider Regional team;
 - arrangements for private sector engagement following the disbanding of the Economic Leadership Board at the end of 2019;
 - the outcomes of planned Scottish Government-led lessons learned exercise regarding the evaluation approach used for Gateway One, with this potentially impacting on the future requirement for the Independent Commission on Economic Growth;
 - the conclusion of the Commission for Economic Growth's initial five-year term and the likely future membership of the Commission; and
 - the ongoing development of the Clyde Mission initiative and its associated governance arrangements.
- 3.4 In terms of detailed improvement actions for each of the 20 plus individual groups, a series of briefing notes are being issued to the Chairs of each of the support groups in the structures, outlining the consultation findings and recommendations specific to their individual group.
- 3.5 Changes to group arrangements which arise from the implementation of the recommendations will be recorded within the revised Assurance Framework which will be submitted for Cabinet approval in February 2021 (see Appendix 2 for an example of the information which will be updated within the Assurance Framework). The findings and improvement actions which address the Gateway One approval conditions are included within this report as well as within the Cabinet, CEG and REP individual reports.

4. Review Approach

- 4.1 Significant levels of stakeholder consultation have been undertaken over July - September 2020 to inform the review findings.

Strand	Summary
Interviews with the Cabinet Members	Interviews have been completed with Cabinet Members from all eight Member Authorities, including the Leaders' delegated Cabinet representative in two cases. Discussions covered a range of topics including how Cabinet operates; our effectiveness in delivering the City Deal and RES and additional Regional powers. Confidential notes of discussion drafted for issue to Leaders
Online Survey	Survey launched in early July, made available to stakeholders across all 20 City Deal and City Region groups. 67 completed surveys.
Discussions at Group meetings	Of the 20 Groups, 13 included a session as part of the meeting. Due to busy agendas tended to be a fairly condensed discussion.

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- 4.2 The questions, key findings for each questions and any associated Phase One improvement actions are set out at Appendix 1.

5. Recommendations

- 5.1 The Cabinet is invited to:
- a) note the findings from the review exercise;
 - b) approve Phase One Improvement Actions outlined in Appendix 1; and
 - c) note that a Phase Two report will follow in early 2021.

Appendix 1: Key Consultation Findings and Phase One Recommendations

1. How well are the governance structures for Glasgow City Region understood?
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- **Most stakeholders are clear about our Governance Structures** (80% of online survey responses), in terms of the groups involved, their remits, hierarchies and the decision making processes. Respondents noted:
 - *'The current governance arrangements appear fit for purpose and function well through a collaborative partnering approach. The strong relationships have allowed the meetings to move online with relative ease.'*
 - *'Effective communication across / between groups with group members also acting as effective two way conduits of communication for their authority / organisation and their group(s).'*
- However, **many felt the structures are complex, relationships between the groups and what they are delivering is not clear** and that there was **an opportunity to streamline structures**. Respondents noted:
 - *'...there are too many groups often requiring the same person within LAs and Partners to attend.'*
 - *'...the flow of information through groups to decision makers is opaque and at times selective'*
 - *'I think there are too many groups and instead of collaboration at times it becomes confusing and lacks focus.'*
 - *'It would be good to see an organogram setting out the structures and functions of the various 'bits' of governance structure'*
 - *I think everyone would benefit from a refresher in respective roles and responsibilities'*
 - *'Although Council Officers may understand the structure, it seems confused from an external stakeholder perspective'*
 - *'It would be good if new attendees could be given some form of training/guidance regarding the City Deal structure and how the various groups operate, even just some brief guidance notes would be useful.'*
 - *'Arrangements could be improved by re-integration with the Procurement Support Group [with the Community Benefit Support Group] as six of the eight Member Authorities (MA) now have the same person representing their MA as members of the Procurement and Community Benefit Support Groups.'*
- Others noted that **while streamlining seemed like an obvious response, many groups required specific skills and expertise and could not readily be merged/removed** from the structures, with some suggesting that now was not the right time to change structures given focus on Covid-recovery, that more time was required to allow the structures to embed and that the groups would be required to take forward the revised Regional Economic Strategy (RES) in 2021. Responses included:
 - *'Although there are 20 or so groups, each has a particular function and, as long as that is the case, the number of groups may seem large but it could be a bit of a red herring.'*

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- *'...most RES tasks require specialist professional knowledge and skills e.g. finance, legal, RTS [Regional Transport Strategy], RSS [Regional Spatial Strategy]. The trick to streamlining the groups under the current set of actions will be to identify where and when there is a real need for effective communication, even participation, across those groups. One other way is to identify a smaller number of targeted actions with streamlined, resourced and co-chaired (multi-disciplinary?) task groups or teams.'*
- *'There are certain interdependencies across the place portfolios however each place themed task requires input from specific professions i.e. Regional Spatial Strategy and Regional Transport Strategy, Regional Strategy for Housing Delivery, taking an infrastructure first approach etc. so it is difficult to imagine bringing these together in one group in a manageable and effective manner.'*
- **Chief Executives**, at their meeting of 24th September 2020, **were also of the view that any decision regarding merging Portfolio Groups for example should be deferred for six months to align with RES development** and that the current focus should be on improving the functioning of existing structures.
- The **overall majority of stakeholders** (including 91% of online survey respondents) **understand the role of the group of which they are a member**. Responses included:
 - *'Been involved in the LOG since its inception. Clear its primary focus is the delivery of the GCR City Deal. Appreciation given to the fact however within individual MA's the Lead Officer normally holds a wider economic development role and feeds into other areas of PMO and GCR working.'*
 - *'With recent changes, I am comfortable the right balance is in place of delegated authority and accountability.'*
- There were a **number of specific changes recommended for individual Groups which will be progressed via discussion and agreement with Group Chairs** with changes reflected in the revised Assurance Framework.

Improvement Actions

- a. PMO to produce an up-to-date organigram illustrating structures.
- b. Update the details within the Assurance Framework of individual groups' role and remit, membership etc (as per the excerpt at Appendix 2) and issue to all stakeholders for information following approval at Feb 2021 Cabinet.
- c. Procurement Support Group and Community Benefit Support Group to be merged.

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2. How Would You Rate the Performance of the City Region Programme Management Office (PMO)?

- **82% of Group members noted that their Group received a great deal/a fair amount of support from the PMO.**
- **78% felt the PMO was very good/fairly good in supporting the City Deal.** Views on support and suggested improvements included:
 - *'PMO works well within the restrictions of its remit and the scope of the City Deal programme.'*
 - *'...promote City Deal brand and generate information (market engagement days) and promote more good news stories of City Deal investment and how investment from City Deal is/ will impact local economies...not just in current jobs through community benefits but the actual economic outcomes to be realised by projects and investment.'*
 - *'Just looking ahead to what follows the current GCR programme - again may be less infrastructure based and more sectoral economic growth focussed. This would potentially change the skills set of the current team, need an increase in overall resource and require some sectoral specialists to be seconded in.'*
 - *'As much as possible streamline processes and reporting back into PMO on projects. Provide consistency on requirements for and in giving feedback on business cases.'*
- **Stakeholders strongly welcome the addition of the Intelligence Hub and the support it can and has provided to date at a Regional and Member Authority level. 69% felt the PMO was very good / fairly good at providing economic intelligence.** Views on support and suggested improvements included:
 - *'The Economic Intelligence group is in its early days of development, however would appreciate greater output in terms of assistance in policy direction and economic development strategies as they are developed across authorities.'*
 - *'Set out work plan/ priorities for the Economic Intelligence Hub that all MAs can feed in to and agree, and get value from.'*
 - *'Economic Intelligence - targeted reports to portfolio groups/themes.'*
 - *'Pass on economic intelligence / organise events to encourage flow of information'*
 - *'The quality of economic intelligence is improving, which is very welcome, and the more investment in this the better as it will pay dividends in the long-run. Internal capacity is key to sustainability.'*
- **61% felt the PMO was very good / fairly good in supporting the delivery of the Regional Economic Strategy (RES) but also felt there was a lack of clarity on the role of the Portfolio Officers,** particularly versus the members of the Portfolio Groups. Comments included:
 - *'Excellent support from Portfolio Development Officers but role under resourced.'*
 - *'Role of the Portfolio Officers and how they add value (reduce work burden etc) for Portfolio activity could be improved.'*

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- *'Clearer understanding of role of the PMO re taking forward areas of work linked to RES.'*
- *'A more proactive role by the PMO would pay dividends including better connectivity and sharing ideas / opportunities across Portfolio groups.'*
- *'The GCR PMO provides an excellent support the Housing Portfolio in as far as it can. The group relies on a piecemeal approach to 'in kind' input from senior staff.'*
- A number of comments were made **in relation to the PMO's large remit versus its resources**:
 - *'...the PMO is a very limited resource with a very big remit and does need to be more effective and use limited resources as efficiently as possible.'*
 - *'The PMO is a key component and the staff do a magnificent job carrying out the wide range of tasks that fall within the remit. It is vital that this team is fully resourced and is given the support required from partners.'*
 - *'Limited resource with a big remit'*
 - *'I have always been impressed with the PMO. The team are clearly under significant pressure, but on the whole I think that they do a very good job.'*
- Points were also raised that **partners' and Member Authorities' buy in/contributions were required in order for the PMO to deliver, but that officers from these organisations were also under pressure**:
 - *'Officers often have very many other responsibilities beyond portfolio groups and GCR to attend to.'*
 - *'The PMO works well with partners and looks to drive the strategy forward. They could be assisted with greater buy in from all partners would help although current economic conditions have impacted on pace.'*
- Related to the above comments regarding the role of the Portfolio Officers, there were a number of related comments outlining a **need for clearer remits, responsibilities and related work plans of the PMO in taking forward actions** for and supporting the RES and the Region generally.
 - *'clearer remits and responsibilities should be developed re role of the PMO officers including related work plans re which areas of work they are leading on. There should be more direct engagement with local authorities outwith formal City Region structures.'*
 - *'I think individual PMO roles continue to evolve - clarity on current structure, reporting lines and key responsibilities would be useful.'*

Improvement Actions

- d. PMO staff structure to be created and shared with stakeholders.
- e. A working group of Regional Partners should be established to co-design the revised Regional Economic Strategy ensuring shared ownership, contributions and accountability for delivery from all.

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- f. Lead Officers' Group to receive regular updates on City Deal Programme, Intelligence Hub, Regional Economic Strategy (including Portfolio Groups) activity ahead of all Chief Executive and Regional Partnership meetings.

3. How would you rate the Administration and Management of Group meetings?

- Results were generally positive, with **88% of respondents rating the overall management arrangements for their meeting as very good/fairly good**. Positive ratings (very good / fairly good) were highest for: meetings taking place as planned (91%); suitability of meeting venues (location and room/86%).
- While still positive overall, ratings (very good / fairly good) were lower for: attendance at meetings (73%); agenda items / workload (74%); frequency of meetings (79%). There were calls for **more advance notice of meetings and for the option for online attendance to continue post pandemic to maximise attendance**.
 - *'Improved advance notice of meetings. Currently on 2-3 weeks advance notice is given.'*
 - *'Online meetings have improved attendance.'*
 - *'Post pandemic Webex meetings are easier to attend.'*
- There were also requests from members of various groups for **papers to be issued further in advance of meetings especially where the volume of papers was high**. This was also reflected in the recommendations of Internal Audit's Governance Audit.
 - *'Better to receive papers and agenda in advance as opposed to tabled on the day.'*
 - *'The volume of papers can be overwhelming and it is unrealistic to expect all papers to be read.'*
 - *'Agendas tend to be too long and can be issued at short notice with papers.'*
- Suggestions were made regarding the **need to provide greater clarity on what is being sought from Group members in the papers which are presented to them** e.g. to note, to approve, to recommend approval of proposal by another body, to provide comments on etc.
- A further recommendations of Internal Audit's Governance Audit was for **all group minutes to specify in what capacity people are attending meetings**. For example, an attendees may (or may not) be formally deputising for one of the group members, and as such with decision making rights.

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Improvement Actions

- g. Papers for Groups to be issued a minimum of four days ahead of meetings except where prior agreement has been given by the Group for papers to be issued later.
- h. Standardised report template to be used by the PMO for all Group papers and ensuring the list of possible recommendations (e.g. note / approve etc) reflect Group's decision making rights which are set out within the Assurance Framework. The template will additionally note the capacity in which people are attending meetings.
- i. All Group Chairs to receive individual reports outlining the key findings and recommended improvements which have been suggested for their specific group, with these changes to be implemented by Feb 2021.
- j. All Group meeting dates for 2021 calendar year to be diarised by the end of December 2020.

4. Is Group Membership fit for Purpose?

- In terms of Group membership, there were **high levels of agreement that the right organisations were included within Groups** (94%) although suggestions were made for extending membership of a number of individual groups to include other agencies. CEG considered its membership to be appropriate and did not call for any additions, recognising that the Regional Economic Partnership included other national and Regional agencies as appropriate. In terms of private sector engagement, the Co-Chair of the Glasgow Economic Leadership Board, Professor Sir Jim McDonald, has advised that he would welcome this group being made available as a business engagement Group for the Cabinet.
- **There was broad agreement that Group members were of the required level of seniority (86%) and that Group members** (or an appropriate delegate) **generally attend the meetings (84%).**
 - *'...representatives are all at operational management level; groups could benefit from more strategic input and people with authority to implement change in local areas/organisations to reflect regional policy and development.'*
 - *'Has to be members with the powers to make decisions in order to drive the agenda forward.'*
 - *'It needs to be clear that the people at the Groups are decision makers for their MA where it is relevant or that they have been given the delegation to take those decisions.'*
- With regards to training, **24% of Group members felt that they had not been supported to fulfil their role effectively**, in terms of receiving training, an induction or a briefing.

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- *'When I joined there was no real induction given from PMO on how it works, only by MA. I would suggest any new members should be given an induction to go through the process albeit at a high level.'*
- *'If management level council officers are not able to attend, they should brief staff on their own council's priorities to allow the attending officers to contribute to the discussion.'*

Improvement Actions

- k. PMO to create (based on the pack produced for Elected Members in 2015) and maintain an induction pack for new officers / Elected Members/Commissioners and so on joining any groups across the GCR structures, including those who may be asked to represent at meetings.
- l. Suggestions for additional Group members to be fed back to Group Chairs for their consideration.

5. Are Group Chairing Arrangements Fit for Purpose

- The **vast majority of Group members (88%) agreed the current arrangements for chairing their group were appropriate**. Where suggestions for the rotation of the Chair/co-chairing have been suggested for any Groups this will be fed back to Group Chairs within their Group specific reports.
 - *'I think it is appropriate to have one chair as it ensures consistency and clarity. However, the chair needs to prioritise meetings, arranging meetings and ensuring clarity of actions etc for the Group to lead and maintain progress on key issues.'*
 - *'Important to retain most senior officer as chair where that exist.'*
 - *'Annual tenure of chair as opposed to constant chair or rotation per meeting.'*
- **Members of the Cabinet and the Chief Executives' Group** who completed the online survey, were consulted during a Group meeting and who were interviewed individually (Cabinet only) **were also supportive of the current arrangements for chairing their groups** and did not call for any permanent change, recognising Glasgow's role as Accountable Body (previously Lead Authority) meant it was best placed to chair both meetings.

6. Is Group's Role and Remit fit for purpose? Are Additional Powers required?

- **81% confirmed their Group had a written role and remit** with the remaining 19% stating they were unsure.
- **70% believed the role and remit to be fit for purpose**; 18% believed it was not; with the remainder unsure.

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- **The majority of Group members did not suggest any additional required powers** for their Group. However 12 suggested additional powers were suggested for Groups, including:
 - *'...allocation of financial resources for Regional activity; performance management and compliance.'*
 - *'The ability to establish 'Satellite Project Teams' that draw required expertise from within MAs to progress work streams.'*
 - *'...more approval for smaller matters (e.g. reviewing business cases/their presentations for lower value OBCs / FBCs so that a summary report is all that's needed for CEG approval).'*
- Members of the Regional Economic Partnership recognised that **the key decision making body with regards to City Deal investment was the Regional Cabinet**. In terms of the Group's role in future investment decisions, it was proposed that its role and remit was augmented to include ***'responsibility for co-ordination and co-designing joint investment proposals/packages for funders (private / public and third sector) with input from all key Partners'***, with the focus of decision making being on the selection of projects for bids / funding proposals.

Improvement Actions

- m. Suggestions for amendments to Group roles and remit and additional powers to be fed back to Group Chairs for their consideration and to determine whether these should be progressed in Phase Two of the Governance Review.
- n. Augment the REP's remit to include ***'responsibility for co-ordination and co-designing joint investment proposals/packages for funders (private/public and third sector) with input from all key Partners'***.

7. Does the Group have a formal work plan?

- **Only 50% of respondents confirmed their Group has a work plan**; 25% advised their Group did not; and the remaining 25% were unsure.
- Comments were made calling for **co-ordination/sharing of all Groups' action plans and for the Lead Officers to be provided with an overview of all Regional activity** involving their Member Authority.
 - *'There is a need for progress / actions / recommendations / decisions [for each Group] to be logged centrally by the Regional PMO. A Regional log would address this.'*
 - *'Better flow of information across the programme and work streams to encourage and facilitate collaboration from different Groups at Region and City Deal level. More visibility of what is coming through different workstreams.'*

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Improvement Action

- o. Workplans to be maintained for all relevant Groups and to be considered at each meeting.
- p. PMO to add all key actions which are being delivered by all Support Groups, Portfolio Groups, Commission and PMO officers to the Annual Implementation Plan throughout the course of the year, with progress reports on the overall AIP reported within the Interim and Quarterly Performance Reports and shared with all stakeholders on the Objective Connect platform.

8. What has the Group delivered to date?

- Group members (57 members) advised their groups had created: **strategies (56%); policies (32%); events (32%); consultations (30%); other outputs (40%). Items noted included:**
 - o *Regional Skills Investment Plan;*
 - o *Mapping of infrastructure and better relationships with utility providers;*
 - o *Advice and recommendations to the CEO Group and then onwards to Cabinet;*
 - o *Advice, position papers / reports, analysis, summaries of evidence, specific programmes of work on inclusive growth.*

9. Could the Group be more effective in the delivery of outputs and outcomes?

66% of respondents felt the Group could be more effective in the delivery of outputs and outcomes. Suggestions include:

- o *'All groups can be more effective and perhaps setting milestones on key activities would help.'*
- o *'Communication between individuals and organisations out with meetings needs to be maintained to ensure progress continues on the agreed actions of the group.'*
- o *'...enabling 'virtual' teams to complete specific tasks etc. This could impact on the effectiveness of the collaboration with partners if this were to become a pattern.'*

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Appendix 2: Roles, Remit and Membership of Governance Groups and Bodies

Example information provided for each of the Groups in the Assurance Framework:

Group	Remit and City Deal	Members and	Governance
City Deal Programme Group			
Glasgow City Region Cabinet	Remit: - To determine the Strategic Economic Development priorities for the Glasgow City Region; - To deliver the City Deal; - To deal with any other areas of activity as are delegated to it by the Member Authorities. (The above are the Functions of the Cabinet as set out in the Joint Committee (Cabinet) Agreement). City Deal Decision Making Rights: Approves: Strategic Business Cases, Outline Business Cases and Full Business Cases. Approves: remits of the Independent Commission on Economic Growth and the Glasgow and Clyde Valley Economic Leadership Board.	Members: Cllr Vaughan Moody and Cllr Andrew Polson (Joint Leaders), East Dunbartonshire Council (EDC) Cllr Tony Buchanan, East Renfrewshire Council (ERC) Cllr Susan Aitken, Glasgow City Council (GCC) (Chair) Cllr Stephen McCabe, Inverclyde Council (IC) Cllr Jim Logue, North Lanarkshire Council (NLC) Cllr Iain Nicolson, Renfrewshire Council (RC) Cllr John Ross, South Lanarkshire Council (SLC) Cllr Jonathan McColl, West Dunbartonshire Council (WDC) Attendees: Chief Executives, Director of Regional Economic Growth Others, as appropriate.	Meeting Frequency: 8- weekly Recorded: Yes Published: Yes Remit Approved by: Member Authorities as part of the Joint Committee Agreement. Approval Date: January 2015

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