

The background of the slide features the Falkirk Council Coat of Arms. It is a shield divided into four quarters. The top-left quarter shows a saltire (X-shaped cross) on a blue field. The top-right quarter shows a stag's head facing left on a red field. The bottom-left quarter shows a three-masted sailing ship on a blue field. The bottom-right quarter shows a crowned eagle with wings spread on a red field. Above the shield is a crown with four fleurs-de-lis. Below the shield is a ribbon with the motto 'A'NE FOR A' in white capital letters.

Agenda Item 12

Falkirk Community Trust Policy Development Panel – Improvement Plan

FALKIRK COUNCIL

Title: Falkirk Community Trust Policy Development Panel – Improvement Plan

Meeting: Executive

Date: 27 September 2016

Submitted By: Director of Corporate & Housing Services

1. Purpose of Report

- 1.1 The purpose of this report is to advise members of the outcomes to date from the involvement of the external and independent party (“the facilitator”) appointed to facilitate discussion between the Council and Falkirk Community Trust (“the Trust”) on ways in which relationships and governance can be enhanced. It seeks approval to progress with the recommendations of the facilitator set out in the Improvement Plan attached as Appendix 1.

2. Recommendations

2.1 The Executive is asked to agree:

- 1) that, in order to develop a clear sense of joint ownership, the Trust is requested to work with the Council to prepare and implement a procedure for development of the overarching strategy for culture and leisure allowing for increased joint working and maximising opportunities for officers and elected members of the Council to contribute as set out at paragraphs 4.6.1 to 4.6.3 of the Improvement Plan;
- 2) that the Trust is requested to work with the Council to establish joint working groups involving Council officers, members of the Trust’s Senior Management Team, Trust board members and Council elected members to develop agreed strategies in response to challenging areas of work including:-
 - a. approaches to income generation;
 - b. community engagement; and
 - c. treatment of Trust facilitiesas set out at paragraph 4.6.4 of the Improvement Plan;
- 3) that the Trust is requested to work with the Council to jointly review the existing Funding Agreement between the Council and the Trust with a focus on:-
 - a. introducing a more detailed specification of the Trust’s services;

- b. agreeing a procedure for annual adjustment of the specification and services fee which allows for appropriate engagement through a defined process;
 - c. agreeing a more detailed change control mechanism which reflects the principle of collaboration between the Council and the Trust in response to unforeseen changes in circumstances during a given financial year; and
 - d. reviewing the monitoring and reporting mechanisms to ensure that there is full clarity with the Council's requirements as set out at paragraphs 4.6.5 to 4.6.7 of the Improvement Plan.
- 4) that the Council requests the Trust to hold its Board meetings in public and publish minutes of such meetings on its website, having regard to the need for appropriate redaction of material and private sessions where matters would be of a confidential or sensitive nature;
- 5) that the Council requests that the Chief Executive of the Trust attends the Council's regular Corporate Management Team;
- 6) that the Directors of the Trust and the PDP members are requested to jointly explore the following proposals set out in paragraphs 4.6.8 to 4.6.12 of the Improvement Plan:-
 - a. that the Chair of the Trust be an elected member
 - b. that the Portfolio Holder for Culture, Leisure and Tourism be a standing director of the Trust
 - c. that efforts are made to engage elected members from across the Council with elected members being encouraged to attend Trust events and learn more about the activities of the Trust
 - d. that elected members on the board of the Trust are encouraged to act as a channel of communication from the Trust to other elected members
 - e. that appreciation of the achievements of both the Trust and the Council since the inception of the Trust are fostered; and
 - f. that the most appropriate channels of communication and response are identified in the context of ad hoc representations from individual elected members; and
- 7) that the support of the facilitator is retained as required and that the Executive will receive an update report on progress and on the outcome of the discussions referred to at recommendations 2.1.3 and 2.1.6.

3. Background

- 3.1 The Policy Development Panel (PDP) was established by the Executive to review the Trust – the reasons behind setting it up, its Governance and relationship with the Council and the relationship between the Council and the Trust going forward.

3.2 The PDP is made up of the following members

- Councillor G Hughes
- Councillor S Jackson
- Councillor C Martin – Convener
- Councillor J McLuckie
- Councillor M Nicol

3.3 At its meeting of 7 June 2016, the Executive considered the interim conclusions and recommendations of the PDP. The report recognised the input of the Trust to the PDP, the successful services delivered by the Trust since its establishment and proposed a number of improvement areas for discussion with the Trust. These were:-

- Governance
 - How the Council and the Trust can develop closer links;
 - Role of the Board including roles, accountabilities, skills and training of Council appointed board members;
 - Role of independent board members including skills, training, term of office etc; and
 - Openness and transparency of the Board – can and should this be improved.
- Increasing external funding and income
 - What is an optimal ratio of Council to external funding, having regard to the mix of services provided by the Trust and the funding streams available;
 - Challenges and opportunities for increasing external funding;
 - What are the factors that constrain income generation; and
 - What could the Council do to support the Trust re income generation.
- Accountability and responsibility for the Trust to the Council
 - How can communication improve;
 - How can the Council and Trust be closer aligned in terms of vision, policy and strategy development;
 - Links between the Corporate Management Team of the Council and the Trust's senior management;
 - Closer relationship and common purpose between the Trust and Council; and
 - How this can happen and develop.
- Engagement with the community and stakeholders
 - How does the trust take this forward and how can this improve.
- Vision and planning for services over the coming years
 - What is the vision for future service delivery and how does the Trust engage Members in shaping and informing this; and
 - How does the Trust engage more fully with community planning partners and the Council in delivering services to meet local needs in the context of locality planning etc.

- 3.4 The Executive agreed to the appointment of the facilitator. Stephen Phillips, a Partner in the law firm Burness Paull, agreed to act as the facilitator. He has a wide range of experience with arm's length external organisations of the nature of the Trust and was appointed from the Council's framework agreement for the provision of external legal services.

4. Considerations

- 4.1 The facilitator has produced the Improvement Plan following:-

- review of relevant documentation;
- an introductory meeting with relevant officers;
- a meeting with the members of the PDP, the Portfolio Holder and (as observers only) officers;
- an introductory meeting with the members of the Trust's board along with the Trust's Chief Executive; and
- a constructive round-table workshop session involving members of the PDP, the Portfolio Holder, members of the Trust's board, the Trust's Chief Executive and (as observers only) officers.

- 4.2 The Improvement Plan makes a number of recommendations and contains a range of proposals at paragraph 4. In terms of broad themes, they relate to strategy development and sign off, the contractual framework between the Trust and the Council and corporate governance.

5. Consultations

- 5.1 The members of the PDP, the Portfolio Holder for Culture, Leisure and Tourism, a number of Trust Board members as well as the Chief Executive of the Trust were all involved in the meetings and workshop detailed at paragraph 4.1.

6. Implications

Financial

- 6.1 The Executive agreed the appointment of the facilitator at its meeting of 7 June 2016 and costs related to his role will be met from current budgets.

Resources

- 6.2 The work resultant from the recommendations will involve member and officer engagement as well as that of Trust staff and board members.

Legal

- 6.3 The work may involve amendment to the Funding Agreement between the Trust and the Council.

Equalities

- 6.4 There are no equalities issues.

Sustainability/Environmental Impact

- 6.5 None.

7. Conclusions

- 7.1 The work of the PDP, with the support of the facilitator, has resulted in the Improvement Plan. Should the Executive agree the recommendations set out at paragraph 2 above, work on the recommendations will be commenced with an update report on progress and outcomes being presented to the Executive in early 2017.

Director of Corporate & Housing Services

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Date: 22 September 2016

APPENDICES

Appendix 1 – Improvement Plan

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

Funding Agreement between Falkirk Council and Falkirk Community Trust



FALKIRK COUNCIL & FALKIRK COMMUNITY TRUST
IMPROVEMENT PLAN

FALKIRK COUNCIL & FALKIRK COMMUNITY TRUST

IMPROVEMENT PLAN

1 INTRODUCTION

1.1 The Falkirk Community Trust Policy Development Panel (the “PDP”) established by the Executive of Falkirk Council (the “Council”) issued a report dated 7 June 2016 (the “PDP Interim Report”) setting out the interim conclusions and recommendations of the PDP in the context of the review of Falkirk Community Trust (Scottish charity no: SC400657)(the “Trust”).

1.2 Included within the PDP Interim Report was a proposal (as set out in paragraph 4.3 of that report) regarding the appointment of an external party as facilitator and adviser, as follows:

“ Given these discussions are critical in the future direction of relationships between the Trust and Council, it is proposed that an external and independent party is appointed to facilitate and advise both parties on ways relationships and governance can be improved.”

At the meeting of the Executive held on 7 June 2016, the recommendation within the PDP Interim Report to appoint an external and independent party to fulfil the role outlined above was approved.

1.3 Pursuant to that decision, the relevant Council officers identified Stephen Phillips of Burness Paull LLP as the most appropriate person to fulfil this role. Stephen Phillips has been directly involved in the setting-up, review and/or restructuring of over 25 local authority ALEOs with charitable status across Scotland – and the breadth of that expertise (acting in certain cases for local authorities, in others for ALEOs, and sometimes under a joint remit) was felt to be particularly important in the context of accessing high quality and balanced technical support to guide the discussions.

1.4 In our engagement to date, Stephen Phillips has been careful to ensure that both the Council and the Trust have had the benefit of objective and balanced information and input on issues such as the constraints associated with charitable status. That has been supplemented by guidance and recommendations drawn from his own personal experience - and applying his own professional judgement as a leading specialist in governance and accountability frameworks within an ALEO setting. At the end of the day, however, these can only be *recommendations* - as recognised within the wording of the PDP Interim Report, the key focus of this exercise is on *facilitation* of the discussions between the Council and the Trust - with the intent that through a process of engagement and open discussion both parties will come to a *shared* position, based on informed decisions and sound technical guidance, regarding those

adjustments to the existing framework which are best placed to improve governance and accountability.

- 1.5 There is a recognition, shared by both parties, that improvements of that nature represent the key to developing closer relationships, and a climate of enhanced trust and confidence, between the Council and the Trust; and that if challenges are resolved, that will allow both parties to respond more effectively to the current funding environment as well as pursuing new opportunities and ways of working.

2 **PROCESS TO DATE**

- 2.1 The process, as from inception of our engagement, has involved:
- 2.1.1 informal discussions with relevant Council officers;
 - 2.1.2 review of copies of relevant documentation, corresponding with the folder of papers which we understand was supplied to members of the PDP at the inception of the review process;
 - 2.1.3 an introductory meeting with the relevant Council officers;
 - 2.1.4 a meeting with the members of the PDP and (as observers only) certain Council officers;
 - 2.1.5 an initial meeting with the members of the Trust's board along with the Trust's chief executive;
 - 2.1.6 a round-table workshop session held on 1 September 2016, involving members of the PDP, members of the Trust's board, the Trust's chief executive and (as observers only) certain Council officers.
- 2.2 The meetings held prior to the workshop session were very valuable in providing Stephen Phillips, as external facilitator, with a sense of where the key issues lay – particularly the separate sessions for PDP members and Trust board members (and Trust chief executive), which provided the opportunity for those involved to speak openly about any concerns and reservations. That in turn informed the way in which the workshop was structured; to ensure that the key areas of challenge would be taken up as the workshop progressed, but in a manner which focused primarily on potential *solutions* rather than on narratives of past events or past practice.
- 2.3 The PDP Interim Report proposed (paragraph 4.2) that the PDP should report back to the Executive in autumn 2016 on the outcome of the discussions with the Trust, including an improvement action report. In order to capture the outcome of the discussions at the workshop referred to above, it was felt that it would be desirable to issue a document at this stage, in the form of this report (entitled "Improvement Plan").
- 2.4 We believe that this document reflects real progress in the resolution of challenges which were identified in the PDP Interim Report. On the basis of the discussions at the workshop held on 1 September 2016, we believe that there is broad consensus between the Trust and the PDP members in relation to all of the key principles which will form an essential point of reference, in reviewing and fine-tuning the existing frameworks for governance and accountability; and the workshop itself represented a positive development, in demonstrating a real willingness on the part

of Trust board members, PDP members and the Trust senior management to communicate openly, contribute ideas, and consider new approaches.

- 2.5 The agreed principles referred to above are recorded in Section 4 of this report. It is envisaged that, subject to endorsement of the approach outlined in Section 4, a number of parallel workstreams will be set up - each involving round-table engagement between Council officers, members of the PDP, Trust board members and Trust senior management – to develop the detail of the revised governance and accountability framework. The detailed features recommended for adoption as the revised governance and accountability framework for the Trust will then be captured in an updated Improvement Plan.
- 2.6 In presenting this document, we should record our appreciation of the manner in which Trust board members, PDP members, Trust staff and Council officers have engaged with us in taking forward this work. The workshop session in particular demonstrated a real willingness to work together to develop improved approaches to governance and accountability – and we are optimistic about the prospects of the parties developing the foundations for a positive and mutually-supportive relationship through the next stage of the process, assuming that positive and forward-looking approach can be sustained through the future discussions.

3 GOVERNANCE AND ACCOUNTABILITY - FUNDAMENTALS

- 3.1 The expressions “governance” and “accountability” are susceptible to a number of meanings; and it is important that – before considering the detail of possible practical measures that might address the issues identified in the course of the discussions to date – there is full clarity, and full consensus, about the *high-level* principles which underlie a robust governance and accountability framework in the context of a local authority ALEO.
- 3.2 In our view, it is critically important to consider issues of governance and accountability at three main levels:
 - 3.2.1 Strategy development and sign-off;
 - 3.2.2 The contractual framework; and
 - 3.2.3 Corporate governance.
- 3.3 We would strongly recommend that each of these three levels be considered separately, and solutions identified at each level. A well-designed and operated framework of governance and accountability at the first *two* levels will, of itself:
 - 3.3.1 enable the Trust board and senior management team, along with Council elected members and officers, to participate actively in the development of the strategies for the Trust, in open dialogue – enabling each to contribute ideas and ultimately finalise strategies which both the Trust and Council are satisfied will represent the best future direction for the Trust;
 - 3.3.2 provide the Council with the assurance that the Trust is managing its service delivery in a way which furthers that agreed set of strategic objectives;
 - 3.3.3 allow the Trust’s board (including the wider skills and experience of the independent directors), and the Trust’s senior management team, to apply creativity and innovation to the delivery of services in furtherance of the agreed strategy, in the knowledge that any initiatives directing towards furthering that agreed strategy will have the support of the Council;
 - 3.3.4 in relation to day-to-day delivery, allow the Council to monitor compliance and performance against a clear specification of services and performance measures which have been jointly developed and agreed between the Council and the Trust, giving transparency and rigour to the monitoring and compliance regime;

- 3.3.5 give the Trust's board and senior management team a clear set of parameters (in the form of the agreed strategy, combined with the defined services specification and performance measures) within which to work;
 - 3.3.6 provide a systematic change-control mechanism to allow external changes impacting on the services during a given financial year to be tackled in a way which brings in the expertise of Council officers and the Trust management team, in a joint exercise to address the issue in question.
- 3.4 The point which we would want to emphasise is that a properly-functioning framework for governance *at the strategic and contractual levels* would *in itself* deliver significantly improved governance and accountability – and a closer alignment of the Council and the Trust – *without* adjusting the current model for corporate governance. Indeed, it would in our view be a serious mistake for a local authority to try to address shortcomings (whether real or perceived) in governance and accountability at strategic and/or contractual levels by adjusting corporate governance so as to introduce a dominant position for the local authority at board level within the ALEO. The duties attaching to board members under charity law (in the context of an ALEO with charitable status) and company law (irrespective of charitable status) are predicated on the principle that the people serving on the board of the ALEO must act in what they consider to be the best interests of the ALEO; and using their independent judgement, rather than routinely following directions from the local authority.
- 3.5 Leaving aside the adverse implications under charity law and company law of a local authority attempting to exert control via dominance at board level, that type of approach will ultimately be unsustainable, as regards maintaining the commitment or even participation of independent directors. All PDP members represented at the workshop held on 1 September 2016 agreed without hesitation to the suggestion that the contribution of the independent directors on the ALEO board was highly valued, and that any revised governance and accountability framework must be set in a way which would maintain the ability of the Trust to attract and retain independent directors of high calibre.
- 3.6 In basic terms, the Council should have confidence that the governance and accountability framework at the strategic and contractual levels – developed in close liaison between the Council and the Trust - sets the right *parameters* for the Trust; and the board of the Trust can then be left to carry out the role assigned to a board under company law and charity law, *without* ad hoc interventions from the Council or the use of Council appointees at board level within the Trust to attempt to keep the Trust in line. That is certainly the approach which underlies the thinking of OSCR (the Scottish charity regulator), Audit Scotland and the Standards Commission for Scotland in the context of their respective guidance notes on governance and accountability in the setting of a local authority ALEO – and it would be highly inadvisable to ignore these fundamental principles of governance

and accountability in the context of reviewing and adjusting the current governance and accountability framework for the Trust.

4 **A REVISED FRAMEWORK FOR GOVERNANCE & ACCOUNTABILITY – AGREED PRINCIPLES**

4.1 In introducing the workshop session held on 1 September 2016, we made the comment that - on the basis of the PDP Interim Report and our discussions with Council officers, PDP members and Trust board members held prior to the workshop session - there appeared to two themes underlying the current challenges as regards the relationship between the Council and the Trust: issues of communication, and issues of trust. That in itself is significant, for two reasons:

4.1.1 communication and trust are closely connected - lack of trust can arise, and/or be intensified, from a perception that communication is inadequate (ie no matter what volume of information is supplied, there may be a sense that the full story and/or the more fundamental issues, are not being properly conveyed); and lack of trust can also inhibit communication of more difficult issues (where there is a sense that certain things may be best left unsaid, to reduce the risk of particular issues being misrepresented in the media or being used as the focus of undue criticism);

4.1.2 both communication and trust are two-way – in the course of day-to-day interactions, a breakdown in communication may be as much about the party receiving the communication not being able to take the right messages, as a shortcoming in the approach which the other party took to that communication; and lack of trust may be more about the mindset of one party in interpreting what it hears about the conduct of the other party, rather than the nature of that conduct itself.

4.2 In our view, the most effective way of addressing the current challenges in the relationship is not for the Council to pursue the Trust for further information, as an end in itself – but rather for both parties to engage more closely and more meaningfully, and ideally in a setting where both the Council and the Trust are *working together* to create joint solutions to the acknowledged challenges facing the Trust. If that is done in an open and collaborative way – ideally through round-table discussions – there should be a much improved flow of information in both directions on the issues that matter; and also good prospects of building a relationship of trust and confidence, with a sense of mutual support and shared ownership of the eventual solution.

4.3 We would suggest that the other essential ingredient in resolving the current challenges is to create greater clarity, in the interests of both parties, regarding the parameters within which the Trust is to operate – through a review of the contractual framework.

- 4.4 In the course of our discussions with the Trust board and the PDP members, it became apparent that there were also a number of proposals that each wished to put forward with a view to improving corporate governance. We remain firmly of the view that the primary focus should be on adjusting the governance and accountability framework at the strategic and contractual levels, but we would certainly acknowledge that the proposals relating to corporate governance should form part of the overall discussions; and that any revised approach at corporate governance level could be implemented in parallel with the other strands.
- 4.5 The participants in the workshop session held on 1 September 2016 broadly endorsed the high-level principles outlined in Section 3 of this Report and in paragraphs 4.1 to 4.4 above – and we believe that that provides an excellent platform for the more detailed discussions between the Council and the Trust which will form the focus of the next stage of work.
- 4.6 Beyond that, those participating in the workshop agreed certain key principles and parameters which will form the basis for development of the detailed governance and accountability framework through the next stage of work, as follows:

Strategy development & sign-off

- 4.6.1 The procedure for development of the overarching strategy for culture and leisure should be reviewed, with a view to an increased use of *joint* working in the development of the strategy; in particular, the process should be designed in such a way as to maximise opportunities for Council officers and elected members (including opposition and independent elected members) to contribute fully as the strategy takes shape, so that there is a clear sense of joint ownership at the end of the process.
- 4.6.2 The revised procedure for development of the overarching strategy should be clearly articulated in a document agreed between the Council and the Trust, and including a statement of the processes by which elected members will be made aware of opportunities to engage. It is recognised that opportunities for elected members to engage in the development of the strategy exist at present, but there is an obvious need to increase awareness among elected members and encourage active participation.
- 4.6.3 The Trust will be committed, in terms of the contractual framework, to operate in pursuance of the agreed strategy. Equally, however, the Council should regard the strategy as a fixed point of reference throughout the period covered by the strategy document - unless there are major changes in the environment which create a compelling need to visit particular elements of the strategy.

4.6.4 In parallel with the work on procedure and processes for the overarching strategy (see above), joint working groups (involving Council officers members of the Trust's senior management team, Trust board members and Council elected members) should be established to develop agreed strategies in response to the three or four particular challenges which appear to be causing greatest concern. It will be for the Trust and the Council to reach mutual agreement regarding which topics fall within that category and the specific questions to be addressed - but on the basis of the contents of the PDP Interim Report, we would suggest that there would be merit in taking forward that kind of exercise in relation to the following broad themes:

- (a) New approaches to income generation;
- (b) Facilities – including the vexed question of where best to focus the limited funds available for investment/refurbishment
- (c) Community engagement – and including potential opportunities arising from the enhanced rights provided to communities through recent community empowerment legislation.

Contractual framework

4.6.5 The existing Funding Agreement (which we would suggest should more appropriately be approached as a services agreement) should be reviewed and fine-tuned; and with a particular focus on the following:

- (a) introducing a more detailed specification for the Trust's services, developed jointly by the Council and the Trust, but set in a manner which allowed the Trust sufficient scope to innovate in the delivery of services;
- (b) agreeing a procedure for annual adjustment of the specification and services fee which allows for appropriate engagement, through a defined process, between Council officers and the Trust's senior management team; and also sets out the agreed high-level principles which are to guide that annual discussion/negotiation;
- (c) agreeing a more detailed change control mechanism which reflects the principle of collaboration between the Council and the Trust, in response to unforeseen changes in circumstances occurring in the course of a financial year;
- (d) reviewing the monitoring and reporting mechanisms, to ensure that there is full clarity with regard to the Council's requirements

regarding information and communications, and with consideration being given to issues such as identifying the specific Council officer charged with contract management, the role of the portfolio holder, and the interplay with the work of the Council's scrutiny committee;

- 4.6.6 There was broad agreement at the workshop session that, having regard to the fact that the Funding Agreement had been in place for five years, it would be appropriate to carry out a review along the lines outlined above, and make whatever adjustments were appropriate to ensure that it remained fit for purpose.
- 4.6.7 We would suggest that the process of review of the Funding Agreement, and recommendations for adjustments, would best be approached in the first instance through a process involving joint work by Council officers and members of the Trust senior management team.

Corporate governance

- 4.6.8 The following proposals were put forward at the workshop:
- (a) introducing a requirement that the Chair of the Trust be an elected member;
 - (b) adopting the principle that the portfolio holder should also hold office as a director of the Trust;
 - (c) holding Trust board meetings in public;
 - (d) making the minutes of Trust board meetings available to the public via the Trust's website.
- 4.6.9 At the end of the day, none of the proposals outlined above is entirely incompatible with legal requirements or principles of good governance; but in the interests of facilitating informed debate we would make the following comments:
- (a) Chair of the Trust as an elected member – There are a few examples of ALEOs with charitable status where this approach is taken, but (i) it should be recognised that OSCR has reservations with regard to the potential impact which this may have on the ability of the directors as charity trustees to exercise independent decision-making, and OSCR's position could best be described as one where they *tolerate* this approach, (ii) we are not convinced that this approach would have a significant impact in itself in securing closer alignment of the Trust with the Council (the measures outlined above in relation to the

strategic and contractual levels of the governance framework would in our view be much more effective) and (iii) care would need to be taken not to damage the commitment of the independent directors, if this gave rise to a perception that the Council was seeking to control decision-making at Trust board level;

- (b) The portfolio holder also holding office as a director of the Trust – In principle this could contribute towards enhanced communication and trust between the Council and the Trust, but careful consideration (depending on the details of the role assigned to the portfolio holder) would need to be given to the issues concerning conflict-of-interest for those engaged in the monitoring of ALEOs, as outlined in the guidance issued by Audit Scotland and the Standards Commission for Scotland;
- (c) Holding Trust board meetings in public – As acknowledged at the workshop session, this approach can give rise to practices which threaten good governance, such as decisions essentially being taken in advance of board meetings through informal discussions involving only certain directors, and the potential for the board meeting itself to become no more than a set-piece presentation with minimal debate on the more controversial issues; it was accepted at the workshop session that in any event certain matters would inevitably have to be addressed by the board in private session.
- (d) Making the minutes of Trust board meetings available to the public, via the Trust’s website – Care would need to be taken in minuting board meetings where controversial decisions were under discussion (particularly at a stage where consultations with affected communities had not yet been launched); and, as with making board meetings open to the public, there will be a need to redact material within board minutes that relates to matters of particular sensitivity (eg disciplinary issues relating to particular employees).

4.6.10 In relation to the proposals outlined in paragraph 4.6.8, the Trust board members and PDP members present at the workshop all confirmed their willingness to explore these issues openly and in the spirit of seeking to reach a mutually acceptable position; in particular, it was confirmed that none of these proposals represented a “no-go” area for either party.

4.6.11 A number of further suggestions – not, strictly speaking, falling within the category of “corporate governance” – have also been put forward for consideration, in the interests of fostering better communication and trust between the Council and the Trust:

- (a) The principle – as proposed at the workshop - that the chief executive of the Trust should attend the regular meetings of the Council's Corporate Management Team;
- (b) The suggestion that efforts to engage elected members across the full spectrum (including opposition members and independent members) be redoubled, with elected members being encouraged to accept the Trust's standing invitation to attend events and generally learn more about the activities of the Trust;
- (c) Encouraging those elected members who serve on the board of the Trust to act as a channel of communication from the Trust to as wide a group of elected members as possible;
- (d) Fostering appreciation by elected members of the achievements of the Trust since inception, and encouraging Trust board members to acknowledge positive contributions made by the Council.

4.6.12 In addition to the above, we would suggest that consideration could usefully be given to determining the most appropriate channels of communication and response which should come into play in the context of ad hoc representations from individual elected members; and recording that in an agreed protocol which would then be shared with all elected members.

4.6.13 We would suggest that the proposals outlined in paragraphs 4.6.8 to 4.6.12 be explored between directors of the Trust and the members of the PDP; and that the outcome of those discussions be recorded in the updated Improvement Plan.