

# **Report to the Overview and Scrutiny Task and Finish Panel**

**Date of Meeting: 15 January 2015**



**Subject:** Overview & Scrutiny Panel Framework Review – Recommendations

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## **Recommendations/Decisions Required:**

- (1) That the Panel consider feedback received from Members and senior officers as part of the consultation process in relation to the proposed four 'Select Committee' overview and scrutiny structure agreed by the Panel as its preferred framework option, at its meeting on 25 November 2014;**
- (2) That, subject to Recommendation (1), the Panel agree the detail of a final framework report and proposal to take forward for consideration by the Overview and Scrutiny Committee at its meeting on 10 February 2015; and**
- (3) That the Panel consider additional feedback received in regard to the possible combination of the Audit and Governance Committee and the Standards Committee, if considered necessary in the future, and make appropriate recommendation to the Overview and Scrutiny Committee in this respect.**

## **Introduction**

1. At its last meeting, the Task and Finish Panel agreed a four 'Select Committee' overview and scrutiny panel framework to be taken forward as the preferred option for consultation with Members and officers. At that time, it was also agreed that the proposed combination of the Audit and Governance Committee with the Standards Committee would not be considered for the proposed option, but would be included as an additional aspect for consultation to gather feedback for a potential review in the future.
2. At its meeting on 25 November 2014, the Task and Finish Panel asked officers to provide the following information for this Panel meeting:
  - feedback gathered as a result of consultation with Members based on the proposed four Select Committee structure; and
  - feedback gathered as a result of consultations held with service directors and Assistant directors for the proposed four Select Committee structure.
3. An illustration of the proposed 'Select Committee' framework as previously agreed by the Panel is attached as Appendix 1 to this report.

## **Report:**

4. A review of the Council's Overview and Scrutiny arrangements was undertaken in 2013/14. The Council's service directorates have recently been restructured, resulting in a change of seven directorates to four. A proposal for a suggested new Overview

and Scrutiny Panel structure aligned to the directorate framework was considered by the Overview and Scrutiny Committee on 25 February 2014.

5. This review only concerns the future structure of the scrutiny panel arrangements. Wider constitutional aspects (unless the Panel identify issues that affect the Constitution) and a review of the Overview and Scrutiny Committee itself, are excluded from the scope of the work of the Task and Finish Panel.

### **Overview and Scrutiny Workshop**

6. Fourteen Members attended the scrutiny workshop facilitated by an independent Scrutiny Advisor, Tim Young, on 22 November 2014 with a mixture of Chairmen and Vice-Chairmen of the Scrutiny Panels, members of the Task and Finish Panel, members of the Overview and Scrutiny Committee and members of Cabinet. The workshop focused on three main sections;

#### ***Strengths, Weaknesses & Aspirations for the current provision of Scrutiny (section one)***

7. Members discussed the current strengths of the Council's scrutiny delivery and agreed that the location of meetings and use of smaller rooms gives a less formal feel to proceedings. It was also agreed that there is good officer support for the existing panels, which operate in a non-partisan manner.
8. Members also discussed the weaknesses and aspirations of the Council regarding scrutiny, which included agreement that communication and training needed to be improved, presentations from outside organisations need development to ensure that vital information is communicated appropriately, to enhance the participation of the public in scrutiny and that chairmanship roles should be defined as strong leadership by is key to the success of scrutiny.

#### ***Applying insights gained from section one to the different types of Scrutiny (section two)***

9. Members critiqued the following structure types based on the information discussed and decided upon in section one:
  - the current structure;
  - a directorate-aligned structure;
  - a commissioning model; and
  - a 'select committee' structure.
10. Members noted that the current structure meant that panels have to go to different officers for different things due to the structure not matching that of the service directorates. It was also noted that there could be an element of cost saving by reducing the amount of panels. The four panel structure had been identified as possibly giving the Housing Scrutiny Panel too much of an ongoing workload.
11. The commissioning model of scrutiny was seen to place too much load on the Chairman of the Overview and Scrutiny Committee and place responsibility more so with the Overview and Scrutiny Committee (which could work against member involvement) attendees were also unconvinced that there would be enough Members volunteering to be on any of the panels.
12. The select committee structure was seen by attendees as a good structure that was easy to understand.

13. This section of the workshop also introduced the concept of combining the Audit and Governance Committee with the Standards Committee. Case studies from other local authorities, who had already adopted this model, were presented to attendees.

### ***Weighing evidence, making choices (section three)***

14. The final exercise of the session involved attendees evaluating sections one and two and agreeing on the four 'Select Committee' structure as the preferred framework and the combination of the Audit and Governance Committee with the Standards Committee, to be taken forward for consideration by the Task and Finish Panel on 25 November 2014.
15. Attendees also discussed the following different methods of scrutiny that could be utilised in individual circumstances:
  - challenge session – single issue, one session;
  - single day scrutiny – a snap shot review;
  - focus group meeting – focus is on consultations with users/stakeholders as opposed to scrutinising officers/members/providers;
  - short-term single issue panel – typically two or three meetings to review a single issue;
  - longer-term panel work – typically over four to six months, with detailed scrutiny;
  - Overview and Scrutiny Committee meeting – an item with presentation and questions, discussion and with the option to make recommendations.
16. The utilisation of these approaches, as appropriate to individual scrutiny activities, was agreed by the Task and Finish Panel on 25 November 2014, and will form part of its recommendations for a future panel framework.
17. Attendees agreed that these methods could be utilised within the Council to tailor scrutiny to the specific needs required. Attendees were presented with the practice of combining the Audit and Governance Committee with the Standards Committee, which has become an increasingly common model within Local Authorities. Members in attendance agreed with taking this option forward to the Task and Finish Panel.

### **Audit and Governance Committee**

18. In the absence of the Chairman of the Task and Finish Panel, the Vice-Chairman (Councillor Mrs. M. Sartin) attended the meeting of the Audit and Governance Committee on 24 November 2014, to update the Committee on the Panel's progress and the possible combination of the Committee with the Standards Committee (as part of the Select Committee option).
19. The Chairman of the Audit and Governance Committee felt that the Task and Finish Panel may have misinterpreted the purpose of the Committee and its need to be independent. It was pointed out that the Chief Internal Auditor had a direct responsibility to the Chief Executive, and therefore it was analogous for the Audit and Governance Committee, as the body responsible for reviewing processes undertaken by Members and Officers, to report directly to the Council rather than a subsidiary body like the Overview and Scrutiny Committee.
20. The Chairman of the Committee highlighted that the Audit and Governance Committee had always reported directly to the Council, and that this should remain the case in the future. The Vice-Chairman of the Committee stated that the previous report from the Task and Finish Panel had analysed the existing scrutiny panel structure and had not identified any possible merger of the Audit and Governance Committee and Standards Committee. It was felt that the importance of the Audit and Governance Committee may not be fully understood and that, although Governance issues made up the majority of

the Committee's workload, the reference to 'Governance' itself appeared to have been excluded from the new Select Committee's title.

21. The Vice-Chairman of the Committee also highlighted that an Audit and Governance Committee was concerned with processes, controls and how senior officers managed the organisation. A Standards Committee was concerned with Members and their personal conduct. Therefore, there was a conflict of interest between the two Committees, one of which dealt with corporate ethics and the other which dealt with individual ethics.
22. It was reiterated that the report lacked detail about the proposals for any new 'Audit and Standards' Select Committee, which made it very difficult to debate the proposals and advise the Task and Finish Panel accordingly. Therefore, the Committee could not support the proposals pertaining to the Audit and Governance Committee within the report. Officers had indicated that more detailed work would need to be undertaken on how the proposed select committee would operate, than had been possible so far.
23. The Committee requested that, following other consultation on future structure proposals, the recommendations of the Task and Finish Panel be reported to the next meeting of the Audit and Governance Committee (5 February 2015), in advance of consideration. Although the Committee requested that consultation should include the views of both the Chief Internal Auditor and the Council's external auditors, these have not been sought as the option of a merged Audit and Governance Committee and Standards Committee was not agreed by the Task and Finish Panel on 25 November 2014 and feedback is instead being considered as a possible future recommendation.

#### **Framework Options - Consultation**

24. At the request of the Panel, an email and post in the Council Bulletin were issued in order to consult with, and gain a perspective from, Members on the proposed four Select Committee structure. Results have been collated to demonstrate generally how Councillors view the proposed structure and individual comments have also been included to give context to the results. These are attached as Appendix 2.
25. An email was also issued to consult with directors and assistant directors based on the proposed four Select Committee structure. These results have also been collated to demonstrate generally how senior officers view the proposed structure and individual comments have also been included to give context to the results. Feedback regarding any potential issues with the proposed structure has been included as comments for both Members and senior officers.
26. Feedback regarding the combination of the Audit and Governance Committee and the Standards Committee has also been included as comments for both Members and senior officers. Feedback on this subject is in addition to the proposed four Select Committee structure and is not to be included in any recommendations to the Overview and Scrutiny Committee but rather as a potential future option for consideration if appropriate.
27. The Panel is asked to consider the recommendations set out at the commencement of this report, and to specifically agree a structure proposal for recommendation to the Overview and Scrutiny Committee.