



## SCRUTINY



### **Report to the Overview and Scrutiny Committee**

**Date of meeting: 29 October 2018**

**Subject:** Overview & Scrutiny Select Committee Framework - Review

**Officer contact for further information:** S. Tautz (01992) 564180

**Democratic Services Officer:** R. Perrin (01992) 564532

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#### **Recommendations/Decisions Required**

- (1) That a new overview and scrutiny framework, based on a structure of two cross-service select committees, be established with effect from the commencement of the 2019/20 municipal year;**
- (2) That the titles and responsibilities of each select committee be as set out within this report;**
- (3) That focused and achievable work programmes be developed for each select committee each year, drawing on Portfolio Holder and service delivery aims and objectives, and relevant community priorities etc.;**
- (4) That the Committee be encouraged to utilise its existing opportunity to establish task and finish panels wherever necessary, to facilitate the delivery of work programme activity by the select committees;**
- (5) That no increase be made in the number of members appointed to each select committee and that this remain at fifteen councillors in accordance with pro-rata provisions;**
- (6) That no increase be made in the frequency of meetings of the new select committees;**
- (7) That the Cabinet be encouraged to utilise the overview and scrutiny framework for policy development and pre-decision scrutiny activity wherever appropriate;**
- (8) That the Overview and Scrutiny Committee be encouraged to utilise its existing opportunity for the review of the forward plan of key decisions, to proactively review proposed executive decisions;**
- (9) That the Constitution Working Group be asked to review the current application of requirements for members to make reports to ordinary meetings of the Council with regard to the business of external organisations subject of member representation;**
- (10) That the current induction and on-going training arrangements for members in respect of the Council's overview and scrutiny function be reviewed as appropriate;**
- (11) That any necessary changes to the overview and scrutiny provisions**

**(Article 6) of the Constitution arising from adoption of a new overview and scrutiny framework, be considered by the Constitution Working Group; and**

**(12) That the operation of the new select committee framework be reviewed by the Committee during the 2020/21 municipal year.**

1. As the Committee will be aware, an overview and scrutiny framework based on a structure of four 'select committees' was established from the 2015/16 municipal year. In accordance with Article 6 of the Council's Constitution, the select committees are established on an annual basis by the Overview and Scrutiny Committee. At its first meeting in each municipal year, the Committee is required to consider whether the existing select committees should continue for a further year and to determine the number and terms of reference of each committee.
2. At its meeting on 4 June 2018, the Overview and Scrutiny Committee agreed the re-establishment of the following select committees for the 2018/19 municipal year:  
  
Communities Select Committee;  
Governance Select Committee;  
Neighbourhoods Select Committee; and  
Resources Select Committee;
3. Members will be aware that the implementation of the Council's People Strategy has progressed as far as the appointment of new Strategic Directors and Service Directors. The Council's new senior management structure is set out at Appendix 1 to this report and comprises eight new service directorates covering the operations of the authority. It is understood that the Leader of the Council intends to realign the responsibilities of the Cabinet during the current municipal year, in order to reflect the new senior management structure and it is therefore appropriate to also review that alignment of the overview and scrutiny framework going forward.
4. Notwithstanding the likely implementation of the new senior management structure during 2018/19, the Committee agreed at its meeting on 4 June 2018 that no change be made to the current overview and scrutiny framework before the commencement of the 2019/20 municipal year, but that arrangements for the review of the select committee framework to reflect the new senior management structure, be considered at the joint meeting of the Overview and Scrutiny Chairmen and Vice-Chairmen held on 3 September 2018. This report presents the recommendations arising from the recent joint meeting.

### **Select Committee Framework**

5. The Local Government Act 2000 introduced a new political management system for local councils in England and Wales, requiring them to have a separate 'executive' in the form of a leader, or elected mayor, and cabinet. To provide a counterweight for this, the Act also introduced the concept of 'overview and scrutiny', whereby every council with an executive management structure was required to have an overview and scrutiny committee. This requirement is fulfilled by the annual establishment of the Overview and Scrutiny Committee. The ongoing business of the Council's scrutiny activity is also carried out by the select committees and 'task and finish' panels established to gather evidence and make recommendations on specific subjects.
6. At that time of the establishment of the select committees in 2015/16, select committee status was intended to be restricted to activities of a recurring or cyclical character which required a longer term involvement by members. At that time, the responsibilities of the select committees broadly reflected the management structure of the Council, save for the creation of a standalone 'Housing Select Committee' and the incorporation of the Community Services and Safety responsibilities of the Communities Directorate within the 'Neighbourhoods and Community Services Select Committee'.

7. However, during 2016/17 these arrangements were reviewed further, resulting in the adoption of the current select committee framework that was fully aligned to the then current management structure of the Council, to ensure that all services had a reporting route for overview and scrutiny activity.
8. The joint meeting of the Overview and Scrutiny Chairmen and Vice-Chairmen considered that it was important that the future select committee framework continue reflect the management structure of the Council and cover the whole range of its business, whilst also achieving efficiencies and maintaining the effectiveness of the Council's scrutiny activity.
9. The option favoured by the joint meeting for the future select committee framework, is for the establishment of two select committees as follows:

#### **Communities & Neighbourhoods Select Committee**

To cover the following service areas:

- Housing and Property Services;
- Community and Partnership Services;
- Contract and Technical Services; and
- Planning Services.

#### **Governance & Resources Select Committee**

To cover the following service areas:

- Governance and Member Services;
- Business Support Services;
- Customer Services; and
- Commercial and Regulatory Services.

10. The Acting Chief Executive had advised that a lead officer would be designated for each proposed select committee and that this role would be fulfilled by the Council's new Strategic Directors.
11. In reviewing the current select committee framework, the joint meeting considered some areas of concern arising from a reduction in the number of select committees, including:
  - the potential increase in workload for each committee;
  - a perceived lack of balance in the workload of each committee;
  - the reduction in member involvement if no increase be made in the number of members appointed to each select committee; and
  - the likelihood of reduced opportunities for member development in terms of chairmanship skills and experience.
12. The joint meeting considered that some of these concerns could be addressed through the development of achievable work programmes for each select committee and that this option would provide clear scope to the scrutiny activities of each committee whilst continuing to provide for relevant scrutiny activity to also occur by way of the creation of task and finish panels (as necessary). Management of the workload of each select committee and the achievement of work programme priorities would be the responsibility of the chairman of the select committee, in liaison with the relevant Strategic Director.
13. The possible combination of the existing Governance and Resources Select Committees, primarily as a result of a reduction in work programme activity for both

select committees over the course of the last year, was considered by the Committee in April 2018. In view of the ongoing review of the Council's senior management structure, members considered at that time that it would be prudent to defer any decision about the possible merging of the select committees until the restructure had been finalised. The level of current work programme activity for the Governance and Resources Select Committees remains an issue of concern, which it believed would be addressed by the establishment of the proposed new select committees.

14. The development of focused and achievable annual work programmes for each select committee, informed by relevant service aims and priorities, will be a key feature of the new framework, particularly as it is intended that each new select committee will meet on the same frequency as the current framework. It is important that work programme activity is appropriately targeted and that processes are in place to determine areas for review.
15. The overview and scrutiny provisions (Article 6) of the Council's Constitution require that the Overview and Scrutiny Committee approve an annual overview and scrutiny work programme at the first meeting of each municipal year. The work programmes are currently substantially developed by the relevant lead officer at the end of each municipal year and are presented to the Overview and Scrutiny Committee for approval, at its first meeting in each year. This arrangement clearly relies on the lead officer to develop appropriate work programme activity for each select committee and does not routinely involve the members of each committee.
16. A more robust approach to the development of work programmes might include linking the programmes to the corporate objectives, business plans and services of the Council, and/or to a range of other appropriate evidence of the corporate priorities of the authority. Work programmes should be relevant and be informed by service aims and member priorities. The selection and prioritisation of scrutiny activity is essential if it is to be successful, add value and retain credibility. Work programmes should also be realistic, flexible and retain spare capacity so that additional matters raised during the year can be addressed. Members also need to take into account the capacity of overview and scrutiny (including officer capacity) to achieve work programmes, as scrutiny activity cannot cover everything and should be focussed on matters where it can make a real difference.
17. In determining the content of the work programme, the Constitution provides that the Committee:
  - seek scrutiny proposals for inclusion from all Members and the public;
  - invite the Leader of the Council to attend its first meeting of each year to present the Executive's programme of Key Decisions for the year, to answer questions on the plan and to indicate where appropriate work on the Cabinet's behalf could be undertaken by overview and scrutiny;
  - review the achievement of the overview and scrutiny work programme for the previous year;
  - identify any external organisations to be scrutinised during the coming year;
  - review all proposals submitted for inclusion in the work programme to ensure that they relate to the Council's policy framework, including the Corporate Plan and the Cabinet's Forward Plan;
  - ensure the agreed work programme has sufficient member and officer resources to support it;
  - identify in advance any budgetary provision required for specific projects;
  - ensure that the work programme is properly prioritised;
  - allocate appropriate time limits for each activity within the work programme; and
  - ensure that any projects which do not find a place in the work programme are added to a reserve programme for further review.

18. Member proposals for scrutiny activity are generally achieved through the previously adopted PICK (Public Interest, Impact, Council or other organisational performance, Keep in context) process, although it is considered that the scoping of proposals against the PICK criteria might not always be fully considered. In agreeing overview and scrutiny work programmes, it is important for members to:
  - ensure that programmes includes a balance of different types of work, including short, medium and longer-term reviews where necessary (issues could be considered at single meetings, or may need to be the subject of a longer term, in-depth scrutiny review);
  - for the select committees, have regard to the ongoing work of the Overview and Scrutiny Committee; and
  - ensure that scrutiny retains sufficient capacity and resources to respond to issues that may arise unexpectedly within the year, including the call-in of executive decisions.
19. It might be appropriate for work programme priorities for overview and scrutiny to be derived from a wider range of evidence sources. This would enable scrutiny activity to more effectively meet the work programme requirements of the Constitution and focus less on cyclical reporting. Such evidence sources could include the following:
  - the Corporate Plan and Key Actions;
  - the Council's Budget;
  - the Service Business Plans;
  - the Forward Plan of key decisions to be taken by the Cabinet;
  - the overview and scrutiny work programmes;
  - the current key priorities of the Council;
  - the current performance of the Council; and
  - suggestions for scrutiny submitted by members of the public (and members).
20. The joint meeting suggested that the chairman and lead officer for each select committee should develop a consistent approach to the development of focused and achievable annual work programmes, in liaison with service directors and the outgoing/incoming chairman of the select committees each year.
21. The Constitution requires that the annual overview and scrutiny work programme be agreed by the Overview and Scrutiny Committee at its first meeting of each municipal year, alongside the terms of reference of the select committees.
22. The joint meeting considered that the Cabinet should be encouraged to utilise the overview and scrutiny framework for policy development and pre-decision scrutiny. Members considered that consideration of proposed policy and decisions before they were made provided an important means to influence such matters and to challenge assumptions that may have been made as the policy or decision was developed. Members considered that scrutiny brought a different perspective to the policy and decision-making process and that looking at a decision before it was made could be a more effective means of scrutiny than looking at a decision after it was made (through the call in process), when the opportunity to influence and change the decision was limited.
23. Members also considered that the Overview and Scrutiny Committee should be encouraged to utilise its existing opportunity for the review of the Cabinet's forward plan of key decisions at each meeting, to proactively review specific executive decisions to be taken over the period of the forward plan.
24. To address the concerns previously expressed by the Audit and Governance Committee as part of the last review of the select committee framework, the Strategic Director (or other officer) with responsibility for leading any select committee with responsibility for scrutiny of the Council's financial and governance arrangements, will

need to ensure clear demarcation between those matters that are to be considered by the select committee and those that fall within the clearly defined responsibilities of the Audit and Governance Committee.

25. The joint meeting considered that items for information, rather than scrutiny, should not be included in the work programmes or business as usual activity of the select committees going forward, as such matters could be more appropriately delivered by way of specific member briefings etc. The joint meeting also suggested that the Constitution Working Group should be asked to consider the success of the application of requirements for members to make reports to ordinary meetings of the Council with regard to the business of external organisations subject of member representation, in order that such matters do not unnecessarily congest the work programmes of the select committees.
26. It is not intended that the proposed new select committees will meet at any greater frequency than the current framework. Similarly, the joint meeting considered that no increase should be made in the number of members appointed to each select committee and that this remains at fifteen councillors (subject to the overall political composition of the Council) in accordance with pro-rata provisions. Although this approach will result in a reduction in the number of members appointed to the Overview and Scrutiny Committee and the select committees, it should be recognised that the Constitution allows any member to attend meetings of such bodies.
27. The joint meeting accepted that a reduction in the number of select committees would provide reduced opportunities for member development in terms of chairmanship skills and experience. However, it wished to encourage the Committee be to utilise its existing opportunities for the establishment of task and finish panels wherever necessary, to facilitate the delivery of work programme activity by the select committees.
28. The joint meeting requested that the current induction and on-going training arrangements for members in respect of the Council's overview and scrutiny function, be reviewed as appropriate, to reflect any new select committee framework.
29. The Government is preparing new statutory guidance on overview and scrutiny in local government to reflect the changing role of scrutiny over recent years. This guidance is expected to be published in December 2018 and will be subject of a future report to the Committee.
30. The adoption of a new overview and scrutiny framework is not a matter reserved to the Council, although any changes to the overview and scrutiny provisions (Article 6) of the Constitution will be required to be considered by the Constitution Working Group.
31. The Committee is asked to consider the recommendations set out at the commencement of this report, and to specifically agree a structure proposal for the overview and scrutiny framework. The joint meeting of the Overview and Scrutiny Chairmen and Vice-Chairmen suggests that the new select committee framework be reviewed during the 2020/21 municipal year, after a year of operation.