

The Future of Scrutiny: an Action Plan

I have been asked to make these proposals in the expectation that the Corporate Governance inspection will be critical of the scrutiny function of this Council. The proposals are intended to prove that the Council is taking measures remedy this deficiency.

Members will have to consider this report in the light of the current government White Paper and that aspects of it on Scrutiny and Overview may well be enacted into legislation by the end of 2007.

In making these proposals, I have referred to the following

- Article 6 of the Council's constitution
- The Council's *Scrutiny and Overview Committee Handbook* dated March 2004.
- The Council's website
- The 2006 Performance Plan
- The 1st Annual Scrutiny Report 2005/06
- The seminar at Newmarket November 2006
- The parts referring to Scrutiny and Overview in the Government's White Paper
- Comparison with parliamentary Select Committees

The Constitution

In general (according to article 6.2 of the constitution) the Scrutiny and Overview Committee *may*:

- Review or scrutinise decisions made by the executive/committees/council officers in connection with the discharge of any of the Council's functions
- Consider any matter affecting the area or its inhabitants
- Exercise the right to call in, for reconsideration, decisions made by but not yet implemented by the executive

In detail, according to Article 6.03 of the constitution, the Scrutiny and Overview Committee *may*

- Review and scrutinise decisions made by and performance of the executive and council officers in relation to individual decisions and 'over time'
- Review and scrutinise the performance of the Council in relation to policy objectives, performance targets and particular service areas.
- Question members of the executive and officers about their decisions and performance
- Make reports/recommendations to the executive and/or appropriate committee and/or Council arising from the outcome of a scrutiny process
- Review and scrutinise the performance of other bodies having public functions in the area and invite reports from them by requesting them to address the committee
- Question and gather evidence from any person with his or her consent.

In particular, the Scrutiny and overview Committee shall

- appoint members of the Audit Panel (the wording here in the constitutions needs changing)
- Produce, once a year, a report at the April meeting of the Council on its current programme and the performance of the executive based against the Performance Plan (PP) or other objective criteria

- The committee shall establish and manage Best Value Reviews set out in the Performance Plan appointing members of Best Value review teams and report recent outcomes to the executive
(All the above have been slightly abbreviated.)

The 2005/06 Annual Report lists ten areas which had been scrutinised and recommendations made to Portfolio Holders and the Cabinet. On reflection, it is possible that some of these may have been undertaken by sub-Groups (described at the Newmarket seminar as *Task and Finish Groups*, a term I will use in this document). Notable omissions from the Annual Report have been in the 'Overview' part of the function:

- 1) The Medium Term Financial Strategy (MTFS)
- 2) Overheads and Accounts
- 3) General and Revenue Accounts
- 4) Performance Plan

Observations and recommendations regarding 1-3 have to be made within a difficult time-scale. For example, this year, the Scrutiny and Overview Committee should have reported to the Cabinet before its meeting on 12th October (and next year the Cabinet will have to look at the MTFS in September, which narrows the time-scale even more), At the recent Council meeting, it was decided that the MTFS will be reviewed twice a year, A report from the Committee should be available before the Cabinet considers these and other accounts

Reviews by the full Committee

These should be limited to the following:

- Performance Plan based on Best Value Reviews by Task and Finish Groups
- Medium Term Financial Strategy (twice a year)
- Overheads and Accounts
- General and Revenue Accounts (Budget).
- Items tied in with the Forward Plan on which the participation of the Scrutiny and Overview Committee should be noted. Detailed analysis of some of the following, for example
 - *Procedure for Local Standards Hearings*
 - *Choice-based lettings scheme*
 - *Affordable Housing delivery*
 - *Housing Stock Options Appraisal*
 - *Nottingham Declaration 2*
 - *Move to four-yearly elections*

should be or should have been conducted by Task and Finish Groups and approved by the full Committee. These groups should not duplicate officers' reports (see the Tameside example). There are major issues which should come before the full committee. Some of these would come under the heading of external scrutiny. The purpose of these, however, would not be to elicit minutiae of information but to concentrate on strategy and future direction and how the policies of these external bodies affects the Council, financial and otherwise.

Task and Finish Groups

A point repeated several times at the Newmarket seminar was the important role of Task and Finish Groups. These should:

- Comprise of small groups working throughout the municipal year continually reviewing items such as the Performance Plan (Best Value teams) and the MTFS, reporting to the Committee who would then make recommendations (if any) to the Cabinet at certain points. It is likely that, in future, such a group

will have to keep by-laws under review as, in the White Papers, Councils will no longer have to have by-laws ratified by the DCLG.

- The groups should be set up and work to certain criteria:
 - *Why* is this investigation needed
 - *What* are their priorities
 - *How* to get information
 - *When* should it report
- Consist of a small number of members (or an individual) working together on specified issues in limited time-scales. One of the purposes of all groups would be to identify areas where the Council can save money, in other words, that the Overview and Scrutiny Committee justifies its position financially. Reports and recommendations, having been approved by the full Committee, would be forwarded to Cabinet/Council and form part of the Annual Report. The sub-group on bus transport should be re-designated as a Task and Finish group. Cllr. Van de Ven's report on Land Drainage is an example of a Task and Finish issue conducted by an individual. Considering the fact that South Cambridgeshire has more committees and advisory groups than most other councils, I propose that a Task and Finish group be set up to ***investigate the committee structure of the Council*** and report to the Committee and Cabinet in April
 - ***All reports should be appended to the Annual Report and submitted to the Council in April***

External Reviews

The role of members in scrutinising partnerships is referred to below under Monitoring. Again, under the White Paper, Scrutiny and Overview Committees will have 'more powers to scrutinise other public bodies and require them to attend or provide information within 20 days and respond to recommendations. The following points, however, ought to be kept in mind:

- External scrutiny is hard to do well
- It rarely changes something if this is against the will of the external body
- There will probably be no sanctions against those who refuse to appear.
- However (as in the review of local bus services), a report, while having no mandatory effect, may influence future practice and expose weaknesses. It may also raise the status of the Committee and the Council if the reports are posted on the website – in other words, to develop 'democratic legitimacy'.

These will be essentially Task and Finish reviews, operating to the same criteria and should be appended to the Annual Report and submitted to the Council in April.

Monitoring

According to Department of Communities and Local Government (DCLG), Scrutiny Committees are 'good at reviewing service outcomes and involving external stakeholders but weak at recording community opinion or providing a forum for community debate'. Through its excellent links with Parish Councils, South Cambridgeshire is good at recording community opinion. Behind this statement, however, is the implication that Scrutiny Committees should spend less time in formal meetings and allocate specific tasks to members, whether in groups or individual.

The system of appointing two monitors to each portfolio was initially misunderstood; the purpose was that monitors should report on the performance of each portfolio at Committee meetings. I propose that we take this one step further:

- ***That a brief 'Annual Report' on each portfolio should be presented as part of the Committee's own Annual Report, which would include the identification of financial savings.***

The present system of Portfolio Holders addressing and then answering questions put to them by members of the Committee at the beginning of each municipal year (in fact, going a considerable way into it) is not time-efficient. I propose:

- ***That each Portfolio Holder presents a written report on the major issues involving the portfolio at the beginning of each year, answers questions on it for about ten minutes, which is then taken into consideration by monitors at the end of the year.***

A requirement of the White Paper is that the role of Scrutiny should be extended to covering the partnerships in which the Council is involved. If this becomes legislation, the details of this requirement will be important in that South Cambridgeshire is involved in at least thirty partnerships. This is a major departure where Scrutiny is concerned, and I propose that

- ***A small number of partnerships should be identified and two or three monitors attend their meetings as observers***

That a full list of the partnerships to be scrutinised should be decided before next May

Lessons to be learnt with reference to parliamentary Select Committees

The local government Cabinet system and its Scrutiny and Overview Committees were designed along the lines of the parliamentary system. At the Newmarket seminar, the Member of Parliament for North Norfolk pointed out the weaknesses of the Select Committee system (in contrast to American committees which have far greater powers)

- Too many members are anxious to avoid 'challenging' relationships with political colleagues (it is important that Task and Finish groups, apart from individual-member, should not be of one political persuasion)
- When ex-ministers were elected to select committees, they lacked independence. There was a hint that there should be a time lapse (of one year) between Cabinet members relinquishing office and being elected to Scrutiny and Overview Committees.
- Pro-rata representation was sometimes a hindrance
- They had weak powers to demand the production of government documents.

White Paper

Comments of the Sub-group (Task and Finish group) on the White Paper are included separately. However, note should be taken of the following which may have far-reaching consequences. *Community Call for Action* has already been included in the 'Police and Justice Act'. Its breakdown is as follows:

A *Community* (which may be a Parish Council, a group of residents or an individual) can refer

an issue it cannot resolve to the *Ward Councillor* who can then refer it to the *Council Executive* who can then refer it to the *Scrutiny and Overview Committee*, which, not being a decision-making body, would make

recommendations or proposals within a specific time-scale before returning the issue to the Executive who would then have to make a decision. The 'community' and ward Councillor will be made aware of these. The 'buck' will therefore stop at Scrutiny and Overview Committees.

Already, on the website, residents have been asked to 'suggest' an item for the Committee to investigate. However wonderful this sounds to Ruth Kelly and her

denizens at the DC&LG, there is a danger that this could become a persistent troublemaker's charter.

Separation of Scrutiny and Overview

Many councils have found it expedient to do this, and developments in future may make it necessary. *Scrutiny* among these councils deals with best value and performance and *Overview* with policy issues. It is, perhaps, too early for South Cambridgeshire to contemplate going along this path at the moment.

Roger Hall

	January	February	March	April
Full Scrutiny and Overview Committee	<p>Review General and Revenue Accounts</p> <p>Member/Officer Contact</p> <p>To decide on T&FG on Council committees</p> <p>To decide on Standing T&F Best Value Groups on Performance plan</p> <p>Receive Cllr. Van de Ven's report on Land Drainage.</p>	<p>Draft Annual Report to be approved</p> <p>Cambridgeshire Horizons. <i>This is the earliest time this can be scrutinised. It is important that not only the Leader but also a representative of Cambridge Horizons is able to attend. If not, then this should be postponed until the summer.</i></p>	<p>Quarterly review of Performance Plan</p> <p>Final Annual Report to be approved</p> <p>Assessing homelessness Investigation of this could be allocated to a T&FG to report to Committee in April.</p>	<p>To receive Task and Finish reports and monitors' reports and append them to Annual Report</p>
Task and Finish Groups (T&FG)	<p>T&FG to begin work on report on Council committees</p> <p>Standing T&F Best Value Groups to start work on Performance Plan</p> <p>T&FG on Public Transport to meet and</p>	<p>If circumstances permit, a T&FG could be appointed to scrutinise the East of England Plan Panel Report. This should report in early summer.</p>		<p>T&FG report on Council committees to submit report then to Cabinet/Council</p> <p>Report on Performance plan to Committee and Cabinet</p>

Appendix B

	<p>report to Cabinet</p> <p>A T&FG (comprising the Vice-chairman and Cllrs. Edwards, Heazell and van de Ven) should commence work scrutinising the Strategic Work Register.</p>			
Monitoring	<p>Begin consultations with Cabinet and officers on monitoring partnerships, especially with County Council.</p>			<p>Monitors' Reports to be presented to Committee and appended to Annual Report</p>

	June	July	August	
Full Overview and Scrutiny Committee	<p>Decide on Scrutiny programme for 2007/08</p>	<p>Scrutiny of East of England Panel Report to be submitted to the Committee</p>	<p>Scrutinise draft of the MTFS beginning November 2007</p>	
<p>Task and Finish Groups</p> <p>Monitoring</p>	<p>Council lettings policy. The findings of the Lettings Policy Advisory Group will be submitting its findings to the Committee 'in the Spring'.</p> <p>Appoint monitors for 2007/08 in view of possible changes to Cabinet</p>			

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