

WYRE FOREST DISTRICT COUNCIL

ANNUAL COUNCIL
WEDNESDAY 16TH MAY 2007

Proposed Changes to Scrutiny Function

OPEN	
COMMUNITY STRATEGY THEME	N/A
CORPORATE PLAN THEME	Providing Community Leadership
KEY PRIORITY	Local Democracy
CABINET MEMBER	Councillors Clee and Campion
HEAD OF SERVICE	Chief Executive and Head of LADS
CONTACT OFFICER	Walter Delin and Caroline Newlands
APPENDIX	<i>“The Criteria and Guiding Principles of Scrutiny at Wyre Forest District Council”</i>

1. PURPOSE OF REPORT

- 1.1 This report proposes changes to the Council’s Scrutiny Function and consequential changes to the Constitution.

2. RECOMMENDATIONS

- 2.1 **The Council is asked to DECIDE that:**
- 2.2 **The new Scrutiny Arrangements and consequential changes to the Constitution proposed and set out in the *Appendix “The Criteria and Guiding Principles of Scrutiny at Wyre Forest District Council”* be approved.**
- 2.3 **The two scrutiny committee chairmen be given special responsibility allowances at Band 4 of the Members’ Allowances Scheme.**
- 2.4 **The Head of Legal and Democratic Services after consultation with the Chief Executive be authorised to make the necessary changes to the Council’s Constitution.**

Reason:-To ensure the Council has effective governance and working arrangements in place for the scrutiny function and that it fully supports the changes needed to successfully develop the role of scrutiny.

3. BACKGROUND

- 3.1 Scrutiny was initially seen as providing a challenge to the Council's own service performance. That remains one aspect of the role, but much of the most effective work of scrutiny bodies has involved engagement with wider community and public service issues. Imaginative forms of engagement are being used to involve local people, service users and others in scrutiny.

- 3.2 The Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by law, while others are a matter for the council to choose. It is important that the Council's Constitution is up to date and relevant for the councillors, officers, and third parties who need to work with it.
- 3.3 The proposals recommended by this report are intended to produce a more focussed scrutiny model, which is easier to understand and more closely aligned with cabinet responsibilities and organisational structure. The proposed new model should offer greater synergies and logic of purpose than is the case under the current scrutiny model.
- 3.4 This should enable the Committees to develop a greater understanding and expertise in their field, and be better placed to challenge and constructively input to the work of the Cabinet members and officers.
- 3.5 Scrutiny statistics are set out in the Table below:

Scrutiny Committees and Panels 2006 - 2007	
Total Number of Scrutiny Committees and Panels	4
Total Number of Member Seats	36
Total Number of Agenda Items	141
Total Number of Task and Finish Groups	11
Total Number of Reviews Produced / In progress	11
Total Number of Meetings	32

4. KEY ISSUES

- 4.1 A great deal of development and innovation has already taken place in shaping the Council's scrutiny function and this can be helped further with the scrutiny criteria and guidelines set out in the **Appendix 1**
- 4.2 The changes proposed remove the current Cabinet Scrutiny Committee and the **three** Standing Scrutiny Policy Panels: **Service, Efficiency and Prosperity** and replace them with **two** more easily identifiable Overview and Scrutiny Committees with power to appoint Review Panels instead of Task and Finish Groups.
- 4.3 The Council is invited to appoint two Committees:

Corporate Service and Performance Scrutiny Committee - "Customer Focus";

The Community and Regeneration Scrutiny Committee - "Community Focus"

Each Scrutiny Committee would consist of **14** non-Cabinet Councillors with members of the opposition parties as Chairman and Vice-Chairman of the Committees. The Terms of Reference for both Scrutiny Committees are detailed in **Appendix 2**.

The Areas of Responsibility are:

<p>“Customer Focus”; Corporate Service and Performance Scrutiny Committee</p>	<ul style="list-style-type: none">• Scrutiny Co-ordination (including the allocation of all overview and scrutiny functions not within the specific remit of the Scrutiny (Community and Regeneration) Committee)• Call-In• Budget and Major Policy• Performance Monitoring and Improvement• Corporate Plan Review• Customer Services and Branding• Comprehensive Performance Assessment, CPA Improvement Plan• Equality and Diversity• Communications• Human Resources• ICT• Property• Scrutiny Support• Emergency Planning
<p>“Community Focus” Community and Regeneration Scrutiny Committee</p>	<ul style="list-style-type: none">• Economic Development and Regeneration• Planning Policy and Strategy• Local Development Framework• Community Safety and Accountability• Public Health and Environment• Major Projects• Partner Agencies and LSP• Community Call for Action• Transportation and Highways• Housing and Rural Affairs• Vulnerable People• Refuse Collection and Recycling• Car Parks• Culture and Leisure• Environmental Health• Community Health• Community Leadership• Cemeteries• Markets and Public Conveniences

5. FINANCIAL IMPLICATIONS

5.1 It is not anticipated that any of the Constitution changes proposed will have any significant financial impact. The proposals will result in a lesser number of scrutiny bodies but is anticipated that the total number of meetings will remain the same.

6. LEGAL & POLICY IMPLICATIONS

- 6.1 The requirement for councils to have a scrutiny function was introduced by the Local Government Act 2000. Scrutiny was intended to counter-balance the removal of the requirement for political balance on “cabinet-side” bodies, and to ensure that the opportunity to challenge and scrutinise cabinet-side decision-making was not lost.
- 6.2 There are legal restrictions upon what scrutiny must do and upon what it cannot do. Scrutiny must be able to:
- review or scrutinise decisions made, or other actions taken, by the Cabinet or Council (or any sub committees)
 - report back and make recommendations to the body which originally made the decision under scrutiny
 - require cabinet members or officers to attend and answer questions
 - appoint (if it chooses) additional non-voting members who are not councillors
 - Political balance rules apply to scrutiny bodies, and no cabinet member may sit on a scrutiny body.
- 6.3 A specific right to scrutinise health issues, including the National Health Service for England was added by the Health and Social Care Act 2001 which sets out the Health Scrutiny Role.
- 6.4 Subsequently the Local Government Act 2003 allowed authorities to add voting rights to Scrutiny Committee co-optees who are not Councillors.
- 6.5 More recently the Local Government and Public Involvement in Health Bill 2006 (LGPIH Bill) developed a legal framework by creating a clear requirement on the Executive to respond to scrutiny recommendations. The LGPIH Bill, when it becomes law, will also add to scrutiny powers. The Bill sets out statutory requirements for Local Area Agreements:
- A duty of named organisations to co-operate with LAAs.
 - A duty on these organisations to **respond to scrutiny** in relation to targets of the LAA with which they are involved, including responsibilities on partner organisations to provide information in response to scrutiny requests and to have regard to scrutiny recommendations.
- 6.6 The Police and Justice Act 2006 contains new powers on scrutiny of Police, Crime and Disorder issues, which are likely to be implemented from 2008, a right to scrutinise crime and disorder reduction partnerships is given and regulations will detail issues such as right to access to information, requirements to attend the committee

and co-option. It is intended to address the requirements of the Police and Justice Act 2006 during the next Municipal Year.

- 6.7 The Police and Justice Act 2006 also introduces the Community Call for Action which in two tier areas such as Wyre Forest would be exercised by District Councillors. Members of the public or community groups can raise persistent problems of anti-social behaviour with their Ward Councillor and if there is no action, with the Council's Executive. The Ward Councillor will also be able to decide what to do about the issue, with the option of referring it to a Scrutiny Committee. The Scrutiny Committee would be able to investigate, report or require a response from the agencies concerned.

7. EQUALITY AND DIVERSITY

- 7.1 Equality and Diversity issues will be relevant in relation to most decisions taken by or on behalf of the Council. The changes proposed to the scrutiny structures of the Council are designed to ensure that the Scrutiny Committees develop the expertise to scrutinise these aspects of the Council's work in more depth.
- 7.2 An effective and efficient Scrutiny function is an essential ingredient in a council which achieves value for money in its work. If a Scrutiny Committee takes over responsibility for both performance and finance policy overview, this should create a centre of excellence to constructively review all services in this area.

8. RISK MANAGEMENT

Risk	Importance of risk H, M, L	Will the risk occur? H,M,L	What is the council doing (or what has it done) to avoid the risk or reduce its effect?
Scrutiny does not have an inclusive approach which engages all stakeholders, partners and the public.	H	M	Developing revised working arrangements will ensure all areas of concern are addressed and overcome.
Scrutiny does not work in a transparent way, so that it is clear to all involved how the process works	M	L	Developing revised working arrangements will ensure all areas of concern are addressed and overcome.
Scrutiny does not work in a deliberative way to encourage discussion, debate and questioning around evidence.	M	L	Developing revised working arrangements will ensure all areas of concern are addressed and overcome.
Scrutiny does not place the needs and aspirations of the community above party politics.	M	L	Developing revised working arrangements will ensure all areas of concern are addressed and overcome.

9. CONCLUSION

- 9.1 The overview and scrutiny function is a central element of the Council's Constitution. The guiding principle for the work of the Overview and Scrutiny Committees is that it should be consensual and positive. The emphasis should be on achieving outcomes and making an active and positive contribution to the development of policy and service delivery.

10. CONSULTEES

CMT and Group Leaders

11. BACKGROUND PAPERS

Constitution

WYRE FOREST DISTRICT COUNCIL

The Criteria and Guiding Principles of Scrutiny at Wyre Forest District Council

Introduction

The aim is to reduce the number of meetings and streamline the structure to make the decision-making and scrutiny function more efficient and effective. This report outlines a new approach to overview and scrutiny at Wyre Forest and proposes two Scrutiny Committees one responsible for “**Customer Focus**”; the other for “**Community Focus**”

Both Committees would carry out their remit according to agreed criteria and guiding principles set out below.

The rationale behind the new approach is to align the overview and scrutiny arrangements with the Council’s new organisational structure and to provide a more effective overview and scrutiny function that complements and works effectively with the Cabinet in developing improved services and community leadership.

Criteria

The criteria underpinning the scrutiny function at Wyre Forest District Council should have three elements:

Outcome Driven

To develop a scrutiny function that can make a real difference to the Council and the district we should focus on the achievement of desired outcomes rather than upon process and procedures.

Best Practice

To be positive, objective and constructive, adding value to any service or area that it reviews the scrutiny function should acknowledge best practice where found and recommend improvements as necessary.

Priorities and Proportionality

To develop an active and challenging scrutiny function proportionate to the level of corporate resources available and which reflects corporate priorities for the provision of services.

The Four Principles of Good Scrutiny

As a matter of Best Practice, the scrutiny function should incorporate the Four Principles outlined by the **Centre for Public Scrutiny** in all its work.

1. “**To provide a ‘critical friend’ challenge to executive policy-makers and decision-makers**”

- Clarity of purpose
- Constructive, Robust and Purposeful Challenge
- A Constructive Working Relationship with executive colleagues including external bodies
- Be open, transparent and inclusive in its actions

2. “Enable the voice and concerns of the public and its community”

- Ensuring an ongoing dialogue with the public to create an ‘accountability relationship’
- Representing and engaging diverse communities and addressing inequalities where they exist in the district.
- Promoting public understanding of the scrutiny role

3. “Independent minded governors should lead and own the scrutiny process”

- Champions of the value and potential for good public scrutiny as the vehicle for public accountability
- Active engagement of non-executive committee members in a scrutiny role
- Ensure adequate public accountability and community leadership

4. “Drive improvement in public services”

- Promote community wellbeing and improve the quality of life
- Harness public concern as a lever for addressing wider issues
- Co-ordinate reviews of policy and service performance in line with strategic objectives

Proposed Overview and Scrutiny Committees

The Council appoints two Overview and Scrutiny Committees:

Corporate Service and Performance Scrutiny Committee - “Customer Focus”;

The Community and Regeneration Scrutiny Committee - “Community Focus”

Each Scrutiny Committee would consist of **14** non-Cabinet Councillors with members of the opposition parties as Chairman and Vice-Chairman of the Committees.

Each Committee is able to appoint time limited Review Panels.

Co-ordinating Overview and Scrutiny

The Council acknowledges the need to co-ordinate overview and scrutiny arrangements within the Council's decision-making structure. The co-ordination of overview and scrutiny shall be the responsibility of the **Corporate Service and Performance Scrutiny Committee**.

Terms of Reference

The Terms of Reference for both Scrutiny Committees are detailed in **Appendix 2**.

Review Panels

Each Committee is able to establish Review Panels to carry out in-depth reviews. Given the time commitment required for detailed overview and scrutiny reviews, it is recommended that each Committee should undertake no more than 3 in-depth reviews each year.

Review Panels would be chaired by a Committee member, but membership could be drawn from all non-Cabinet members. These should be small – no more than six members – and normally last up to 6 months.

Budget Scrutiny

Replace the Budget Review Group with a Budget Review Panel of six members with the focus on the budget-making process. This draws on good practice elsewhere. The Panel could review the closed accounts in the summer, and look in detail at the budget proposals as they develop through the year, reporting direct to the Corporate Service and Performance Scrutiny Committee.

Work Programmes

Work programmes will be developed by looking in detail at the following areas:

- Areas of high risk to the Council
- Areas of concern to residents
- Issues from PACT
- Issues from the Cabinet
- Issues posed by councillors as local representatives
- Performance management and monitoring results
- Key development areas set by or given to the Council
- Key issues for our partners or those organisations that have a significant impact on residents.
- Policy framework and budget reviews or new additions for that year.

Working Arrangements

Annual Work Programmes will be formulated by the two Scrutiny Committees early in the Municipal Year. The Work Programmes will take account of the issues that carry over from the previous year's Work Programme. Work Programmes also need to retain flexibility to enable scrutiny to respond to unplanned issues of public concern or issues referred in the course of the year. The Work Programme should identify:-

- The topics and issues to be considered.
- The Corporate Plan outcomes the topic relates to
- Key dates for action

The Scrutiny Committees should use the Forward Plan, Scoping Forms and Scrutiny Proposal Forms when identifying areas for review which should include clear outcomes and arrangements for public involvement. The Work Programmes will ensure that both Scrutiny Committees are aware of each Committee's area of review and also help to inform the Cabinet when the different Scrutiny Committees will be considering particular issues.

Overview and Scrutiny Committees Terms of Reference

Corporate Service & Performance Scrutiny Committee -

- To set and agree an Annual Work Programme and prioritise the work of the Committee.
- To establish any Review Panel detailing the relevant Terms of Reference.
- To ensure consideration is given to encouraging public participation and engagement in functions of the Committee.
- To ensure that the views of any invitees and co-opted Members (where appropriate) are taken into account when conducting investigations.
- To prepare and present an Annual Report to Council.
- To maintain productive working relationships with the Cabinet through the provision of regular updates on scrutiny topics that relate to their area of responsibility.

The Corporate Service and Performance Scrutiny Committee is responsible for providing '**customer focus**' in the scrutiny process and has the following remit:

- Scrutiny Co-ordination (including the allocation of all overview and scrutiny functions not within the specific remit of the Scrutiny (Community and Regeneration) Committee)
- Call-In
- Budget and Major Policy
- Performance Monitoring and Improvement
- Corporate Plan Review
- Customer Services and Branding
- Comprehensive Performance Assessment,
- CPA Improvement Plan
- Equality and Diversity
- Communications
- Human Resources
- ICT
- Property
- Scrutiny Support
- Emergency Planning

Community & Regeneration Scrutiny Committee

- To set and agree an Annual Work Programme and prioritise the work of the Committee.
- To establish any Review Panel detailing the relevant Terms of Reference.
- To ensure consideration is given to encouraging public participation and engagement in functions of the Committee.
- To ensure that the views of any invitees and co-opted Members (where appropriate) are taken into account when conducting investigations.
- To prepare and present an Annual Report to Council.
- To maintain productive working relationships with the Cabinet through the provision of regular updates on scrutiny topics that relate to their area of responsibility.

The Community and Regeneration Scrutiny Committee is responsible for providing '**community focus**' in the scrutiny process and has the following remit:

“Community Focus”

- Economic Development and Regeneration
- Planning Policy and Strategy
- Community Safety and Accountability
- Public Health and Environment
- Major Projects
- Partner Agencies and LSP
- Community Call for Action
- Transportation and Highways
- Housing and Rural Affairs
- Vulnerable People
- Refuse Collection and Recycling
- Car Parks
- Culture and Leisure
- Environmental Health
- Community Health
- Community Leadership
- Cemeteries
- Markets and Public Conveniences