

Proposals for the Future Ways of Working in Scrutiny

Summary

1. This report was originally presented to CSMC in March 2016 but has recently been updated in response to the recent announcement of forthcoming changing to Directorates. It presents options for the revision of the scrutiny committee remits taking account of national best practice etc, and Members are asked to agree which option they would like to propose to Council.

Background

2. Following the local election this year, a joint administration was formed and at the annual meeting in May 2015, new 'Policy & Scrutiny' committees were created together with newly packaged Executive Member portfolios. As a result it became apparent that the scrutiny committee remits required review.
3. In July 2015 consideration was given to the Executive's proposals for ensuring greater cross-party involvement in the decision making process. The report highlighted that a key priority of the new council leadership was for future decisions to be taken in a more open and transparent way, with policy and scrutiny committees having the opportunity to debate and make recommendations on matters requiring an executive decision before a final decision was taken.
4. The report set out proposals for the introduction of a system which would seek to balance three key principles:
 - That there should be an opportunity for scrutiny of executive decisions before they are made
 - That proper decision making should not be unduly delayed or fettered
 - That there should be greater transparency not only of what decisions are made but by whom.

5. It was recognised that scrutiny committees may want early reports on significant issues in advance of the Executive considering them, in order to inform policy development and the contents of Executive reports. This would not preclude them from considering an Executive report in its final (or close to final) form and debating the report recommendations prior to the final decision being made.
6. Whilst the Committee expressed their support for the proposed changes, they recognised the effect the additional work would have on the scrutiny committee workloads. It was agreed that Scrutiny Committees may need to meet more frequently and it again highlighted concerns with the current committee remits. Also that along with more frequent meetings, discipline would be required to make the new system work, with improved Member commitment, and improved corporate engagement and support.
7. In September 2015 this Committee received a further report from the Executive which invited them to consider the remits of Scrutiny Committees and how best to involve Scrutiny Committees in pre-decision call-in. The aim of introducing this mechanism was to enable more transparency and engagement in council decisions. It was also felt that it would help shift the focus of scrutiny committees from an over emphasis on overview to one of policy development, inline with the change of committee titles.
8. In regard to managing pre-decision call-in, it was agreed that Corporate & Scrutiny Management Committee (CSMC) would be responsible for carrying out pre-decision call-in of Executive decisions, and that an open invitation would be made to Chairs and Vice Chairs of the four standing Scrutiny Committees, to attend future meetings of CSMC, and that as non-voting Members they would be give the opportunity to speak/ participate in the debate on those Executive pre-decision items that fell within their individual committee remits. The four standing committees would be responsible for pre-decision call-in of Executive Member decisions. Furthermore, all Members would start to receive an alert informing them of the weekly publication of the Forward Plan and highlighting the new items on the plan to encourage them to initiate the pre-decision call-in process.
9. In regard to the scrutiny committee remits, some Members expressed the view that in order to increase corporate engagement, encourage more policy development work and better support the Council's priorities, the remits would be better aligned with the new Executive Member

portfolio areas. Some Members suggested remits should take account of the new organisation review (resulting in forthcoming changes to Directorates), while others agreed they should reflect the Council's move towards a commissioning role and better support partnership working and the promotion of the city's health and wellbeing.

10. The Committee therefore instructed the scrutiny team to review all options for revising the remits, including the financial implications, in order to improve the Council's scrutiny function and working arrangements, better balance the committees workloads, increase corporate engagement, encourage more policy development work and better support the Council's priorities. Ultimately the aim of the review was to ensure an annual scrutiny workplan that supports the Council's priorities and allows for reactive scrutiny.
11. A report containing a number of options was considered by this Committee in March 2016. However at that time the results of the review of the council's operating model were yet unknown and the Committee were unable to consider the option of aligning scrutiny committee remits to Directorates. That review has since been completed and the new structure of senior management roles has been agreed, enabling option (iii) - scrutiny committee remits aligning to directorate, to be considered.

National Best Practice

12. In an age of austerity it is only through demonstrating the value and impact that effective scrutiny can have in supporting councils to deliver better, more cost-effective services, that scrutiny will itself survive as a valued element of local democracy. It can go beyond the traditional adversarial and organisational boundaries and be a genuinely creative force in generating new ideas. It enables the public to engage in the difficult choices a council has to make and can play a significant role in ensuring implementation is done correctly.
13. Examining how others carry out successful scrutiny and what can be achieved, is a useful tool for identifying good practice. The Centre for Public Scrutiny (CfPS)¹ carries out an annual survey of overview and scrutiny in local government to examine how well local councils are responding to the challenge of delivering scrutiny in a way that is alive

¹ The Centre for Public Scrutiny is an independent charity, focused on ideas, thinking and the application and development of policy and practice for accountable public services. CfPS believes that accountability, transparency and involvement are strong principles that protect the public interest. It publishes research and practical guides, provides training and leadership development, supports on-line and off-line networks, and facilitates shared learning and innovation.

and dynamic, cost effective and meaningful, and seen as essential to all decision-makers.

14. The 2014-15 survey received its highest response rate since 2010 giving real confidence in the value of the results. 283 councils provided a full response to the 2014-15 survey, which is 76% of all councils. 90% of the local council across the North East region took part (including York). Of the 283 councils that took part, 233 were Leader-Cabinet councils (as in York) and 46 were unitary authorities in England (like York). Key highlights from the survey are detailed in Annex A.
15. In addition, CfPS created the annual Good Scrutiny Awards to celebrate and draw attention to examples of good practice, and the impact and effectiveness of scrutiny and accountability in public services. Each year, the awards recognise the quiet determination of scrutiny committees up and down the country to get to the bottom of intractable problems, listen to the people whose concerns decision-makers have not heard, and make practical recommendations for improvements.
16. Last year was no exception. CfPS reported that the standard of entries was extremely high in 2015 and although they had no pre-set categories, it was notable how a number of common themes emerged, whether tackling widespread issues such as economic resilience of communities, involving and engaging communities and groups of disadvantaged people, or seeking to open-up service commissioning, design and delivery to improve transparency. This demonstrates that the best overview and scrutiny functions in local government are well attuned to the big, shared, issues facing the country and that the process of scrutiny review and challenge is an effective one for tackling those issues in an open, inclusive and democratic way.
17. In 2015 the categories and shortlisted organisations were:

Economic Resilience

- Brighton and Hove City Council: Seafront Infrastructure Scrutiny Panel
- City of Lincoln Council: Lincoln Against Poverty (WINNER)
- Peterborough City Council: Scrutiny in a Day

Influencing Beyond Boundaries

- Birmingham City Council: "We Need to Get it Right": Scrutiny's Role in Tackling Child Sexual Exploitation in Birmingham
- Calderdale Council: People's Commission - Improving Health Together (WINNER)

- Surrey County Council: Member's championing Friends, Family & Community Support

Involvement

- Birmingham City Council: "Living life to the full with dementia" (WINNER)
- Brighton & Hove Council: Seafront Infrastructure Scrutiny Panel
- Paragon Community Housing Group: Paragon's scrutiny team – our journey to excellence

Raising the Profile

- Birmingham City Council: "We Need to Get it Right": Scrutiny's Role in Tackling Child Sexual Exploitation in Birmingham (WINNER)
- Cornwall Council: Child and Adolescent Mental Health Select Committee
- Gloucestershire County Council: Badger Cull Scrutiny Task Group

Working Together

- Paragon Community Housing Group: Paragon's scrutiny team – our journey to excellence (JOINT WINNER)
- London Borough of Redbridge: Health Needs of Disabled Children (JOINT WINNER)
- Surrey County Council: Member's championing Friends, Family & Community Support

Overall Impact Award - City of Lincoln Council: -Lincoln Against Poverty

Scrutiny Arrangements in Good Practice Authorities

18. Looking back over the last four years, a number of council's have consistently featured in the CfPS Good Scrutiny Awards:
 - Brighton & Hove Council - 2015, 2014 & 2012 Awards
 - Lincoln City Council - 2015 & 2014 Awards
 - London Borough of Redbridge, Gloucestershire County Council and Birmingham City Council - 2015 & 2012 Awards
 - Telford & Wrekin Council - 2014 & 2013 Awards
19. Brighton & Hove City Council has one Overview & Scrutiny Committee which covers all scrutiny including health related matters, and co-ordinates overview and scrutiny work in the council with the power to scrutinise all council functions as follows:
 - Scrutinises NHS services across Brighton and Hove

- Statutory consultee body for major changes in local health provision
- Responsible for setting up Scrutiny Review Panels to undertake individual scrutiny reviews
- The designated Crime and Disorder Committee (as required under the Police and Justice Act 2006) for the city and undertakes the scrutiny of flood and coastal erosion plans (as required by the Localism Act 2011)

20. Lincoln has four scrutiny committees which scrutinise the work of the Executive and the Council as a whole and have a role in the development of policy. Those committees have the following remits:

- Performance Scrutiny Committee
- Select Scrutiny Committee
- Policy Scrutiny Committee
- Community Leadership Scrutiny Committee

21. Their committees can allow citizens' representatives and other stakeholders to contribute to their work by involving them in reviews of the council's policies and performance. They may also be consulted by the Executive or the council on forthcoming decisions and the development of policy. The Select Scrutiny Committee is responsible for post decision call-in.

22. London Borough of Redbridge has two committees and two standing scrutiny panels as follows:

- Overview Committee – This has a key role in the Council's governance arrangements with a particular emphasis on cross cutting thematic scrutiny i.e.:
 - Policy development - in-depth working groups; receiving final reports; monitoring implementation and receiving updates
 - Considering cross cutting issues - potentially referred from advisory committees or Council
 - Budget monitoring - to review the annual budget revenue and capital budget proposals for the authority
 - Considering requisitioned items
 - Petitions - quarterly monitoring of the petitions scheme; receiving petitions to hold an officer to account; and considering appeals against a disputed petition outcome
- Health Scrutiny Committee – to scrutinise the planning, delivery and performance of local health services
- Education Scrutiny Panel - to discharge scrutiny of education matters

- External Scrutiny Panel - to discharge the authority's functions relating to crime and disorder and other external matters
23. Gloucestershire County Council has an Overview & Scrutiny Management Committee and four standing Overview & Scrutiny Committees, working in the same way that CYC's scrutiny committees work. These are based on the following remits:
- Children & Families
 - Health & Care
 - Environment & Communities
 - Economic Growth
24. Birmingham City Council has five Overview & Scrutiny Committees with remits that are structured to cover every aspect of the council's work:
- Corporate Resources
 - Economy, Skills and Sustainability
 - Education and Vulnerable Children
 - Health and Social Care
 - Neighbourhood and Community Services
25. In Telford and Wrekin there is a Scrutiny Management Board responsible for the strategic direction and oversight of the scrutiny function and work programme. The Board holds the Executive to account and reviews issues of a strategic cross-cutting nature. There are also four committees with remits that cover the range of services that the Council delivers:
- Finance & Enterprise
 - Children & Young People
 - Customer, Community & Partnership
 - Health & Adult Care

Current Scrutiny Arrangements in York

26. Here in York Corporate & Scrutiny Management Policy and Scrutiny Committee manages the scrutiny function and carries out all post decision call-in. It also undertakes scrutiny reviews and policy development work specific to its remit.
27. The four standing Policy & Scrutiny Committees carry out review and policy development work specific to their individual remits. Some of the standing committees are also responsible for discharging the statutory

functions conferred on the Council by various Acts e.g. crime & disorder, flood plans, education and health.

28. All the Committees tend to set up Task Groups made up of their committee members to carry out reviews on their behalf. CSMC considers any topic submission that may cross over more than one committee remit and allocates it to a specific committee. Alternatively, CSMC can set up an ad-hoc scrutiny committee to carry out the review, made up of members from one or more scrutiny committees.
29. The current arrangements enable all non-Executive Members to be involved in the work of one or more scrutiny committees. The Scrutiny Committees are supported by two F/T scrutiny officers and each committee has a Lead Officer responsible for 'championing' scrutiny within their Directorates and ensuring Scrutiny Officers receive appropriate technical support and information.
30. Most recently, new arrangements have been introduced to encourage a closer working relationship between the Executive / Executive Members and scrutiny committees. These new arrangements require scrutiny to do policy development /consultation on decision making more effectively, through the mechanism of pre-decision call-in as detailed in paragraph 8 above.
31. Disadvantages with Current Arrangements
The current scrutiny committee remits were originally agreed back in 2009, designed around the then Local Area Agreement themes, in an effort to encourage improved partnership working. That agreement is no longer in place and the Council priorities, Executive Member portfolios and partnership working arrangements have been changed a number of times since that time. Therefore, there is now no longer any clear and recognisable link between the current scrutiny committee remits and the priorities of the Council and its partners.
32. Historically in York, there has been limited policy development scrutiny carried out. A majority of scrutiny review work was reactive – looking at the way the Council delivers its services and holding to account previous Executive/Executive Member decisions. However, since the new Executive/Scrutiny arrangements outlined in paragraph 8 have been initiated, there has been a move towards more pro-active policy development work, mainly through the pre-decision call-in route. Whilst this is a recent development, it is already clear that this new arrangement can only be successful if scrutiny committees are consulted early about ongoing policy development work in Directorates, and are able to

consider Executive / Executive Member reports early enough in the process to be able to inform the report recommendations.

33. Differing work priorities for the Executive and scrutiny committees present a challenge in the terms of the corporate capacity to consistently support effective scrutiny with senior officer support. This is an increasing challenge as the size of the senior officer corps continues to diminish. This is compounded as some senior officers are currently required to support the work of more than one scrutiny committee.
34. Scrutiny committee members are expected to participate in Task Group review work regardless of their interest in or knowledge of the subject matter.
35. The organisation has changed significantly since the existing scrutiny structure and committee remits were introduced and scrutiny committee remits are not equally balanced.
36. Some scrutiny committees struggle to identify suitable topics for review i.e. topics that will result in ambitious recommendations with measurable outcomes.
37. Since the introduction of the scrutiny function, the Health Scrutiny Committee has completed the least number of scrutiny reviews (only 9 since 2005), with the majority of its time spent on overview work, bringing together external health colleagues to discuss ongoing health issues within the city and region. This has not changed even though Public Health is now a responsibility of the Council and a Health & Wellbeing Board has been introduced. Whilst the focus of this council's scrutiny committees has recently changed to policy and scrutiny, the Health Committee's workplan has remained predominantly overview.

Options & Analysis

38. **Option (i) - Current – no change other than remits i.e. CSMC plus 4 standing Policy & Scrutiny Committees**

Assuming no increase in the number of Policy & Scrutiny Committees, the current remits have been considered and compared against some alternative remits, based on the following suggested new Policy & Scrutiny Committees (as detailed in Annex B):

- CSMC
- Environment & Transport
- City & Economy
- Communities & Housing
- Adults & Children

39. Advantages

- Changing the current remits in line with the proposals detailed in Annex A would better balance the workloads.
- The suggested remit for the City & Economy Policy & Scrutiny Committee would bring together all of the areas covered by Make it York, enabling them to report to just one committee. This is a good example of one way that scrutiny can support new ways of working i.e. scrutinising the delivery of partners / commissioned services.
- Bringing together environment & transport under one committee remit recognises the links that exist between those two issues.
- Bringing Adults and Children together which would include all the health scrutiny functions conferred on the Council by the Local Government Act 2000 would significantly change the dynamic of the current Health Scrutiny Committee i.e. its current over focus on overview work as detailed in paragraph 37 above.

40. Disadvantages

This option will do nothing to improve:

- corporate capacity
- The number of suitable scrutiny topics submitted
- The number of scrutiny reviews that result in ambitious recommendations and measurable outcomes
- Non-Executive Members participation in review work
- More pro-active scrutiny i.e. more policy development work, although this may continue to improve through the new Executive/Scrutiny arrangements over time
- Finance and performance monitoring. The information provided would continue to be aligned differently to how it is provided to the Executive and CMT. This would maintain the level of work required of the Business Intelligence Hub and Finance officers and would not support the Council's intention to have a lighter, more coherent performance management framework. A suggested change to the way that performance monitoring information is provided in the future is detailed in paragraphs 85-90 below.

41. Furthermore, this option would not improve support to the new Executive / Scrutiny working arrangements detailed in paragraph 8 above.

42. **Option (ii) - Current – no change other than bringing remits in line with Executive Member portfolios**

There are currently eight portfolios (see breakdown at Annex C):

- Leader, Finance & Performance

- Deputy Leader, Economic Development & Community Engagement
- Transport & Planning
- Education, Children & Young People
- Housing & Safer Neighbourhoods
- Culture, Leisure & Tourism
- Adult Social Care & Health
- Environment

43. Without increasing the number of scrutiny committees, each committee's remit will need to cover more than one Executive Member portfolio. How they are allocated to ensure the remits are equally balanced, may affect the number of scrutiny committees required. A reduction in the number of scrutiny committees will lead to a saving, and an increase will incur additional costs through an increase in the number of SRAs for Committee Chairs.

44. In order to explore this option in more detail, consideration was given to how best to group the portfolios over the existing number of scrutiny committees.

- It makes sense to have CSMC continue to manage the scrutiny function. Therefore it would only be feasible for it to also cover one Executive portfolio. A majority of the elements of the Leader, Finance & Performance portfolio are currently covered by CSMC and they fit well alongside the management of the scrutiny function, so there is nothing to be gained from changing the current remit of CSMC.
- As the city's economy is supported by its cultural heritage and tourism, it makes sense to group together the Deputy Leader's Economic Development & Community Engagement portfolio with Culture, Leisure & Tourism. Although it is recognised that some elements of the Deputy Leader's portfolio fit less well in this grouping e.g. Electoral Services, Legal Services, Civic & Democratic Services etc. Furthermore, Community Engagement and ward committees are elements of the Deputy Leader's portfolio that are quite distinct from Economic Development and Culture, Leisure & Tourism, and therefore may not fit well alongside those as part of one scrutiny committee remit.
- Due to the nature of the business, and their connections, it makes sense to group together the Transport & Planning portfolio and the Environment portfolio. This committee would take responsibility for the scrutiny of the city's flood plans (as required by the Localism Act 2011).

- The scrutiny committee linked to the Adult Social Care & Health portfolio would also be required to take responsibility for the discharge of the health and scrutiny functions conferred on the Council by the Local Government Act 2000. This would include:
 - (a) Undertaking all of the Council's statutory functions in accordance with section 7 of the Health and Social Care Act 2001, NHS Reformed & Health Care Professional Act 2002, and section 244 of the National Health Service Act 2006 and associated regulations, including appointing members, from within the membership of the Committee, to any joint Overview and Scrutiny Committees with other local authorities, as directed under the National Health Service Act 2006.
 - (b) Reviewing and scrutinising the impact of the services and policies of key partners on the health of the City's population
 - (c) Reviewing arrangements made by the Council and local NHS bodies for public health within the City
 - (d) Making reports and recommendations to the local NHS body or other local providers of services and to evaluate and review the effectiveness of its reports and recommendations
 - (e) Delegating functions of Overview and Scrutiny of health to another Local Authority Committee
 - (f) Reporting to the Secretary of State of Health when it is concerned that consultation on substantial variation or development of service has been inadequate, or if it considers that the proposals are not in the interests of the health service

- Due to the size of the remit, it therefore makes sense not to group the Adult Social Care & Health together with another Executive Member portfolio.

- This leaves the Education, Children and Young People Portfolio and the Housing & Safer Neighbourhoods Portfolio. As both are linked to families and communities, they too could be covered by one scrutiny committee remit. Which ever scrutiny committee covers the safer neighbourhoods' element, it will also need to be responsible for the scrutiny of education matters and discharging the functions conferred on the Council by sections 19 & 20 of the Police & Justice Act 2006, in relation to the scrutiny of community safety issues, and the work of the local Crime and Disorder Reduction Partnership.

45. In summary the suggested grouping of portfolios is as follows:

CSMC - Leader, Finance & Performance

Standing Committee 1 – Deputy Leader, Economic Development & Community Engagement, and Culture, Leisure & Tourism

Standing Committee 2 – Transport & Planning, and Environment

Standing Committee 3 – Adult Social Care & Health

Standing Committee 4 – Education, Children & Young People, and Housing & Safer Neighbourhoods

46. It is recognised this is not a perfect fit. The only way to maximise the benefits from this option, would be to make some changes to the portfolios, which would require the agreement of the Executive/Leader.

47. Advantages

- Better supports the new working arrangements between the Executive and scrutiny committees than options (i) & (iii) (as detailed in paragraph 8 above)
- May improve corporate capacity
- Executive members need only attend meetings of one scrutiny committee (including call-in)
- Will best fit with the external performance framework which the Executive and CMT use i.e. it will align performance information considered by the Scrutiny Committees with that which is considered by the Executive/Executive Members – for further information on how this will work, see paragraphs 85-90 below.
- Will allow the same quarterly finance report to the Executive to be used for reporting to scrutiny, thereby minimising the work required by Finance officers.

48. Disadvantages

- Some senior officers will still be required to support more than one scrutiny committee which would not improve the issue of competing workloads for those officers
- Could become out of date quickly if remits are not kept update with future changes to Executive Member portfolios
- Too close a relationship with Executive Members could be perceived as a loss of objective challenge
- Committee remits/workloads may remain imbalanced

49. In addition, this option will do nothing to improve:
- The number of scrutiny topics submitted
 - The number of scrutiny reviews that result in ambitious recommendations and measurable outcomes
 - Non-Executive Members participation in review work
 - More pro-active scrutiny i.e. more policy development work, although this may improve through the new Executive/Scrutiny arrangements over time
50. **Option (iii) - Current – no change other than bringing remits in line with Directorates**
- There are currently six Directorates and five Scrutiny Committees (including CSMC). However, in June 2016 the Executive agreed proposals for the restructuring of senior management roles and responsibilities within the Council and a reduction in the number of Directorates – see a breakdown of the new Directorate services at Annex D.
51. The new structure has been designed to support the delivery of the council's future operating model taking account of a number of emerging national policy changes including new funding arrangements for councils; housing; education and schools; and devolution.
52. General Disadvantages of this Approach
- Encourages directorate/silo working
 - Potential for losing the independence and challenge of scrutiny as committees become 'owned' by directorates
 - Can become out of date quickly through regular directorate change
 - Working in silos has the potential for scrutiny committees to become less corporately supportive, and less outward looking – may require some other mechanism to ensure this
 - Finance and performance monitoring information would be aligned differently to how it is provided to the Executive and CMT.
53. In addition, Option (ii) will do nothing to:
- Improve corporate capacity
 - Increase the number of suitable scrutiny topics submitted
 - Increase the number of scrutiny reviews that result in ambitious recommendations and measurable outcomes
 - Increase non-Executive member participation in review work
 - Improve the quantity/quality of policy development work
54. In considering aligning Scrutiny Committees to the new Directorates, Members are first asked to note that the current scrutiny committee

remits are already reasonably aligned to the new directorate structure as shown below:

CSMC:	Corporate Services
Learning & Culture	Children's Services, plus one element of the Place Services directorate i.e. Public Realm/parks and open spaces
Health	Adult Services & Public Health less one AD from Adult Services i.e. Housing & Community Safety etc
Economic Development & Transport:	Incorporating the majority of the Place Services Directorate, less specific elements which fall within the remit of Communities & Environment
Communities & Environment:	Incorporating the responsibilities of one AD from Adult Services i.e. Housing & Community Safety etc, one AD from Children's Services i.e. Communities & Equalities etc and some elements of the Place Services Directorate i.e. Waste, Licensing, Environment and Environmental Health & Trading Standards.

55. Advantages

- This would not increase the current number of ADs (1) having to report to more than one Scrutiny Committee and the current number of Executive Members attending to each Scrutiny Committee.
- Scrutiny members understand the current remits, and officers are clear on who they currently report to.
- Scrutiny Committees and officers can maintain their current working relationships

56. The disadvantages of remaining with the current scrutiny committee set up are detailed above in paragraphs 31-37.

57. If this option was to be progressed and the scrutiny Committee remits revised to match the new directorates, there are a number of ways this

could be done. The obvious allocation would be one scrutiny committee aligned to each new Directorate i.e.:

CSMC:	Corporate Services
Standing Committee 1:	Children's Services
Standing Committee 2:	Adult Services
Standing Committees 3:	Public Health
Standing Committee 4:	Place Services

58. Advantages

- Officer clarity on which Committee they report to – ADs will be required to support one scrutiny committee only
- Scrutiny Committees and officers can establish a clear and consistent working relationship
- Senior officer support may be improved as they take more direct ownership
- Publicly transparent – easily understood reporting lines throughout organisation
- Better supports the new relationship between scrutiny committees and Executive members than option (i), and may encourage more pro-active scrutiny i.e. more policy development work, although this may continue to improve through the new Executive/Scrutiny arrangements over time
- Supports the new Executive / scrutiny working arrangements detailed in paragraph 8 above.

59. Disadvantages

- Five Executive Members would be required to attend meetings of the Place Services Scrutiny Committee (the other committees would only require two to attend).
- Committee remits/workloads would remain imbalanced
- If some of the remits were limited there could be a tendency for those committees to scrutinise for the sake of being seen to do some work
- As the remit of the Place Services Scrutiny Committee would be so large, it would likely be necessary to increase officer support to the Committee and the cycle of its meetings and perhaps specific meetings would need to be delegated to specific service areas.

60. To address these disadvantages, an alternative allocation could be:

CSMC:	Corporate Services
Standing Committee 1:	Children's Services
Standing Committee 2:	Adult Services & Public Health
Standing Committees 3 & 4:	Place Services (to be divided between two scrutiny committees)

61. Disadvantages

- The proposal above would result in Committee 2 – 'Adult Services & Public Health' being responsible for two of the main statutory scrutiny functions conferred on the Council by various Acts i.e. crime & disorder and health, which would be time consuming based on the amount of associated overview and review work and the number of partners involved.
- Identifying a suitable division of Place Services may be difficult if the two scrutiny committees are to have balanced remits and workloads.

62. One suggestion would be to divide the service areas as follows:

Committee 3 – Place Services	Committee 4 – Place Services
Travel & Infrastructure	Environment & Assets
Highways	Public Realm / Parks & Open Spaces
Transport	Waste
Parking	Fleet
Sustainable Development	Environmental Health & Trading Standards
Planning & Environment	Licensing
Building Control & Property Information	Bereavement Services
Economic Regeneration	Estate Commercialisation
Infrastructure Programme Management	Assets & Property Management
Economy & Place Strategy	Programme Management
Client Management: Make it York	Client Management: YorWaste

63. Disadvantages

The disadvantage of this split would be that three Executive Members would be required to attend meetings of the two Place Services Committees, with one of those having to report to both i.e. the Executive Member for Environment. This replicates the current situation with the Executive Member for Environment reporting to both the Economic Development & Transport Committee and the Communities & Environment Committee.

64. Option (iv) - New – 1 Parent Committee & 3 Standing Committees with specific roles as follows:

65. Corporate & Scrutiny Management Committee - Responsible for managing and monitoring the scrutiny function and any post-decision call-ins.
66. Policy Scrutiny Committee - Responsible for all pre-decision scrutiny of forthcoming Executive & Executive Member decisions, and any policy development scrutiny reviews e.g. the recent Housing Allocations Scrutiny Review where the review supported an ongoing officer led Allocations Service Development review, and the recent Economic Strategy review in which scrutiny members worked with partners and the business community to help develop a draft strategy for the Executive's consideration.
67. Select Scrutiny Committee - Responsible for holding the Executive to account and undertaking any reviews on significant local issues e.g. Bootham Hospital, Floods etc. This committee would also receive the quarterly Finance reports and performance scorecards.
68. Statutory Scrutiny Committee – Responsible for all the statutory scrutiny functions i.e. Health, Education, Crime & Disorder and Flood Plans.
69. Advantages
- This allows scrutiny to focus on the way it works in a more coherent and strategic way.
 - Would enhance the opportunities for policy development work
 - Would help to minimise the issues currently with corporate capacity as it would support the work of senior officers and the Executive in developing policies and practices, and delivering improvements in services.
 - Would help focus review topics before proceeding
 - Would help streamline the time spent on scrutinising statutory functions – see issue with current Health Scrutiny committee as detailed in paragraph 37.
 - Prevents silo working
 - Support the new Executive/scrutiny working arrangements detailed in paragraph 8.
 - Not affected by future changes to Executive Member portfolios or directorates
 - Would encourage more ambitious recommendations and measurable outcomes

- This option is in line with the best practice scrutiny model in place at Lincoln – see paragraphs 18-19.

70. Disadvantages

- Executive Members and senior officers would be required to attend more than one scrutiny committee as necessary.
- If scrutiny committee membership remains at 7/8 members, not all non-Executive Members will be involved in Scrutiny. However a slight increase in committee membership (2 Committees with 9 and 2 Committees with 10) would address this.

71. **Option (v) - New – Scrutiny Management Committee plus 3 standing Policy & Scrutiny Committees in line with Corporate Priorities**

The Council Plan 2015-19 is based on three corporate priorities (see breakdown of corporate priority aims and direction of travel at Annex E):

- A Prosperous City For All, where local businesses can thrive and residents have good quality jobs, housing and opportunities
- A Focus on Frontline Services, to ensure all residents, particularly the least advantaged, can access reliable services and community facilities
- A Council that Listens to Residents, to ensure it delivers the services they want and works in partnership with local communities

72. This option feels very different to the current arrangements in that there is no clear distinct link between each of the Council's priorities and either the individual services delivered by each Directorate or the Executive Member portfolios. So more than any other option, this will require scrutiny members to focus on what they are aiming to achieve through a scrutiny review, in order to deliver measurable outcomes as good practice suggests – see Annex A.

73. To best support this, the aim of each scrutiny topic submitted will need to be clearly defined within the topic submission form to provide clarity on which scrutiny committee should consider it. Applying agreed criteria to assess the appropriate allocation of scrutiny topics, based on delivering corporate priorities and making a measurable difference, will ensure all review proposals are properly assessed. Where there is no clear evidence that a review would achieve either of these, Members will have the option to decide not to proceed.

74. Where a topic has the potential to support more than one priority, CSMC could be called on to decide which committee it should be allocated to,

depending on workloads, or they may decide to form an ad-hoc Committee drawn from Members of more than one scrutiny committee

75. Furthermore, this option would better support the recent shift away from overview towards more policy development work, as initiated through the new Executive/scrutiny arrangements and the change of scrutiny committee names.

76. With this option, it is suggested that the remit of CSMC would remain the same, incorporating both the scrutiny management function and the internal corporate processes e.g. Business Services, Communications, and Procurement etc.

77. Advantages:

- Clear and transparent link between service delivery, corporate priorities and scrutiny work - streamlining scrutiny work with service delivery work would make it easier for senior officers, key stakeholders and partner organisations to recognise the benefits of engagement.
- Reducing the number of scrutiny committees will reduce the number of Committee Chairs Special Responsibility Allowances (SRAs) and therefore lead to a saving.
- Scrutiny Committees could be made larger to enable maximum number of non-Executive members to be involved, thereby providing a larger pool of Members from which to undertake Task Group reviews, enabling members to only participate in reviews they have a clear interest in
- Will require updating in 2019 when Council Plan is refreshed – this is sensible as it will ensure the work of scrutiny remains current and topical.
- Focussing on corporate priorities will ensure all scrutiny reviews and policy development work supports the Council's direction of travel.
- Balanced committee remits
- Removes all suggestion of silo working
- Easy to allocate policy development work
- Moving to an approach that feels significantly different, with a reduced number of scrutiny committees, may provide the impetus needed to refresh levels of engagement from members and senior officers, and make scrutiny more pro-active.
- Would better support emerging themes from the future CYC operating model e.g. a move towards more community based working

78. Disadvantages:

- Executive Members may report to more than one Scrutiny Committee

- Senior Officers may be required to support more than one scrutiny committee which could lead to competing workloads for those officers
- If scrutiny committee membership remains at 7/8 members, not all non-Executive Members will be involved in Scrutiny. However a slight increase in committee membership (2 Committees with 9 and 2 Committees with 10) would address this.
- Finance and performance information would continue to be aligned differently to how it is provided to the Executive and CMT, This would increase the work required of the Business Intelligence Hub and Finance officers and would not support the Council's intention to have a lighter, coherent performance management framework – A suggested change to the way that performance monitoring information is provided in the future is detailed in paragraphs 85-90 below.

79. This option would still allow for scrutiny committees carrying out performance monitoring as the Council's new KPI system enables performance indicators to be grouped in a number of ways including by corporate priority.

80. **Option (vi) - New – Scrutiny Management Committee only, with ad-hoc Task & Finish Working Groups set up to carry out Policy Development & Scrutiny Reviews as and when required.**

Scrutiny Management Committee would be responsible for managing the scrutiny function and setting up Task & Finish Working Groups. They would consider all scrutiny topic submissions and sign off all review final reports before their consideration by the Executive. They would also be responsible for monitoring the implementation of all approved scrutiny review recommendations.

81. Advantages:

- Removing the standing scrutiny committees from the committee structure would result in a saving by reducing the number of Scrutiny Chair SRAs.
- Task Group reviews would be undertaken by Members with an interest in the subject matter.
- Not affected by future changes to Executive Member Portfolios, Directorates or the Council Plan.
- Would limit the time available for overview which would remove the over emphasis on overview currently experienced by some of the scrutiny committees.

82. Disadvantages:

- Heavy workload for CSMC - would need to meet more regularly in order to get through the business – probably monthly, and therefore may benefit from having a larger pool of members, to ensure meetings remain quorate.
- CSMC would be responsible for all overview work including finance and performance monitoring for all services
- May result in less time being focussed on statutory functions e.g. Health and Crime & Disorder. This could be addressed in a number of ways e.g. carrying out a related review, receiving bi-annual updates from Safer York Partnership, holding an annual meeting with health partners etc.
- CSMC would have sole responsibility for implementing the new Executive/scrutiny arrangements, which may significantly increase CSMC's workload.
- Reliant on topic submissions which is already an issue for some scrutiny committees.
- Less Non-Executive members required as formal scrutiny committee members
- Scrutiny Members will find it more difficult to build up a level of knowledge and understanding.
- Finance and performance information would continue to be aligned differently to how it is provided to the Executive and CMT, This would increase the work required of the Business Intelligence Hub and Finance officers and would not support the Council's intention to have a lighter, coherent performance management framework – A suggested change to the way that performance monitoring information is provided in the future is detailed in paragraphs 85-90 below.

83. Furthermore, this model has previously been in place in York and it was not successful in generating:

- Corporate engagement
- Scrutiny topic submissions
- Successful scrutiny reviews
- Non-Executive Members participation in the scrutiny process
- Pro-active policy development work

84. Furthermore, those non-Executive Members who were not members of CSMC became disenfranchised. As a result, less scrutiny topics were submitted, less review work was undertaken, and there were less positive outcomes from scrutiny. This in turn led to less and less non-Executive Member engagement.

85. Future Finance & Performance Monitoring Arrangements

Historically the organisation has reported performance in line with its council plan priorities or by department. However most recently each scrutiny committee has been receiving, a scorecard of all relevant indicators generated through the council's KPI machine (the Council's central repository of performance and management information), and presented as part of a quarterly Finance & Performance update report.

86. However an alternative approach would be to have this presented as an 'information only' agenda item at every scrutiny meeting. This to appear at the end of a scrutiny agenda for use as a discussion point, to enable scrutiny members to define topics and areas that they want more detailed information on and/or to scrutinise. It is expected that the relevant senior manager and/or executive member present at the meeting would be able to answer the majority of queries around performance, and therefore no written report would be required and an officer from the business intelligence hub would not be expected to attend.
87. It is also suggested that in order to continue to make sure the council has a lighter, coherent performance management framework, that outside of the arrangement outline above, if a scrutiny committee is interested in performance in a specific area within its remit, then this could be considered through a separate agenda item with its own scorecard/report. If this information is already available within the councils KPI machine it will be provided by the business Intelligence hub. Otherwise it will be the responsibility of the Scrutiny Officer to source the relevant information.
88. In addition, as a continuation of existing arrangements, requests for performance information held within the KPI machine could also be made via the scrutiny officer and circulated to committee members between meetings. All information that is published via scorecards externally, will also be published in raw data form on the open data platform: www.yorkopendata.org
89. In regard to finance monitoring, the existing arrangement for quarterly reporting by exception would continue, with the information taken from the quarterly reports provided to the Executive.
90. It is possible to revise the parameters set in the KPI machine for generating scorecards. Currently Executive Members and Corporate

Management Team receive scorecards based on Executive Member portfolios and current local and national priorities. If a decision were taken to progress option (ii) in this report i.e. aligning scrutiny committee remits to Executive Member portfolios, each scrutiny committee would receive the same scorecards as CMT and the relevant Executive Members, which would reflect the importance the administration has put on transparency and the ability of policy and scrutiny committees to interact with decision making. However should a decision be taken to progress an alternative option, it would require minimum work to create additional parameters to suit alternative scrutiny committee remits.

Previous Consultation on Options

91. In January 2016 CMT considered this report and recommended that Option (ii) 'current with no change other than bringing remits in line with Executive Member portfolios' be progressed as the most suitable option. This was before Option (iv) was included in this report. At the time they agreed that the alignment of scrutiny remits with Executive Member portfolios would best achieve:
- the Council's intention to improve transparency
 - the new working arrangements between the Executive and scrutiny committees
 - the new arrangements for performance monitoring, and
 - help address the issue of competing workloads for senior officers
 - improve corporate capacity to support scrutiny
92. Scrutiny Chairs & Vice Chairs also met to consider the options in this report prior to the new operating model and senior management restructure being known and prior to option (iv) being included. At that time Members agreed that option (iii) matching scrutiny committee remits to the new directorates may be the most sensible approach but agreed they needed to await the outcome of the restructure process in order to consider the associated advantages and disadvantages.

Implications

93. Finance – Both Option (iv) to have four standing scrutiny committees, and Option (v) to have CSMC plus three standing Policy & Scrutiny Committees in line with corporate priorities would reduce the number of Scrutiny Chair SRAs by one, leading to an annual saving of £4,200. In regard to Option (vi) removing all four standing scrutiny committee from the Council's committee structure – this option would result in an annual saving of £16,800 through the removal of four Scrutiny Chair SRAs.

94. HR – The implementation of any of the options (i) – (v) would not change the level of officer support required. Option (vi) has the potential to result in a reduction in the amount of review work undertaken, as evidenced the last time this structure was in place in York. This could result in less officer time and resources being required to support scrutiny.
95. Legal – Overview and Scrutiny is a required function of local authorities in England and Wales. It was introduced by the Local Government Act 2000 which created separate Executive and Overview and Scrutiny functions within councils.
96. Councils operating executive arrangements are required to create an Overview and Scrutiny Committee which is composed of Councillors who are not on the Executive Committee, or Cabinet, of that council. Overview and Scrutiny Committees are required to meet the rules on proportionality defined in the Local Government & Housing Act 1989 (i.e. the committee must reflect the respective sizes of the political groups on the council).
97. There are no other known implications associated with the recommendation in this report.

Risk Management

98. In compliance with the Council's risk management strategy; there are no known risks, associated with the recommendation in this report.

Recommendations

99. Members are asked to:
 - a) Note the contents of this report
 - b) Comment on the individual options (i) – (v), as detailed in paragraphs 38-85 above
 - c) Consider the feedback from CMT & Scrutiny Chairs etc, as shown at paragraph 86 & 87 above
 - d) Agree a preferred option and seek the approval of Council.

Reason: To fulfil the scrutiny management role of this Committee, in line with the current scrutiny arrangements

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Report Approved

Date

July 2016

Wards Affected:

All



For further information please contact the author of the report

Background Papers: N/A

Annexes:

Annex A – Key Highlights from CfPS 2014-15 Survey

Annex B – Option (i) Same Number of Committees with Revised Remits

Annex C – Option (ii) Remits in line with Executive Member Portfolios

Annex D – Option (iii) Remits in line with Directorates - Breakdown of revised
Directorate Services

Annex E – Option (iv) Remits in line with Corporate Priorities

Abbreviations:

CfPS – Centre for Public Scrutiny

CMT – Corporate Management Team