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## **Scrutiny Management Committee**

**4 April 2011**

Report of the Assistant Director of ITT & Governance

## **Proposed Amalgamation of Effective Organisation and Scrutiny Management Committees**

### **Summary**

1. As a result of the recent consultation on the current overview and scrutiny function in York, this report proposes some minor changes to the Overview & Scrutiny structure. Members are asked to consider amalgamating the terms of reference for the Effective Organisation Overview & Scrutiny Committee with those of this Committee, in order to create a more purposeful Scrutiny Management Committee dealing with corporate and management issues.

### **Background**

2. In 2009 the council's scrutiny function was restructured and the current cross-cutting Overview & Scrutiny Committees were introduced. As part of that process, it was recognised that any new scrutiny function introduced, would need to evolve with time to ensure it was robust and fit for purpose.
3. Since then, the role of Effective Organisation Overview & Scrutiny Committee has been questioned by Members and Senior Officers, with particular regard to:
  - the similarity of its role to that of Scrutiny Management Committee
  - its responsibility for receiving the Corporate Performance & Financial Monitoring Reports (incorporating all of the performance and financial information which is later divided up and presented to the other Overview & Scrutiny Committees based on their individual terms of reference).
  - its struggle to identify suitable topics for review, as evidenced by the committee's annual workplans for 2009-10 & 2010-11.

### **Consultation**

4. Recently, the Chair of Scrutiny Management Committee, attended a meeting of each of the Overview & Scrutiny Committees to receive soundings from them about how overview & scrutiny currently works within this Council. The issues highlighted above, were raised at the meeting of the Effective Organisation Overview & Scrutiny Committee itself.

### **Options**

5. Having considered this report, Members may choose:

- to approve the removal of the Effective Organisation Overview & Scrutiny Committee from the Council's Committee structure, and the transfer of its current remit to Scrutiny Management Committee
- not to reduce the number of Overview & Scrutiny Committee's on the council committee structure, and retain the existing Effective Organisation Committee.

## **Analysis**

6. For some time, there has been concern that the role of Scrutiny Management Committee has diminished as a result, in part, of the introduction of the Effective Organisation Overview & Scrutiny Committee. The reduced number of meetings that have been held annually by SMC, since the restructure of the scrutiny function in 2009 attests to this. Meanwhile, the Effective Organisation Overview & Scrutiny Committee has struggled to understand its remit in comparison to that of the other cross-cutting Overview & Scrutiny Committees.
7. Since its introduction, and in an effort to identify suitable topics for scrutiny review, the Effective Organisation Overview & Scrutiny Committee has received many 'information only' reports on those services which fall within its remit. However, this has not generated many suitable topics. The committee as a whole has only carried out one review in that time, relating to the use of the Executive Forward Plan. They have also carried out two Task Group reviews – one on Apprenticeships and one on Customer Complaints. Each of the reviews took 3 months and an average of 4 meetings to complete.
8. Attached at Annex A to this report are the proposed terms of reference for a 'revamped' Scrutiny Management Committee, taking in the existing responsibilities of Effective Organisation Overview & Scrutiny Committee. If a decision were taken to amalgamate the role of both Committees, the ability to carry out reviews would not be lost. Future reviews on topics falling within the new SMC's remit could still be carried out, either by SMC as a whole, or by a small Task Group of its Members, or by an Ad-hoc Scrutiny Committee created solely for that purpose.
9. The corporate nature of the remit of Effective Organisation Overview & Scrutiny Committee would fit comfortably within the management role of SMC. And, the reduction in the number of Overview & Scrutiny Committees would have a positive effective on scrutiny resources and Members' time commitment, without losing a route to effectively scrutinise corporate issues.
10. SMC currently meets 4 times a year (not including Call-in meetings), and Effective Organisation Overview & Scrutiny Committee are diarised to meet 5 times a year. However, there is evidence of a lack of business for both committees. For example in the last two municipal years, SMC has cancelled 3 of its 11 meetings and Effective Organisation cancelled its last meeting in February 2011. The meetings of Effective Organisation are currently scheduled around the timeframe for receiving Financial & Performance Monitoring Reports. If these reports are to continue to come to Overview & Scrutiny Committees then the suggestion would be to remove the Effective Organisation from the corporate calendar and insert

SMC in its place, thereby losing the 4 meetings dates that are currently included in the corporate diary for SMC.

11. Members of this Committee considered a report on developing the scrutiny function at their last meeting, which covered the issues raised by scrutiny Members generally during the consultation round undertaken by the Chair of this Committee. One such issue raised during that process was indeed the effectiveness of Effective Organisation Overview & Scrutiny Committee. However, another frequently made observation was the issue of whether performance and financial monitoring in its current guise was best performed by the overview & scrutiny committees. Some scrutiny Members do however, still find receiving the regular monitoring reports at scrutiny to be a valuable tool. There is a debate to be had about the future of performance and financial monitoring within the scrutiny function. It is suggested that some analysis of the advantages and disadvantages of the current arrangements be undertaken and submitted to SMC in the new Municipal Year, following the establishment of the overview & scrutiny committees with their new membership, after the Annual Meeting at the end of May 2011. For that reason, in the meantime it is proposed that the existing Effective Organisation performance and financial monitoring responsibilities simply be transferred to SMC, as set out in Annex A and explained in paragraph 10 above.

### **Corporate Strategy**

12. It is the Council's aim to improve organisational effectiveness. The amalgamation of the Effective Organisation Overview & Scrutiny Committee with SMC would be beneficial in clarifying the overall corporate role of scrutiny and would better rationalise resources.

### **Implications**

13. **HR & Financial** - There will be a slight saving made by reducing the number of meetings, in terms of fewer meetings for Democratic Services to prepare reports for and fewer meetings to attend. Equally, there would be fewer meetings for Directorate officers to attend and support.
14. **Legal** - If members were to approve the amalgamation of Effective Organisation Overview & Scrutiny Committee with SMC, it will be necessary to seek the approval of Full Council to make the required constitutional changes.
14. There are no other known implications associated with the recommendation in this report

### **Risk Management**

15. There are no known risks associated with the recommendation in this report. If the Committee decides not to make the proposed changes, there is a risk that Scrutiny Members and Officers will continue to be confused about the roles of the existing Committees.

### **Recommendations**

16. Having considered the information within this report, Members are asked to:

- i. approve the amalgamation of Effective Organisation Overview & Scrutiny Committee with SMC, in accordance with the terms of reference drafted at Annex A to this report;
- ii. request Full Council agrees the necessary changes to the council's Constitution
- iii. receive a further report in the new Municipal Year on the effectiveness of existing arrangements for performance and financial monitoring.

Reason: To ensure the scrutiny function remains robust and fit for purpose.

### Contact Details

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**Report Approved**



**Date** 25 March 2011

**Specialist Implications Officer(s)** - None

**Wards Affected:**

All



For further information please contact the author of the report

**Background Papers:** None

**Annex A:** Proposed terms of reference for SMC