

Allerdale Borough Council

Council – 7 March 2018

Report from the Overview and Scrutiny Committee

The Reason for the Decision	This is the update report of the Overview and Scrutiny Committee.
Summary of options considered	Not applicable.
Recommendations	That the report be noted.
Financial / Resource Implications	There are no direct implications.
Legal / Governance Implications	There are no direct implications.
Community Safety Implications	There are no direct implications.
Health and Safety and Risk Management Implications	There are no direct implications.
Equality Duty considered / Impact Assessment completed	Not required for this report.
Wards Affected	All
The contribution this decision would make to the Council's priorities	The role of the Overview and Scrutiny Committee contributes to all Council Plan priorities.
Is this a Key Decision	No
Portfolio Holder	Not applicable
Lead Scrutiny Member	Councillor Alan Pitcher and Councillor Janet Farebrother (Co-Chairs)
Lead Officer	Ian Hinde Policy Officer (Scrutiny and Partnerships) 01900 702544 ian.hinde@allerdale.gov.uk

Report Implications (Please delete where applicable).

Community Safety	N	Employment (external to the Council)	N
Financial	N	Employment (internal)	N
Legal	N	Partnership	N

Social Inclusion	N	Asset Management	N
Equality Duty	N	Health and Safety	N

Background papers:

<https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/369/369.pdf>

1.0 The House of Commons Committee report on the effectiveness of local authority overview and scrutiny committees

The Government inquiry into local authority overview and scrutiny committees was launched because of concerns that scrutiny in local authorities is not as effective as it should be. The inquiry is the first comprehensive assessment of how scrutiny committees operate.

The first report was published on 15 December 2017. These are the main findings which were reported to the Overview and Scrutiny at its January meeting.

1.1 The role of scrutiny

1.2 The report notes that while good scrutiny can be hard to define, the consequences of inadequate scrutiny can be severe and very apparent.

1.3 The report endorses the Centre for Public Scrutiny's (CfPS) four principles, which state that good scrutiny:

- Provides a constructive "critical friend" challenge;
- Amplifies the voices and concerns of the public;
- Is led by independent people who take responsibility for their role;
- Drives improvement in public services.

1.4 The report highlights that scrutiny can help to develop policy as well as responding to executive decisions. For example, a scrutiny review of Birmingham council's work on child sexual exploitation resulted in extra resources being allocated to the team working on the issue as well as changes to the council's licensing statement.

1.5 Another scrutiny role is to consider proposals before decisions are made. The extra time spent examining a proposal can lead to a deeper understanding of the issues, and recommendations which can inform the Executive's decision.

2.0 Organisational culture

- 2.1 One of the barriers identified in the report was the lack of parity of esteem between the executive and scrutiny, with scrutiny often being perceived as an add-on rather than an integral part of the council's work. The CfPS emphasises the importance of buy-in from the executive and senior officers because if "leadership is closed to that sort of challenge, it does not just affect scrutiny; it affects a lot of how the organisation is run".
- 2.2 The report also identifies responsibility for a positive culture around scrutiny lies with opposition groups as well as the executive. Where the opposition treats the executive with respect and challenges it where necessary, rather than purely for the sake of challenge, scrutiny is likely to be better regarded.
- 2.3 The report acknowledges the status of scrutiny in its relation to the full council. The report draws a comparison with parliamentary select committees, which must report to parliament, whereas there is currently no national guidance on which body scrutiny committees should report back to.
- 2.4 The Institute of Local Government Studies at the University of Birmingham (where the Co-Chairs attended their initial training) notes that when scrutiny committees present reports to full council, it provides "the opportunity to create a relevant and interesting debate on a matter of local concern which has been investigated in depth by a group of councillors."
- 2.5 This Council is therefore ahead of the curve with these reports from the Overview and Scrutiny Committee to Council.

3.0 Accessing information

- 3.1 The inquiry revealed that nationally there are significant difficulties for scrutiny committees in accessing the information they need, including instances of committees submitting Freedom of Information requests to their own authority.
- 3.2 The report also raises the widespread issue of information being withheld for reasons of commercial sensitivity. The report acknowledges that it may not always be in the public interest to make such information publicly available, but argues that there is no justification for withholding it from councillors, who already have access to restricted information and who require it in order to do their job.
- 3.3 Regulations from 2012 grant additional access to information for scrutiny members when they can demonstrate a 'need to know'. The report argues that this access should be automatic, i.e. that membership of a scrutiny committee should constitute a sufficient 'need to know' as restricting scrutiny members' access to information limits their ability to identify issues for further investigation.

- 3.4 The inquiry also found that councils made very limited use of external advisors, in part for reasons of budget. The report calls on councils to make greater use of external expert witnesses, in particular from the academic world.

4.0 Member training and skills

- 4.1 Unlike members of planning and licensing committees, scrutiny members are not required to undergo any training. The report does underline that where training is provided it should be tailored to the needs of members, which will be different from those of officers – it is more about questioning skills than specific knowledge. One councillor quoted in the report argued that training should be more focused on self-reflection: “What is your role? Are you willing to ask difficult questions? Are you willing, in your own political group, after you have done a scrutiny meeting, to have people say to you ‘you were a bit harsh’? Are you really going to hold to account?”

5.0 The role of the public

- 5.1 The report calls on the government to promote the role of the public in scrutiny in revised guidance to local authorities. It recommends that councils should consider how raising the profile of scrutiny can encourage more public involvement.
- 5.2 It recognises the role of digital engagement also needs to be considered, as public meetings tend to be poorly attended and modes of engagement are changing.
- 5.3 The Overview and Scrutiny Committee will be considering these issues as part of its work programme over the next year.

6.0 Scrutinising external bodies

- 6.1 Scrutiny committees are increasingly scrutinising external providers of council services. Here, however, the barriers to accessing information are even greater. The CfPS states that commercial bodies often “do not recognise they are contracting with a democratic organisation that has democratic governance processes.” There can be particular difficulties where the organisation’s management structures are not local. This differs from bodies in the health sector, where the duty to engage with scrutiny is well established.
- 6.2 While health service providers and bodies delivering crime and disorder strategies can be required to attend scrutiny meetings, in all other cases, participation is up to the invited party. The report argues that councils and contractors should build in democratic oversight from the start of a contract, including making clear the role of scrutiny. A task and finish group at Suffolk

County Council recommended that any organisation which signs a contract with the council should be made aware that it might be called upon to answer to the scrutiny committee at some stage. The report endorses a CfPS proposal that committees should be able to follow the 'council pound' – that is, have the power to oversee all services funded by the authority.

7.0 Update on the work of the Committee and its Task and Finish Groups

- 7.1 The Community Services Business Model Task and Finish Group continues to follow the process for letting the contract. The current stage of the process will be complete in time for the next meeting of the task and finish group.
- 7.2 The Performance Standing Task Group meets to scrutinise the quarterly Council Plan performance reports and quarterly financial reports. At its last meeting the group considered issues of forecasting and external influences on budgets.
- 7.3 The Budget Task and Finish Group has completed its work for this year. The members of the group found the learning they acquired during the process exceptionally useful in understanding the budget and how it is constructed.

8.0 Recommendations

- 8.1 That the report be noted.

**Councillor Alan Pitcher and Councillor Janet Farebrother
Co-Chairs of Overview and Scrutiny Committee**