

Full Council 30th March 2023

Report Title	Scrutiny Review
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List of Appendices

- Appendix A – Proposed scrutiny structure**
- Appendix B – Centre for Governance and Scrutiny feedback**
- Appendix C – Member Feedback**
- Appendix D – Draft Scrutiny Procedure Rules**

1. Purpose of Report

For members to consider the proposals for changes to scrutiny arrangements and the draft Scrutiny Procedure Rules which have been recommended by the Democracy and Standards Committee.

2. Executive Summary

- 2.1. The Council has a general requirement to review its governance arrangements to ensure compliance with legislation and ensure its decision-making structures allow for efficient and effective decision making. The role of scrutiny has an important role in ensuring that the Executive are held to account and that key decisions are made in an appropriate manner, taking all relevant factors into account.
- 2.2. It is important that scrutiny is focused and effective, helping to ensure that policy making is improved and efficiency of delivery of services to the public maximised.
- 2.3. The Democracy and Standards Committee considered the proposed changes to scrutiny at its meeting held on 13th March 2023. The Committee are recommending the changes to the scrutiny structure and the Scrutiny Procedure Rules as detailed in the report.

3. Recommendations

3.1. It is recommended that Council –

- (i) Approve the Scrutiny structure as detailed in Appendix A;
- (ii) Approve the Scrutiny Procedure Rules as detailed in Appendix D;
- (iii) Delegate authority to the Monitoring Officer, in consultation with the Chair of Democracy and Standards Committee, to action any ancillary and/or minor amendments in the Council's Constitution resulting from (i) & (ii) above.
- (iv) That the changes agreed in (i – iii) above are effective from the commencement of the 2023/2024 Municipal Year (25.05.23).

3.2. *Reason for Recommendations – To consider a revised structure for scrutiny that will promote better governance arrangements. To ensure that the Procedure Rules are considered prior to Council.*

3.3. *Alternative Options Considered – To leave the scrutiny structure as it is currently.*

Report Background

3.4. North Northamptonshire Council operates an executive model of governance and is required under statute to operate at least one scrutiny committee.

3.5. The purpose of the scrutiny function is to influence policies and decisions made by the Executive and other organisations delivering services to the public. This is achieved by reviewing key decisions made by the Executive, investigating important service delivery and strategic policy issues (i.e. through task & finish groups) and where appropriate through the call-in procedure challenging key decisions made.

3.6. Since May 2021, the Council has operated with two scrutiny committees. The Scrutiny Commission is an overarching body which is able to establish topic-specific task & finish groups undertaking work on the approved Scrutiny Workplan. The Finance & Resources Scrutiny Committee specifically scrutinises and monitors the finances of the Council, with particular attention to in-year monitoring of spend and input into consultation on the draft budget for future years (as part of the budget-setting process and consultation). It also monitors performance.

3.7. As the Annual Scrutiny Report 2021/22 recently presented to Council demonstrated, the scrutiny function of the Council has developed well since May 2021 with some important work undertaken. It is recognised however that the quantity of work required to be undertaken exceeds existing capacity and that there is a need to review scrutiny arrangements at both member and officer level. In particular, it is recognised that scrutiny's role in relation to other

public service providers requires enhancement and that a more outward focussed scrutiny is needed.

3.8. A report was considered by this Committee in November 2022 which commenced a consultation on proposals to change the structure of scrutiny. All Members were given the opportunity to attend a presentation on the proposals. They were able to feedback verbally and in writing. Senior Officers were also consulted on the proposals.

3.9. The Centre for Governance and Scrutiny was asked to provide its comments on the proposals and respond to verbal feedback. Its response is included at Appendix B.

3.10. The Constitutional Review Working Group which is a cross party meeting, considered both the initial proposals and the feedback and Procedure Rules prior to the Democracy and Standards meetings.

4. Issues and Choices

4.1. There is a need to ensure greater effectiveness and transparency in relation to the workload of the scrutiny function within the council. Current arrangements can lead to potential delays in undertaking work and duplication. Arising from member feedback and discussion at the Constitutional Working Group, the following feedback and amendments to the initial proposals received by this Committee are outlined below.

Scrutiny Management Board

4.2. It is recommended that a Scrutiny Management Board is established to avoid unnecessary delays, ensure strategic ownership of scrutiny remains with members and stops duplication. It is expected that the Board will comprise the Chairs and Vice-Chairs of the Scrutiny Committees and will strategically drive forward the scrutiny function.

4.3. It is proposed that the Board will manage the workload of the scrutiny function, agree agenda items and the Workplan, complete the Annual Scrutiny Report and lead on the member development programme for scrutiny members.

4.4. There was positive feedback from members on this role and the Centre for Governance and Scrutiny were also supportive of an overarching Board which is commonplace in many large authorities.

4.5. Transparency is important to the Council, and it is therefore proposed that the Board is a formally constituted body which is open to the public. This means that the Board will be politically balanced.

4.6. Following consideration by the Constitutional Review Working Group it was proposed that the Scrutiny Management Board would determine call-in

requests. This was also supported by the Democracy and Standards Committee.

- 4.7. The benefits of this are that there would be a streamlined process and the members of the Board would build expertise in dealing with such requests. The Centre for Governance and Scrutiny felt that having a single space for call-ins is likely to prove most productive. The alternative is that the individual Committees determine call-in requests.

Scrutiny Committee - Health

- 4.8. The Council has a statutory duty to scrutinise health. There is a strategic role in reviewing how the integration of health, public health and social care is working to ensure maximum outcomes can be achieved for the benefit of the public. This is a statutory role and there have been no negative responses that this needs to be enhanced in any future scrutiny structure.
- 4.9. The original proposal suggested that crime and disorder and scrutiny of the Community Safety Partnership should be undertaken within this Committee due to the link between crime and disorder and health outcomes. The Centre for Governance and Scrutiny felt that this had a better fit in the Place and Environment Scrutiny Committee. The Constitutional Review Working Group had mixed views on this but the change was supported by the Democracy and Standards Committee.
- 4.10. It is recognised that scrutiny needs to be outward facing as well as considering the Council's own service delivery. The relationship with key partners is important particularly with partners such as the NHS, the Police etc. The Scrutiny Management Board will have a key role in ensuring partner engagement is enhanced in any new structure and that the agendas are outward facing as well as inward. This was also raised in member feedback as a priority.

Scrutiny Committee - Place and Environment

- 4.11. In relation to the Council's corporate objectives around Place and Economy it is recognised that there are a number of significant projects ongoing and some key elements of service delivery requiring regular review of performance e.g. the highways contract. It was therefore proposed and supported by the Democracy and Standards Committee that a Place and Economy Scrutiny Committee be created.

Scrutiny Committee - Corporate

- 4.12. Corporate scrutiny is currently being undertaken by both the Scrutiny Commission and the Finance & Resources Scrutiny Committee. It was widely accepted that this can cause duplication of effort.
- 4.13. There was a number of comments during the consultation period around whether this Committee would have the capacity to ensure strong financial

scrutiny and whether instead there should be a specific Committee to focus entirely on the budget.

- 4.14. The Centre for Governance and Scrutiny commented that it has not proved necessary in other councils to have a dedicated Budget Scrutiny however good financial management is key to any organisation.
- 4.15. Scrutiny of the annual budget has been undertaken in an intensive and structured way since the new authority was established. The Council is keen that this continues so that it can evidence good control of its budgets. This work would not be diluted in the new structure and the meetings for this piece of work is built into the Calendar of Meetings on an annual basis. This work would be considered to be a long-standing Panel under the Procedure Rules.
- 4.16. The Corporate Scrutiny Committee will mirror the work of the current Finance and Resources Committee, in that it will scrutinise finance and performance which are integral to each other. It will also scrutinise external partnerships and companies such as the Children's Trust. Currently the Children's Trust is scrutinised across Committees which does not allow members to collate a rounded view of it.

Panels

- 4.17. Panels are defined within the draft Procedure Rules as being either long standing groups or task and finish. Long standing panels such as scrutiny of the annual budget and the annual review of Outside Bodies will not be included in any maximum number of Panels that can be established. This therefore leaves a maximum amount of 4 that can be established throughout the year to undertake more detailed work, unless there are exceptional circumstances. The recommendation previously from the Centre for Governance and Scrutiny was that a maximum of 3 was recommended and therefore this is a formal increase to current arrangements.
- 4.18. Whilst it is proposed that the Scrutiny Management Board agrees the establishment of Panels, it will direct the formal establishment of it to be undertaken by one of the three Committees, which will formally establish it and set out the name of the Panel, and the terms of reference including relevant dates for completion. This gives ownership of the Panel to the relevant Committee.

General

- 4.19. Feedback from members is included at Appendix C. There was feedback in relation to the political chairmanship of the Committees which is a decision for Council and is not therefore dealt with in this report.
- 4.20. There was also useful feedback on how scrutiny should operate at the Council and whilst this is outside of this review, it will be useful for the Board to consider so that scrutiny continues to add value to North Northamptonshire. A learning and development programme will be created and delivered to all scrutiny

members in the new municipal year to ensure that they are supported to have the skills and knowledge for excellent scrutiny.

- 4.21. Some comments were received about the effectiveness of the Executive Advisory Panels which have been subject to a recent review. As these are created at the Leaders discretion, these are not in scope for this review.
- 4.22. The Democracy and Standards Committee considered the frequency of meetings and agreed to include bi-monthly meetings for the Committees and monthly meetings for the Scrutiny Management Board. Whilst the current Scrutiny Commission has struggled with capacity, the Finance and Resources Committee has managed its budget workload through a Task and Finish Group which has worked well. The removal of duplication of performance scrutiny will have an immediate impact on capacity. Consideration of the workplan in meetings, agreement to items for the Workplan and the collation of the Scrutiny Annual Plan which will move the Board will also free up capacity for the Committees. More meetings could be added if the Board felt that this was necessary.
- 4.23. This would amount to 30 meetings per annum in the Calendar of Meetings (excluding Panel work which is extensive), compared to 19 meetings (excluding Panel work) in the current arrangements.
- 4.24. The number of members on each Committee was considered by the Democracy and Standards Committee following feedback from the Centre for Governance and Scrutiny. A figure of 9 has been included for all Committees (except for Health which has 11 due to the statutory consultees) within the draft Scrutiny Procedure Rules.

5. Next Steps

- 5.1. If approved, the changes would come into effect following the Annual General Meeting.
- 5.2. Appointments to the Committees and the Scrutiny Management Board would be made at the Annual General Meeting
- 5.3. A learning and development programme would be considered by the Scrutiny Management Board as early as possible following the Annual General Meeting.

6. Implications (including financial implications)

6.1. Resources and Financial

- 6.1.1. If there is an increase in the number of scrutiny committees to three then an additional Chair of Scrutiny Committee's Special Responsibility Allowance would be applicable, in accordance with the Council's Members' Allowances Scheme at part 8.6 of the Constitution. This can be met from the allowance allocation.
- 6.1.2. Contained within the current Democratic Services restructure are three posts dedicated to supporting the scrutiny function of the Council. Other officers would supplement this resource as required. One of these is a statutory Scrutiny Officer.

6.2. Legal and Governance

- 6.2.1. The Council is required to establish at least one scrutiny committee. The proposal submitted for consultation will assist in enhancing the role of scrutiny within the Council and provide additional support in meeting the Council's responsibilities detailed under statute and within statutory guidance. If Council eventually approves the proposal, there would be the need for consequential amendments to be made to the Constitution.

6.3. Relevant Policies and Plans

- 6.3.1. It is suggested that adoption of the proposals within the report would assist in meeting the good practise highlighted in the Government's statutory guidance on overview and scrutiny within local government and assist in ensuring that there is appropriate scrutiny of the Council's objectives set out in the approved Corporate Plan.

6.4. Risk

- 6.4.1. Whilst the current scrutiny system operated within the Council has been effective the current arrangements have limitations and there have been concerns raised regarding its limitations. In addition there is a need to ensure that duplication of effort is minimised and that important areas requiring scrutiny are properly resources and considered.
- 6.4.2. It is suggested that the proposals would build on the foundations established since May 2021 and would ensure an expanded capacity. The proposal also clarifies the role of scrutiny within the governance structure of the Council and its relationship with EAPs.
- 6.4.3. Failure to address the issues raised in the report and presentation would limit the potential for the Council's scrutiny function to expand and enhance its effectiveness.

6.5. Consultation

- 6.5.1. Proposals were considered by the Constitutional Working Group (CWG) at its meetings on 24th October 2022 and on 6th March 2023. The Democracy and Standards Committee endorsed the proposals for wider internal and external consultation at its meeting on 7th November 2022 and considered responses at its meeting on 13th March 2023.
- 6.5.2. All members were given the opportunity to comment upon the proposals and provide feedback.

6.6. Consideration by Executive Advisory Panel

- 6.6.1. Not applicable.

6.7. Consideration by Scrutiny

- 6.7.1. Current scrutiny members have been consulted as part of this review process.

6.8. Equality Implications

- 6.8.1. None impacting on the nine protected characteristics defined in the Equality Act 2010.

6.9. Climate Impact

- 6.9.1. Not applicable to this report.

6.10. Community Impact

- 6.10.1. Not applicable to this report.

6.11. Crime and Disorder Impact

- 6.11.1. Not applicable to this report.

7. Background Papers

7.1. [Council's Constitution](#)

7.2. [Report to Democracy and Standards Committee – 7th November 2022](#) (minute 44 refers)

7.3. [Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities \(May 2019\)](#)