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**REPORT TO:** Overview and Scrutiny Coordinating Board

**DATE:** 20 March 2006

**DEPARTMENT:** Corporate Policy and Improvement

**REPORTING OFFICER:** Scrutiny Officer  
Mark Codman

**SUBJECT:** **OVERVIEW AND SCRUTINY DEVELOPMENT**

**WARD/S AFFECTED:** All

**FORWARD PLAN REF:** N/A

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**1.0 PURPOSE OF REPORT**

- 1.1 The purpose of the report is to provide additional information on Overview and Scrutiny development to the Coordinating Board as agreed at the meeting on 13 February 2006.
- 1.2 The Head of Legal and Democratic Services has been consulted

**2.0 RECOMMENDATION/S**

- 2.1 It is recommended that the Board:
- 1) Note the report
  - 2) Agree option 1a and that any changes be implemented after the May 2006 elections

**3.0 RECOMMENDED REASON/S FOR DECISION/S**

- 3.1 The Overview and Scrutiny role has developed within the authority since

2000 with changes to practices and procedures improving the process particularly resulting from the review of the Overview and Scrutiny function in January 2004. The review also indicated that a review of the structure could be undertaken as a way to further improve the Overview and Scrutiny process. This was not considered appropriate at the time but now due to other developments this would offer a way to develop the function further and address a number of issues.

- 3.2 The Council's CPA assessment also indicated that the development of Overview and Scrutiny was required within the Council. Improvement of the Council's Overview and Scrutiny function is also an action in the Council's Corporate Action Plan.

#### 4.0

#### **ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

- 4.1 Not to consider the structure of the Overview and Scrutiny function was not considered as issues have developed that only a consideration of the structure will resolve

#### 5.0 THE REPORT

##### **BACKGROUND**

- 5.1 The present structure and remit of the three Overview and Scrutiny Commissions and the Coordinating Board was introduced in 2000 and since then the function has operated within this structure with a reduction in membership from fifteen to eleven for each Commission introduced in 2004.
- 5.2 The Overview and Scrutiny role has therefore developed within the authority since 2000 particularly as a result of the review of the Overview and Scrutiny function in January 2004. Work has been ongoing to progress this mainly concentrating on practices and procedures but due to issues that have arisen and other developments within Overview and Scrutiny it is considered that the structure of the function should now be considered. These issues are summarised below:
- a) Resources**
- 5.3 Due to the structure of the Overview and Scrutiny function meetings for the three Commissions (and associated Panels) have consistently been between 40-50 per year. This has required attendance/work from the Scrutiny Officer in particular (for each meeting) and support from Member Services and Legal Services. Work has been done to program reviews and items of work appropriately but this civic year the number will again be over 40.

##### **b) Comprehensive Performance Assessment**

- 5.4 In the Audit Commission's CPA assessment the particular comment

regarding Overview and Scrutiny was that 'it was not working effectively and that the Commissions have focussed predominantly on scrutinising particular decisions or raising local ward concerns. There are few examples of fundamental policy development or performance improvement'. Work to improve the Overview and Scrutiny function has progressed including a full review with the focus on practice, procedures and Member and Officer development. The next stage in this process is to consider the structure of the Overview and Scrutiny function.

### **c) Council Reorganisation**

- 5.5 The reorganisation of the Council required a change to departmental structures. Overview and Scrutiny Commission remits have so far not been considered to reflect these changes. There was also a commitment to review the remits of the Overview and Scrutiny Commissions included in the Action Plan arising from the review of Overview and Scrutiny. It may therefore be appropriate to review the remits of the Commissions.

### **d) Council Resources Overview and Scrutiny Commission**

#### **Audit Committee Role**

- 5.6 The inclusion of the functions of an Audit Committee within the remit of the Council Resources Overview and Scrutiny Commissions has produced a number of issues including Members being unsure when the Commission has been meeting as an Audit Committee and when it is meeting as the Council Resources Overview and Scrutiny Commission. The other main issue that has arisen is in ensuring that the right Member training and development is provided for all members of the Commission
- 5.7 The view is that a smaller group of Members should undertake the Audit Committee role and that appropriate training is organised to suit them

#### **Corporate Role**

- 5.8 Since Overview and Scrutiny was introduced the Council Resources Overview and Scrutiny Commission has considered the Scrutiny response to Corporate issues including those not necessarily reflected in its terms of reference. The Commission's role in this capacity is not clear in the Constitution and therefore has caused some problems particularly when considering corporate performance information and when considering the coordinated Scrutiny response to the Budget.
- 5.9 This corporate role has increased with the formation of the Department of Corporate Policy and Improvement and the development of effective engagement with Overview and Scrutiny as part of the Corporate Improvement Plan.
- 5.10 The increasing work of the Council Resources Overview and Scrutiny Commission in undertaking the Audit Committee role and considering

corporate issues has led to these issues dominating the work programme with little opportunity to scrutinise other issues within the remit of the Commission.

### **e) Performance Management**

- 5.11 The performance management role of Overview and Scrutiny has been reviewed in 2005/2006 in response to comments in the CPA assessment regarding performance management arrangements and the insufficient involvement of backbenchers. This has led to changes in reporting and monitoring procedures but to develop this role further it is considered appropriate to consider the structure and remit of the Overview and Scrutiny Commissions.

#### **Overview and Scrutiny Generally**

- 5.12 As Overview and Scrutiny has developed roles have emerged that are not currently included in the remit of the function at the present time. These include the scrutiny of health (relevant to the Harrogate District) and the scrutiny of partnerships seen as a major role nationally for Overview and Scrutiny. The limited performance management of partnerships was also a criticism of the authority in the CPA assessment.
- 5.13 Other developments include an increased role for Overview and Scrutiny in the Government's Respect Action Plan, the Review of the Partnership Provisions of the Crime and Disorder Act 1998 and the Police and Justice Bill. This will require changes to the Overview and Scrutiny function.

#### **WORK UNDERTAKEN**

- 5.14 Proposals for the structure of Overview and Scrutiny have been developed by the Scrutiny Officer and the Director of Corporate Policy and Improvement to address the above issues. Outline discussions have also taken place with The Head of Legal and Democratic Services, the Audit Manager and the Strategic Policy Officer. Two proposals were then developed and considered by the Scrutiny Coordinating Board on 13 February 2006. The Board agreed with the need to review the structure in line with the proposals and that further work should be undertaken and brought to the next meeting to be held on 20 March 2006. These proposals are detailed below:

##### **Option 1a**

- 5.15 This option is detailed in **APPENDIX A**. The existing Council Resources Overview and Scrutiny Commission (renamed Corporate Overview and Scrutiny Commission) would form 2 Panels, a Governance Panel to undertake the Audit Committee role and a Corporate Performance Panel to consider issues regarding corporate performance, value for money issues and the Best Value Review programme. The Main Commission would only meet three times per year to set the programme for the 2 Panels, again at the end of the Budget Scrutiny process to coordinate the other 2

Commissions responses and respond on behalf of Scrutiny and then finally meeting to review the work of the 2 Panels.

- 5.16 The Corporate Overview and Scrutiny Commission would have the remit to consider these issues on behalf of Overview and Scrutiny and respond accordingly. It could also highlight issues to the other two Commissions for them to consider investigating if they agree.
- 5.17 The formation of the two Panels would enable the development of smaller groups of experienced Members, more focused training, more focused work programmes, clearly defined reporting mechanisms, the development of working relationships with Officers, a planned timetable to meet statutory and other deadlines and more responsive working arrangements.
- 5.18 This option addresses all of the issues raised previously. The Corporate Overview and Scrutiny Commission and associated Panels would have a maximum number of 11 meetings therefore reducing the number of meetings of the existing Council Resources Commission as the Commission would also not set up Panels or working groups to consider other issues.
- 5.19 This option would require the consideration of the remit of the other two Commissions due to the fact that the remaining responsibilities of the current Council Resources Overview and Scrutiny Commission not included in the work of the two Panels would have to be included within their remits. The proposed remits of the two Commissions are also detailed in **APPENDIX A**.
- 5.20 The Community and Partners Overview and Scrutiny Commission would take on the service responsibilities of the existing Community Services and Environment Overview and Scrutiny Commissions and include the Local Strategic Partnership, all partnerships and external scrutiny (including health)
- 5.21 The Organisation Improvement Overview and Scrutiny Commission would take on the remaining remit of the current Council Resources Overview and Scrutiny Commission together with organisational improvement issues arising from the Corporate Improvement Plan such as leadership, resources and priorities and people management.
- 5.22 The responsibility for responses from Overview and Scrutiny to corporate issues would also be clearly defined together with a clear role for Overview and Scrutiny and performance management and Best Value.
- 5.23 The structure of the proposed Community and Partners Overview and Scrutiny Commission and the Organisation Improvement Overview and Scrutiny Commission reflects the requirement to consider the remaining remit of the existing Council Resources Commission not covered by the new structure and developments within the Council and Overview and Scrutiny generally. The additional responsibilities of scrutinising external organisations (including health) and partnerships would fall within the remit of the Community and Partners Overview and Scrutiny Commission and any additional responsibilities under new legislation would also fall within the

remit of this Commission.

### **Option 1B**

- 5.24 This option is detailed in **APPENDIX B**. The existing Council Resources Overview and Scrutiny Commission would form the Governance Panel and the Corporate Performance Panel as detailed in option 1a. The main Commission however would retain the responsibility for the remit of the existing Council Resources Commission and meet at least 6 times per year.
- 5.25 This option does not require consideration of the remits of the other 2 Commissions to take on additional responsibilities from the existing Council Resources Commission. The additional Overview and Scrutiny responsibilities could be added to the remit of the 2 existing Commissions for example external scrutiny within the Environment Overview and Scrutiny Commission's remit and partners within the remit of the Community Services Overview and Scrutiny Commission.
- 5.26 The Council Resources Overview and Scrutiny Commission could have its' remit to consider corporate issues on behalf of Scrutiny clearly defined including highlighting issues to the other two Commissions for them to consider if they consider it appropriate
- 5.27 This option does have the advantages detailed in option 1a regarding the formation of the Governance and Corporate Performance Panels but does not address the resource issues detailed previously. It would increase the minimum number of meetings for the Council Resources Overview and Scrutiny Commission to 14 (Currently this is approximately 8) and the Commission would still retain the ability to set up Panels/working groups with the associated additional meetings.
- 5.28 This option would also require additional work for Members of the Commission as they would be expected to attend the meetings of the main Commission and at least one of the Panels as a minimum. Any additional Panels/working groups set up by the Commission would also require additional work.
- 5.29 The option would also not address the work issues relating to the Corporate role of Overview and Scrutiny increasing with the creation of the Department of Corporate Policy and Improvement and the development of effective engagement with Overview and Scrutiny as part of the Corporate Improvement Plan. These issues would still be considered by the main Commission leaving limited opportunity to scrutinise other issues within the remit of the Commission.
- 5.30 As detailed previously the two options were discussed in outline with the Scrutiny Coordinating Board, with an indication of option 1a being the preferred option. The Board agreed with the need to review the structure in line with the proposals and that further work should be undertaken and brought to the next meeting to be held on 20 March 2006.

- 5.31 After this further work has been undertaken option 1a remains the preferred option due to the issues detailed in 5.28 and 5.29 above. The Head of Legal and Democratic Services has indicated that any changes to the Overview and Scrutiny structure would require amendments to the constitution particularly with option 1a that would not be able to be achieved if proposals were intended to be implemented after the May 2006 elections.

### **The Way Forward**

- 5.32 It is proposed that the structure of the Overview and Scrutiny function should be considered with regard to the issues identified in the report and that the preferred option is option 1a. It is also proposed that any changes agreed should be implemented on a trial basis for one year after the May 2006 elections. This would not require immediate changes to the constitution and would allow time for any difficulties to be addressed prior to any formal constitutional changes.
- 5.33 Draft terms of reference for the Commissions and Panels would be required and adopted on a trial basis. These would be developed by the Scrutiny Officer in consultation with the Head of Legal and Democratic Services.
- 5.34 To have a trial period for any changes would also permit a clearer indication to be obtained of the increased role for Overview and Scrutiny in the Government's Respect Action Plan, the Review of the Partnership Provisions of the Crime and Disorder Act 1998 and the Police and Justice Bill. Any required amendments to the constitution from this emerging work could therefore be incorporated at the same time.

### **CMT**

- 5.35 CMT has been consulted regarding potential developments within Overview and Scrutiny to seek endorsement of the work to implement potential changes to the role of the Overview and Scrutiny Commissions.
- 5.36 It indicated strong support for option 1a as this would address the issues that had been raised and align Commission remits to reflect the improvement focus of the Council.

## **6.0 CONCLUSION/S**

- 6.1 The structure of Overview and Scrutiny was implemented in 2000 and little change has taken place since then. As the function has developed improvements have been made predominantly concerned with practices and procedures.
- 6.2 Issues have now arisen that require the consideration of the structure of the function and two proposals have been identified to address them. Work to consider these two options has now been undertaken and the preferred option is option 1a. It is therefore proposed that option 1a be recommended

for implementation on a trial basis after the May 2006 elections.

**Background Papers -None**

**OFFICER CONTACT:** Please contact Mark Codman if you require any further information on the contents of this report. The officer can be contacted at Crescent Gardens by telephone on (01423) 556153 or by Email – mark.codman@harrogate.gov.uk

**SUSTAINABILITY ASSESSMENT / POLICY CONSIDERATIONS**

		Implications are		
		Positive	Neutral	Negative
A	Economy		✓	
B	Environment		✓	
C	Social Equity		✓	
i)	General		✓	
ii)	Customer Care / People with Disabilities		✓	
iii)	Health Implications		✓	
D	Crime and Disorder Implications		✓	

If all comments lie within the shaded areas, the proposal is sustainable.