

## For publication

### **Summary of the Select Committee Inquiry into the Effectiveness of Local Authority Overview and Scrutiny Committees**

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Meeting: Overview and Performance Scrutiny Forum

Date: 8 May, 2018

Cabinet portfolio: Governance

Report by: Senior Democratic and Scrutiny Officer

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## **For publication**

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### **1.0 Purpose of report**

1.1 To advise Scrutiny Members on the outcomes of the Communities and Local Government Select Committee (CLGC) report on the Effectiveness of Local Authority Overview and Scrutiny Committees and to advise on the government's response to the findings from the review.

1.2 To enable Members to consider whether any of the findings from the report would benefit Chesterfield's scrutiny function and to identify areas within the scrutiny function that require review.

### **2.0 Recommendations**

- 2.1 That the Communities and Local Government Select Committee report on the Effectiveness of Local Authority Overview and Scrutiny Committees and the government's response to the findings be noted and considered.
- 2.2 That Scrutiny Members advise the Senior Democratic and Scrutiny Officer of areas they want to review from the outcomes of the inquiry and concerns with CBC's existing Overview and Scrutiny function.

### 3.0 **Report details**

- 3.1 In September 2017, the CLGC resumed their inquiry into the effectiveness of local authority overview and scrutiny committees. The scope of the inquiry placed an emphasis on the ability of committees to hold decision-makers to account, the impact of party politics on scrutiny, resourcing of committees and the ability of council scrutiny committees to have oversight of services delivered by external organisations.
- 3.2 All local authorities and scrutiny practitioners were asked to make submissions based on their experiences; CBC's submission can be viewed [here](#).
- 3.3 In December 2017 the select committee published a report of their findings, below is a summary of the recommendations that required a response from government (to view the full report please click [here](#)):
  - 3.3.1 That guidance be revised to include (i) overview and scrutiny committees should report to an authority's Full Council meeting rather than to the executive, mirroring the relationship between Select Committees and Parliament, (ii) executive councillors should not participate in scrutiny other than as witnesses, (iii) scrutiny committees should have access to financial and performance data and not be restricted for reasons of

commercial sensitivity, (iv) that scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice, and (v) that participation with members of the public and service users should be encouraged.

- 3.3.2 That the DCLG works with the LGA and Centre for Public Scrutiny to identify willing councils to take part in a pilot scheme to consider the impact of elected chairs on scrutiny's effectiveness.
- 3.3.3 That Councils be required to publish a summary of resources allocated to scrutiny, using expenditure on executive support as a comparator.
- 3.3.4 That the Statutory Scrutiny Officer requirement be extended to all councils with a seniority and profile of equivalence to the council's corporate management team. That the Statutory Scrutiny Officer also makes regular reports to Full Council on the state of scrutiny including identifying any areas of weakness.
- 3.3.5 That the DCLG put monitoring systems in place and considers whether the support to committees needs to be reviewed and refreshed. That the DCLG write to the select committee detailing its assessment of the value for money of its investment in the LGA and on the wider effectiveness of local authority scrutiny committees.
- 3.3.6 That scrutiny committees must be able to monitor and scrutinise the services provided to residents including by public bodies and commercial organisations.
- 3.3.7 That the Government make clear how LEPs are to have democratic, and publicly visible, oversight and that upper tier councils, and combined authorities, should

be able to monitor the performance and effectiveness of LEPs through their scrutiny committees.

3.3.8 That the Government commit more funding to ensure effective scrutiny of the Metro Mayors. When agreeing further devolution deals and creating executive mayors, the Government must make clear that scrutiny is a fundamental part of any deal that must be adequately resourced and supported.

3.4 The government produced a full response to the recommendations which was published in March 2018. The response explains which recommendations were accepted and which were not, including an explanation for the decision. Where recommendations were accepted, the government also provided their proposed actions.

3.5 Below is a summary of the key points from the government's response, to view the full response please see Appendix A.

3.6 Recommendation 1:

Guidance to be updated to advise the following:

- i. recommend that scrutiny committees report to the Full Council;
- ii. further clarity on the executive not participating in scrutiny other than as witnesses;
- iii. clearer instructions to councils on scrutiny's powers relating to access to documents;
- iv. support officers should be able to operate independently and provide impartial advice – however each council should decide for itself how to resource its scrutiny function;
- v. actively encourage public participation.

3.7 Recommendation 2:

The government accepts that election of the chair might help ensure the right individual is ultimately selected however this is a decision that each council needs to make for itself. Guidance to be updated to recommend that councils bear this in mind when deciding on a method for selecting a chair.

### 3.8 Recommendation 3:

The government did not accept this recommendation. Quantifying the support that scrutiny committees receive would be very difficult and each authority is best-placed to decide how to support scrutiny most effectively.

### 3.9 Recommendation 4:

The government did not accept this recommendation. As with the response to recommendation 3, each authority is best-placed to know what arrangements suit its circumstances. Key requirement for effective scrutiny is to have the right culture in the council and this will be included in the updated guidance.

### 3.10 Recommendation 5:

The government did not accept this recommendation. Funding is provided to the LGA for sector-led improvement work and every council has access to this training. The funding is refreshed annually to ensure it remains relevant.

### 3.11 Recommendation 6:

Updated guidance to remind councils of the regulations that allow scrutiny members to access exempt or confidential documents in certain circumstances. DCLG to discuss with the sector to get a better understanding of the issues some scrutiny committees appear to have in accessing information and whether there are any steps the Government could take

to alleviate this. With regard to service providers attendance at meetings, Councils are best-placed to decide how best to hold to account those who run its services.

### 3.12 Recommendation 7:

The government is already acting on concerns about the governance arrangements in relation to LEPs; a ministerial review is being carried out and the government will report back to the select committee with an update. However, it had been identified that many LEPs had already established governance arrangements which included overview and scrutiny.

### 3.13 Recommendation 8:

The government accepted this recommendation and advised that legislation had been released in 2017 (*Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017*) that provided for the rules of operation for local overview and scrutiny and audit committees to robustly hold combined authorities and mayors to account.

3.14 The Centre for Public Scrutiny has also published their thoughts on the government's response to the inquiry which is attached at Appendix B.

## 4.0 **Next steps**

4.1 In order to ensure CBC's scrutiny function is effective, the select committee inquiry has provided an opportunity to relook at how we carry out overview and scrutiny at Chesterfield to identify what is working well and where improvements or changes to practices are needed.

4.2 Scrutiny members are asked discuss and share their initial thoughts. During the course of the year, the Democratic and Scrutiny team will be working with the scrutiny Chairs and members to review areas of concern or areas where change is needed; following this a series of proposals will be drawn up to be discussed and then introduced in 2019/20.

## 5.0 **Recommendations**

5.1 To advise Scrutiny Members on the outcomes of the Communities and Local Government Select Committee (CLGC) report on the Effectiveness of Local Authority Overview and Scrutiny Committees and to advise on the government's response to the findings from the review.

5.2 That Scrutiny Members advise the Senior Democratic and Scrutiny Officer of areas they want to review from the outcomes of the inquiry and concerns with CBC's existing Overview and Scrutiny function.

## 6.0 **Reasons for recommendations**

6.1 To ensure the overview and scrutiny function stays relevant and effective.

6.2 To identify areas for improvement so that changes can be explored and proposed.

<b>Glossary of Terms</b>	
CLGC	Communities and Local Government Select Committee
LGA	Local Government Association

## **Decision information**

<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan</b>	Underpins whole plan

<b>priorities</b>	
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### Document information

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<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
<b>Appendices to the report</b>	
Appendix A	Full government response to the report
Appendix B	Centre for Public Scrutiny response to the report