

# Scrutiny at Eden Scrutiny Structure Review

October 2019



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## **Chairman's Foreword**

After becoming Chairman of Scrutiny it became obvious to me that the current format was not fit for purpose. The Centre for Public Scrutiny were invited to audit a review the role and function of Scrutiny in Eden District Council and after a full investigation brought forward a number of proposals.

In light of the review it was decided to set up a task and finish group to look into the structure and better practice of Scrutiny. The group with help from Officers have decided on this report to guide the way forward.

Councillor Douglas Banks

Eden District Councillor for Langwathby

# **1. Executive Summary**

The way in which the Eden District Council (hereafter referred to as the Council) undertakes Scrutiny has been under consideration for a number of years. While there has been significant scrutiny activity, weaknesses in the current approach to Scrutiny have been identified. Scrutiny Co-ordinating Board established a Task and Finish Group to take a non-partisan approach to reviewing the structure of the scrutiny committees.

The Task and Finish Group (hereafter referred to as The Group) considered the Council's current practices, taking into consideration best practice guidance and findings from a review undertaken in February 2019 by the Centre for Public Scrutiny.

The Group noted that the District Council elections in May 2019 has changed the composition of the Council resulting in a new Administration. The Group felt that the introduction of a Performance Management Framework will help Scrutiny committee members identify areas of concern and areas of policy development which they may wish to influence. The re-introduction of a Forward Plan could also help Members to observe the decisions which the Executive intend to make.

The Group felt it was important to acknowledge that there are a number of potential Scrutiny Committee structures and that there is no 'right' choice. The number and composition of the Scrutiny committee(s) is detailed in the Councils Constitution which can only be amended by full Council.

The Group felt that it was important to ensure all non-executive members have the opportunity to become involved in scrutiny. Inviting individuals, who do not sit on a Scrutiny committee to take part in task and finish groups was considered to be a flexible way of involving people with relevant skills to engage in scrutiny.

As resources are limited, an agile structure, which helps Scrutiny concentrate on areas of underperformance as identified in the Council Plan, is considered to be essential. The Group were also keen to retain flexibility to consider the work of outside bodies and partners which affects the Council and residents.

The Group acknowledged that meaningful engagement with the Executive is essential for effective scrutiny. Regardless of the committee structure adopted Scrutiny must ensure that there are clear channels of communication.

The Centre for Public Scrutiny has provided a clear rationale for moving to a one Committee Structure. The considered the pros and cons of alternatives with a view to forming the recommendations in this report.

The Group felt that cost savings can be achieved by rationalising the number of committees. Duplication can be avoided and resources used more effectively to offer greater impact through a more focussed approach. Confusion as to which scrutiny committee should consider areas which cover more than one Portfolio would also be avoided. Amending the structure would require changes to the Constitution.

## **2. Introduction**

This review has been undertaken to allow Scrutiny Co-ordinating Board to assess the Council's existing scrutiny structure and practices and make recommendations to increase the impact scrutiny has in supporting Council performance.

## **3. Scope**

### **3.1. Purpose of the Review:**

To establish an effective scrutiny structure and improve practices within Eden District Council to increase the impact scrutiny has in supporting Council performance.

### **3.2. Aims:**

- To consider the recommendations of the Review of Scrutiny Report produced by the Centre for Public Scrutiny produced in March 2019.
- To compare current practices with comparable Councils.
- To make recommendations to increase the impact scrutiny has in supporting Council performance.

### **3.3. Methodology**

Scrutiny Co-ordinating Board appointed five Scrutiny Members to the Task and Finish working group. One subsequently withdrew. The group comprised Members from all parties and agreed to take a non-partisan approach to the task. The Members on the Task and Finish Group (hereafter referred to as The Group) were:

- Councillor D Banks - Lazonby (Chairman)
- Councillor D Holden – Penrith North
- Councillor M Hanley – Alston Moor
- Councillor D Lawson – Penrith Carleton
- Councillor J Owen – Shap (until October 2019)

The Group agreed to the following approach:

- desk based research comprising a review of the Scrutiny Committee structure of similar Councils;
- a review of the 'Scrutiny in the Eden District Council' report produced by the Centre for Public Scrutiny in February 2019 together with previous Scrutiny reviews undertaken at Eden District Council; and
- a review of best practice guidance in relation to scrutiny within Local Authorities

As this was not an academic study the Literature Review was limited to publicly accessible reports and papers readily available, free of charge via the internet.

Twelve Councils were identified as being similar to Eden District Council based on the Institute of Public Finance and Accountancy 'nearest neighbours' group of similar authorities. The Group considered the number of Scrutiny committees and a sample of Agendas.

The Group met with the Director of Corporate Services and received an update on work being undertake to develop a Corporate Management Framework.

## **4. Findings**

### **4.1. Background**

On 15 December 2016 an informal working group of Members met to discuss the Environment and Economy Scrutiny Committee and the Housing and Community Scrutiny Committee including the structures, number of meetings, number of Councillors and work planning.

On 20 April 2017 Council considered structural changes to the Environment and Economy Scrutiny Committee and the Housing and Community Scrutiny Committee resulting in all the Scrutiny Committees having their membership reduced from thirteen to nine arising from recommendations made by the informal working group. Members also approved a change to the means by which Scrutiny reviews are selected.

On 15 December 2017 a meeting took place attended by the then Deputy Chief Executive, Member Services Team Leader, Chairman and Vice Chairman of three Scrutiny Committees and Group Leaders. The purpose of the meeting was to seek Members' views on the means by which improved engagement on a pro-active basis by Scrutiny could be achieved as from the start of the new municipal year for 2018/19. This meeting arose out of a suggestion from the then Chief Executive to improve Scrutiny.

On 8 March 2018 Council considered a report seeking approval for amendments to the structure of Scrutiny and the re-introduction of a Forward Plan of Key Decisions. A number of questions were brought up at the meeting of Council and it was resolved 'that the report be deferred and referred back to the Scrutiny Review Working Group for further consultation, with a report brought back to full Council at the April meeting.'

On 19 April 2018 Council considered a report which sought to update Members in relation to the scrutiny structure review. It was resolved that the Scrutiny Structure Review be postponed and the working group be requested to re-convene in October 2018 with a view to inviting the Centre for Public Scrutiny to undertake a 'Scrutiny Health Check'.

On 4 and 5 February 2019 the Centre for Public Scrutiny conducted a series of interviews with Group Leaders, Scrutiny Committee Chairs, Portfolio Holders, Senior Managers and Democratic Services Officers, together with meetings of with Scrutiny Members from individual political groups.

The Centre for Public Scrutiny also invited all Members to complete an online survey, and undertook desk based research.

In March 2019 the final report was circulated to all Members. Findings were presented and discussed with Members at a meeting held on 25 March 2019.

Following the District Elections, which took place in May 2019, a training session on Scrutiny was delivered by the Centre for Public Scrutiny, 16 Councillors were in attendance.

In May 2019 Scrutiny Co-ordinating Board received an update from the Chief Executive in respect of revised arrangements for reporting performance under a new performance management framework.

In May 2019 Scrutiny Co-ordinating Board convened a working group full consideration to be given to formulate proposals for a revised member structure for Scrutiny, having regard to the findings of the Centre for Public Scrutiny review with a view to implementation for the 2020/21 municipal year. See appendix 1 for Terms of Reference.

## 4.2. Other Councils

The Group noted that of the twelve Councils reviewed ten had adopted a single committee approach, see appendix 2. The remaining two Councils had two committees, one focussing on Council services and one considering external matters and partnerships providing other public services.

The Group noted examples of good practice as detailed in the Scrutiny Frontiers report.<sup>1</sup>

## 4.3. Best Practice in Scrutiny

The Ministry of Housing, Communities and Local Government Guidance<sup>2</sup> and the Centre for Public Scrutiny<sup>3</sup> provide guidance to local authorities in England with a view to helping them carry out their overview and scrutiny functions effectively. The following points were noted to be of particular relevance to this review:

- This is statutory guidance which Local authorities must have regard to when exercising their functions.
- Sections 9F to 9FI of the Local Government Act 2000 as amended by the Localism Act 2011 set out the requirement for local authorities in England to establish overview and scrutiny committees.
- Legislation allows each Council to agree their scrutiny arrangements, therefore Members have a degree of flexibility when considering which structure is most appropriate for Eden District Council.
- A clear role and focus for scrutiny is required to ensure that work is of value and relevance to the authority, therefore clear terms of reference would be required for any new committees at the Council.
- While regular discussions should take place between Scrutiny and the Executive, the chair of the Scrutiny Committee should determine the nature and extent of Executive Member's participation in Scrutiny Committee meetings including informal task and finish group meetings.
- The Executive should not direct Scrutiny's priorities, however scrutiny work will need to reflect some of the Executive's priorities to ensure that it is adding value.
- An 'Executive – Scrutiny protocol' may be useful to help mitigate differences of opinion arising from scrutiny recommendations as it could provide a framework for debate.
- The resources allocated to scrutiny plays an important role in determining its success. Support includes the way in which the wider authority engages with Members and Officers who undertake the scrutiny function. It is therefore important that the Council allocates resources effectively to make best use of limited resources.
- Scrutiny committees made up of Members who have the necessary skills and commitment are more likely to be taken seriously by the wider authority. Therefore it may be more effective for the Council to increase the use of task and finish groups

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<sup>1</sup> Centre for Public Scrutiny (2019) Scrutiny Frontiers 2019

<sup>2</sup> Ministry of Housing, Communities and Local Government Guidance (2019) Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities

<sup>3</sup> Centre for Public Scrutiny (2019) The Good Scrutiny Guide

which could draw on a 'wider pool' of Members than just those on a Scrutiny Committee.

- Scrutiny members should have regular access to key information on the authority's management, performance and risk. Therefore the introduction of a performance management framework should help scrutiny focus on areas of concern.
- Scrutiny committees have a legitimate interest in 'following the council pound' i.e. considering organisations that receive public funding to deliver goods and services. This is particularly relevant to bodies contracted to deliver work on behalf of the Council.
- To ensure there is a planned, flexible approach to scrutiny, consideration should be given to how work programmes are co-ordinated across multiple committees to make best use of available resources.
- Evidence sessions are a key way of informing the work of scrutiny committees. To be effective Members should have a clear idea of what the committee hope to get from the session.

#### **4.4. Review of Scrutiny Report from Centre for Public Scrutiny**

The Centre for Public Scrutiny assessed the Council's approach to scrutiny in February 2019. See appendix 3 for the final report. The following points were noted to be of particular relevance to this review:

- It is important that scrutiny actively challenges and contributes to the strategic and operational working of the Council. Scrutiny should be proactive as well as reactive.
- The Council's scrutiny function must be responsive and flexible ensuring that its time and resource are used more intelligently.
- Current arrangements and culture allow Members from all groups to speak freely, this allows for the 'independent mindedness of scrutiny' and non-political consensus building.
- While Executive Members attend scrutiny committee meetings decisions were not necessarily tested. Using a performance management framework may facilitate a more rigorous approach.
- There is a lack of visibility of the Council's corporate plan in Scrutiny. The use of a performance management framework may facilitate the alignment of work plans.
- Agendas for each of the current committees can be dominated by up-date reports and briefing papers. There was no evidence of a dedicated scrutiny exercise on an area of policy development, forward plans or key decisions.
- Members found it difficult to identify examples of where scrutiny is adding value. Therefore, a more focussed structure may concentrate efforts into work which makes a real difference.
- There is little evidence of Members acting as a team with clear lines of enquiry. A refreshed structure may facilitate a new approach.
- The review recommends a single Overview and Scrutiny Select Committee comprising twelve Members, supplemented by agile task and finish groups to provide more penetrating enquiry and curiosity'.



- The review recommends that all Members and offices create a scrutiny mission and agreed purpose.

## **4.5. Options Appraisal**

The Group considered the options detailed below.

### **4.5.1. Three Committee Structure (Current Structure)**

One Scrutiny Co-ordinating Board with two sub-committees i.e. Environment and Economy Scrutiny Committee and Housing and Communities Scrutiny Committee.

Scrutiny Co-ordinating Board: 6 scheduled meetings per annum comprising nine Members.

Environment and Economy Scrutiny Committee: five scheduled meetings per annum comprising nine Members.

Housing and Communities Scrutiny Committee: five scheduled meetings per annum comprising nine Members.

Task and Finish groups as required.

The following pros and cons were identified:

Discussion Item	Pros	Cons
Centre for Public Scrutiny review recommendations		Contrary to recommendation
16 meetings scheduled per annum	At least one committee meets each month enabling significant scrutiny activity	Costs involved in servicing meetings – officer time, venue, postage & printing
		Items are not covered in depth
3 Committees	Workload shared amongst 3 Chairs/committees	Costs associated with Special Responsibility Allowance
		Duplication – Chairs of sub-committees must attend Scrutiny Co-ordinating Board to feed in/report back to sub-committee
		Allocation of work programme topics can be difficult
	27 seats in total (21 standing deputies) - large number of Councillors can become involved scrutiny	Currently 19 different Councillors sit on scrutiny committees
	21 standing deputies – large number of Councillors can become involved scrutiny	Currently 14 Councillors are standing deputies as well as sitting on another scrutiny committee
		Some Members prefer to concentrate on Ward work
Same Councillors sit on more than one committee	Members have a better understanding of scrutiny	Fewer Councillors are involved in scrutiny
Public perception	Public can see Scrutiny is an integral part of the running of the Council	Public do not understand what areas are covered by each committee
Changes to Constitution	No changes required	

#### 4.5.2. One Committee Structure

One Overview and Scrutiny Select Committee: with a minimum of six scheduled meetings per annum (bi-monthly) comprising 12 Members.

Additional meetings called if required.

Task and Finish groups as required.

The following pros and cons were identified:

Discussion Item	Pros	Cons
Centre for Public Scrutiny review recommendations	In line with recommendation	
6 meetings scheduled per annum – additional meetings if required	Reduced costs involved in servicing meetings – officer time, venue, postage & printing	Reduced scrutiny activity in terms of number of meetings
	Agile response to issues arising	Members may not be available
	More focussed/meaningful Agendas	Potential numerous items on Agendas leading to longer meetings
Single Committee	Councillors are aware of all items under scrutiny	Fewer Councillors sit on a Scrutiny committee
	No duplication	
	Councillors develop a deeper understanding of the issues presented	
	Easy to allocate work programme topics	
Councillors can be drawn into task and finish groups	Councillors can elect to look at areas in which they are particularly interested	Require Councillors not on scrutiny to 'volunteer'
	Councillors with specialist skills can be asked to take part in task and finish groups	
	Increased focus on Task and Finish groups, with more meaningful scrutiny	

Discussion Item	Pros	Cons
Public perception	Easy for public to understand structure	
	Scrutiny is an integral part of the running of the Council	
Changes to constitution		Constitution requires amendment

Reducing the number of formal committee meetings from 16 to six would reduce costs as follows:

Officer time in attending evening meetings: 10 x £58.60 = £586.00 (including on-costs)

Standard rate for opening the Council Chamber for evening meetings 10 x £54.12 = £541.20

Reducing the special responsibility allowance paid to Councillors by two Chairs: 2 x £1,288.00 = £2,576.00

Total savings £3,703.20

There may also be reduced costs in relation to the travel allowances paid, which would be dependant on the distances travelled by individual Members.

#### 4.5.3. Two Committee Structure

Two Scrutiny committees ie one focussing on Council priorities the other focussing on external stakeholders.

Discussion Item	Pros	Cons
Centre for Public Scrutiny review recommendations		Contrary to recommendation
12 meetings scheduled per annum	At least one committee meets each month enabling significant scrutiny activity	Costs involved in servicing meetings – officer time, venue, postage & printing
		Items are not covered in depth
2 Committees	Workload shared amongst 2 Chairs/committees	Costs associated with Special Responsibility Allowance
		Duplication – Chairs of sub-committees must attend Scrutiny Co-ordinating Board to feed in/report back to sub-committee

Discussion Item	Pros	Cons
		Allocation of work programme topics can be difficult
	Large number of Councillors can become involved scrutiny	Some Councillors may sit on both committees
Same Councillors sit on more than one committee	Members have a better understanding of scrutiny	Fewer Councillors are involved in scrutiny
Public perception	Public can see Scrutiny is an integral part of the running of the Council	Public do not understand what areas are covered by each committee
Changes to Constitution		Changes required
Added value		Little value added to the work of the Council

Reducing the number of formal committee meetings from 16 to 12 would reduce costs as follows:

Officer time in attending evening meetings: 4 x £58.60 = £234.40 (including on-costs)

Standard rate for opening the Council Chamber for evening meetings 4 x £54.12 = £216.48

Reducing the special responsibility allowance paid to Councillors by one Chair: 1 x £1,288.00 = £1,288.00

Total savings £1,738.88

There may also be reduced costs in relation to the travel allowances paid, which would be dependant on the distances travelled by individual Members.

## 5. Conclusion

In conclusion, findings from the desk research and previous reviews suggest that while there has been significant scrutiny activity this has not necessarily added value to the work of the Council.

Although there are legislative constraints, the way the Council undertakes scrutiny can be determined by Members. The number and composition of the Scrutiny committee(s) is detailed in the Councils Constitution which can only be amended by full Council.

The Group noted that the way in which the Council undertake scrutiny has been under consideration for a number of years. Following the District Council elections in May 2019 there has been a change in the elected Members and Council Administration leading to the development of a new Council Plan. This, in addition to changing ways of working within the Council, provides an opportunity to amend the way scrutiny operates to align with corporate priorities.

Scrutiny has been reactive rather than proactive. The introduction of a Performance Management Framework will help Members identify areas of concern and areas under

development which Scrutiny may wish to influence. There would also be a benefit with the re-introduction of a Forward Plan in order to look at the forthcoming work of the Executive and to give a chance for Scrutiny to request further information regarding specific upcoming topics.

The Group noted that involving as many non-executive Members in scrutiny is important. Inviting Members, who do not sit on a scrutiny committee to take part in task and finish groups would ensure that skills and interests are matched to specific topics.

Resources are limited, therefore an agile structure, which helps Members to concentrate on activities which ensure the actions identified in the Council Plan, is essential. The Group are also keen to retain flexibility to consider the work of outside bodies and partners which affects the Council and residents.

Clear roles, a focussed approach and meaningful engagement with the Executive is essential for effective scrutiny. Regardless of the committee structure adopted, going forward Scrutiny must ensure that there are clear channels of communication with the Executive.

The Centre for Public Scrutiny has provided a clear rationale for moving to a one Committee Structure. The ultimate decision rest with full Council.

Cost savings can be achieved by rationalising the number of committees. Duplication can be avoided and resources used more effectively to offer greater impact through 'more penetrating enquiry and greater curiosity about the major plans and intentions of the executive'<sup>4</sup>.

Confusion as to which scrutiny committee should consider areas which cover more than one Portfolio would be avoided if the committees were rationalised.

Amending the structure would require changes to the Constitution.

## **6. Recommendations**

To increase the impact scrutiny has in supporting Council performance The Group wish to make the following recommendations. Recommendations will be considered by the Scrutiny Co-coordinating Board and the Accounts and Governance Committee and are ultimately for all Members to consider at Full Council.

That with effect from the commencement of the municipal year for 2020/21:

- a) the current three scrutiny committees be replaced with one 'Overview and Scrutiny Select Committee', comprising 12 Members, meeting no less than six times per year;
- b) the 'Overview and Scrutiny Committee' be given authority to convene task and finish groups to supplement their work; and
- c) consideration be given to the re-introduction of a Forward Plan of work of the Executive.

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<sup>4</sup> Centre for Public Scrutiny (2019) A Review of Scrutiny in Eden District Council

# Appendix 1 – Working Group Term of Reference

## Review Project Plan

### Scrutiny Structure Review 2019

#### (Scoping Document)

#### General Information

<b>Title of Review</b>	<b>Increasing Participation</b>
<b>Membership of Review Group</b>	<b>Cllr D Banks</b> <b>Cllr J Owen</b> <b>Cllr D Lawson</b> <b>Cllr M Hanley</b> <b>Cllr D Holden</b>
<b>Co-options (if any)</b>	<b>n/a</b>
<b>Specialist Officer (if any)</b>	<b>n/a</b>
<b>Democratic Services Officer</b>	<b>Claire Watters</b>
<b>Which Council objectives will this review contribute to?</b>	<b>Thriving Communities</b> <b>Quality Council</b>

#### Terms of Reference

<b>Purpose of the Review</b> (Aim)	To establish an effective scrutiny structure and improve practices within Eden District Council to increase the impact scrutiny has in supporting Council performance.
<b>Main Elements of the Review</b> (Objectives)	1 To consider the recommendations of the Review of Scrutiny Report produced by the Centre for Public Scrutiny produced in March 2019. 2 To compare current practices with comparable Councils. 3 To make recommendations to increase the impact scrutiny has in supporting Council performance.
<b>What is excluded?</b>	N/A

## Anticipated Outcomes from the Review

<b>Benefits of the Review</b>	The review will allow Scrutiny Co-ordinating Board to assess the Council's existing scrutiny structure and practices and make recommendations to increase the impact scrutiny has in supporting Council performance.
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## Risks and Implications

<b>Risk implications</b>	Managing public and Member expectations – Scrutiny Committees cannot alter the Constitution or alter the Executives decision making powers.
<b>Legal Implications</b>	<p>Scrutiny Committees are not decision making bodies. Any changes that may come from this review would need to be considered by the Accounts and Governance Committee and full Council.</p> <p>If any recommendation of the Board required substantive additional resources or involve a changes in Council policy the recommendations would need to be considered by the by the appropriate decision making body of the Council.</p>
<b>Financial Implications</b>	The review can be carried out within existing resources and so does not have any direct financial implications.
<b>Resource Implications</b>	The review will most likely call on officers to provide information to the Councillors as part of the review.
<b>Equalities Implications</b>	There may be issues to consider having regard to the need to eliminate unlawful discrimination and advance equality of opportunity for people who have protected characteristics. Any recommendations which may have adverse effects on people with protected characteristics will be subject to an appropriate Equality Impact Assessment.



## Projected Timescales

<b>Start Date</b>	June 2019 (Scoping)
<b>Interim Report Date</b>	N/A
<b>Date of Submission of Final Report</b>	Council 7 November 2019
<b>Report Route and anticipated meeting dates</b> eg. Scrutiny Panel, Exec, Council etc.	Scrutiny Co-ordinating Board 19 September 2019 Accounts and Governance 26 September 2019 Council 7 November 2019

## Research Methods

<b>Key Documents</b>	Centre for Public Scrutiny Report March 2019
<b>Key Contributors:</b> (this may include key officers, councillors, expert contributors and/or stakeholders)	Councillors Chief Executive Director of Corporate Services Democratic Services Officers
<b>Potential Site Visits</b>	TBC – Comparable Council
<b>Best Practice Examples</b>	TBC - Comparable Councils

## Community Engagement

<b>Consultation methods</b> (Questionnaires/Focus Groups/Workshops/Website)	Previously undertaken by Centre for Public Scrutiny
<b>Public Meetings</b>	Not at this stage
<b>Communications</b>	N/A
<b>Equalities – reaching/ hearing diverse groups</b>	N/A

## Appendix 2 – Committee Structures at Similar Councils

Council	Number of Scrutiny Committees	Notes
Babergh and Mid Suffolk District Council	1	
Cotswold District Council	1	
Craven District Council	1	
Hambleton District Council	1	
Maldon District Council	1	
Melton Borough Council	1	
Mid Devon District Council	1	
Richmondshire District Council	2	Internal and External Overview and Scrutiny Committees
Rydale District Council	1	
South Lakeland District Council	1	
Torridge District Council	2	Internal and External Overview and Scrutiny Committees
West Devon Borough Council	1	

## **Appendix 3 Centre for Public Scrutiny: A Review of Scrutiny in Eden District Council**

### **Appendix 1**



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### **A review of scrutiny in Eden District Council**



Final Review report

February 2019 – Published March 2019

**Contents:**

Executive Summary:

- Introduction
- Scope and methodology
- Summary of findings
- Recommendations

Appendix A – Member survey summary

Appendix B – Evidence gathering summary

## **Report Summary**

### **Introduction**

1. The Centre for Public Scrutiny (CfPS) was commissioned by Eden District Council (CDC) to advise and support an internally-led review on the effectiveness and impact of their current approach to overview and scrutiny.
2. We would like to thank those elected scrutiny members, cabinet members, and officers who took part in interviews, survey and observations for their time, insights and honesty.
3. We are especially grateful to Vivien Little and Claire Watters for their help and support in arranging the review and during our time visiting the council.

### **Scope and methodology**

4. The review assessed the current approach to scrutiny with options and recommendations aimed at improving its impact and effectiveness. We explored the value and impact of scrutiny in terms of:
  - Effectively holding the executive to account
  - The effectiveness of its structure
  - Contributing to policy-making
  - Acting as a voice for the public
  - Whether scrutiny is organised in the best way to have an impact and move at pace
  - Its overall value to the council's effectiveness
5. Specific areas to be included were:
  - How well the role of scrutiny is understood within the council by members and officers and the perception of its value?
  - How the public are considered in the work of scrutiny?
  - How focused and well managed the work programmes are in relation to corporate priorities and issues of immediate concern?
  - How effectively scrutiny constructively challenges executive decisions and policy?
  - How much impact scrutiny has had, for example in relation to the performance of the council, its impact within the District?
  - The working relationship between members and officers
  - Behaviours and cultural influences
  - Support provided to scrutiny
  - How members are trained and supported to undertake scrutiny and how this contributes to their broader development?

6. The principle queries we used for evidence gathering were:
  - The observations, experiences and expectations of members and officers in relation to their work or exposure to scrutiny
  - Consistent understanding of scrutiny purpose
  - What do people want to be different?
  - What would good look like for Eden DC?
  - What works already?
  - What new things could be tried?
7. Evidence gathering included:
  - Desk research of key council documents: constitution, agendas, minutes, work programme, etc
  - Member survey
  - Interviews with key members, officers and partner stakeholders

A copy of the member survey results can be found at Appendix A and details of the interviews undertaken can be found at Appendix B.

## **Summary of findings**

### **Context**

8. The importance of good governance and the value of accountability and openness in local government is well documented. Scrutiny is a key contributor. In the context of significant public sector challenges the need for clear accountability and robust scrutiny is even more significant. The recent The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government) Select Committee review into local government scrutiny confirmed this need for strong effective scrutiny and new Government guidance is about to be published. Our review, findings and recommendations have considered the draft/proposed new guidance. For Eden Council it is important that scrutiny challenges but more importantly, actively contributes to the strategic and operational working of a well performing council which is focused on strengthening its local economy whilst maximising the use of its resources and opportunities.
9. Many councils have been undergoing significant change and transformation. Eden's approach to commercialisation, housing, economic development and new approaches to service delivery is helping the council to respond to present and future challenges. It recognises the need to develop its economy and address its aging population demographic through appropriate housing and employment opportunities. The district is also geographically widespread with many remote rural communities, presenting multiple needs. Its latest master plan for Penrith is not universally supported and faces opposition from both within the council and local community. The council is working hard to address concerns and communicate its ambitions for the area.
10. Eden's scrutiny function therefore has more to do. It must be responsive and flexible and to use its time and resource more intelligently. Its focus and direction

must be directed towards the high impact, high value core business areas. Unfortunately, although it recognises this it has often been distracted by other issues which are arguably less connected to the council's goals and objectives and have less influence on crucial policies, strategies and decisions.

11. Eden has elections in May 2019. It may present a timely opportunity for the council to consider a fresh start for scrutiny, to reset and establish how it will operate moving forward and its future role in shaping, improving and delivering council strategic plans alongside its fundamental check and balance responsibilities.
12. An induction plan for new and existing members following the May election has recently been approved by Cabinet this report may further support this process.

### **An appraisal of current overview and scrutiny**

13. **Council approach to scrutiny:** Scrutiny is well managed and runs efficiently as a function.

An internal review of its scrutiny function proposed changes to its committee structure and roles. However, the review recommendations were not adopted, and further consideration was postponed with an intention to consult more widely and obtain external input from CfPS.

New Government scrutiny guidance has not been officially published although CfPS has been closely involved in its drafting and is aware of its content. We have therefore incorporated this in our review.

14. The council is keen to evolve scrutiny to ensure it is making an appropriate and positive contribution to how the council now operates within the continuing uncertain climate for local government and pressures on how the district will economically develop. Members and officers told us that they would like scrutiny to develop to more appropriately align to the corporate priorities and to contribute positively to policy shaping, testing, and supporting performance improvement through effective challenge.

Based on the interviews and feedback received, it is widely recognised that scrutiny could add more value given the time and effort that the council dedicates to the function.

There is also a desire by the council leadership to be democratically and publicly accountable for their policies and decisions. Generally, members enjoy scrutiny, and some do not see it as underperforming, but all members and officers want it to achieve more and develop a more constructive role.

15. **Scrutiny's purpose and democratic accountability.** Most members recognise the role of scrutiny as holding to account the executive, the organisation and to ensure that services are delivered efficiently and offer good value. Few members extended the role of scrutiny to its strategic task of shaping and influencing policy and decision-making.

The structures and support around scrutiny are helpful in involving councillors in the process of trying to understand the work programme. Members of scrutiny are given considerable opportunity to 'get stuck into' the big issues that are on the Executives agenda. Members and officers recognise that scrutiny can make a positive contribution to the future decision-making of the council. Scrutiny is also used as a helpful way to give officers feedback on progress and performance of

service delivery. Scrutiny allows councillors (particularly new ones) to get a deeper understanding of the organisation/services.

We were consistently told The Council Leader and Executive Members make themselves readily available to scrutiny committees to be challenged and held to account. There is no party whip present in committee, although members may vote collectively along party lines. Members from all political groups and independents can speak freely. This does provide greater scope for the 'independent mindedness' of scrutiny (a very useful part of good scrutiny) and non-political consensus building.

Executive Members regularly attend and provide reports on their decisions and progress on their portfolio responsibilities. Scrutiny committees do not however fully exercise this opportunity to effectively drill down and test and challenge these reports. These opportunities tend to be information exchanges and conversations. Executive members feel that they are generally unchallenged and that they would welcome a sharper exchange that explored the issues and challenges more deeply.

The Chair of the main scrutiny committee – the Scrutiny Co-ordination Board is Chaired by a councillor from the main opposition group. This is written into the council constitution and is generally recognised as good practice.

16. **Clarity of vision/the corporate plan.** There is a lack of understanding or visibility of the council's corporate plan in the work of scrutiny. The main corporate objectives can be generally described by some members but there is inconsistent understanding about how the Corporate plan is connected to other key council plans such as the Budget/MTFP, Portfolio plans, Local Plan and Master Plan – plus other strategic and key delivery plans. Subsequently there is no visible 'golden thread' of scrutiny that flows through the creation and implementation of these crucial documents and their active role in driving the council and serving the community. Members of scrutiny may be unaware of this and the need to prioritise and develop a methodology to tackling these big, fundamental and critical strategic plans. There is broad appreciation that scrutiny can do more, but members will need to develop skills, understanding and ambition to help scrutiny to play a full and active role. Without such change scrutiny may fail to keep pace with change and its impact within the council diluted further.

We were provided with little evidence of the role of scrutiny in setting the council's corporate plan refresh, budget or medium-term financial plan. Scrutiny of these areas is superficial and lacks enough rigour to be useful and effective. Again, Members are keen to do more, but may require support and development to improve this vital scrutiny task.

17. **Scrutiny work programme and committee structure.** There is certainly a lot of scrutiny activity happening in Eden, with three permanent committees and several task and finish groups.

Each of the three main committee meets 5/6 times per municipal year. Agendas can be dominated by up-date reports and briefing papers. We could find little evidence of obvious areas where scrutiny members proposed, planned and conduct a dedicated scrutiny exercise of an area of policy development, forward plans or key decisions.



Again, we could not evidence that there has been any scrutiny time given to the Penrith Master Plan. This is surprising given its importance and level of community concern.

Agendas are usually full, and many reports are comprehensive. Members found it difficult to identify examples where scrutiny is making a difference or adding value. It is difficult to quantify the scrutiny 'product'. Generally, scrutiny was described as being rather ineffective in relation to impact and relevance, with a lack of rationale behind what scrutiny decides is important and selects for its work programme.

The work programme evolves through a consultation process involving communities and interested external organisations. This 'long-list' is filtered and prioritised in a member workshop which finally selects items for its work programme and task groups. This consultation process and public involvement is commendable, although it appears to inevitably squeeze out potentially more important or 'mission critical' subjects. Scrutiny committees currently appear to lack a balanced approach and clear rationale for prioritising its work between council priorities, community concerns, service delivery and internal performance.

Scrutiny committees and scrutiny members may be over reliant on officer input and direction.

18. **The quality of scrutiny undertaken/behaviours.** Most scrutiny takes place in committees and there is little evidence of members acting as a team with clear lines of inquiry. This is leaving space for un-co-ordinated individual questions (often focused on specific ward issues), some of which result in scrutiny happening but not usually by design.
19. **Evaluation and review.** An annual report is produced which sets out the activities and achievements of scrutiny. It was however difficult for members and officers to recall where scrutiny had made an impact during the year.
20. **The scrutiny support function.** The function is well-supported by a dedicated team of officers with a strong mix of experience and skills. Members and officers are well engaged and positive about their role. There are known processes for work programming planning, agenda setting and managing the meetings.

### Summary of recommendations

21. For Eden to continue as a high performing council and to reflect changes to how it operates, there are some areas where it could consider making changes:
22. **Impact and effectiveness of the current structure.** The council has already considered changes to its committee structure. It seems timely to consider a new structure that will reflect how a modern council operates. A review of the existing scrutiny model to create a slim and smarter structure could provide the following benefits:
  - An opportunity to better align with the council's priorities or Cabinet portfolios.
  - Give a clearer view of the purpose of scrutiny and an opportunity for members to improve their knowledge by focusing on a specific area of council business.
  - Utilise the best skills available in the member group and focus training and support.

- Reflect the fact that council staffing has reduced in recent years.
- An ability to concentration scrutiny resources, time and effort on the important matters

This review recommended that the council revisit its committee structure. It may consider a model now successfully used in other, some much larger councils, of a single Overview and Scrutiny Select Committee. This would be a 12-member scrutiny committee that would focus on a corporate-strategic agenda dedicated to pre-scrutiny and the scrutiny of the council plan, medium term financial plan, budget and other key areas of corporate business. This focus of this scrutiny structure would capture all the important areas of the council's business.

In addition, agile task and finish groups could add useful, interesting and targeted scrutiny capacity. Potentially, two T&FGs could each have set chairs or leads, and possibly vice or deputy leads. Each T&FG would have 6 or 8 members. Members would select or be drawn from a pool of scrutiny councillors and join a T&FG based on their interest or experience. Members would be able to switch between groups and the T&FGs would therefore offer agility to bring together teams to address specific issues. Their outputs would be reports and recommendations to the executive. A maximum of two projects per T&FG per year with each lasting no longer than 3 months to complete would provide a useful scrutiny and investigative capability. The tasks and scoping could be discussed, and outlines agreed, in a triangulation meeting between officers, scrutiny members and executive members.

23. **Agree scrutiny's role and purpose.** All members (including executive) and officers could create a scrutiny mission and agree its purpose. An agreed shared view of scrutiny's role and purpose is vital.
24. **Democratically accountable, publicly held to account.** It is the duty of scrutiny to publicly hold decision makers to account. Our review suggests that scrutiny currently falls short. It could offer greater impact through more penetrating enquiry and curiosity about the major plans and intentions of the executive and to demonstrate that it has been thorough in its testing and challenge of these.
25. **More focused work programming** – The work programme is currently based on portfolio reports and routine items. Many items are part of an annual, rolling programme of review with little challenge where scrutiny adds value. There is an opportunity here for a collaborative approach to work planning, led by members which reflects the needs of residents, council priorities and builds in flexibility to respond as issues arise. A triangulation between scrutiny, officers and executive members may help to design a more focused and prioritised work programme. Scrutiny and executive need to work more collaboratively on the executive forward plan. This would allow space and scope for pre-scrutiny to help test, shape, advise and recommend improvements.
26. **Member training and development.** Members are very keen to improve, but many lack basic scrutiny skills. Members would benefit for collectively receiving the same essential skills training, alongside extended key skills including researching and questioning techniques. Scrutiny chairs and task and finish leaders would also benefit from advanced skills training involving objective setting, team-building and other leadership essentials. The 2019 District Council Elections present an excellent opportunity through the induction of new

councillors and training of all councillors through the ongoing training programme.

## **Conclusion**

27. There are solid foundation stones in place for Eden to make changes which will deliver purposeful scrutiny that is valued and makes a difference.

The recommendations in this report require commitment from all scrutiny councillors, senior officers and the council's political leadership. Scrutiny councillors, and the officers who support them, cannot make scrutiny effective, and enhance its impact, on their own, it is a whole council duty and responsibility. There appears to be an appetite for improvement and change. It should therefore be a welcome and well supported process that all the council can get behind.

See attachment

## Appendix B

### **Evidence gathered**

#### **On-site – meetings and interviews**

Scrutiny members

Scrutiny panel chairs

Opposition councillors

Cabinet members

Leader of the Council

Corporate team supporting scrutiny

External partners

Scrutiny panel observation

Member survey (14 responses)

Document and website review

## Appendix 4 - Bibliography

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