

SUBJECT: REPURPOSING SCRUTINY ARRANGEMENTS

MEETING: Council

DATE: 3rd March 2022

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To seek the approval of Council to restructure the authority's scrutiny arrangements to increase opportunities for public engagement, minimise overlaps and duplication and ensure effective scrutiny of performance, budgets and risks aligned with concurrent changes to the Governance and Audit Committee.

2. RECOMMENDATIONS:

- 2.1 That Council approve: the creation of a new Performance and Overview Scrutiny Committee; the merger of the Children & Young People and Adults Select Committees; the merger of the Economy & Development and Strong Communities Select Committees to create two Policy Scrutiny Committees, and the retention of the Public Services Scrutiny committee.
- 2.2 To maintain the number of special responsibility allowances for Scrutiny Committee chairs, with the Public Services Scrutiny Committee now having a dedicated chair rather than being rotated between the chairs of the other committees.
- 2.2 That the constitution be amended to reflect these changes, to take effect at the next Annual General Meeting in May 2022.

3. KEY ISSUES:

- 3.1 The role of the scrutiny function is to hold the Executive to account for performance and decision-making, to conduct policy development and review and to engage the public in policy development and decision-making.
- 3.2 The current scrutiny arrangements were established in 2009 and have served the council well. Effective pre-decision scrutiny means there have been very few call-ins; live streaming of meetings and the early use of public open forums have promoted transparency and engagement, while regular performance and budget monitoring has enabled scrutineers to hold Cabinet members to account.
- 3.3 Work undertaken by the Democratic Services Committee, before the pandemic, concluded that there was a need to increase public participation in decision-making; increased engagement in pre-decision scrutiny was one way this could be achieved. Select Committee chairs tasked officers with developing a range of options to refresh scrutiny arrangements to create the capacity and structures that would ensure better public engagement, more effective scrutiny of budget and performance monitoring and less duplication, such as officers attending multiple committees to present the same information, which can lead to members sitting on more than one committee receiving the same report multiple times. These are the key drivers for the changes proposed.

- 3.4 While this work was being developed the new Local Government and Elections (Wales) Act 2021 was passed, placing much stronger emphasis on public participation in decision-making and creating a duty to undertake this through engaging the public in the design of policy and the debate of major decisions that will affect them. Developments in live-streaming and the ability for people to send videos and contribute to meetings from their home or workplace serve as a reminder that the conventional public open forum, with residents sitting in the gallery of the council chamber is no longer the most effective way to involve people in the democratic process. Alongside this, changes to the operation of the Governance and Audit Committee present a timely opportunity to refresh the scrutiny of budget monitoring and performance reports to avoid duplication and ensure maximum impact from timely reporting and robust challenge of the Executive.
- 3.5 Future scrutiny arrangements adopted by the Council will need to fulfil a dual role of ensuring transparency and accountability and proactively involving the public in policy and decision-making.
- 3.5 The most recent Scrutiny self-evaluation highlighted the following strengths:
- Streamlined decision-making process - This is largely understood by officers and members.
 - Effective challenge - We can evidence some examples of effective challenge and providing a check and balance to the executive.
 - Effective pre-decision scrutiny - Single item agendas on specific topics have delivered good scrutiny outcomes.
 - Members are a key resource - Members know their communities well and champion their interests, suggesting good relationships/links to their electorate.
- 3.6 It also raised important issues that have been considered in forming these recommendations:
- Skillset and capacity - What are the expectations of members and are they fair? Some members have a natural aptitude for examining budgets and detailed performance monitoring reports, whilst others may be drawn towards exploring the effects of policy and decisions on the public.
 - Adding value - How can the scrutiny function add greater value to decision-making through effective prioritisation of topics and ensuring clear outcomes?
 - Accountability - Whilst there is recognition of the value added by scrutiny of policy and decisions, scrutiny's capacity to effectively 'hold to account' is underdeveloped. There is a need to strengthen scrutiny's ability to challenge service delivery and ensure robust accountability for decisions, budgets and performance.
 - Engaging the public - Does the current scrutiny committee structure provide an effective mechanism of engaging the public in decision-making? Public awareness of the scrutiny function is low and the current approach to engaging the public is not proactive enough. The new duties around participative democracy will not easily be achieved under the existing arrangements, as formal meetings are not an arena that many people feel comfortable participating in. In addition, the subjects being scrutinised are not always particularly interesting or engaging, as evidenced by a low public turnout. The recently implemented Public Open Forum process, which enables contributions to be submitted in video, audio or written format has proven more popular; however, some subjects currently being scrutinised fail to engage the broader public, leading to the same individuals attending meetings to raise issues not on the agenda.
 - Overcrowded agendas - This can lead to a lack of focus. Members and officers have advised that meetings with fewer items on the agenda, particularly single item agendas, have been more productive and delivered clearer outcomes because

scrutiny's involvement has been timely and its role clearly defined. Committees have the greatest impact through careful prioritisation and examination of fewer items in greater detail.

- Forward Planning - The Council's Forward Plan needs to be populated much further in advance and be reflective of priorities in the Corporate Plan and Strategic Risk Register to enable scrutiny to prioritise the right topics.
- Duplication - Certain reports, such as budget monitoring, are presented four times, which can mean accountants attending multiple meetings to talk about the same information. Other areas such as safeguarding straddle Adults and Children's Select Committees, while there are a number of topics that straddle Strong Communities and Economy and Development Select Committees.

3.7 The self-evaluation concluded that scrutiny arrangements should be reviewed to ensure they are fit for purpose and enable members to effectively perform all of the scrutiny roles expected of them in the most efficient and cost-effective way.

3.8 There is no 'one size fits all' scrutiny model that doesn't have its own advantages and disadvantages, however, it is important that structures are designed around the role and purpose of scrutiny, to ensure members can perform the role effectively and to avoid valuable resources, principally member and officer time being expended on a scrutiny function that does not support the Council's priorities. A fit-for-purpose scrutiny function will ensure:

- Strengthened decision-making and informed policy development.
- Effective public engagement on the major issues affecting residents.
- Clear accountability for the Executive and robust challenge by scrutiny.
- Democratic accountability of partnership activity and collaborative service delivery to local people.
- The creation of structures that help to align members with the roles that best match their skillset.
- A more involved and evidenced role in the Well-being of Future Generations, through identifying the potential impacts of decisions before they are made.

3.9 A full options appraisal has been undertaken and is attached as Appendix 1. The preferred option being proposed to members is listed as Option 1. This provides four skills-based 'Scrutiny Committees' which would replace the existing thematic 'Select Committees', the key focus being to match the skillset and expertise of members with the role and purpose of the scrutiny committees and proposes:

- Two 'Policy' Scrutiny Committees, which would engage the public in policy development and pre-decision scrutiny through debating key topics affecting residents. One of the committees would focus on the issues affecting adults and children and the other committee would focus on the environment, the economy and the physical county. The public engagement could be conducted via a range of media: informal meetings and conversations with stakeholders, public attendance at a scrutiny committee meeting, audio, video and written contributions on subjects being debated at the committees.
- The recommendation allows for the creation of a stand-alone Performance and Overview Scrutiny Committee comprising members who enjoy interrogating figures, data and analysing risk. This committee would be tasked with holding the Executive to account for its performance on all subjects, the premise being that the relevant skills are key to members' effectiveness in this role, as opposed to requiring a detailed knowledge of a particular service area.

- The Public Services Select Committee has recently extended its terms of reference to scrutinise the work of partnerships to ensure value for money and to hold partners to account for services and decisions delivered in collaboration that affect Monmouthshire residents. It is proposed that this scrutiny committee would have responsibility for Crime and Disorder Scrutiny in line with the Police and Justice Act (2006) and Welsh Government Guidance published in 2010 given its partnership focus. The committee would attract a special responsibility allowance rather than being rotated between the other chairs meaning the total number of SRAs would remain at four and be allocated, as now, according to political balance.
- The scrutiny workshops which engage members on shaping policy at the earliest opportunity would remain in place, having demonstrated clear outcomes on a variety of subjects. This would allow members who do not sit on the hosting Scrutiny Committee to lend their expertise as a witness or to simply participate in scrutiny activity. These could invite external witnesses and stakeholders when required.

3.10 Audit Wales advise that changes to scrutiny committee structures should ensure that roles are clear, and time is given to the matters that are considered the most important. The model being proposed offers a more streamlined approach to delivering effective scrutiny, providing clear roles for members, rather than confining scrutiny within the limitations of thematic scrutiny committees. New role profiles for scrutiny committee chairs and committee members will be produced along with new terms of reference for the committees, and discussions will be held with group leaders to ensure new councillors can be matched to the positions most suited to their skills and interests. This model retains the flexibility for scrutiny of cross-cutting subjects; however, it provides a more holistic approach by enabling members to scrutinise key issues beyond traditional Council boundaries.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

4.1 The Local Government and Elections (Wales) Act 2021 (Section 39) places the duty on the scrutiny function to encourage local people to participate in decision making and to outline its arrangements for fulfilling this duty in a Public Participation Strategy. Participation in scrutiny committees should enable the direct experiences of people to inform strategic thinking and operational practice. The proposal outlined in this report has been fully assessed in terms of meeting Equality, Well-being of Future Generations, Social Justice, Safeguarding and Corporate Parenting considerations.

4.2 The proposal to restructure the current scrutiny arrangements is underpinned by new duties placed on the scrutiny function, particularly relating to engaging the public in the design of policies and decision-making. The proposals aim to support people from all backgrounds and protected characteristics to shape their communities and improve services delivered by the council and partners. There are no identified negative impacts, only positive impacts, in terms of better reflecting the public voice, ensuring decisions are more considered and identifying the implications on the public in advance of decisions being made. The ability to contribute via the Welsh Language is a key consideration to take forward and the need to target those who may be less confident in expressing their views.

5. OPTIONS APPRAISAL

5.1 Councils differ widely in terms of scrutiny arrangements, some councils opting for the minimum requirement of one single committee, whilst others have 8 overview and scrutiny Committees, 'boards', 'panels', or 'forums' in operation (further information is available on request). Scrutiny committee arrangements have tended to follow structures that most

closely align with the former 'committee system' and are considered the least radical approach in the establishment of new political management arrangements in 2000. The options appraisal does not present all possible options, but a selection of the most appropriate:

Option 1 (Preferred)	4 Role-based committees: 2 Policy Scrutiny Committees 1 Performance Scrutiny Committee 1 Partnership Committee
Option 2 (Current position)	5 Thematic Cross-cutting Select Committees Strong Communities Select Committee Economy and Development Select Committee Children and Young People Select Committee Adults Select Committee Public Services Select Committee
Option 3	A Single Scrutiny Committee
Option 4	Directorate-based Committees Social Care and Health Children and Young People Enterprise Resources People and Governance
Option 5	The Halfway Option: 2 Committees 1 Overview and Scrutiny Committee 1 Performance Committee

5.2 The full options appraisal is shown as appendix 1 of the report.

6. EVALUATION CRITERIA

6.1 If the Council agrees to change the existing scrutiny committee structure, the effectiveness of the changes implemented will be judged through the next Scrutiny-Self Evaluation after a two-year period. The criteria used to judge the efficacy will be the 'Characteristics of Good Scrutiny', which is a peer reviewed self-evaluation model endorsed by the National Scrutiny Officers Network, recognised and supported by Audit Wales as an effective benchmark of effective scrutiny arrangements.

7. REASONS:

7.1 New duties have been placed on the scrutiny function to engage with the public ahead of decisions being made and to engage service users in the design of new policies. The current scrutiny arrangements were appropriate when established, however, scrutiny is about to enter a radically different arena and delivering the additional responsibilities effectively will prove highly challenging within the current Select Committee structure. The proposal would enable the views of the public to be proactively sought, as opposed to relying on them to engage with the scrutiny function.

8. RESOURCE IMPLICATIONS:

There are no direct resource implications for the preferred option proposed, in that it does not propose an increase or reduction in the Special Responsibility Allowance for Scrutiny Chairs which would continue to be appointed on political balance.

9. CONSULTEES:

Scrutiny Chairs Group
Strategic Leadership Team
Cabinet

A Members Seminar was also held to share the proposals and gather feedback.

10. BACKGROUND PAPERS:

None

11. AUTHOR:

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Options Appraisal

Option	Advantages	Disadvantages
<p>Option 1</p> <p>Preferred Model</p> <p>4 Role based committees:</p> <p>2 Policy Scrutiny Committees</p> <p>1 Performance Scrutiny Committee</p> <p>1 Partnership Committee</p>	<ul style="list-style-type: none"> • 2 policy committees would focus on debating proposals and seeking public input, aligning members' interest and skillset with the roles they are best suited for - acknowledging some members have greater interest in their 'representational role' and others have an aptitude for scrutinising detail. The model would enable members to debate a wider range of subjects of interest to the public than under the current model. • The Performance and Overview Scrutiny Committee would home detailed performance reporting, budget monitoring and risk reporting and would play a key role in holding the Executive to account. A stand-alone committee to perform this role will raise scrutiny's profile and increase member challenge. Supported by appropriate training, members will further develop their skills in analysing information and cross-examining witnesses. • The newly established 'Public Services' Committee would retain its current terms of reference but also undertake Crime and Disorder Scrutiny. • The role-based committee model will assist members in choosing which Committee to join, helping to ensure that membership is interest-based, which may alleviate potential issues relating to member attendance and commitment. • No loss of Special Responsibility Allowance ~ the Public Services Committee would have parity with the other committees with an SRA, rather than being chaired by rotation. • The model would be outward-looking but would still provide for all the key functions of scrutiny and would satisfy regulators in terms of fitness for purpose. • This model would enable more effective use of member and officer 	<ul style="list-style-type: none"> • Whilst 2 policy committees will facilitate focussed agenda management and better prioritisation of issues being scrutinised, this will result in fewer topics routinely being brought to scrutiny, the removal of 'repeat reports', 'reports to be noted' and any matters without a clear 'scrutiny purpose'. Routine performance reporting for all services would be scrutinised by the Performance and Overview Scrutiny Committee, with exception performance reports for services where issues have been identified • Members may feel they have a reduced overview of subject areas, due to the removal of thematic committees, given that education and social services performance reporting and financial reporting would sit under the remit of the Performance and Overview Scrutiny Committee. The question is whether it is knowledge of service area that enables robust scrutiny or application of a skillset that matches the role requirements of a committee. It could be argued that the nature of the subject matter being discussed should be immaterial to the quality of the scrutiny if members possess the appropriate scrutiny skills. • Officers may also feel that the 'home for reports' is less clear and that their accountability is spread across different committees, depending on whether the topic is a policy issue or they are being held to account for their performance. Thematic committees have afforded a level of comfort for both officers and members by 'housing' services under remits that have not changed for a long period of time, and at times, the role of the scrutiny activity is unclear, which

	<p>time, avoiding some of the current duplication/cross cutting between 4 committees, with the 2 policy committees being able to meet jointly when appropriate.</p> <ul style="list-style-type: none"> • Scrutiny Workshops, which have proven far more effective than Task and Finish Groups, would continue to engage members at an early stage on topics that align to the Council's strategic direction. This would ensure the time and energy of members and officers are focussed on activities that deliver outcomes and add value. • The new Public Open Forum that has enabled contributions from the public via audio, video and written submission in addition to public attendance would be embedded within the two Policy Scrutiny Committees and supplemented by proactive engagement with service users. • Meetings of the 2 policy committees could be 6-weekly with a maximum of 2 items per agenda. The Performance and Scrutiny Committee could meet quarterly and the Public Services Scrutiny Committee 6 weekly. • Changes to scrutiny structures can be aligned to changes to the Governance and Audit Committee to avoid duplication of role. • Member training and development would be focussed on the roles and skills required for each committee. • Parent governor and Church representatives in relation to Education matters could formally sit on the Performance and Overview Scrutiny Committee and be invited to attend the policy scrutiny committees as and when education matters are to be considered, which would avoid inefficient use of their time in attending meetings when their input is not required. An education forward work programme could be compiled to coordinate education items and education performance information across the three committees. 	<p>leads to poor outcomes. This automatic channelling of reports to scrutiny committees by subject matter would be replaced with consideration of purpose, which would pose some complexities for some Officers initially.</p> <ul style="list-style-type: none"> • Educational 'co-optees' may find it more difficult to 'follow' the scrutiny of education through the new system.
<p>Option 2</p>	<ul style="list-style-type: none"> • The arrangements are well understood by officers and members 	<ul style="list-style-type: none"> • A siloed approach, where council services are allocated within

<p>Do nothing</p> <p>4 Thematic Cross-cutting Select Committees</p> <p>(with unchanged remits)</p>	<p>and topics can be easily identified for scrutiny by a particular committee. This provides a level of comfort that substantial decisions are less likely to 'slip through the net', however it supports a more general assumption that there should be oversight of everything – which has proven impractical.</p> <ul style="list-style-type: none"> • Retain the 4 SRA's • Cross-cutting committees can enable the scrutiny of broader topics and facilitate scrutiny committees to take a more rounded view of policies and performance. It increases their capacity to look for 'gaps' in service delivery/performance through examining topics from an issue-based perspective rather than a service-based perspective. • The committees are largely aligned with the Community Strategy or Corporate Plan priorities, which does help link scrutiny portfolios to corporate objectives, so it could be argued that scrutiny work programmes are more likely to be aligned with corporate priorities. It also enables them to focus on performance linked to the authority's key priorities. 	<p>themes as opposed to focussing on issues and problems in communities. The model is relatively inward-looking, given that many topics of interest and relevance to the public are complex and multi-faceted, dependant on a range of different services being provided by a range of partners.</p> <ul style="list-style-type: none"> • Role and purpose could remain blurred on occasions, leading to poor scrutiny outcomes and a perception of scrutiny not adding value to the Council's decision-making process. • There's a risk that accountability for performance could be potentially blurred/confused as the scrutiny committee structure doesn't align with cabinet portfolios and/or service area structures. Cabinet Members/Senior Officers are regularly required to give account for performance to several different committees. • Continued duplication in workstreams ~ budget monitoring being undertaken by 4 committees, Chief Officer Social Services reports being taken to 2 scrutiny committees, other service-related matters being discussed by 2 or more committees at different times, with officers possibly not present at meetings where subjects arise due to duplication leaving members feeling dissatisfied because they don't have the full picture. • The new responsibilities afforded to scrutiny to proactively engage the public in decision-making will be difficult to accomplish for 4 Select Committees operating under the existing structure: time to perform this role effectively would be the key issue, given the existing scrutiny workload.
<p>Option 3</p> <p>The Single Scrutiny</p>	<ul style="list-style-type: none"> • No confusion about role and responsibility as it would rest with the single committee, which would scrutinise performance/finance, 	<ul style="list-style-type: none"> • The single committee would monitor the progress of Task and Finish Groups and hold them to 'account' for progress/outcomes.

Committee Model	<p>commission Task and Finish Groups or Sub-panels to investigate issues in more detail and be responsible for dealing with call-ins and acting as the Crime and Disorder Scrutiny Committee.</p> <ul style="list-style-type: none"> • Scrutiny would be able to focus and prioritise its limited resources on risks and performance on a corporate-wide basis leaving Task and Finish Groups to conduct scrutiny on chosen topics. • Fewer resources devoted to administration/servicing of formal committee meetings. • Membership of Task and Finish Groups would be drawn from entire non-executive membership of the Council, potentially allowing members with expertise/interest to sit on specific panels. 	<p>This would place significant workload on members leading those groups for which they wouldn't receive any SRA.</p> <ul style="list-style-type: none"> • The workload for the single committee would be vast and it would be very difficult to prioritise effectively. Many issues would not receive attention and that the remit of the single committee could simply be too broad. • There would be a significant tendency for the work of sub-panels and Task and Finish Groups to drift and achieve poor outcomes, leading to a low scrutiny profile. Task and Finish Groups have performed too slowly to add value in the past, leading to missing the boat in terms of their impact. • Reducing the number of committees could lead to concern by some members that things are 'falling between the cracks' and this could be the case, unless members were to be properly engaged in prioritising their workload. • There could be concerns that some members would feel 'disenfranchised' if they were not able to sit on a formal scrutiny committee.
Option 4 4 Directorate based Committees	<ul style="list-style-type: none"> • Clear lines of accountability for Cabinet members and services to scrutiny where their portfolios are aligned with those of scrutiny committees. 	<ul style="list-style-type: none"> • 'Cross-cutting' issues are not adequately addressed through directorate based scrutiny committees could contribute to any perceived 'silos'. • The model would be inward looking, failing to hold partners to account for services delivered to Monmouthshire residents. • The model would fail to deliver effective public engagement on the key issues, as required by the new public engagement duty.