

Overview
& Scrutiny



MEETING: OVERVIEW AND SCRUTINY COMMITTEE (REGULATORY,
COMPLIANCE AND CORPORATE SERVICES)

DATE: Tuesday 11th September, 2018

TIME: 6.30 pm

VENUE: Committee Room, Town Hall Bootle

Member

Councillor
Councillor Bradshaw (Chair)
Councillor Byrom (Vice-Chair)
Councillor Brodie - Browne
Councillor Doyle
Councillor Grace
Councillor Jamieson
Councillor Killen
Councillor Daniel Lewis
Councillor McKinley
Councillor Marshall

Substitute

Councillor
Councillor Thomas
Councillor Murphy
Councillor Pugh
Councillor McGinnity
Councillor Roche
Councillor Dutton
Councillor John Sayers
Councillor Shaw
Councillor Roscoe
Councillor Blackburne

COMMITTEE OFFICER: Paul Fraser
Senior Democratic Services Officer
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If you have any special needs that may require arrangements to facilitate your attendance at this meeting, please contact the Committee Officer named above, who will endeavour to assist.

We endeavour to provide a reasonable number of full agendas, including reports at the meeting. If you wish to ensure that you have a copy to refer to at the meeting, please can you print off your own copy of the agenda pack prior to the meeting.

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AGENDA

1. **Apologies for Absence**
2. **Declarations of Interest** (Pages 5 - 6)
Members are requested to give notice of any disclosable pecuniary or personal interest

An advice note on declaration of interests is attached
3. **Minutes of the Previous Meeting** (Pages 7 - 12)
Minutes of the meeting held on 12 June 2018
4. **Asset Management and the Accommodation Strategy**
Presentation from the Head of Corporate Resources
5. **Mid-Year Review 2018/19 and Medium Term Financial Plan Update 2019/20 onwards (incorporating the Revenue and Capital Budget Update 2018/19)** (Pages 13 - 30)
Report of the Head of Corporate Resources
6. **Digital Inclusion Working Group Final Report**
Report of the Head of Regulation and Compliance to follow
7. **Access to Justice** (Pages 31 - 36)
Report of the Head of Regulation and Compliance
8. **Area Committees Working Group Final Report – Update on Recommendations** (Pages 37 - 56)
Report of the Head of Regulation and Compliance
9. **Effectiveness of Local Authority Overview and Scrutiny Committees – Government Response to DCLG Select Committee Report** (Pages 57 - 134)
Report of the Head of Regulation and Compliance
10. **Work Programme 2018/19, Scrutiny Review Topics and Key Decision Forward Plan** (Pages 135 - 150)
Report of the Head of Regulation and Compliance
11. **Cabinet Member Report – June 2018 to September 2018** (Pages 151 - 168)
Report of the Head of Regulation and Compliance

Declarations of Interest

Members are requested at a meeting where a disclosable pecuniary interest or personal interest arises, which is not already included in their Register of Members' Interests, to declare any interests that relate to an item on the agenda.

Where a Member discloses a Disclosable Pecuniary Interest, he/she must withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest, except where he/she is permitted to remain as a result of a grant of a dispensation.

Where a Member discloses a personal interest he/she must seek advice from the Monitoring Officer or staff member representing the Monitoring Officer to determine whether the Member should withdraw from the meeting room, including from the public gallery, during the whole consideration of any item of business in which he/she has an interest or whether the Member can remain in the meeting or remain in the meeting and vote on the relevant decision.

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THIS SET OF MINUTES IS NOT SUBJECT TO "CALL IN".

Overview
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OVERVIEW AND SCRUTINY COMMITTEE (REGULATORY, COMPLIANCE AND CORPORATE SERVICES)

MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL,
SOUTHPORT
ON TUESDAY 12TH JUNE, 2018

PRESENT: Councillor Bradshaw (in the Chair)
Councillor Byrom (Vice-Chair)
Councillors Doyle, Grace, Jamieson, Killen,
Daniel Lewis and Marshall

ALSO PRESENT: Councillor Paulette Lappin

1. JILL COULE HEAD OF REGULATION AND COMPLIANCE

The Chair, Councillor Bradshaw, indicated that this evening's meeting of the Committee would be the last to be attended by Jill Coule, Head of Regulation and Compliance. Jill had been with Sefton since 2010 but would be leaving the Authority at the end of June to take up the position of Chief Legal Officer to the Liverpool City Region Combined Authority. On behalf of the Committee Councillor Bradshaw placed on record its appreciation for all the help and guidance Jill had given to Members and wished her every success for the future in her new role at the Combined Authority.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Brodie-Browne and McKinley.

3. DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary or personal interests were received.

4. MINUTES OF THE PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting held on 6 March 2018 be confirmed as a correct record.

5. THE ARVATO CONTRACT

Further to Minute No. 54 of 6 March 2018 the Committee received a presentation from Stephan Van Arendsen, Head of Corporate Resources on the arvato contract.

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Mr. Van Arendsen:-

- Indicated that the arvato contract ended on 30 September 2018; that 4 of the 5 services would return to the Council and that a new ICT provider was being sought; that the current value of the contract was £15m; that the services involved underpinned all major activities and Income sources of the Council but also key interface with residents; and that a significant staff transfer would be required
- Detailed the governance arrangements associated with the contract which included regular briefings to Cabinet Members and a joint Exit Board with arvato
- Advised that the new ICT provider procurement was nearing completion and an announcement was expected between 29 June to 6 July 2018
- Detailed the core elements of activity which included staff briefings/ what would the transfer entail; the systems, processes, policies and controls; ICT Transformation; assessment of risk; and audit activity to end of 2019 at least
- Issues associated with ICT and services returning to Council post 2018 including a further assessment of core systems, processes, policies and controls; financial assessment and control/ risk assessment; leadership, management, culture; integration with Council services: a contract review and development plan; and how feedback would be provided to Members

Members of the Committee asked questions/commented on the following issues:-

- The numbers of staff transferring from arvato back to Sefton Council
- The transition plans in place for such staff transfers including TUPE arrangements and senior management oversight of the process

RESOLVED:

That Stephan Van Arendsen be thanked for his informative presentation.

6. LICENSING/CHILD SEXUAL EXPLOITATION WORKING GROUP FINAL REPORT – JUNE 2018

Further to Minute No. 42 of 16 January 2018 the Committee considered the report of the Head of Regulation and Compliance setting out progress made against each of the recommendations formulated by the Licensing/Child Sexual Exploitation Working Group and approved by Cabinet.

One recommendation requested that contact be made with the borough's three Members of parliament seeking the views of Government on

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strengthening the existing Regulations regarding personal licences and to ensure that Care Providers who offer residential placements for 16 – 18 year old children and young people were inspected by a regulatory body. Peter Dowd M.P. had contacted Nadhim Zahawi M.P. Parliamentary Under-Secretary of State for Children and Families and Mr. Zahawi's response was attached to the report.

A Further recommendation requested the Head of Schools and Families to promote the Child Sexual Exploitation e-learning tool with all schools and governing bodies and with a request that school e-newsletters contain a hyperlink to the e-learning tool. The report provided information on how 23 schools across the borough had actioned the request.

RESOLVED:

That the report setting out progress made against each of the recommendations formulated by the Licensing/Child Sexual Exploitation Working Group and approved by Cabinet be noted.

7. LOCALLY ADMINISTERED BUSINESS RATES RELIEF SCHEME

Further to Minute No. 7 of 13 June 2017 the Committee considered the report of the Head of Corporate Resources on the Discretionary Relief for Business Rates following the Revaluation of 2017.

The report indicated that under business rates regulations the Valuation Office Agency was required to review and revise the rateable value of all business properties recorded on the local rating lists in England on a regular basis (usually every five years); that the latest revaluation was implemented from the 1 April 2017; that the purpose of the revaluation was not to raise additional business rates income but to ensure that rateable values reflected the most up to date rental information available; but however, a number of businesses inevitably saw their business rates increase as a result of revaluation.

The report also provided information on the review of the Council approved local discretionary revaluation relief scheme for 2017/18; which showed that as at 27 April 2018, the Council had awarded discretionary revaluation relief to 1,147 accounts; that the total amount of relief awarded was £543,877 in 2017/18, approximately 98.6% of the total available government funding; and that the final amount of relief awarded was expected to change over time as the valuation of business properties changed as a result of appeals and other factors.

The report concluded by detailing the scheme proposals for 2018/19, 2019/20 and 2020/21 and the Grant award and financial monitoring and that an annual review of the local discretionary revaluation relief scheme and the outcome of this review would be reported to the Cabinet Member - Regulatory, Compliance and Corporate Services.

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Attached as annex to the report was a copy of the draft Business Rates Locally Administered Discretionary Revaluation Relief Scheme Guidance for 2018/19, 2019/20 And 2020/21 that would be considered by both Cabinet and Council.

Members asked questions/raised issues on the following matters:-

- Awards under the scheme that were limited by State Aid which allowed an undertaking to receive no more than 200,000 euros
- Applications for discretionary rate relief to non-profit making and charitable organisations
- An assurance was sought that the Council would do everything possible to ensure that there was no underspend of Grant

RESOLVED:

That the report on the Discretionary Relief for Business Rates following the Revaluation of 2017 be noted.

8. WORK PROGRAMME 2018/19, SCRUTINY REVIEW TOPICS AND KEY DECISION FORWARD PLAN

The Committee considered the report of the Head of Regulation and Compliance that sought the views of the Committee on the draft Work Programme for 2018/19, the identification of potential topics for scrutiny reviews to be undertaken by a Working Group appointed by the Committee and the identification of any items for pre-scrutiny by the Committee from the Key Decision Forward Plan.

RESOLVED: That

- (1) the Work Programme for 2018/19 be approved subject to the addition of the submission of a report to the meeting on 11 September 2018 regarding the “tool kit” for the Armed Forces Covenant currently being produced by the Liverpool City Region Combined Authority; and
- (2) following the conclusion of the Digital Inclusion Working Group a Working Group be established to review the topic of the Council’s Ethical Business Practices and the Head of Regulation and Compliance contact Members of the Committee at that time to seek membership of the Working Group.

9. CABINET MEMBER REPORT – MARCH 2018 TO JUNE 2018

The Committee considered the report of the Head of Regulation and Compliance that included the most recent report from the Cabinet Member – Regulatory, Compliance and Corporate Services.

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Councillor Lappin, Cabinet Member – Regulatory, Compliance and Corporate Services was in attendance to answer any questions regarding her report.

RESOLVED: That

- (1) the update report from the Cabinet Member – Regulatory, Compliance and Corporate Services be noted; and
- (2) Councillor Lappin be thanked for her attendance at the meeting.

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Report to:	Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services)	Date of Meeting:	11 September 2018
Subject:	Mid-Year Review 2018/19 and Medium Term Financial Plan Update 2019/20 onwards (incorporating the Revenue and Capital Budget Update 2018/19)		
Report of:	Head of Corporate Resources	Wards Affected:	All Wards
Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform Overview and Scrutiny committee of: -

- i) The current forecast revenue outturn position for the Council for 2018/19 following the Mid-Year Review;
- ii) The current forecast budget gap for 2019/20 following the Mid-Year Review and the actions required to ensure a balanced budget can be set early in 2019;
- iii) An initial view on the potential budget gap for 2020/21 and factors that might have a significant impact on this budget gap;
- iv) The current forecast on Council Tax and Business Rates collection for 2018/19; and,
- v) The current position of the Capital Programme.

Recommendations:

Overview and Scrutiny is recommended to: -

- i) Review and consider the forecast deficit revenue outturn position for 2018/19 following the Mid-Year Review (including the achievement of approved Public Sector Reform savings) and the proposed actions to mitigate this deficit;
- ii) Review and consider the forecast budget gap for 2019/20 following the Mid-Year Review and the proposed approach to identifying proposals to meet this budget gap;
- iii) Note the potential budget gap for 2020/21 and the factors that could have a significant impact on this budget gap;

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- iv) Note the forecast position on the collection of Council Tax and Business Rates for 2018/19;
- v) Note the current progress in the delivery of the 2018/19 Capital Programme.

Reasons for the Recommendation(s):

In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of setting the 2018/19 budget. As the Council is nearly half way through the second year of this budget plan it remains confident, that its continued strategic approach to budget planning alongside good financial management and extensive community engagement, means that the plan continues to develop on solid foundations, remains flexible and will secure the future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services exceeding the budget. Corrective action will be required to bring the overall budget into balance.

The recommendations in this report starts to provide the basis on which the budget plan would be balanced for the financial year 2019/20 and will ensure that the Council's statutory obligations are met.

To ensure Overview and Scrutiny are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of July 2018 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

The report indicates that for 2018/19 there is currently a forecast deficit of £9.450m which can partially be met through the use of approximately £6.500m of mitigating, one-off, actions.

A budget gap of £10.092m is currently forecast for 2019/2020. Saving option proposals, which are both robust and sustainable, will be developed for consideration by Members in order to enable a balanced budget to be set for 2019/20.

(B) Capital Costs

The Councils capital budget in 2018/19 is £35.985m. As at the end of July 2018, expenditure of £4.456m has been incurred and a full year outturn of £32.009m is currently forecast.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out as follows:

Resource Implications (Financial, IT, Staffing and Assets):
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Should a deficit position for 2018/19 occur at the year end, the Authority would have no option but to utilise reserves in order to finance this shortfall.
Legal Implications: None
Equality Implications: None

Contribution to the Council’s Core Purpose:

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

<u>Protect the most vulnerable:</u> N/A
<u>Facilitate confident and resilient communities:</u> N/A
<u>Commission, broker and provide core services:</u> N/A
<u>Place – leadership and influencer:</u> N/A
<u>Drivers of change and reform:</u> N/A
<u>Facilitate sustainable economic prosperity:</u> N/A
<u>Greater income for social investment:</u> N/A
<u>Cleaner Greener:</u> N/A

What consultations have taken place on the proposals and when?

(B) Internal Consultations

The Head of Corporate Resources is the author of the report (FD 5264/18)

The Head of Regulation and Compliance has been consulted and any comments have been incorporated into the report (LD 4488/18).

(B) External Consultations

N/A

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Implementation Date for the Decision

Following the expiry of the “call-in” period for Minutes of the Cabinet Meeting

Contact Officers: Stephan Van Arendsen

Tel: 0151 934 4082

Email: Stephan.VanArendsen@sefton.gov.uk

Appendices:

There are no appendices to this report

Background Papers:

There are no background papers for inspection

1. Introduction

- 1.1 In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of the Council setting the 2018/19 budget. The March 2018 report outlined that due to the financial pressures being faced by the Council a mid-year review would be undertaken. This report outlines the initial results of that review and the implications for the forecast revenue outturn position for 2018/19.
- 1.2 Following on from the review, this report also provides an update on the Medium Term Financial Plan (MTFP) for 2019/20 and also the development of the MTFP for 2020/21 and beyond.
- 1.3 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.4 An updated position regarding the 2018/19 Capital Programme is also provided as at the end of July.

2 Mid-Year Review

- 2.1 The March 2018 Budget Report outlined that the 2018/19 budget had been balanced and that a residual funding gap of £3.792m remained for 2019/20 (before any Council Tax decision). This budget gap could be met by increasing Council Tax by 2.99% (the maximum allowed under the regulations currently in place).
- 2.2 Members need to consider however, that in the absence of any long-term solutions being available in respect of Social Care and the continued Government austerity programme that is in place, there continues to be extreme financial pressure being placed upon the Council to deliver the large savings package proposed. As such, as with all local authorities, there is inherent risk within the budget package that will need to be managed. As such, rigorous monitoring and risk management of the 2018/19 budget has continued to take place and a comprehensive mid-year review exercise has been undertaken (as at end of July 2018) in order to support this, and provide Members with visibility on these key issues that could affect the overall financial performance of the Council during 2018/19 and the following financial year in particular. Some of the key risks that will need to be managed include: -
 - Progress in delivering PSR savings and in particular the £5.1m in respect of Early Intervention and Prevention- Locality Working during 2018/19;
 - The capacity of Members and senior staff to meet such a challenging programme of work in a manner that protects the most vulnerable whilst maintaining business continuity;
 - The inherent and ever-increasing demand based pressure in Children's and Adults Social Care; and
 - The potential for Adults Social Care provider fee increases to be greater than the budgetary provision.

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Scope

- 2.3 The Mid-Year Review (MYR) set out to:
- Review the 2018/2019 Budget, the forecast outturn against this budget and the delivery of savings.
 - Review the Chart of Accounts and structure of the budget.
 - Review accountability and the alignment of the budget to key cost drivers.
 - Identify areas of improvement, inefficiency and opportunities for savings.
- 2.4 The initial outcomes of the Mid-Year Review are summarised in Sections 2.5 to 2.7 below.

Financial Outcomes of the Mid-Year Review

- 2.5 As was forecast in the March 2018 Budget Report, the MYR has highlighted significant pressures in a number of service areas, particularly Adult and Children's Social Care, Locality Services – Provision and Home to School Transport. Whilst there are some forecast underspends within other services, the net forecast overspend is £6.068m as shown in the table below:

	Budget	Forecast Outturn	Variance
	£m	£m	£m
<u>Services</u>			
Strategic Management	3.049	3.049	0.000
Strategic Support Unit	4.006	3.993	(0.013)
Adult Social Care	94.369	95.453	1.084
Children's Social Care	28.137	31.653	3.516
Communities	8.255	8.194	(0.061)
Corporate Resources	5.116	4.613	(0.503)
Health & Wellbeing	22.541	22.157	(0.384)
Inward Investment and Employment	2.447	2.485	0.038
Locality Services - Commissioned	20.071	20.071	0.000
Locality Services - Provision	10.536	11.614	1.078
Regeneration and Housing	4.757	4.589	(0.168)
Regulation and Compliance	3.783	3.640	(0.143)
Schools and Families	23.097	24.436	1.339
Total Service Net Expenditure	230.164	235.947	5.783
Public Sector Reform Savings not allocated to services	(4.511)	(4.511)	0.000 (see para 2.6)
Reversal of Capital Charges	(13.353)	(13.353)	0
Council Wide Budgets	10.918	11.203	0.285
Levies	33.255	33.255	0
General Government Grants	(34.194)	(34.194)	0
Total Net Expenditure	222.279	228.347	
Forecast Year-End Deficit			6.068

2.6 The key variations on the Base Budget are as follows: -

- Children's Social Care is forecasting a year-end deficit of £3.516m. Children's Placements and Package costs continue to rise with growing numbers of Looked After Children, and despite being partially offset by some received and potential CCG funding towards care costs (£0.500m), these budgets are forecast to overspend by £3.563m. In addition to the number of Looked After Children increasing, the level of support is also increasing, with the number of residential placements rising by nearly 50% in the last year. This has a significant impact on overall costs. Other overspending pressure relates to the Legal costs of handling Children's Social Care cases at Court, which is forecast to overspend by as much as £0.111m due to rising costs of representation and increasing caseloads through the Courts. Other areas of the budget however, are forecast to underspend, mostly as a result of vacancy turnover across the Social Work teams (£0.158m).
- The Adult Social Care budget is forecast to be in deficit by £1.084m based on the July forecast. This is mainly due to pressure on the Community Care budget £2.3m offset by forecast surpluses on employees (£0.445m), Specialist Transport (£0.600m) and assumed capitalisation of equipment (£0.300m). The forecast assumes there will be no further increase in demand or cost pressures, on the Community Care budget between July and the end of the financial year.
- The Schools and Families service is forecasting a deficit year end position of £1.339m. The major Service variances include a single complex CWD Case within Family Support overspending £0.110m and Home to School Transport with a forecast overspending of £1.265m. There is some underspending on SEN teams mostly through vacancy savings (£0.035m).
- Localities Services - Provision is currently forecasting to overspend by £1.078m, which is a reduction of £0.893m when compared to 2017/18 outturn position. This overspend is mainly due to Sefton Arc £0.400m with insufficient income currently being generated to cover the costs of the operation; Cleansing £0.400m due to costs of new bins and services for new properties (this is a forecast reduction in the 2017/18 outturn overspend (£0.806m) following a restructure of the Cleansing Service); and Burials £0.350m due to a reduction in the number of cremations following the opening of a private cremation facility in Burscough. Surpluses on the Catering service of £0.172m will reduce the overall deficit.
- The Corporate Resources budget is identifying a forecast surplus of £0.503m. The forecast surplus consists of variations across a number of budget areas, but it is largely due to posts being held vacant across all areas of Corporate Resources with a view to continuing to make savings against salaries budgets in 2018/19.
- The Health and Wellbeing forecast underspend is made up of £0.138m vacancy savings within Public Health and £0.246m estimated underspend due to the receipt of NNDR refunds within the Sports Service. It is assumed that sports income will be on target.

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- 2.7 In addition, the 2018/19 Budget included £10.227m of savings from PSR projects. Current forecasts are that £6.845m of savings will be deliverable in the year (67%) with £9.568m in total forecast to be deliverable in 2019/20 (94%). It is forecast that £0.659m of the savings will ultimately not be delivered (6%). An analysis of the overall savings for 2018/19 are shown in the summary below:

	Total Saving 2018/19	Will be delivered	Phasing Issue	Won't be delivered
	£m	£m	£m	£m
PSR1 - Acute Wrap Around	0.275	0.033	0.242	0.000
PSR2 – Locality Teams	5.100	2.894	2.206	0.000
PSR2 - Personalisation	1.000	0.835	0.165	0.000
PSR4 - All Age Pathway	0.415	0.121	0.000	0.294
PSR4 - Home to School Transport	0.365	0.000	0.000	0.365
PSR5 – An Excellent Education for All	0.319	0.319	0.000	0.000
PSR6 - Tourism	0.110	0.000	0.110	0.000
PSR6 - Other	0.748	0.748	0.000	0.000
PSR7 – Environment & Pride of Place	0.695	0.695	0.000	0.000
PSR8 – Asset Maximisation	0.450	0.450	0.000	0.000
PSR9 – ICT & Digital Inclusion	0.300	0.300	0.000	0.000
PSR10 - Commissioning	0.450	0.450	0.000	0.000
Total Budget Pressure	10.227	6.845	2.723	0.659

- 2.8 The Council's overall forecast outturn position, before remedial action, is shown below:

	£m
2018/2019 Forecast Outturn	6.068
PSR - Unachievable 2018/2019	0.659
Ongoing Budget Pressures	6.727
PSR - Phasing 2018/2019	2.723
Total Forecast Budget Gap 2018/19	9.450

Options to close the residual gap in 2018/19

- 2.9 The aim of the Mid-Year Review was to give Members and Officers an early indication of the financial position of the Council given the substantial additional pressures being faced, particularly within social care. Officers have identified a number of one-off measures that will realise £6.5m of resources to partially bridge the Budget Gap in 2018/19. These include utilising the underspend from 2017/2018

(as reported to Cabinet on 26 July 2018), utilising the Adult Social Care Support Grant allocation announced by the Government late in the budget process and the impact of the change in VAT liability of certain leisure fees and charges being introduced earlier than previously anticipated.

- 2.10 Additional work is required to substantiate the financial position and to what degree the identified pressures are ongoing and will therefore have an impact on 2019/20. Even with the identification of £6.5m of one-off measures, the Council would still need to identify £3.0m of savings in order that a balanced budget position can be achieved. These savings need to be found despite an already challenging budget position so difficult decisions will be required. Members will be fully involved in the process and proposals will be presented to Cabinet later in the year for formal consideration by Members.

3 Medium Term Financial Plan Update 2019/20

- 3.1 The 2019/20 Budget Plan approved at Budget Council in March 2018 had a residual budget gap of £3.792m before any increase in Council Tax. The report outlined that this residual budget gap could be met by increasing Council Tax by 2.99%. This is the maximum allowed under the regulations currently in place as the Council increased Council Tax for the Adult Social Care Precept by 3.00% in both 2017/18 and 2018/19. The maximum increase allowed for the Adult Social Care Precept was 6.00% across the three years 2017/18, 2018/19 and 2019/20. Therefore, in relation to the Adult Social Care Precept, the Council will be unable to increase Council Tax in 2019/2020 under the regulations currently in place.
- 3.2 The Government funding assumed in setting the 2019/20 Budget Plan is based on the allocations contained in the final year of the four-year settlement covering 2016/17 to 2019/20. Sefton, in line with the vast majority of local authorities, accepted this settlement to allow greater funding certainty. It is therefore not currently anticipated that the level of funding will change.
- 3.3 However, there has been significant national coverage of the pressures on health and social care and the impact this is having on the NHS and local authorities. Extensive lobbying in previous years has resulted in some additional short-term resources, specifically for adult social care. In 2018/2019 the Government announced an additional £150m in Adult Social Care Support Grant of which Sefton's allocation was £0.953m. Some additional funding for adult social care may possibly be made available again in 2019/20. Sefton will continue to lobby the Government, for additional resources to be made available, both individually and collectively with the other authorities in the Liverpool City Region. This will include lobbying for additional funding to support children's social care pressures.
- 3.4 The financial pressures outlined in paragraph 2.4 are expected to continue in 2019/20. Officers will continue to review all services, particularly in relation to those services where significant demand pressures exist. However, the current assumption is that these pressures will remain and continue into 2019/20, with a risk that the costs of such pressures could continue to increase.
- 3.5 In addition to the PSR Projects considered permanently unachievable from 2018/19, the 2019/20 Budget included a further £11.072m of savings from PSR projects. Current forecasts are that £7.707m of savings will be deliverable in the year (70%).

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It is forecast that £3.365m of the savings will ultimately not be delivered (30%). An analysis of the overall savings for 2019/20 are shown in the summary below:

	Total Saving 2019/20	Will be delivered	Phasing Issue	Won't be delivered
	£m	£m	£m	£m
PSR1 – LAC Reform	0.539	0.000	0.000	0.539
PSR2 – Locality Teams	1.250	1.250	0.000	0.000
PSR2 - Personalisation	1.700	1.700	0.000	0.000
PSR4 - All Age Pathway	0.300	0.089	0.000	0.211
PSR4 - Home to School Transport	0.365	0.000	0.000	0.365
PSR6 - All	0.295	0.295	0.000	0.000
PSR8 – Asset Maximisation	1.512	0.512	0.000	1.000
PSR9 – ICT & Digital Inclusion	3.439	3.439	0.000	0.000
PSR10 - Commissioning	1.672	0.422	0.000	1.250
Total Budget Pressure	11.072	7.707	0.000	3.365

- 3.6 The Council's overall forecast outturn position for 2019/20, before remedial action, is shown below:

	2019/20
	£m
2018/2019 Forecast Outturn	6.068
PSR - Unachievable 2018/2019	0.659
PSR - Unachievable 2019/2020	3.365
Total Forecast Budget Gap 2019/20	10.092

Options to reduce the residual gap in 2019/20

- 3.7 The Council has a stated objective to maintain financial stability. In order to best achieve this multi-year budgets have been set as this provides more effective medium-term financial planning as well as the flexibility to make adjustments as different pressures arise. As a result of this Sefton has delivered effective financial management throughout the period of austerity. Therefore, the Council is well placed to take actions that will enable a balanced and robust budget to be set, although identifying solutions of this scale will inevitably involve difficult choices where these choices are often unreconcilable. Sefton has consistently set budgets that have been based mainly on ongoing and sustainable savings with only a limited reliance on one-off or temporary solutions. National media coverage has highlighted a number of local authorities who have not adopted a similar approach and have therefore been forced to undertake emergency measures.

- 3.8 In light of the forecast budget variation work will need to commence to identify further ongoing and sustainable saving options that can be implemented to meet the residual budget gap in 2019/20. Members will be fully involved in the process and proposals will be presented to Cabinet later in the year for formal consideration by Members. It has been a feature of this Council's approach to financial management that all saving included in agreed budgets are robust and should be supported by delivery plans. All savings options proposed will therefore be supported by a delivery plan to ensure that the savings are achievable.

4 Development of the Medium Term Financial Plan for 2020/21 and beyond

- 4.1 The Budget Report considered by Cabinet in March 2018 indicated that an initial forecast of the budget gap for 2020/2021 was £13m. This is still considered to be the Council's best estimate and includes the following assumptions:

- a) A reduction in general Government funding for the Council in line with 2019/20;
- b) Reductions in some specific Government grants (Public Health Grant and New Homes Bonus Funding).
- c) Resources to fund pay awards, increases in the pension future service rate, specific contracts and potential price increases from care providers.
- d) No increases in costs relating to demand led services.
- e) No increases in Council Tax.

- 4.2 However, at this stage there is significant uncertainty around future funding levels in 2020/21 and beyond as well as other issues that could have an impact on the future funding gap. Sefton will continue to respond to any consultations on these issues, both individually and collectively with the other authorities in the Liverpool City Region, to try to influence the impact of any funding changes. Consultation responses will continue to be shared with the Cabinet Member or full Cabinet if appropriate. The issues include:

Spending Review 2019:

- 4.3 The current Spending Review Period ends in 2019/20. The total Government Spending envelope for 2020 and beyond is expected to be announced in the Chancellor's Autumn Budget Statement in November 2018. The distribution of this funding between Government Department's will be published in the Spending Review in 2019. This will include the amount available to support local authority spending.

- 4.4 In his Spring Statement in March 2018, the Chancellor said that if the public finances continue to improve, he may then be in a position to begin increasing funding for public services. However, the Prime Minister has already promised an additional £20bn to fund the NHS by 2023, so there may be a need for continued real-terms funding cuts in other Departments if the level of national taxation is not increased.

Fair Funding Review:

- 4.5 The Government is currently undertaking a funding review to determine the means of allocating funding across local authorities from 2020/21 onwards. Funding allocations for local authorities, as determined in the local government finance settlement, are based on an assessment of local authorities' relative needs and resources. The methodology behind the relative needs assessment was introduced

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over ten years ago, and data used in the formulae has not been updated since the introduction of the 50% business rates retention system in 2013/14.

- 4.6 The Government wants to introduce a simpler and more transparent methodology reflecting a small number of cost drivers. One key cost driver, as previously, will be population. Sefton's relative population has declined compared to England as a whole since the methodology was last updated. Therefore, this element is likely to have a negative impact on the Council's overall funding position.
- 4.7 The Government will continue to consult with local authorities between now and mid-2019 as well be influenced by discussions within a number of joint working groups between the Ministry of Housing, Communities and Local Government and the Local Government Association. Sefton will again continue to respond to any consultations to try to influence the final methodology.

Business Rates Retention:

- 4.8 Sefton's Business Rates baseline was last set in 2013/14. Sefton's retained rates income is forecast to be above its funding baseline for 2019/20, so the Council is expecting to achieve a gain from Business Rate retention. As part of the Liverpool City Region 100% Business Rates Pilot Agreement the Council has retained a 99% share of growth in Business Rates since April 2017.
- 4.9 As part of the Fair Funding Review Business Rates baseline will be re-assessed and changed from 2020/21. Therefore, the benefit of these gains is expected to be lost going forward.
- 4.10 Also, nationally the proportion of Business Rates retained by local authorities will increase from 50% to 75%. It is expected that pilot authorities will also move to 75% retention so a lower proportion (74%) of any future growth will be retained by the Council.
- 4.11 The move from using the Retail Price Index to the Consumer Price Index in setting the annual increase in Business Rates is expected to reduce the level of potential increases in retained Business Rates from 2020/21 onwards. In addition, there are a number of other potential changes to the Business Rates system, including the next Business Rates Revaluation in 2021, that could have a significant impact on the amount of income retained by the Council.
- 4.12 Business Rates income can be very volatile. If the local business economy falters due to local, national, or international influences then reductions in rateable value as well as increases in the level of Business Rate Relief (e.g. empty property relief) would reduce the level of Business Rates income retained over the planning period.

New Homes Bonus:

- 4.13 The Government has recently reduced the number of years over which the annual allocations of New Homes Bonus will be paid as well as introducing a national growth threshold of 0.4%. It is unlikely that Sefton will achieve the level of housing growth required to receive a NHB allocation for housing growth in 2020/21. The residual amount of NHB received by Sefton in 2020/21 and beyond is expected to be significantly less than in previous years. The Government have indicated that they will revisit the operation of the New Homes Bonus in 2020/21 in order to explore how to incentivise housing growth most effectively.

Funding for Social Care:

- 4.14 As mentioned in paragraph 3.3., there has been significant national coverage of the pressures on health and social care and the impact this is having on the NHS and local authorities. The Local Government Association estimates that there will be a £3.5bn shortfall just in Adult Social Care funding by 2025. In June 2018, the Prime Minister set out a five-year NHS funding plan which will result in significant real terms increases in each of the next five years, with a priority to better integrate health and social care. There is also a commitment for the Government to come forward with proposals to reform social care. These proposals are expected later in 2018, although the publication of a green paper on social care has been delayed several times. These proposals may have an impact on the costs to be met by local authorities on adult social care.
- 4.15 The Local Government Association has recently published its own “green paper” on adult social care which it is currently consulting on. It seeks to lay the ground to secure both immediate and long-term funding for social care. The LGA intends to reflect on the consultation findings in a further publication later in the autumn, in time to influence the Government’s plans; not just their green paper, but also the Budget, the NHS Plan and the Spending Review.

Brexit

- 4.16 The impact of Brexit on the overall level of public finances and therefore the potential impact on Local Government finances is unknown. There is also the issue of funding streams that previously came from the European Union and how these will be replaced following Brexit.

External Local Factors

- 4.17 In addition, there are a number of external local factors that could have a significant impact on the position in 2020/21, including levies from the Liverpool City Region Combined Authority (for Transport) and the Merseyside Recycling and Waste Disposal Authority as well as the payments required to be made to the Merseyside Pension Fund.
- 4.18 As mentioned in paragraph 4.1, there is expected to be a significant budget gap in 2020/21. It is also expected that this will continue into future years. As part of the exercise to identify savings options for 2019/20, officers will also consider budget proposals that will impact on 2020/21 and beyond. The early identification of proposals should enable savings to be implemented by the start of 2020/21, avoiding the need for utilising one-off resources to support the phasing of these options. These options will need to align with the Council’s Framework for Change programme and support Sefton’s 2030 Vision.

5 Council Tax Income – Update

- 5.1 Council Tax income is shared between the billing authority (Sefton Council) and the two major precepting authorities (the Fire and Rescue Authority, and the Police and Crime Commissioner) pro-rata to their demand on the Collection Fund. The Council’s Budget included a Council Tax Requirement of £127.485m for 2018/19 (including Parish Precepts), which represents 85.8% of the net Council Tax income of £148.595m.

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5.2 The forecast outturn for the Council at the end of July 2018 is a surplus of -£0.445m. This variation is primarily due to: -

- The surplus on the fund at the end of 2017/18 being higher than estimated at -£0.005m;
- Gross Council Tax Charges in 2018/19 being lower than estimated at +£0.008m;
- Council Tax Reduction Scheme discounts being lower than estimated at -£0.612m;
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated at +£0.164m.

5.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2018/19 but will be carried forward to be distributed in future years.

6 Business Rates Income – Update

6.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £66.449m for 2018/19, which represents 99% of the net Business Rates income of £67.120m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

6.2 The forecast outturn for the Council at the end of July 2018 is a surplus of -£1.334m on Business Rates income. This is due to:

- The surplus on the fund at the end of 2017/18 being higher than estimated -£2.169m;
- Increase in the gross charge on rateable properties (-£0.119m)
- Other reliefs (including a forecasting adjustment) being higher than estimated in 2018/19 at +£0.954m.

6.3 Due to Collection Fund regulations, the Business Rates deficit will not be transferred to the General Fund in 2018/19 but will be carried forward to be recovered in future years.

7 Capital Programme 2018/19

7.1 The approved capital budget for 2018/19 is £35.985m.

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7.2 As at the end of July, expenditure of £4.456m (12.4%) has been incurred within the approved Capital Programme.

7.3 As part of the monthly review project managers are now stating that £32.009m will be spent by year end. This would result in an under spend on the year of £3.976m on the whole programme with an overall delivery rate of 89%. This is summarised below as follows: -

2018/19 Full Year Budget	Actual Expenditure as at July 2018	Forecast Actual Expenditure	Full Year Budget Variance
£m	£m	£m	£m
35.985	4.456	32.009	3.976

7.4 In order to achieve the revised forecast of £32.009m, expenditure of £27.553m will need to be incurred between now and the end of the year.

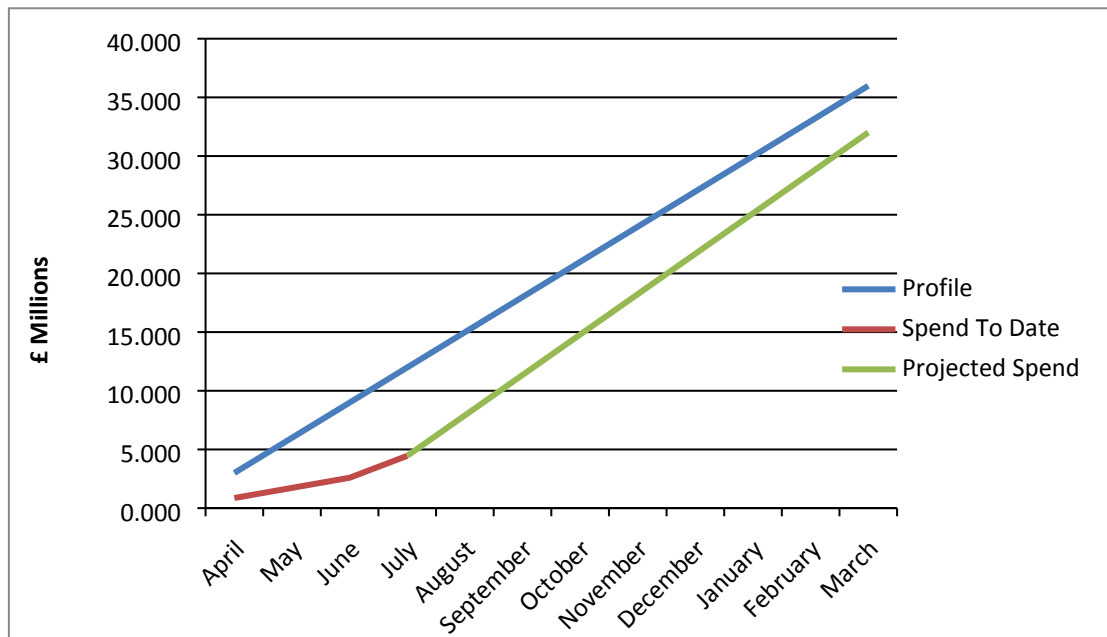
7.5 Key Variations on Overall Programme

It can be seen from the current forecast position that approximately £3.976m of expenditure will not be delivered in the current year. The key variations to this forecast are as follows: -

Scheme	Key Variation £'m	Funding Source	Explanation
Funding No Longer Required (key items)			
Crosby Lakeside – High Ropes Course	0.271	Prudential borrowing £0.171m and £0.100m Sport England	No longer considered a financially viable scheme. Funding is scheme specific and not available for reallocation.
Total	0.271		
Resources to be carried forward into next year (key items)			
Better Care Fund Allocation Balance	3.426	Better Care Fund Grant	Options are being reviewed for this funding. Slippage may change as and when these options are approved and implemented.
Maghull Leisure Centre – Car Park	0.176	Prudential Borrowing	Scheme currently on hold. Awaiting further information.
Total	3.602		

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7.6 The graph below therefore shows the 2018/19 Capital Programme expenditure to date against the profiled budget.



7.7 A service by service breakdown of expenditure, forecast actual expenditure and full year budget variation as at July 2018 is shown in the following table:

	Full Year Budget £'m	Expenditure to date £'m	Exp to Date as % of Budget %	Forecast Actual Expenditure to Date £'m	Forecast Full Year Budget Variation £'m
Corporate Resources	5.117	1.113	21.8	5.083	0.034
<u>New Schemes</u>					
Southport Theatre - Netting	0.030	0.000	0.0	0.030	0.000
Bootle Town Hall - Cold Water System	0.020	0.000	0.0	0.020	0.000
Previous Year Schemes	5.067	1.113	22.0	5.033	0.034
Locality Services - Commissioned	12.931	1.003	7.8	12.931	0.000
<u>New Schemes</u>					
LTP - New Schemes	3.596	0.000	0.0	3.596	0.000
Additional Pothole Funding	0.468	0.217	46.4	0.468	0.000
Buckley Hill Car Park	0.081	0.000	0.0	0.081	0.000
Previous Year Schemes	8.786	0.786	8.9	8.786	0.000
Locality Services - Provision	2.530	1.228	48.5	2.530	0.000
Previous Year Schemes	2.530	1.228	48.5	2.530	0.000
Regeneration and Housing	0.452	0.004	0.9	0.452	0.000
Previous Year Schemes	0.452	0.004	0.9	0.452	0.000

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Regulation and Compliance	0.009	0.000	0.0	0.009	0.000
<u>Previous Year Schemes</u>	0.009	0.000	0.0	0.009	0.000
Health & Wellbeing	0.512	0.031	6.1	0.072	0.440
<u>Previous Year Schemes</u>	0.512	0.031	6.1	0.072	0.440
Adult Social Care	3.994	0.006	0.2	0.568	3.426
<u>New Schemes</u>					
Approved Better Care Funding	2.078	0.000	0.0	0.000	2.078
<u>Previous Year Schemes</u>	1.916	0.006	0.3	0.568	1.348
Children's Services	5.737	0.246	4.3	5.661	0.076
<u>New Schemes</u>					
St Luke's Primary – Hall Extension	0.600	0.001	0.2	0.600	0.000
Crosby High - Special Needs WC	0.020	0.000	0.0	0.020	0.000
Impact PRU - Perimeter Fencing	0.015	0.000	0.0	0.015	0.000
Lydiate Primary - General Refurb	0.100	0.003	3.0	0.100	0.000
Forefield Infants - New Toilet Block	0.175	0.000	0.0	0.175	0.000
Linaker Primary- Additional 1 Form Entry	0.700	0.007	1.0	0.700	0.000
Healthy Pupils Fund	0.164	0.000	0.0	0.164	0.000
Hudson Primary - Heating Ducts Provision	0.150	0.000	0.0	0.150	0.000
Linacre Primary - Classroom Refurb	0.066	0.009	13.6	0.066	0.000
Lydiate Primary – New lighting system	0.021	0.000	0.0	0.021	0.000
Redgate Primary – Rewiring	0.150	0.012	8.0	0.150	0.000
Farnborough Rd Infant – Replace felt roof	0.044	0.003	6.8	0.044	0.000
Farnborough Rd Junior – Replace brickwork	0.024	0.000	0.0	0.024	0.000
Forefield Infants – Replace security fence	0.041	0.000	0.0	0.041	0.000
Merefield Special – Emergency lighting	0.036	0.004	11.1	0.036	0.000
Waterloo Primary - Kitchen Alterations	0.025	0.000	0.0	0.025	0.000
Impact PRU - CCTV & Security Gates	0.045	0.000	0.0	0.045	0.000
Netherton Moss Primary – Kitchen Refurb	0.050	0.000	0.0	0.050	0.000
<u>Previous Year Schemes</u>	3.311	0.207	6.3	3.235	0.076
Communities	1.136	0.058	5.1	1.136	0.000
<u>New Schemes</u>					
Atkinson Studio Stage	0.030	0.000	0.0	0.030	0.000
<u>Previous Year Schemes</u>	1.106	0.058	5.2	1.106	0.000
Inward Investment & Employment	1.367	0.352	25.7	1.367	0.000

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Previous Year Schemes	1.367	0.352	25.7	1.367	0.000
Total New Schemes 2017/18	8.729	0.256	2.9	6.651	2.078
Total Previous Year Schemes	25.056	3.785	15.1	23.158	1.898
Disabled Facilities Grant	2.200	0.415	18.9	2.200	0.000
Total Capital Programme	35.985	4.456	12.4	32.009	3.976

7.8 Financing of the 2018/19 Capital Programme: -

	Budget
	£m
Government Grants*	25.043
Borrowing	7.779
S106	1.613
Contribution	1.338
Capital Receipt	0.212
TOTAL	35.985

*Includes capital receipts used to supplement government grants as detailed below.

Within the funding profile for schemes approved in 2016/17 it was assumed that £1.5m of capital receipts will be generated. As at the end of March 2018, £1.070m has been received leaving a balance due of £0.430m. As at the end of July 2018 £0.309m has been received leaving a balance required of £0.121m. It is anticipated this will be received early 2018/19.

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Report to:	Overview and Scrutiny Committee	Date of Meeting:	11 th of September, 2018
Subject:	Access to Justice		
Report of:	Head of Regulation and Compliance	Wards Affected:	(All Wards);
Cabinet Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To report on the impact of the reductions in legal aid on access to justice with a focus on its affect within family justice.

Recommendation(s):

(1) To note the contents of the report and recommend what action, if any, the committee should take on the subject matter.

Reasons for the Recommendation(s):

To brief Members of the implications of The Legal Aid Sentencing and Punishment of Offenders Act 2012 on access to justice.

Alternative Options Considered and Rejected: (including any Risk Implications)

N/A

What will it cost and how will it be financed?

(A) Revenue Costs

No direct costs associated with the report.

(B) Capital Costs

No direct costs associated with the report.

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Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): No implications
Legal Implications: No implications
Equality Implications: No implications

Contribution to the Council's Core Purpose:

Protect the most vulnerable: <i>Raise the profile and the issue of access to justice among the most vulnerable members of the community</i>
Facilitate confident and resilient communities: N/A
Commission, broker and provide core services: N/A
Place – leadership and influencer: N/A
Drivers of change and reform: N/A
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener: N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD 5275/18) has been consulted and any comments have been incorporated into the report

Head of Regulation and Compliance (LD 4499/18) has been consulted and any comments have been incorporated into the report

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee / Council meeting.

Contact Officer:	David McCullough
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Email Address:	David.McCullough@sefton.gov.uk

Appendices:

There are no appendices to this report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Legal Aid Sentencing and Punishment of Offenders Act 2012 (LASPO) revoked its predecessor, the Access to Justice Act 1999, and introduced unprecedented cuts in legal aid.
- 1.2 Up until the passing of LASPO, legal aid was available for almost all areas of law, subject to specified exceptions.
- 1.3 As a result of LASPO; legal aid was cut across both criminal and civil law matters. Legal aid ceased to be available in the following areas of law
 - Clinical negligence cases (except certain cases involving neurological injury to infants)
 - Employment cases (except those under the Equality Act 2010 or in relation to victims of human trafficking)
 - Private family law cases, such as divorce and child contact (except cases involving domestic violence, child abuse or abduction)
 - Housing disputes (except where there is serious disrepair, homelessness or anti-social behaviour)
 - Debt (except where there is a risk of homelessness)
 - Immigration (except cases involving detention and refugee claims)
 - Education (except special needs cases)
 - Welfare benefits claims (except appeals to the Upper Tribunal or higher courts)

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1.4 This report will focus primarily on the impact that LAPSO has had in respect of private family law cases.

2 Access to legal aid in respect of private family law cases

2.1 In relation to all private (not public, i.e. Sefton children's services case matters) family law matters legal aid has been removed in its entirety, save for those individuals who have specific, recent, evidence of domestic violence or child abuse. Without the necessary evidence proving that an individual is a victim of domestic abuse any application for legal aid will not be considered,

2.2 The options available to those wanting to access private family law legal services are therefore limited to:

- self-funding;
- utilising the means tested legal aid programme (provided the individual meets the stringent merit conditions on domestic violence/child abuse which are assessed by the Legal Aid Agency); or
- becoming their own legal representative.

2.3 As noted above, where an individual meets the merit aspect of the test, they must also then satisfy the means test; the key requirements for eligibility of which are as follows:

- An individual's gross income must not exceed £2,657 each month (although a high gross income cap applies to those with more than four child dependents) and his disposable income must not exceed £733 each month.
- The following welfare benefits automatically satisfy the income test, although practitioners must still assess the applicant's capital resources:
 - income support;
 - income-based job-seeker's allowance;
 - income-related employment and support allowance;
 - guarantee credit; and
 - universal credit.
- An individual's disposable capital must not exceed £8,000

2.4 Legal aid in private family law matters is not available to parties simply because they: lack capacity; have mental health issues; have limited communication ability; have learning difficulties etc.

2.5 There is the option to apply for Exceptional Case Funding (ECF) in cases where a lack of access to legal assistance would be a breach of the individual's Convention and HRA rights. The Ministry of Justice's latest legal aid statistics, covering January to March 2018, show that the Legal Aid Agency received 745 ECF applications - the highest number of applications received in a quarter since the scheme

began. The agency determined 658 applications by May: it granted 390, refused 143 and rejected 108

3. The effect that these cuts have had on the legal system

- 3.1 In legal areas that are now no longer in scope, people now have a stark choice: to pay for their own legal advice, represent themselves, or be excluded from the justice system altogether.
- 3.2 The increased number of Litigants in Person, particularly in the family and civil courts, is placing unprecedented pressures on courts and voluntary services. Nearly 90% of respondents who work with family courts reported an increase in self-representation. This results in cases not being properly presented, which can lead to extra delays, pressures and costs on the court system, as well as litigants not making points or speaking up when they should, so damaging their case.
- 3.3 The government stated that under this new system, legal aid would be targeted at those most in need. In reality, it has been argued that the government's reforms have resulted in vulnerable groups finding themselves excluded from free legal advice. Often, this is because the level of need arises from the nature of the client, rather than the category of law involved. Those now excluded include children, those with mental health issues, and people with low levels of literacy and numeracy. As a result of changes to the means test, there are now many people on low incomes who find they are not financially eligible for legal aid or cannot afford to pay the required contributions.
- 3.4 The effects of LASPO on access to civil justice led to calls for urgent reviews of its effects almost as soon as it came into force.
- 3.5 A report published by The Commons Justice Committee on the 4th March 2015 commented:-
 - *“while it had made significant savings in the cost of the [legal aid] scheme, the Ministry had harmed access to justice for some litigants and had not achieved the other three out of four of its stated objectives for the reforms.”* and
 - *“It was clear to us that the urgency attached by the Government to the programme of savings militated against having a research-based and well-structured programme of change to the provision of civil legal aid.”*
- 3.6 The Ministry of Justice is in the process of undertaking a Post-Implementation Review of Part 2 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO). A report will be prepared later in 2018 drawing on the views of stakeholders and available data.

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Agenda Item 8

Report to: Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) **Date of Meeting:** 11 September 2018

Subject: Area Committees Working Group Final Report – Update on Recommendations **Wards Affected:** (All Wards);

Report of: Head of Regulation and Compliance

Cabinet Portfolio; Regulatory, Compliance and Corporate Services

Is this a Key Decision? No **Is it included in the Forward Plan?** No
Exempt/Confidential No

Purpose/Summary

To provide a monitoring report setting out progress made in respect of the recommendations formulated by the Area Committees Working Group and approved by Cabinet.

Recommendation:

That the report setting out progress made against the recommendations formulated by the Area Committees Working Group and approved by Cabinet be noted.

Reasons for the Recommendation:

To comply with a decision of Cabinet to submit monitoring reports on a six monthly basis setting out progress made against each of the recommendations.

Alternative Options Considered and Rejected:

No alternative options were considered. Cabinet has requested the submission of monitoring reports.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

(B) Capital Costs

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There are no financial implications arising for the Council as a direct result of this report. The implementation of recommendations that result in efficiency savings and any necessary financial investment will be the subject of separate reports.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial		
Legal		
Human Resources		
Equality		
1.	No Equality Implication	<input checked="" type="checkbox"/>
2.	Equality Implications identified and mitigated	<input type="checkbox"/>
3.	Equality Implication identified and risk remains	<input type="checkbox"/>

Contribution to the Council's Core Purpose

Protect the most vulnerable: Not applicable
Facilitate confident and resilient communities: Not applicable
Commission, broker and provide core services: Not applicable
<p>Place – leadership and influencer: The proposal agreed by Cabinet established three Constituency Fora covering the Bootle, Sefton Central and Southport Constituencies to enable Members to:-</p> <p>A. engage with local residents, community groups, partners, businesses, private sector organisations, the voluntary, community and faith sector and Parish Councils particularly in relation to the Sefton 2030 vision for the borough; and</p> <p>B. in areas covered by Parish Councils, to work closely with such Parish Councils and the Sefton Area Partnership of Local Councils by promoting and enhancing the Parish and Town Council Charter for Sefton</p> <p>This would aim to make sure what the Council and what others do are in the best interests of Sefton and its residents and has a contributing role to the 2030 vision of the borough</p>
<p>Drivers of change and reform: The implementation of the suggestions by Members will play a key role in leading change and reform to improve outcomes for Sefton residents and continuously improve</p>

the borough through the engagement of local residents, community groups, partners, businesses, private sector organisations, the voluntary, community and faith sector and Parish Councils in relation to the Sefton 2030 vision for the borough
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not applicable
Cleaner Greener: Not applicable

Impact of the Proposals on Service Delivery:

What consultations have taken place on the proposals and when?

The Head of Corporate Resources (FD5249/18) has been consulted and has no comment.

The Head of Regulation and Compliance (LD4473/18) is the author of this report

Implementation Date for the Decision

Immediately following the meeting of the Overview and Scrutiny Committee.

Contact Officer: Paul Fraser

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Background Papers:

There are no background papers available for inspection

1. Introduction/Background

1.1 At its meeting held on 13 September 2016 the Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) approved the establishment of an Area Committees Working Group with the following Terms of Reference and Objectives:-

1.2 Review the findings of the public consultation exercise undertaken on the role of Area Committees, and the other issues set out in the report submitted to the Cabinet on 23 June 2016

Review modern methods of engagement between councils and their councillors and councillors and their communities, including the operation of community forums by other local authorities, the use of social media and guidance on its use

To consider whether a programme of communication training for members should be developed with particular emphasis on the social media aspects of modern communication in their role as 'Community Champions'

Review ways of communicating information about councillors' expenditure in their

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wards and associated decision making processes

To consider whether a system of escalation for the public where a councillor cannot be contacted, does not respond to contact or does not make themselves available for surgeries etc. can be developed

To consider whether methods for citizens to formally engage with its Council are made as simple and effective as possible through the provisions within the Council Constitution for petitions, questions attendance at meetings etc.

To consider how section 106 and Community Infrastructure Levy funding would be spent in a revised Area Committee structure

To consider the remit of Area Committees

2. Final Report Recommendations

2.1 Accordingly, the Working Group met on numerous occasions to gather evidence and produce its Final Report with associated recommendations. Cabinet approved the Final Report at its meeting held on 5 October 2017. However, Cabinet's decision was "called-in" and the "called-in" decision was considered at a Special Meeting of this Committee held on 21 November 2017. The Committee accepted the decision made by Cabinet and the approved recommendations are as follows:-

2.2 That:-

- (1) that the current Area Committee system in Sefton cease;
- (2) that the current responsibilities of Area Committees be transferred to the Committees as detailed in [Appendix 1](#) attached to the report of the Head of Regulation and Compliance considered by the three Area Committees during the December 2015/January 2016 cycle;
- (3) that three Constituency Fora be established covering the Bootle, Sefton Central and Southport Constituencies with the following terms of reference:
 - A. To engage with local residents, community groups, partners, businesses, private sector organisations, the voluntary, community and faith sector and Parish Councils particularly in relation to the Sefton 2030 vision for the borough;
 - B. In areas covered by Parish Councils, to work closely with such Parish Councils and the Sefton Area Partnership of Local Councils by promoting and enhancing the [Parish and Town Council Charter for Sefton](#)
 - C. To consider complaints from constituents if it can be demonstrated that none of their Ward Councillor(s) has responded at all to a request for action;
 - D. To meet a minimum of twice per year ; and

E. To determine, with the consent of the three Ward Councillors, the devolved allocation of Ward funds on local priorities that would not otherwise be funded by Council budgets; that this funding continue to be administered by the Head of Communities; and any Ward budget over £10,000 not allocated at the end of the Municipal Year be transferred to the Cabinet Member – Communities and Housing for inclusion in the Community Transition Fund;

- (4) that the Head of Communities to support the operation of the Constituency Fora;
- (5) that the Head of Strategic Support to provide support on public engagement and consultation issues to the Constituency Fora;
- (6) that subject to operational requirements the use of Council buildings be allowed to host the Constituency Fora; and
- (7) that to assist the role of Constituency Fora Operational Groups be established if deemed necessary by local Ward Members (in those areas where currently none exist) to work with partner agencies in their localities.

2.3 An update [report](#) was considered by this Committee at its meeting held on 6 March 2018. Attached to the report was a table setting out progress made against each of the recommendations

3. First Round of Constituency Forum Meetings

3.1 The Head of Communities supports the operation of the Constituency Fora. The first round of meetings were held at 6.30 p.m. on the dates set out below and were advertised on the Council's website and via press releases to local news websites and newspapers.

Bootle - 21 June 2018 – Bootle Town Hall
Sefton Central – 28 June 2018 – Crosby Lakeside Adventure Centre
Southport – 5 July 2018 – The Atkinson

3.2 The Head of Communities has provided information, set out below in paragraphs 3.3 and 3.4 on the first round of meetings:-

3.3 The Table below shows the number of visitors to the Forum and the partner agencies and Council Departments that attended.

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Forum Location	Public	Partner Agencies and Departments
Bootle	12	Merseyside Police, Office of the Police and Crime Commissioner, Merseyside Fire and Rescue Service, Sefton CVS, Sefton@Work, Cleansing, Prima Housing, Youth Service, Green Sefton, Anti-Social Behaviour team, Litherland Youth and Community Centre, Netherton Park Neighbourhood Centre, L21 Network, Christ Church Youth and Community Centre, South Sefton and Crosby Foodbank, Hate Crime, British Transport Police
Central	8	Merseyside Police, Office of the Police and Crime Commissioner, Merseyside Fire and Rescue Service, Sefton CVS, Sefton@Work, Cleansing, Environmental Health, Youth Service, Green Sefton, Anti-Social Behaviour team, Thornton Parish, Aintree Parish, Hate Crime, British Transport Police
Southport	23	MP's Office, Merseyside Police, Office of the Police and Crime Commissioner, Merseyside Fire and Rescue Service, Sefton CVS, Sefton@Work, Cleansing, Environmental Health, Light for Life, Housing Standards, Green Sefton, Anti-Social Behaviour team, HumanKind, Ainsdale Lunch and Leisure, Hate Crime, British Transport Police.

3.4 Feedback

Elected Member feedback

- Cllr at Central Forum felt that the setup is too similar to a regular surgery.
- Cllr in Southport commented that the idea needs more work to be successful.
- Cllr in Southport was concerned about the level of Council Officers and Partners v members of the public.
- Cllr in Southport was very supporting and gave positive feedback.
- Cllr in Southport felt that a fellow Councillors family member sitting behind the desk was inappropriate.
- Bootle and Southport are townships in their own right and as such can sustain forums as contained geographical areas however, Central is presenting similar issues that were stated in the Area Committee review.
- Crosby, Formby and Maghull are separate and need to hold the forums in separate locations in the three areas.
- We need to find accessible places; The Atkinson in Southport was fine but

could look at alternative venues in Bootle and Central.

- We need to change the name as its not clear to people what the event is about.
- We need much greater publicity.
- The time could be changed to 4 – 6 or during the day or at half term and we might get a better response.

Resident feedback

- Residents liked the setup and the informal way that they could talk face to face with Councillors and Agencies.
- It was seen as a great opportunity to put names to faces and build relationships.
- A resident commented that the Forum was better than area committee because you don't have to submit a question and you may get an answer on the night
- There were many comments that the Forums had not been very well advertised/promoted.
- Residents felt that the time the forum was held did not fit in well with family life.
- Having the press there.
- A resident was concerned that no decision could be made at the forum, and they were also concerned that their question hadn't been formally and publicly noted anywhere.

Partner feedback

- Partners were very happy with the opportunity to network with other agencies and build new relationships.
- Partners commented that it was refreshing to be able to work directly with residents, face to face and have the possibility to solve their issue there and then.

4. Consultation with Elected Members

4.1 The Head of Regulation and Compliance sought the views of all Members of the Council on the first round of Constituency Forum meetings.

4.2 In total, 26 responses were received, 6 from Bootle, 8 from Sefton Central and 12 from Southport. The table attached to the report sets out Members' verbatim comments which are self-explanatory; and these have been shared with the Head of Communities as the officer responsible for servicing Constituency Forum meetings.

4.3 In general it appears that Members support the operation of the new arrangements more in Bootle and Sefton Central than in Southport; that it would be desirable if

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more Members of the public attended the Fora; and that to achieve this aim enhanced advertisement and marketing of the Fora should be undertaken.

CONSTITUENCY FORUM ATTENDED	WHAT WORKED WELL	WHAT COULD BE IMPROVED	GENERAL COMMENT
BOOTLE			
1.	Combining areas and officers	More publicity allowing tenants the opportunity to come forward	Shorter time space and possible in other venues 6 month basis
2.	Good attendance of Members and partners and interaction between them	Improved advertisement of the Forum in the local media to generate better public attendance. Also advertisement of the event on the Town Hall noticeboard	Disappointed that after all the effort put into arranging the Forum there was a poor public attendance. Hopefully this situation could be improved by enhanced advertising.
3.			Only one member from my ward attended. Not many people attended with more officers than public. Good idea maybe future events will be busier
4.	The market style was very refreshing and created an informal and accessible means for the public to engage with officers, colleagues, organisations representatives without the restraints encountered by the old Area Committee arrangements. Plenty of information available	Advanced and more widespread notifications for the dates and times of the meetings (perhaps placed in local community centres etc...) People are still confusing the title with the Area Committee – so it may need efforts to market the new forum in a way that differentiates between the two.	It may be helpful to have the forum held in different locations around South Sefton to allow elderly / vulnerable residents an opportunity to visit in a venue closer to them? Perhaps invite Local groups to come along. All in all, in my opinion it was a successful start to a new era of accessible, open and engaging public relations with Sefton Council and partners etc... I was delighted to see a positive impact from the new framework. Well done to everyone involved with this new initiative- it was a brilliant start and I look forward to attending our next area

			forum.
5.	The format was good, plenty of networking opportunities.	I think even more organisations should be invited to attend.	Although the venue was good, it would not attract people from the far ends of the constituency, so I think this needs to be considered. Publicity for the event was really poor, with press coverage the day before. There should be wider publicity including radio announcement
6.			Unfortunately I was unable to attend the Forum, but I have heard colleagues commenting positively about the forum.
SEFTON CENTRAL			
1.			Three people attended to speak to me about a planning application that had already been passed. They stayed for about 45 mins and I was happy to discuss with them and take away their questions to get an answer but my feelings were that if other people had been waiting to see me this would have been frustrating for those waiting. Also I had to make it clear that as a Ward Councillor I cannot do very much about a planning application that has already been passed. Perhaps it should be made clear to attendees that they have a fixed amount of time e.g. 10 minutes? Also is there any way to provide attendees with info as to what can be achieved through the forum? My fear is that when 'big' issues happen like the closure of a

			service or a housing development the forum may be used to organise protests which may not be particularly constructive. Perhaps 'terms of reference' could be published?
2.			I didn't attend the last forum so I am not really poised to comment. I have had some negative feedback from some residents who did attend, but I will reserve judgement!
3.	As a new Councillor, meeting other Councillors and professional bodies and Agencies	More public presence	
4.	Organisation, attendance by officers, other agencies,	The public could attend?	No one came from the public, is that a sign they are happy? Is venue too remote from the Ward? Venue is problematic I appreciate.
5.	It is better than the previous structure but needs better advertising and possibly more frequent meetings otherwise it will become meaningless. Certainly more agencies need to be present but they may say they already consult with public via their own forums.	Input from council officers would be of help especially the Planning Department.	The system will evolve most probably by usage by the public. The atmosphere was easy going and friendly which allowed good interfacing with the public. However there was no way of proper identification of the people who turned up as to where they lived, some people made the complete round of all of the tables
6.			I attended the Bootle and Central forums. I found both very useful for interaction with officers and other Councillors.

			<p>However, I saw only four members of the public, though there may have been more. The Public I recognised were the "Usual Suspects" i.e. those who attended all of the Area Committees.</p> <p>On the whole, I think it is a good idea which would be improved by more intensive event publicity.</p> <p>In Victoria, we had agreed to try a new format. To hold our council business as part of Friends Of meetings. Rotating between the three main groups in Victoria, Coronation & Moorside. The groups were content to try this format as we advised that council business might take no more than ten minutes; TRO's etc. If the Police were able to attend then the FO groups thought that this would be an advantage to them as would the attendance of a Neighbourhoods officer. Sue Ashe agreed to attend under this format.</p> <p>We take the view that the Friends of groups contain people who are highly Valued by the Council and merit extra attention from the Council by this format. We recognise that while the meetings would have to be open to the general public that this could only be a good thing for the FO groups.</p> <p>Keep up the good work</p>
7.	Nice open room layout	<ul style="list-style-type: none"> • Advertising of forum • Pictures of councillors on 	Having not attended under the previous format I am unable to make any meaningful

		<p>tables</p> <ul style="list-style-type: none"> • Time for agencies to meet together before public arrive 	<p>comparison. Three residents attended from Blundellsands ward which is local to the venue. It would be useful to try a weekend rather than a weeknight.</p>
8.	Good representation from services and Councillors	<p>Location – this meeting was at the CLAC which is a bit out of the way. The event was poorly attended by the public but I'm not sure advertising it any wider would make much difference as the Area Committees were never well attended unless there was a specific contentious issue.</p>	<p>Sefton Central is a large and diverse area and I'm not sure this format is appropriate for public engagement. The event required extensive resource to facilitate</p>
SOUTHPORT			
1.			<p>I was absent for the first meeting. My colleagues reported to me that there were more officers and elected members than public - which is not a good start. Colleagues were not impressed with the lack of engagement.</p>
2.	Good representation of Councillors and other organisations that represented important areas of work in both public and voluntary sector	<p>The layout of the room set aside for each ward should have had spaces for Councillors to be able to move in and out without going from one end to the other. The attendance by the public was very poor I believe about 25 people and there were more Councillors and others there than public.</p>	<p>The simple fact that a forum of this nature is no substitute for the Area Committee system. Whilst as an addition to public involvement it could play a part but not as currently constituted. We need a system that allows the public collectively to raise issues and have them dealt with by both Councillors and other bodies i.e. the Police and the system of referring many of the</p>

		<p>There is no mechanism by which town wide issues can be addressed and the sort of query we had as far as I could tell were individual ward issues that could be dealt with by Councillors at surgeries or other methods of direct communication. In speaking to other organisations they were disappointed at the public interest. I am afraid I need to report that council officers in attendance felt that their time had been wasted.</p>	<p>responsibilities previously the remit of the Area Committee to one Cabinet Member in particular has been unhelpful. There is still confusion amongst members over both the criteria and the mechanism for the distribution of previous Area Committee funding which has to be addressed.</p> <p>I appreciate there has only been one meeting and there will be the inevitable reference to "teething problems" but the forum is no substitute for what we had in the past which seemed to have got public support and interest to the benefit of Sefton. As far as the venue is concerned I remain of the opinion that this should be Southport Town Hall.</p> <p>I have been concerned to hear from a number of members in private that one of the aims is to downgrade the importance and that some in the south of the Borough were becoming concerned that the Area Committee was being perceived by the public as being the nearest equivalent to an actual Southport Town Council of sorts. The latter has to be encouraged not worked against.</p>
3.	The event has very few unique benefits.	<p>Public Attendance. Do we have any figures/information from few Public that attended on how they heard of it?</p>	<p>A very poor substitute to what was a thriving Area Committee where the public could hold the police, members and officers to account. The event had no teeth or power to ensure</p>

		Better promotion of the event is essential. For example, assuming it is going to be in the same location next time (The Atkinson) then signage could be displayed outside (it is a reasonable footfall area) and also inside the Atkinson's foyer. Perhaps something on the lines of pop-up roller banners being displayed for a week or so before the event.	that residents' concerns/issues were being addressed or listened to by the Council.
4.		Ward tables far too close together.	A member of the public was sitting behind and then at one of the tables with the Councillors from that ward. This would give the impression that person was an elected member. This is unacceptable. The tables are only for ward Councillors to sit behind and to meet their residents. Also residents will speak to their ward Councillors about personal and often highly sensitive issues and Councillors therefore are data handling and have to pay £40 a year to the ICO to be able to do so. A member of the public sitting at a table would not be authorised to data handle and would not be covered by the ICO. Legally there is an issue here.
5.	Nothing	Scrap the forum and return to an Area Committee format.	I only spoke to 2 members of the public and I already knew them both well. Other tables had no visitors at all. When Area Committees met the public were able to

			<p>listen to a regular report from senior police officers and they were able to ask questions of the officers. Issues pertinent to Southport were reported on by officers, improvements/changes were discussed in public by Councillors and decisions were made openly and transparently. The new format means that issues once decided at Area Committees are now decided by the Licensing & Regulatory Committee which receives no publicity and where every other meeting is held in Bootle. At the forum members of the public could only ask questions of the officers present. Area Committees were able to request the presence of any officer (including senior officers) who would publicly report on issues that had raised concerns by the residents of Southport.</p> <p>A chat with Councillors and officers over a lukewarm cup of coffee does not improve democracy and transparency, it removes it.</p>
6.	<p>I liked the atmosphere because it was more relaxed and less intimidating for residents than the Area Committee.</p> <p>Residents had access to support services such as the police and council officers (cleansing) to Speak directly.</p> <p>The previous structure was</p>	<p>More publicity of the event would be helpful.</p> <p>More agencies such as Merseytravel could have been present.</p>	<p>I think the format is fine but the frequency, number of agencies and timing may evolve as we learn from experience.</p>

	cumbersome and restrictive for residents who had to bring a question and were allowed one supplementary question.		
7.	<p>The air conditioning worked well.</p> <p>The event itself was (just) fractionally short of being a complete farce.</p> <p>It also cost massively more than Area Committees cost in terms of total officer time - and of course only attempted to replace one aspect of the Area Committee - the powers that be have ensured that the democratic element is completely removed. We can't have ordinary people engaging directly with their elected representatives as they make real decisions, can we?</p> <p>Much of the evening was spent by councillors talking to one another.</p>	<p>It would help if publicly accountable people who were actually concerned about the people of Southport and their expression of their views were used to determine how the views of the people of Southport should be sought and responded to.</p>	<p>This attempt to put a sticking plaster over the removal of a functioning direct democratic interchange has not quite completely failed yet. But give it time and sufficient waste of public funds.</p>
8.	<p>Residents able to have direct contact with service providers including Police and Fire Officers</p>	<p>More structure required. Hall very noisy and was rather like a large Councillor Surgery rather than forum. If attendance increases has the potential to be chaotic. Residents may not get to see who</p>	<p>Needs to be more structured and meeting should take place more often than suggested</p>

		they want.	
9.	<p>There was a welcome informality about the event. There seemed to be a reasonable number of residents attending and they appeared to make the most of speaking to the Councillors and partners and asking questions.</p>	<p>The handout giving the ward spend and balances should have been proof read as the entry for Norwood was a copy and paste of the Ainsdale information. It would be helpful if S106 figures could also be included for each ward as this is in the discretion of the Councillors for each ward. Then the residents would know exactly how much money was available overall for each ward to spend and also know what it had been spent on. I think there could have been more prior advertising of the event. Certainly having a notice on the notice board outside Southport Town Hall and also a notice on the notice board inside the Atkinson. Also I didn't see any notification of the event in the two local free papers – Visiter and Champion – although it may have been there but I didn't notice it.</p>	<p>We saw the partner of one of the Councillors sitting on the same side of the table as the Councillors which we thought was misleading as residents might think that person was also a Councillor. We have been told by Sefton Council's legal team that there is no reason why non-Councillors should not attend Councillor surgeries along with the Councillors as MPs have case workers who provide advice to the public and these people could be regarded in some way as being equivalent to such case workers. However we disagree with this as case workers have an official position and also would be registered under data protection laws.</p>
10.	<p>I liked the way it was set out, easy for constituents to find their Councillor. There was a good number of organisations there, all</p>	<p>I would have liked representation from Merseytravel and Arriva buses. There needs to be more publicity about it, maybe a press presence.</p>	<p>There was a better atmosphere than the old area committee, which sometimes felt as if it was more about point scoring than helping constituents.</p>

	<p>relevant to the area. I liked the informality, much better than the old style grandstanding. It's early days, I like the format and I'm sure that as time goes on more organisations, such as Southport Bid could be persuaded to take part.</p>		
11.	The room was spacious	<p>The intention of these meeting is surely is to give Southport people a voice and access to a decision making process and accountability. So anything that could further these aims would be an improvement. In my opinion the Constituency Forum simply needs changing back to the format that worked for the people. i.e The Area Committee. Or a similar forum.</p>	<p>The evening was a complete waste of time. I received 2 enquiries. The first was from a couple who said they would have rung me but wanted to see what was going on. The second was a lady randomly passing through who knew a friend of mine and wanted to know if she had become a grandmother yet. And that was about the sum total. The old Area committees were productive meetings which is why they were packed. The absence of the Southport residents who previously attended the Area Committee meetings speaks volumes.</p>
12.	It was generally well organised – it's just that the concept may well be flawed.	<p>In terms of the concept, I'm not clear that there is a lot that could be improved – the problem may lie with the concept.</p>	<p>The Constituency Forum concept should certainly be given a fair trial, but serious consideration must be given after the next round of Forum meetings as to whether reverting to Area Committee meetings is a better way to engage with the public. "Public" attendance at the first Southport Constituency Forum appeared to be</p>

			<p>overwhelmingly comprised of political activists. This was in contrast to attendance at Southport Area Committee meetings where the majority of people attending over the years were “ordinary” members of the public. Part of the explanation for this very low public attendance may be that if the public want to speak to a councillor then a Councillors’ Surgery (or direct contact) is more convenient, and if they want to speak to an officer (or, for example, the Police) there are easier ways of doing this.</p>
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Report to:	Overview and Scrutiny Committee (Adult Social Care and Health)	Date of Meeting:	4 September 2018
	Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services)		11 September 2018
	Overview and Scrutiny Committee (Regeneration and Skills)		18 September 2018
	Overview and Scrutiny Committee (Children's Services and Safeguarding)		25 September 2018
Subject:	Effectiveness of Local Authority Overview and Scrutiny Committees – Government Response to DCLG Select Committee Report		
Report of:	Head of Regulation and Compliance	Wards Affected:	All
Cabinet Portfolio:	Adult Social Care Children, Schools and Safeguarding Communities and Housing Health and Wellbeing Locality Services Planning and Building Control Regeneration and Skills Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To advise Members on the Government's response to the Communities and Local Government Select Committee report titled "Effectiveness of Local Authority Overview and Scrutiny Committees"

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Recommendation:

That:-

- (1) the report be noted;
- (2) a further update be submitted to the Committee once the Government have published updated guidance in respect of recommendations 1 (a) to (e) and 6 and further consideration has been given to recommendation 2; and
- (3) if consultations are allowed to be undertaken as referred to in paragraph 4 then the views of the Overview and Scrutiny Management Board and individual Overview and Scrutiny Committees be obtained for inclusion in the consultation process.

Reasons for the Recommendation(s):

To make Overview and Scrutiny Committees aware of current issues affecting local authority scrutiny functions.

Alternative Options Considered and Rejected: (including any Risk Implications)

No alternative options have been considered.

What will it cost and how will it be financed?

There are no direct financial implications arising from this information report. Any financial implications arising from the implementation of updated Government guidance regarding the scrutiny function will be set out in future reports at the appropriate time.

(A) Revenue Costs – see above

(B) Capital Costs – see above

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): None
Legal Implications: None
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: None directly applicable to this report.
Facilitate confident and resilient communities: None directly applicable to this report
Commission, broker and provide core services: None directly applicable to this report.
Place – leadership and influencer: None directly applicable to this report.

Drivers of change and reform: None directly applicable to this report.
Facilitate sustainable economic prosperity: None directly applicable to this report.
Greater income for social investment: None directly applicable to this report.
Cleaner Greener: None directly applicable to this report.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD 5215/18) has been consulted and notes the report indicates no direct financial implications arising for the Council. The Head of Regulation and Compliance (LD4439 /18) has been consulted and has no comments on the report.

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee meeting.

Contact Officer:	Paul Fraser
Telephone Number:	0151 934 2068
Email Address:	Paul.fraser@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

- First Report of Session 2017–19 Effectiveness of local authority overview and scrutiny committees
- Government Response to the Communities and Local Government Committee First Report of Session 2017-19 on the Effectiveness of Local Authority Overview and Scrutiny Committees

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Communities and Local Government (CLG) Select Committee, on 24 January, 2017 launched an inquiry into overview and scrutiny in local government; as the CLG Committee wanted to consider whether overview and scrutiny arrangements in England were working effectively and whether local communities were able to contribute to and monitor the work of their councils.

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1.2 The CLG Committee had noted that overview and scrutiny arrangements were introduced by the Local Government Act in 2000 as a counterweight to increasing decision-making powers of Leaders and Cabinets or directly elected mayors; and had made reference to shortcomings that had been exposed, following a number of high profile cases, including child sexual exploitation in Rotherham, poor care and high mortality rates at Mid Staffordshire NHS Foundation Trust and governance failings in Tower Hamlets.

1.3 Clive Betts MP, Chair of the CLG Committee, said:

“This inquiry is long overdue. Local authority executives have more powers than ever before but there has not been any review about how effectively the current overview and scrutiny arrangements are working since they were introduced in 2000.

Local authorities have a considerable degree of discretion when it comes to overview and scrutiny. We will examine these arrangements and consider what changes may be needed to ensure decision-makers in councils and local services are better held to account.”

2. Publication of the CLG Report

2.1 The report of the Select Committee, titled “Effectiveness of Local Authority Overview and Scrutiny Committees” was published by the House of Commons on 15 December 2017; and a copy of the published report is attached as **Appendix 1**.

2.2 The proposed revisions to Government guidance on Overview and Scrutiny Committees contained in the report were as follows:-

- That 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.
- That Scrutiny committees and the executive must be distinct and that executive councillors should not participate in scrutiny other than as witnesses, even if external partners are being scrutinised.
- That councillors working on scrutiny committees should have access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity.
- That scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice to committees. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts.
- That members of the public and service users have a fundamental role in the scrutiny process and that their participation should be encouraged and facilitated by councils
- That overview and scrutiny committees should be given full
- access to all financial and performance information, and have the right to call witnesses, not just from their local authorities, but from other public

bodies and private council contractors. They should be able to follow and investigate the spending of the public pound.

- That the DCLG works with the Local Government Association and the Centre for Public Scrutiny to identify councils to take part in a pilot scheme where the impact of elected chairs on scrutiny's effectiveness can be monitored and its merits considered.

3. Government Response to the CLG Report

3.1 The Government's response to the CLG report was published on 12 March 2018; and the 8 CLG recommendations and accompanying Government responses are set out below in paragraphs 3.2 to 3.9. A full copy of the Government response is attached to the report as **Appendix 2**.

3.2 Recommendation 1:

Proposed revisions to Government guidance on scrutiny committees
(Note: this recommendation was in five parts (a) to (e) and the individual recommendation and Government response are set out consecutively)

Government Response:

The Government acknowledges that the current guidance was issued in 2006 and is happy to ensure it is updated. New guidance will be published later this year.

a) That 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.

Government Response:

a) The Government notes the evidence supplied to the Committee. Updated guidance will recommend that scrutiny committees report to the Full Council.

b) That scrutiny committees and the executive must be distinct and that executive councillors should not participate in scrutiny other than as witnesses, even if external partners are being scrutinised.

Government Response:

b) The Government accepts the need to limit the executive's involvement in the scrutiny meetings. Updated guidance will make clear that members of the executive should not participate in scrutiny other than as witnesses.

c) That councillors working on scrutiny committees should have access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity.

Government Response:

c) Scrutiny committees already have powers to access documents and updated guidance will stress that councils should judge each request to access sensitive documents on its merits and not refuse as a matter of course. We will also have discussions 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.

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d) That scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice to committees. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts.

Government Response:

d) Updated guidance will make clear that support officers should be able to operate independently and provide impartial advice. It will also stress the need for councils to recognise and value the scrutiny function and the ways in which it can increase a council's effectiveness. However, the Government believes that each council should decide for itself how to resource scrutiny committees, including how much access to senior officers is appropriate to enable them to function effectively.

e) That members of the public and service users have a fundamental role in the scrutiny process and that their participation should be encouraged and facilitated by councils.

Government Response:

e) The Government fully believes that local authorities should take account of the views of the public and service users in order to shape and improve their services. Scrutiny is a vital part of this, and scrutiny committees should actively encourage public participation. Updated guidance will make this clear.

3.3

Recommendation 2:

That DCLG works with the Local Government Association and Centre for Public Scrutiny to identify willing councils to take part in a pilot scheme where the impact of elected chairs on scrutiny's effectiveness can be monitored and its merits considered.

Government Response:

The Government will give further consideration to this recommendation.

The Government fully accepts that the chair of a scrutiny committee can have a great impact on its effectiveness. As the then Minister told the Select Committee at the oral evidence session on 6 November 2017, a chair needs to have the requisite skills, knowledge and acumen to take on the functions and achieve the outcomes that the scrutiny committee needs to achieve.

The Government also accepts that, in some instances, the election, rather than the appointment, of a chair might help ensure that the right individual is ultimately selected, but feels that this is a decision for every council to make for itself - we note that the Select Committee is "wary of proposing that [election] is imposed upon authorities by Government".

A local authority is already free to elect a chair if it wishes, and the updated guidance will recommend that every council bears this in mind when deciding on a method for selecting a chair.

The Government is happy to explore with the sector how best to establish the

impact of elected chairs on scrutiny committees' effectiveness, but is not yet convinced that running pilot schemes is the best way to achieve this. The Government will therefore discuss this recommendation with the sector, including the Local Government Association and Centre for Public Scrutiny, and write to the Select Committee on this matter when we publish updated guidance.

3.4 **Recommendation 3:**

Councils should be required to publish a summary of resources allocated to scrutiny, using expenditure on executive support as a comparator.

Government Response:

The Government does not accept this recommendation.

Many councils do not have dedicated scrutiny support staff - officers work on issues and engage with committees as part of the flow of business - so this would make quantifying the support that scrutiny committees receive very difficult. In the Government's view, the quality of the support is the more important issue.

The Government firmly believes that each individual authority is best-placed to decide for itself how to support scrutiny most effectively.

3.5 **Recommendation 4:**

That the Government extend the requirement of a Statutory Scrutiny Officer to all councils and specify that the post-holder should have a seniority and profile of equivalence to the council's corporate management team. To give greater prominence to the role, Statutory Scrutiny Officers should also be required to make regular reports to Full Council on the state of scrutiny, explicitly identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.

Government Response:

The Government does not accept this recommendation.

As the then Minister outlined during the oral evidence he gave to the Select Committee, decisions about the allocation of resources for the scrutiny function are best made at a local level. Each council is best-placed to know which arrangements will suit its own individual circumstances. It is not a case of one size fits all.

The key requirement for effective scrutiny is that the culture of the council is right. Where councils recognise the benefits effective scrutiny can bring, and put in place suitable arrangements, it is working well. Local authorities with a strong culture of scrutiny may invite regular reports to full council on the state of scrutiny in the council and this idea will be reflected in the updated guidance.

3.6 **Recommendation 5:**

The Department to put monitoring systems in place and consider whether the support to committees needs to be reviewed and refreshed. We invite the Department to write to us in a year's time detailing its assessment of the value for money of its investment in the Local Government Association and on the wider effectiveness of local authority scrutiny committees.

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Government Response:

The Government does not accept this recommendation.

Local authorities are independent bodies and it is for them to ensure that their scrutiny arrangements are effective.

The Government firmly believes that every council should be able to access the training it needs to carry out its functions effectively, and recognises that Government itself has a role to play in making this happen. That is why we provide funding to the Local Government Association for sector-led improvement work. It should be noted that this funding is to support local authorities on a wide range of improvement work. It is not purely to assist with overview and scrutiny.

The funding is determined annually and for 2017/18 is £21 million. The package of work that is funded from the grant is set out in a jointly agreed Memorandum of Understanding between the Department and the Local Government Association, which is refreshed annually to ensure that it remains relevant to the sector's needs.

The Government is, of course, very keen to ensure that this funding provides value for money and that local authorities feel that the training on offer serves their needs. To this end, the Department has quarterly performance monitoring and review meetings with the Local Government Association, which are chaired by the Director-General for Local Government and Public Services.

The Government notes that not all the councillors who provided evidence to the Select Committee felt that the scrutiny training provided was as effective as they would have liked, and that the Local Government Association wrote to the Committee on 20 December 2017 to provide more information on the feedback it received on its support work.

The Government will ensure that the 2018/19 Memorandum of Understanding with the Local Government Association clearly sets out our expectation that they remain responsive to feedback they receive to ensure all training, including scrutiny training, remains relevant and effective.

3.7

Recommendation 6:

Scrutiny committees must be able to monitor and scrutinise the services provided to residents. This includes services provided by public bodies and those provided by commercial organisations. Committees should be able to access information and require attendance at meetings from service providers and we call on DCLG to take steps to ensure this happens

Government Response:

Updated guidance will remind councils of the requirements set out in regulations that allow scrutiny members to access exempt or confidential documents in certain circumstances. As mentioned in response to the Select Committee's recommendation on guidance, the Department will also have discussions 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.

In terms of service providers' attendance at meetings, when councils are tendering contracts with external bodies they should carefully consider including requirements to ensure they are as open and transparent as appropriate. Ultimately, however, it is up to each council to decide how best to hold to account those who run its services.

3.8 **Recommendation 7:**

The Government to make clear how LEPs are to have democratic, and publicly visible, oversight. We recommend that upper tier councils, and combined authorities where appropriate, should be able to monitor the performance and effectiveness of LEPs through their scrutiny committees. In line with other public bodies, scrutiny committees should be able to require LEPs to provide information and attend committee meetings as required.

Government Response:

The Government agrees on the importance of clear and transparent oversight of Local Enterprise Partnerships (LEPs). The Industrial Strategy made clear the continuing important role of LEPs in delivering local economic growth.

The MHCLG Non-Executive Director Review (published in October 2017), looked at a range of governance issues for LEPs. The Review made a series of recommendations that we have accepted in full and are now implementing. As part of this we have published guidance for LEPs on a range of issues including publication of agenda and papers for LEP Board meetings. This will make the proceedings of LEPs more transparent for local people.

The National Assurance Framework for LEPs states that democratic accountability for the decisions made by the LEP is provided through local authority leader membership of LEP Boards. In places where not all local authorities are represented directly on the LEP board it is important that their representatives have been given a mandate through arrangements which enable collective engagement with all local authority leaders. Many LEPs already go much further in allowing democratic scrutiny of their decision making.

The MHCLG Non-Executive Director Review into LEP governance and transparency explored the extent to which scrutiny was embedded into LEP decision making. The review acknowledged that each LEP had their own arrangements to reflect: legal structure, the complexity and needs of the locality and local requirements to ensure value for money; engagement; and democratic accountability. The Review concluded that it was not appropriate to be prescriptive on the specific arrangements that all LEPs needed to adopt due to the variation in LEP operating models.

The Government committed in the Industrial Strategy White Paper to reviewing the roles and responsibilities of LEPs and to bringing forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries. Working with LEPs, the Government committed to set out a more clearly defined set of activities and objectives in early 2018. MHCLG will write to the Select Committee following the conclusion of this Ministerial review into LEPs to provide an update.

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3.9 **Recommendation 8:**

We are concerned that effective scrutiny of the Metro Mayors will be hindered by under-resourcing, and call on the Government to commit more funding for this purpose. When agreeing further devolution deals

and creating executive mayors, the Government must make clear that scrutiny is a fundamental part of any deal and that it must be adequately resourced and supported.

Government Response:

The Government accepts this recommendation.

At the Budget it was announced that the government will make available to mayoral combined authorities with elected mayors a £12 million fund for 2018-19 and 2019-20, to boost the new mayors' capacity and resources. Combined Authorities could use some of this resource to ensure that scrutiny and accountability arrangements within the CAs are effectively resourced and supported.

Further to this, the recent Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, developed with assistance from the Centre for Public Scrutiny and the National Audit Office, provides for the rules of operation for local overview and scrutiny and audit committees to robustly hold combined authorities and mayors to account. The order ensures that there are strong scrutiny arrangements in place consistently across every combined authority area and sets out clear requirements, strengthened appropriately to match the new powers and budgets being devolved, for the arrangement of overview and scrutiny and audit committees in all combined authorities.

Combined authorities are subject to existing relevant legislation applying to local authorities, including the strong finance and audit requirements around ensuring value for money and sustainability. Local democratic accountability, including through the scrutiny of directly-elected mayors, is a crucial and fundamental aspect of devolution.

4. **Centre for Public Scrutiny Involvement**

It has been established from a recent County/Unitary Scrutiny Network meeting involving Ed Hammond at Centre for Public Scrutiny (CfPS), that CfPS are hoping to be commissioned to help the Government produce the updated statutory Scrutiny Guidance which was promised in the response to the CLG Select Committee's report on the Effectiveness of Local Authority Scrutiny. If so, CfPS will seek to obtain the views of a wide range of interested parties during the drafting stage and there may be the possibility for the Council's Overview and Scrutiny Management Board and Committees to contribute as part of the consultation phase.



House of Commons
Communities and Local
Government Committee

**Effectiveness of local
authority overview and
scrutiny committees**

First Report of Session 2017–19

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons to be printed
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Communities and Local Government Committee

The Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Communities and Local Government.

Current membership

[Mr Clive Betts MP](#) (*Labour, Sheffield South East*) (Chair)

[Mike Amesbury MP](#) (*Labour, Weaver Vale*)

[Bob Blackman MP](#) (*Conservative, Harrow East*)

[Helen Hayes MP](#) (*Labour, Dulwich and West Norwood*)

[Kevin Hollinrake MP](#) (*Conservative, Thirsk and Malton*)

[Andrew Lewer MP](#) (*Conservative, Northampton South*)

[Fiona Onasanya MP](#) (*Labour, Peterborough*)

[Mr Mark Prisk MP](#) (*Conservative, Hertford and Stortford*)

[Mary Robinson MP](#) (*Conservative, Cheadle*)

[Liz Twist MP](#) (*Labour, Blaydon*)

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The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via www.parliament.uk.

Publication

Committee reports are published on the Committee's website at www.parliament.uk/clg and in print by Order of the House.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

Committee staff

The current staff of the Committee are Edward Beale (Clerk), Jenny Burch (Second Clerk), Craig Bowdery, Tamsin Maddock, Nick Taylor (Committee Specialists), Tony Catinella (Senior Committee Assistant), Eldon Gallagher (Committee Support Assistant), Gary Calder and Oliver Florence (Media Officers).

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Summary

Overview and scrutiny committees were introduced by the Local Government Act 2000 and were tasked with acting as a counterweight to the increased centralised power of the new executive arrangements. Whilst some authorities were not covered by the changes brought in by the Act, the Leader and Cabinet system is the predominant model of governance in English local authorities. However, since the Localism Act 2011, councils have had the option of reverting to the committee system of governance. Some authorities that have chosen to do so have expressed dissatisfaction with the new executive arrangements, including concern at the limited effectiveness of scrutiny. Noting these concerns, and that there has not been a comprehensive assessment of how scrutiny committees operate, we decided to conduct this inquiry. The terms of reference placed an emphasis on considering factors such as 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.

We have found that the most significant factor in determining whether or not scrutiny committees are effective is the organisational culture of a particular council. Having a positive culture where it is universally recognised that scrutiny can play a productive part in the decision-making process is vital and such an approach is common in all of the examples of effective scrutiny that we identified. Senior councillors from both the administration and the opposition, and senior council officers, have a responsibility to set the tone and create an environment that welcomes constructive challenge and democratic accountability. When this does not happen and individuals seek to marginalise scrutiny, there is a risk of damaging the council's reputation, and missing opportunities to use scrutiny to improve service outcomes. In extreme cases, ineffective scrutiny can contribute to severe service failures.

Our inquiry has identified a number of ways that establishing a positive culture can be made easier. For example, in many authorities, there is no parity of esteem between the executive and scrutiny functions, with a common perception among both members and officers being that the former is more important than the latter. We argue that this relationship should be more balanced and that in order to do so, scrutiny should have a greater independence from the executive. One way that this can be achieved is to change the lines of accountability, with scrutiny committees reporting to Full Council meetings, rather than the executive. We also consider how scrutiny committee chairs might have greater independence in order to dispel any suggestion that they are influenced by partisan motivations. Whilst we believe that there are many effective and impartial scrutiny chairs working across the country, we are concerned that how chairs are appointed can have the potential to contribute to lessening the independence and legitimacy of the scrutiny process.

Organisational culture also impacts upon another important aspect of effective scrutiny: access of committees to the information they need to carry out their work. We heard about committees submitting Freedom of Information requests to their own authorities and of officers seeking to withhold information to blunt scrutiny's effectiveness. We believe that there is no justification for such practices, that doing so is in conflict with the

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principles of democratic accountability, and only serves to prevent scrutiny committees from contributing to service improvement. We have particular concerns regarding the overzealous classification of information as being commercially sensitive.

We also considered the provision of staff support to committees. Whilst ensuring that sufficient resources are in place is of course important, we note that if there is a culture within the council of directors not valuing scrutiny, then focussing on staff numbers will not have an impact. We are concerned that in too many authorities, supporting the executive is the over-riding priority, despite the fact that in a time of limited resources, scrutiny's role is more important than ever. We also consider the skills needed to support scrutiny committees, and note that many officers combine their support of scrutiny with other functions such as clerking committees or executive support. It is apparent that there are many officers working in scrutiny that have the required skills, and some are able to combine them with the different skill set required to be efficient and accurate committee clerks. However, we heard too many examples of officers working on scrutiny who did not possess the necessary skills. Decisions relating to the resourcing of scrutiny often reflect the profile that the function has within an authority. The Localism Act 2011 created a requirement for all upper tier authorities to create a statutory role of designated lead scrutiny officer to promote scrutiny across the organisation. We have found that the statutory scrutiny officer role has proven to be largely ineffective as the profile of the role does not remotely reflect the importance of other local authority statutory roles. We believe that the statutory scrutiny officer position needs to be significantly strengthened and should be a requirement for all authorities.

We believe that scrutiny committees are ideally placed and have a democratic mandate to review any public services in their area. However, we have found that there can sometimes be a conflict between commercial and democratic interests, with commercial providers not always recognising that they have entered into a contract with a democratic organisation with a necessity for public oversight. We believe that scrutiny's powers in this area need to be strengthened to at least match the powers it has to scrutinise local health bodies. We also call on councils to consider at what point to involve scrutiny when it is conducting a major procurement exercise. It is imperative that council executives involve scrutiny at a time when contracts are still being developed, so that all parties understand that the service will still have democratic oversight despite being delivered by a commercial entity. We also heard about the public oversight of Local Economic Partnerships (LEPs), and have significant concerns that public scrutiny of LEPs seems to be the exception rather than rule. Therefore, we recommend that upper tier councils, and combined authorities where appropriate, should be able to monitor the performance and effectiveness of LEPs through their scrutiny committees.

We recognise that the mayoral combined authorities are in their infancy, but given the significance of organisational culture in effective scrutiny, it is important that we included them in our inquiry to ensure that the correct tone is set from the outset. We are therefore concerned by the evidence we heard about an apparent secondary role for scrutiny in combined authorities. Mayors are responsible for delivering services and improvements for millions of residents, but oversight of their performance is currently hindered by limited resources. We therefore call on the Government to ensure that funding is available for this purpose. We also argue that when agreeing further

devolution deals and creating executive mayors, the Government must make it clear that scrutiny is a fundamental part of any deal and must be adequately resourced and supported.

Introduction

1. This inquiry was initially launched in January 2017 by our predecessor committee. However, the dissolution of Parliament and the General Election prevented any oral evidence sessions from taking place. Following the Committee's reconstitution, we considered carefully which issues we should initially pursue in our work and how best we could build on the work of our predecessors. It was clear to us from the level of interest and concern expressed in the evidence received that the effectiveness of overview and scrutiny committees in local authorities was something that we should investigate as an immediate priority. We therefore relaunched the inquiry in September 2017 and undertook to take account of the wealth of written evidence provided by councils, officers, members and stakeholders prior to the election.

2. We are extremely grateful to everyone who contributed to our inquiry. Scrutiny varies significantly across the country, and the level of interest in the inquiry has enabled us to hear from a wide range of authorities and form a representative picture of local authority scrutiny in England. To assist us in forming this picture, and to ensure we spoke with as many authorities as possible, we supplemented our oral evidence sessions with a less formal workshop event in October 2017. Our workshop was attended by over 45 councillors and officers working in scrutiny across the country and we thank them all for their attendance and contributions.

3. This report will consider why scrutiny is important and what the role of scrutiny committees should be in local authorities. We do not believe that certain models should be imposed on councils, but we do believe that there should be an organisational culture that welcomes constructive challenge and has a common recognition of the value of scrutiny, both in terms of policy development and oversight of services. In order to achieve this, we believe that scrutiny committees must be independent and able to form their own conclusions based on robust and reliable data, and that decision-makers should not seek to obstruct their role by withholding information. We also consider the role of the public in local scrutiny, both in terms of their participation in committees' work and in how scrutiny committees can represent their interests to service providers, even when those providers are external commercial organisations. The final chapter of this report considers the role of scrutiny in the recently created mayoral combined authorities in an attempt to help these organisations to establish positive working practices as early as possible. Throughout this report we call on the Government to revise the guidance on scrutiny that it issues local authorities. For clarity, the specific points that we believe should be covered by such a revision are listed below.

Proposed revisions to Government guidance on scrutiny committees

- That 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.
- That scrutiny committees and the executive must be distinct and that executive councillors should not participate in scrutiny other than as witnesses, even if external partners are being scrutinised.
- That councillors working on scrutiny committees should have access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity.
- That scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice to committees. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts.
- That members of the public and service users have a fundamental role in the scrutiny process and that their participation should be encouraged and facilitated by councils.

1 The role of scrutiny

4. Before considering whether scrutiny committees are working effectively, it is important to consider what their role is and what effective scrutiny looks like. Local authorities are currently facing a number of challenges and competing demands, from an ageing population to budget shortfalls to promoting local growth in an often-hostile economic environment. It is therefore imperative that all expenditure is considered carefully and its impact is measured. However, measuring the impact of overview and scrutiny committees can be a significant challenge. Whilst identifying ‘good’ scrutiny is not always possible, the consequences of ineffectual scrutiny can be extreme and very apparent.

5. The Francis Report¹ was published in 2013 following failings at the Mid Staffordshire NHS Trust. Whilst the failings were not attributed to local committees, the report was critical of local authority health scrutiny, highlighting a lack of understanding and grip on local healthcare issues by the members, little real interrogation and an over-willingness to accept explanations. Similarly, the Casey Report² in 2015 on Rotherham Council cited particular failings in Rotherham’s approach to scrutiny, noting that “Inspectors saw regular reports to the Cabinet and Scrutiny committees, but not the effective challenge we would expect from elected Members.”³ The report also found that scrutiny had been undermined by an organisational culture that did not value scrutiny and that committees were not able to access the information they needed to hold the executive to account. Mid Staffordshire and Rotherham are two of the most high-profile failures of overview and scrutiny committees, but the issues raised in the two reports can easily occur in other local authorities, and we consider some of them in this report.

6. Overview and scrutiny committees were created by the Local Government Act 2000 and were designed to off-set increased centralised power established by the new executive arrangements. The Act replaced the committee system whereby decisions were made either by meetings of the full council or in cross-party committees which managed council services. For proponents of the committee system, one of its strengths was that all members had an active role in decision-making. However, as Professor Colin Copus from De Montfort University told us, it was “an illusion of power. If you put your hands up at the end of a meeting you feel, “I am powerful. I am making something happen”. I am sure I am not giving any trade secrets away, but most of those decisions are made two nights before in the majority party group meetings.”⁴ With the exception of councils with a population under 85,000, the 2000 Act created a requirement for authorities to establish an executive of a leader, or elected mayor, and cabinet members.⁵ Mirroring the relationship between Parliament and government, the Act also required the non-executive members of councils to scrutinise the executive by creating at least one overview and scrutiny committee.

1 Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry, [HC947](#), February 2013

2 Report of Inspection of Rotherham Metropolitan Borough Council, [HC1050](#), February 2015

3 Report of Inspection of Rotherham Metropolitan Borough Council, [HC1050](#), February 2015 p65

4 Q38

5 There was also initially an option for Mayor and council manager executive, but this was later repealed. Smaller authorities were able to retain the committee system, as long as there was at least one overview and scrutiny committee. The Localism Act 2011 extended this option to all authorities, but the requirement of a designated scrutiny committee was removed.

However, beyond some statutory requirements (for example designating committees to scrutinise health bodies, crime and disorder strategies, and flood risk management), how councils deliver scrutiny is a matter of local discretion.

7. Some councils have multiple committees that broadly align with departmental functions, while others have fewer formal committees but make greater use of time-limited task and finish groups. Similarly, as the Centre for Public Scrutiny (CfPS) identifies, different councils use different labels for their scrutiny work, including “select committees, policy development committees, or a number of other names. The use of different terminology can prove confusing [but] This is probably a good thing—it reflects the fact that scrutiny has a different role in different places, which reflects local need rather than arbitrary national standards”.⁶ Throughout this report references to ‘scrutiny’ and ‘scrutiny committees’ mean all committees and work associated with the overview and scrutiny committees required by the Local Government Act 2000.

8. Whilst acknowledging that scrutiny fulfils different roles in different areas, we believe that at its best, scrutiny holds executives to account, monitors decisions affecting local residents and contributes to the formation of policy. We therefore support CfPS’s four principles of good scrutiny, in that it:

- Provides a constructive “critical friend” challenge;
- Amplifies the voices and concerns of the public;
- Is led by independent people who take responsibility for their role;
- Drives improvement in public services.⁷

9. We believe that as well as reacting to decisions and proposals from local decision makers, effective scrutiny can also be proactive and help to set a policy agenda. For example, Birmingham City Council’s Education and Vulnerable Children Overview and Scrutiny Committee carried out a review of the council’s work to tackle child sexual exploitation. As a result of the Committee’s work, the executive responded and addressed the issues raised:

The committee heard much harrowing evidence but produced a hard hitting report containing 19 strong recommendations. As a result of the report extra resources were allocated to the team co-ordinating CSE on behalf of the city. The council also undertook to strengthen its approach to safeguarding children by reviewing its statement of licensing and being more pro-active in using its executive powers of “the protection of children from harm”.⁸

10. Pre-decision scrutiny is also a vital part of a committee’s role. By commenting on and contributing to a decision before it has been made, scrutiny committees are able to offer executives the benefit of their ability to focus on an issue in greater depth over a longer period of time. For example, the London Borough of Merton’s Children and Young People Overview and Scrutiny Panel considered a site proposal for a new secondary school. As a

6 Centre for Public Scrutiny ([OSG098](#)) para 6

7 Centre for Public Scrutiny ([OSG098](#)) para 38

8 Birmingham City Council ([OSG087](#)) part 3

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result of its work, the Panel was “able to provide a detailed reference to Cabinet focusing on how to optimise use of the selected site and mitigate any negative impact”, helping the Cabinet to make a more informed and considered decision.⁹

11. The role of scrutiny has evolved since its inception. The 2000 Act empowers committees to review decisions made by the executive and to make reports and recommendations for the executive’s consideration. In the seventeen years since, the way in which scrutiny committees perform their function has understandably changed. One such way has been an increase in scrutiny of external bodies, most notably health bodies. Councils have delivered services through increasingly varied partnership arrangements - including contracting to private companies, creating arms-length bodies or working with other public bodies - and scrutiny has responded by adjusting how it scrutinises the issues that matter to local residents. The Department for Communities and Local Government (DCLG) highlights that “To support local councils adopting good practice, the Department for Communities and Local Government issues statutory guidance, to which councils must have regard when developing their localist scrutiny arrangements.”¹⁰ This guidance was last issued in 2006¹¹ and predates several legislative changes as well as changes to ways of working such as an increasing focus on external scrutiny and public participation (both discussed later in this report). When we asked Marcus Jones MP, Minister for Local Government, about the guidance, he told us:

It has been some time since we looked at the guidance on scrutiny ... The initial evidence that you have taken indicates that in many places scrutiny is working well, but there are also instances in which overview and scrutiny committees could improve. It is therefore important that once we see the outcome of this Committee in the report that you provide, I take those recommendations very seriously. If there are areas where it is sensible and pertinent to update the guidance, we will certainly consider that.¹²

12. We welcome the Minister’s willingness to consider our recommendations carefully. We believe that there are many instances across the country where scrutiny committees are operating effectively and acting as a voice for their communities, however there remains room for improvement for too many and we believe that updated guidance from the Department is long overdue. ***We therefore recommend that the guidance issued to councils by DCLG on overview and scrutiny committees is revised and reissued to take account of scrutiny’s evolving role.***

13. Throughout our investigations, we heard about a range of positive examples of effective scrutiny, some of which we have referenced in this report. ***We call on the Local Government Association to consider how it can best provide a mechanism for the sharing of innovation and best practice across the scrutiny sector to enable committees to learn from one another. We recognise that how scrutiny committees operate is a matter of local discretion, but urge local authorities to take note of the findings of this report and consider their approach.***

9 London Borough of Merton ([OSG037](#)) page 12

10 Department for Communities and Local Government ([OSG122](#)) para 5

11 Department for Communities and Local Government, [New council constitutions: guidance to English Authorities](#) (May 2006)

12 Q111

2 Party politics and organisational culture

Organisational culture

14. As discussed above, councils across the country deliver scrutiny in a wide range of different ways. We are of the view that whichever model of scrutiny a council adopts it is far less important than the culture of an organisation. Council leaders, both politicians and officials, have a responsibility to set the tone and create an environment that welcomes constructive challenge and democratic accountability. Jacqui McKinlay from the CfPS explained to us:

If you have buy-in to scrutiny at the top of the organisation—that is the leader, the cabinet and the chief executive—it tends to follow that scrutiny is resourced ... However, if you do not get buy-in to a scrutiny approach—that openness and transparency and the willingness to be questioned, seeing the value of scrutiny—it tends to follow that it is not resourced as well and you do not get that parity of esteem ... If your leadership is closed to that sort of challenge, it does not just affect scrutiny; it affects a lot of how the organisation is run.¹³

15. The Minister for Local Government echoed this view when he told us:

I think that where scrutiny is done properly in local authorities that have the right culture, and where scrutiny is taken seriously, it can perform an excellent function in relation to how the executive works by holding them to account and putting them in a position where they probably make decisions that are more in the interests of the people they represent and local residents than they otherwise might be.¹⁴

16. All of the examples of effective scrutiny that we have heard about have in common an organisational culture whereby the inherent value of the scrutiny process is recognised and supported. Senior councillors and officers that seek to side-line scrutiny can therefore miss out on the positive contributions that scrutiny is capable of, and put at risk a vital assurance framework for service delivery. The Nottingham City Council Overview and Scrutiny Committee explains that:

there can be a perception that overview and scrutiny is an ‘add on’ rather than an integral part of the organisation’s governance arrangements... [with the executive arrangements] there can be a tendency for council officers to feel that they are primarily accountable to one councillor which risks overlooking the important role of other councillors, including those engaged in scrutiny activities, within the decision making structure. As a result the function is not always afforded the prominence it deserves and opportunities to make the most of its potential can be missed.¹⁵

13 Q15

14 Q109

15 Nottingham City Council Overview and Scrutiny Committee ([OSG024](#)) para 1.3

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The relationship between scrutiny and the executive

17. We are concerned that the relationship between scrutiny and the executive has a tendency to become too unbalanced. With decision-making powers centralised in the executive, scrutiny can be seen as the less-important branch of a council's structure. Professor Copus highlighted that there is no parity of esteem in the eyes of many councillors:

One of the things I have noted in all of the work I have done on scrutiny since 2002 is I have only ever once come across a councillor who said, "If you offered me a place in the cabinet, I would reject it. I want to stay a chair of scrutiny". I am sure there are more than the one I have met, but that is an indication.¹⁶

18. Professor Copus argued that this imbalance in esteem is also reflected in council officers:

I found many officers will know the council leader's name and the name of the portfolio-holder for their particular area of interest, but they might not know the scrutiny chairperson's name. Once you start to see that, you see the whole thing begin to crumble.¹⁷

19. If neither councillors or officers explicitly recognise the importance of the scrutiny function, then it cannot be effective. Part of the challenge lies in identifying what effective scrutiny actually looks like, as discussed earlier in this report, as councils are more likely to allocate diminishing resources to functions where there can be a quantifiable impact. **However, all responsible council leaderships should recognise the potential added value that scrutiny can bring, and heed the lessons of high profile failures of scrutiny such as those in Mid Staffordshire and Rotherham.**

20. Council leaderships have a responsibility to foster an environment that welcomes constructive challenge and debate. However, opposition parties also have a key role to play in creating a positive organisational culture. We agree with the Minister who told us that:

At the end of the day, if an opposition takes a reasonable view on these things and treats the executive with respect, but challenges them when challenge is necessary, rather than just for the sake of challenge, I think you can get to a situation where you have—not much of an agreement politically, probably, but there could be mutual respect. That would serve the scrutiny function well.¹⁸

The role of Full Council

21. Parliamentary select committees have a well-established independence from the executive in that they do not report to the Government, but to the House of Commons as a whole. In contrast, it is less clear where local authority scrutiny committees report to, with most reporting to the executive that they are charged with scrutinising. The Institute

16 Q4
17 Q15
18 Q137

of Local Government Studies (INLOGOV) at the University of Birmingham argues that it should be made clear in guidance that scrutiny reports and belongs to Full Council, not the executive:

As of now, most scrutiny committees report to the Executive—with only some inviting the scrutiny chair and members who have written a report to present it. A few present reports to the full council. When they do so, this has the opportunity to create a relevant and interesting debate on a matter of local concern which has been investigated in depth by a group of councillors. Such a debate enables other councillors to see what scrutiny has done, and to add their own experiences. Councils should be required to have Reports from scrutiny on all council agendas.¹⁹

22. Cllr Mary Evans told us that she welcomed the suggestion that scrutiny should be accountable to Full Council.²⁰ We also heard from Cllr John Cotton from Birmingham City Council, whose scrutiny committees do report to Full Council. He told us that:

speaking from Birmingham’s perspective, due to the fact that everything reports through to full council we have been able to preserve some of that independence of approach, but from the conversations I have been having that certainly needs to be echoed in other authorities.²¹

23. To reflect scrutiny’s independent voice and role as a voice for the community, we believe that scrutiny committees should report to Full Council rather than the executive and call on the Government to make this clear in revised and reissued guidance. When scrutiny committees publish formal recommendations and conclusions, these should be considered by a meeting of the Full Council, with the executive response reported to a subsequent Full Council within two months.

The impact of party politics

24. Scrutiny committees must have an independent voice and be able to make evidence-based conclusions while avoiding political point-scoring. In order to do this, they need to be sufficiently resourced, have access to information (both discussed in greater detail below) and operate in an apolitical, impartial way. Committees of local councillors will always be aware of party politics, but sometimes this can have too great an influence and act as a barrier to effective scrutiny. Jacqui McKinlay from the CfPS told us that “We often say that local government scrutiny is a perfect system until you add politics to it. In our last survey, 75% of people say that party politics affects scrutiny.”²² Professor Copus also recognised the party-political dynamic to scrutiny when he described to us:

members from opposing political parties, one seeing their role as using scrutiny to attack the executive and the other seeing it as a forum in which to defend the executive. If that is the interaction, you are not going to get executive accountability ... In terms of a lot of the issues that are problematic for overview and scrutiny, the interplay of party politics is often at the

19 Institute of Local Government Studies, The University of Birmingham ([OSG053](#)) page 6

20 Q68

21 Q68

22 Q12

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heart of it. I will quite often hear councillors, even from majority groups, admitting that one of the reasons scrutiny is not as effective as it can be is because of the relationship between the opposing groups.²³

25. The Local Government Act 2000, and the guidance issued by DCLG, specifies that members of a council's executive cannot also be members of overview and scrutiny committees. A Private Members' Bill in 2009²⁴ made provisions to allow executive members to sit on committees during scrutiny of external bodies (on the basis that in such instances, it was not the executive that was being scrutinised). The Bill did not pass through the House of Commons, and we are wary of any such attempts to dilute the distinction between executive and scrutiny functions. We heard of instances at the workshop of executive councillors effectively chairing scrutiny committee meetings where the NHS was under scrutiny, and are concerned by such practices. **We believe that executive members should attend meetings of scrutiny committees only when invited to do so as witnesses and to answer questions from the committee. Any greater involvement by the executive, especially sitting at the committee table with the committee, risks unnecessary politicisation of meetings and can reduce the effectiveness of scrutiny by diminishing the role of scrutiny members. We therefore recommend that DCLG strengthens the guidance to councils to promote political impartiality and preserve the distinction between scrutiny and the executive.**

Committee chairing arrangements

26. Political impartiality can also be encouraged through the process for appointing chairs of committees. Overview and scrutiny committees are required to have a membership that reflects the political balance of a local authority, but there are a range of different approaches for appointing the chairs and vice chairs of committees. Many authorities specify that committee chairs must come from opposition parties, others allocate chair positions proportionally among the parties on the council and others reserve all committee chair positions for the majority party. The Centre for Public Scrutiny states that:

Legally, the Chairing and membership of overview and scrutiny committees is a matter for a council's Annual General Meeting in May. Practically, Chairing in particular is entirely at the discretion of the majority party. Majority parties can, if they wish, reserve all committee chairships (and vicechairships) to themselves ... the practice of reserving all positions of responsibility to the majority party is something which usually happens by default, and can harm perceptions of scrutiny's credibility and impartiality.²⁵

27. Chairs from a majority party that are effectively appointed by their executive are just as capable at delivering impartial and effective scrutiny as an opposition councillor, but we have concerns that sometimes chairs can be chosen so as to cause as little disruption as possible for their Leaders. **It is vital that the role of scrutiny chair is respected and viewed by all as being a key part of the decision-making process, rather than as a form of political patronage.**

23 Q12

24 [Local Authorities \(Overview and Scrutiny\) Bill 2009–10](#)

25 [Centre for Public Scrutiny \(OSG098\)](#) paras 130–132

28. Cllr Mary Evans, chair of the scrutiny committee at Suffolk County Council, told us of her efforts to keep party politics out of scrutiny as a chair from a party with a sizeable majority: “We do it by involving the membership of the scrutiny committee at every point of an inquiry ... we had a workshop just after our elections in May to look at what our forward work programme would be. The membership together has picked the programme.”²⁶ When asked whether the size of her party’s majority made this easier, Cllr Evans explained that “When I first chaired scrutiny, in 2015, we had a majority of only one. I wanted to work across the committee. I did not have the luxury of a large majority ... We try to be as open and transparent as scrutiny should be, so the membership is engaged and involved in every aspect of the inquiry.”²⁷ Cllr John Cotton, lead scrutiny member at Birmingham City Council, is also a scrutiny chair from a majority party and he told us that whilst it is important to acknowledge the role of party politics, scrutiny works best when non-partisan:

In terms of the discharge of the scrutiny function, certainly we proceed on a very non-partisan basis. All of our full scrutiny reports go to full council. I can only recall one occasion in the last 15 years where we have had a minority report because there has been a partisan division. Frequently those reports are moved by the chair and seconded by a member from an opposition party. You then have collective ownership of those recommendations, because they are taken by full council. The scrutiny process draws its strength from the fact that we have those inputs from members across the piece ... There is a little bit of grit in the system, if you like, which comes from the party-political roots of members, which you do not want to remove entirely.²⁸

29. Cllr Sean Fitzsimons, chair of the Scrutiny and Overview Committee at Croydon Council, echoed this view when he told us that as a chair from a majority party that made critical recommendations of his executive “you have to go along with it if you believe that scrutiny is a function of the backbenches and that you have to put aside your party loyalties in the short term.”²⁹ However, Cllr Fitzsimons argued that scrutiny is at risk of becoming more partisan and that the process for choosing a chair needed consideration:

My worry is that, as people have drifted away, over time, from what the original aspect of overview and scrutiny was, party politics have played a greater role. If I was looking at this issue, I would look at the political culture of each political party. In the Labour group, under the standing orders of the national party, [scrutiny chairs are] not appointed by the leadership of the Labour group, so I am independent of my leader, so I have a little bit of leeway. My two best chairs that I ever had from the opposition group were so good at scrutiny that they were sacked by their political leader when he was in power. Within the Conservative group, chairs of scrutiny can be appointed effectively by the leader of the council or by the cabinet, and I do think the political cultures of the parties really influence it.³⁰

26 Q65

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30. **We believe that there are many effective and impartial scrutiny chairs working across the country, but we are concerned that how chairs are appointed has the potential to contribute to lessening the independence of scrutiny committees and weakening the legitimacy of the scrutiny process. Even if impropriety does not occur, we believe that an insufficient distance between executive and scrutiny can create a perception of impropriety.** We note, for example, the views of the Erewash Labour Group:

The Scrutiny Committee in this Authority protects the Executive rather than holding them to account. If they are ever held to account it is within the privacy of their own Political Group Meetings which are not open to the public. Most of the important decisions are first made in the Group Meetings ... The opposition have made some very sensible suggestions during Scrutiny debates only to be told “We have already decided this.” Cabinet Members may not attend Scrutiny Meeting unless by the invitation of the Chair. This rule was brought in to stop Cabinet Members exerting any undue pressure on members by their presence. Now they simply exert pressure in other ways such as by the choice of member selection and also the selection of the chair.³¹

31. It is clear to us that scrutiny chairs must be seen to be independently minded and take full account of the evidence considered by the committee. We note the evidence from the Minister who outlined the Government’s prescription that chairs of scrutiny in the new mayoral combined authorities must be from a different political party to the executive mayor in order to encourage effective challenge.³² Similarly Newcastle City Council where all scrutiny chairs are opposition party members, states that:

This has taken place under administrations of different parties and we believe that it adds to the clout, effectiveness and independence of the scrutiny process; it gives opposition parties a formally-recognised role in the decision-making process of the authority as a whole, more effective access to officers, and arguably better uses their skills and expertise for the benefit of the council.³³

32. In 2010, recommendations from the Reform of the House of Commons Committee’s report ‘Rebuilding the House’³⁴ were implemented to change the way Parliament worked. One such recommendation was the introduction of elections for select committee chairs by a secret ballot of all MPs. In 2015, the Institute for Government published an assessment of parliamentary select committees and their impact in the 2010–15 Parliament. The report found that electing chairs had helped select committees to grow in stature and be more effective:

Every chair we spoke to told us that, since the introduction of elections for committee chairs, they had felt greater confidence and legitimacy in undertaking committee work because they knew they had the support of their peers rather than pure political patronage.³⁵

31 Erewash Labour Group ([OSG013](#)) page 1

32 Q131

33 Newcastle City Council ([OSG015](#)) para 10

34 Reform of the House of Commons Select Committee, First Report of Session 2008–09, [Rebuilding the House](#), HC1117

35 Institute for Government, [Select Committees under Scrutiny: The impact of parliamentary committee inquiries on government](#) (June 2015), page 34

33. The positive impact of elected chairs for parliamentary committees has led some to suggest that local authority scrutiny chairs should also be elected by their peers. Under such a system scrutiny chairs, regardless of whether they come from the majority party or the opposition, are more likely to have the requisite skills and enthusiasm for scrutiny by virtue of the election process. Electing chairs would also dispel the notion that being appointed scrutiny chair is a consolation prize for members not appointed to the cabinet. The CfPS argue that:

such a process would encourage those seeking nomination and election as chairs to set out clearly how they would carry out their role; it would also mean that they would be held to account by their peers on their ability to do so. The legitimacy and credibility that would come from this election could also embolden chairs to act more independently³⁶

34. When we asked the Minister about the prospect of electing scrutiny chairs, he was concerned that doing so could actually increase political pressures, but stated that “The important thing is that we have the right person chairing a scrutiny committee with the requisite skills, knowledge and acumen to take on the functions and achieve the outcomes that the scrutiny committee needs to achieve.”³⁷

35. We believe that there is great merit in exploring ways of enhancing the independence and legitimacy of scrutiny chairs such as a secret ballot of non-executive councillors. However, we are wary of proposing that it be imposed upon authorities by government. We therefore recommend that DCLG works with the LGA and CfPS to identify willing councils to take part in a pilot scheme where the impact of elected chairs on scrutiny’s effectiveness can be monitored and its merits considered.

36 Centre for Public Scrutiny ([OSG098](#)) para 133

37 Q138

3 Accessing information

36. Fostering the positive organisational culture discussed in the previous chapter can also determine another important aspect of effective scrutiny: access to information. When we asked Jacqui McKinlay whether scrutiny committees are able to access the information they need, she told us that:

The very determined ones can. I met one last week that had put an FOI request in to its own organisation in order to get the information. You should not have to do that, but there are ways there. There needs to be persuasion and influence in order to say, “This is an issue around flooding”, or whatever it might be, “that is really important”.³⁸

37. **Scrutiny committees that are seeking information should never need to be ‘determined’ to view information held by its own authority, and there is no justification for a committee having to resort to using Freedom of Information powers to access the information that it needs, especially from its own organisation. There are too many examples of councils being uncooperative and obstructive.** For example a submission from a spouse of a scrutiny chair argues that it can seem to not be in council officers’ interests to divulge information freely:

There is an element of ‘silosism’ within the Authority whereby Directors or Heads of Service do not release, explain or otherwise divulge their operational objectives, strategies or tactics for fear of being challenged. This makes it almost impossible to scrutinise, for after all how can one scrutinise what you don’t know? There is also a reluctance by officers to divulge operational (in)efficiencies in case it shows that there is an excess of staff ratios for particular tasks. It leads to obfuscation of such measures in order to protect their fiefdom.³⁹

38. Similarly, the Minister told us of the example of an authority to which he used to belong and how culture can affect councillors’ ability to scrutinise:

When I was in opposition on the district authority of which I was a member, the controlling group at the time had this unfortunate situation where they used to bring out their budget at the budget-setting council in March. They used to bring it out through the cabinet at 4 o’clock. That mini-meeting used to finish at 5 and then we used to go straight into the full council at 6 to approve the budget. Where you have that type of culture, even if you have resource and access to information, you are not going to get the outcomes that are in people’s best interests.⁴⁰

39. Professor Copus highlighted to us another challenge for scrutiny committees seeking to understand an issue:

I often think, “If someone is willing to give you something you have just asked for, what are they hiding? Why are they being overly enthusiastic?” It is because it is not causing them any problems. The information that

38 Q31

39 Anonymous submission ([OSG006](#))

40 Q119

scrutiny really needs is the stuff that people are a little bit more reluctant to hand over, whether that is the council itself or an external body. I hear quite often ... of councillors using FOIs against their own council for the want of any other way. It is a sign of an immense frustration among members that they have to do that.⁴¹

Commercial confidentiality

40. A particular challenge for councillors wishing to access information in order to scrutinise an issue is related to commercial confidentiality. Jacqui McKinlay told us that “Every councillor I meet will talk about the barrier of commercial confidentiality. They will talk about, “We cannot give that information” and a lack of transparency.”⁴² Local authorities are required by statute to publish all information relating to decisions taken and service delivery, however there are certain categories of information that they can withhold. For example information relating to an individual’s circumstances is considered exempt, as is information relating to the financial or business affairs of any particular person - including the authority holding that information. As a consequence, many councils argue that publicly releasing specific details of a contract or a procurement framework such as cost or the details of rival bidders for a contract are withheld on the basis that such information is commercially sensitive and exempt from the access to information rules. Professor Copus told us that:

Commercial confidentiality is always another cloak behind which people who do not want to provide information can hide. There is a need for a much tighter definition of what is acceptable as an exemption for commercial confidentiality. It is not just not wanting to tell somebody what they have asked you. There needs to be a much tighter definition for scrutiny purposes.⁴³

41. Whilst we acknowledge that it is not always in the public interest for local authorities to publish all information and make it available to the public, we cannot see a justification for withholding such information from councillors. Councillors have regular access to exempt or confidential information, often distinguished on agendas by use of different colour paper. As Cllr Marianne Overton told us, “Councils are used to dealing with confidential information, and we recognise if it is on pink paper it is confidential. There is no question about it. There should not be any problem with sharing information with elected members. We are already under rules.”⁴⁴ **Councils should be reminded that there should always be an assumption of transparency wherever possible, and that councillors scrutinising services need access to all financial and performance information held by the authority.**

42. Legislation dictates what information should and should not be released to councillors. Regulations in 2012⁴⁵ clarified the position and granted additional access rights to members of overview and scrutiny committees. The Regulations state that

41 Q32

42 Q30

43 Q32

44 Q32

45 The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 ([SI2089](#))

scrutiny members can access any confidential material if they can demonstrate a ‘need to know’ in that it relates to any action or decision that that member is reviewing or scrutinising, or on any subject included on a scrutiny work programme. **We do not believe that there should be any restrictions on scrutiny members’ access to information based on commercial sensitivity issues. Limiting rights of access to items already under consideration for scrutiny limits committees’ ability to identify issues that might warrant further investigation in future, and reinforces scrutiny’s subservience to the executive. Current legislation effectively requires scrutiny councillors to establish that they have a ‘need to know’ in order to access confidential or exempt information, with many councils interpreting this as not automatically including scrutiny committees. We believe that scrutiny committees should be seen as having an automatic need to know, and that the Government should make this clear through revised guidance.**

Getting data from multiple sources and external advisors

43. Council officers are the primary source of information for many committees, however if they do not present the full picture, then those committees can get very limited assurances about the service they are scrutinising. Whilst scrutiny should be able have access to whatever information it needs, this also serves to emphasise the importance of scrutiny committees seeking to use data from multiple sources and challenge that which they are told. Professor Copus described to us how effective scrutiny should operate:

In some councils ... they are too reliant on officers and too reliant on a single source of advice. In too many councils the flexibility that scrutiny has over the committee system is not used ... sometimes, when you examine scrutiny agendas and scrutiny reports, and observe scrutiny meetings, what you see is a committee, and a one-off event that leads to not very much. In other councils, those that have really supported and understood scrutiny, you get a process ... Where you get scrutiny viewed as not a single event but a process, then the outcomes are much more effective, and there is a greater access to a wider range. What scrutiny should be doing is not taking one source of evidence and going, “That is from the officers. Great. That is okay. We agree the recommendations”. They should be looking at conflicting evidence. There is always conflicting evidence with big policy issues. They need to sift that evidence.⁴⁶

44. Cllr Marianne Overton, Leader of the Independent Group of the LGA, agreed that effective committees seek to triangulate data to build a fuller picture: “That is part of what scrutiny is about ... one of the issues about scrutiny is that the whole point is that you can call all kinds of different witnesses ... You are not just sitting, looking at the papers that you have been fed.”⁴⁷ We are concerned that too many committees are overly reliant upon the testimonies of council officers, and that they do not make wider use of external witnesses. Very few councils have the resources to provide independent support to both the executive and scrutiny, and in light of the uneven balance between the two functions discussed earlier, most resources are prioritised upon the executive. This means that officers working in a service department are supporting executive members to develop and implement decisions, and the same officers are then supporting scrutiny committees as

46 Q28

47 Q28

they seek to understand the impact of decisions and performance of departments. Whilst departmental officers may be able to distinguish the two roles and cater their support accordingly, we are concerned that too few councils are hearing alternative perspectives. However, we acknowledge that councils are operating on reduced budgets and that making use of specialist advisors can come at too high a cost for many committees. The LGA explains that:

Employing specialist external advice as part of oversight and scrutiny arrangements is not common ... Where councils do bring in external experts, it is because specific knowledge and skills are needed that are not available in house. Procuring specialist advice comes at a cost and, given the pressures on council budgets, not all committees have funding available to increase their standard staffing compliment, commission professional advice, secure external witnesses or even refresh recruitment of co-optees.⁴⁸

45. We are disappointed that committees do not make greater use of expert witnesses. At the informal workshop event hosted by the Committee, we spoke with councillors and officers on their use of experts such as local academics. One attendee told us that it could sometimes be possible to engage a local academic at the start of an inquiry to help members understand an issue, but it was seldom possible to sustain this engagement throughout the life of an inquiry. ***We note that few committees make regular use of external experts and call on councils to seek to engage local academics, and encourage universities to play a greater role in local scrutiny.***

Service users' perspective and public experiences

46. While recognising the constraints that committees operate under, we believe that it is possible to bring in a wider range of perspectives for limited expenditure, and that the benefits of doing so are significant. We note, for example, the case study presented by the LGA of Brighton & Hove City Council's scrutiny panel on equality for the transgender community:

The panel's review was underpinned by an effective and sensitive engagement strategy enabling the views of a hard to reach community to inform recommendations for action. The panel worked in partnership with the Council's Communities team, the city's LGBT Health Improvement Partnership, and a local charity which supported transgender people, co-opting experts to help better inform the process, and directly engaging through community events and specially designed workshops. A significant amount of time was devoted to the consultation process which was pivotal in helping to build up trust. The Panel's findings were well received by the transgender community and partners, with all 37 recommendations adopted by the Cabinet.⁴⁹

47. Bringing in the perspectives of service users undoubtedly leads to more effective scrutiny, both in developing policy such as the example from Brighton & Hove and in monitoring services. Officers from the London Borough of Hackney described an example of effective scrutiny in their monitoring of services for disabled children in the borough.

48 Local Government Association ([OSG081](#)) paras 10.1–10.3

49 Local Government Association ([OSG081](#)) paras 13.8 – 13.10

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22 Effectiveness of local authority overview and scrutiny committees

Rather than only using the testimony of the council officers delivering the service, “A major part of the evidence base for this review was the views of parents and carers of disabled children, as well as disabled children and young people themselves about the services they receive and the barriers they face in accessing current services.”⁵⁰ **We commend such examples of committees engaging with service users when forming their understanding of a given subject, and encourage scrutiny committees across the country to consider how the information they receive from officers can be complemented and contrasted by the views and experiences of service users.**

4 Resources

Reducing council budgets

48. Local government has experienced significant reductions in funding in recent years, leading many authorities to choose to reduce their scrutiny budgets. Whilst understandable in the context of wider reductions, it is regrettable that the resources allocated to scrutiny have decreased so much. The Centre for Public Scrutiny (CfPS) explains that:

There are now significantly fewer “dedicated” scrutiny officers employed by English councils. In 2015 this dropped below one full time equivalent officer post providing policy support to scrutiny per council. In many councils, there might be only 0.2 or 0.3 FTE to carry out this role—or nothing at all. (We would describe a “dedicated” scrutiny officer as one whose sole duties involve providing policy advice to scrutiny councillors.)⁵¹

49. Cllr John Cotton from Birmingham City Council also described a significant reduction in resources in recent years:

if I look at staffing for scrutiny in Birmingham, if we go back to 2010–11, we had 19.4 full-time equivalent staff. We are now working with 8.2, so there has clearly been a substantial reduction and we have seen a similar reduction in the number of committees and so forth ... it does come back to this issue that, if you value something, you have to invest in it.⁵²

50. Birmingham City Council explain that this reduction in resources has matched a reduction in the amount of scrutiny carried out:

Birmingham has had five standing O&S Committees for the last two years, whereas there were on average ten committees in the ten years prior to that. Whilst this is line with the reduction in council budgets overall, it should be noted that the main impacts are the negative effect on the breadth and depth of work that can be covered by each committee, plus the reduced capacity to research, reach out to external partners and to residents and service users—and so to “act as a voice for local service users”.⁵³

Officer support models and required skill sets

51. The CfPS also note that increasingly the officers providing day to day support to scrutiny committees are those whose role is combined with wider democratic services functions or with a corporate policy or strategy role.⁵⁴ Whilst those working in combined roles are able to provide effective support to scrutiny, there is a significant risk that non-scrutiny functions can take precedence. For example, democratic services officers supporting scrutiny must balance effective guidance, research and advice with the immediate time pressures and statutory deadlines of agenda publication and meeting administration. In such roles there is a risk that scrutiny is relegated to an ‘add-on’ that is only done once

51 Centre for Public Scrutiny ([OSG098](#)) para 100

52 Q46

53 Birmingham City Council ([OSG087](#)) page 6

54 Centre for Public Scrutiny ([OSG098](#)) paras 101–105

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all other tasks are complete. Several officers attending our workshop expressed this view, with one officer explaining that she worked full time but her time was split with a wider corporate policy role and she estimated that no more than a quarter of her time was spent working on scrutiny matters. The ability of council officers to effectively support scrutiny can often depend entirely upon the personalities and enthusiasm of those officers. For example, when we asked Cllr Mary Evans from Suffolk County Council whether she felt that she had sufficient officer support, she told us: “I would say, “Yes, but”. Yes, we are adequately resourced, but it depends upon the fact that we have two extremely dedicated and experienced scrutiny officers who are working at full stretch.”⁵⁵

52. We heard evidence that the skill sets of officers is just as important as the number of officers allocated to support scrutiny. Professor Copus for example told us that when considering whether an authority’s scrutiny function is effective, he asks:

Is the scrutiny function well supported by officers and by the right sort of officers? I used to be a committee clerk, so I am not decrying that grand profession, but scrutiny committees need access to policy officers; they need access to people who can manipulate statistics, for example. They need the right sort of support.⁵⁶

53. Jacqui McKinlay also highlighted that certain skills are needed to effectively support scrutiny. She told us that:

We used to say a dedicated scrutiny officer [was the optimum approach, but] ... As long as they have the passion, dedication and commitment to the principle of scrutiny and the specialist skills to do it, I would say we should leave councils to configure how that happens. We do need to acknowledge that we do now have the internet, and the days of research and how that happens have changed. However, it is wrong to presume that councillors themselves will have the time and the capacity to do the level of research that is sometimes needed to do good scrutiny on complex issues. Fundamentally, it needs the bedrock of good scrutiny skills within the team to do that.⁵⁷

54. From speaking with officers and councillors at our workshop, it is apparent that there are many officers working in scrutiny that have these skills, and some are able to combine them with the different skill set required to be efficient and accurate committee clerks. However, we heard too many examples of officers working on scrutiny who did not possess the necessary skills. One councillor told us that in her authority scrutiny officers had become little more than diary clerks, with reports and data now coming from the service departments across the council, which were invariably overly optimistic about performance and unchallenging of the status quo.

55 Q45

56 Q4

57 Q23

Scrutiny's profile and parity with the executive

55. Whilst we regret that the level of resources allocated to scrutiny has diminished, we believe that the bigger issue relates to our earlier conclusions on organisational culture. In this respect, we agree with Cllr Sean Fitzsimons from Croydon Council who told us:

Yes, it clearly does make a difference where the level of resource is, but it is too easy to put the blame on scrutiny not being at its best because we do not have the right officer or the right amount of resource in place. To me, it is clear that it is the power relationship between scrutiny, the executive and the officers. That really is the focus of where strengths and weaknesses are. You could have a very well-resourced scrutiny with officers who know their subject, but if you cannot get the chief executive or the executive director of a department to feel that you have a legitimate role, you can bang your head against the wall for as long as you like. For me, resources would come if we had that power balance right, rather than starting to look at resources first.⁵⁸

56. We are concerned that in many councils, there is no parity of esteem between scrutiny and the executive. Resources and status are disproportionately focussed around Leaders and Cabinet Members, with scrutiny too often treated as an afterthought. Professor Copus told us that:

in many councils, scrutiny lacks a parity of esteem with the executive. As a consequence, resources and focus are placed on the executive. For example, chief executives will find the time and have little problem in working directly with a council leader or with the cabinet. Expecting a chief executive then to work with the scrutiny process is always somewhat problematic. As soon as you differentiate between scrutiny and the executive with its officer base and its officer support, you start to chip away at the esteem that scrutiny has. One way around that, without expecting chief executives to work with every scrutiny committee, is to make sure that the scrutiny function has the resources to be able to produce evidence-based policy suggestions that the executive want to take on board, because they recognise scrutiny has done something they have not, which is spend three or four months looking at a particular issue in detail; cabinets cannot do that.⁵⁹

57. As well as the disproportionate allocation of resources, we are also concerned that the uneven relationship between executives and scrutiny committees means that those officers supporting scrutiny can find themselves conflicted. Scrutiny officers can find themselves in the position of having to balance corporate or administration priorities with the challenge role of scrutiny, conscious that those they are scrutinising can make decisions regarding future resourcing and their personal employment prospects. Advice from officers must be impartial and free from executive influence. Cllr Fitzsimons told us that:

You have to trust your officers and you also have to understand that they will have careers outside scrutiny ... We need to make certain that they do not become part of the rock-throwing contingent, and that they are not seen

58 Q45

59 Q15

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as part of the group of officers supporting councillors who are making life difficult. I believe officers can be impartial, but they need to network and to network strongly within the council. If you really want to know what is going on in a department, you need an officer advising you in scrutiny who has those contacts within that highways department, as well as being good with the figures and being able to produce a report. You need impartiality, but you also need great networking skills.⁶⁰

58. We believe that if a local authority does not adequately resource the scrutiny function, such impartiality is harder to ensure. With officers supporting both the executive and scrutiny, there is a significant risk that real or perceived conflicts of interests can occur. For example, an officer from a London Borough explained that in her authority following reductions in scrutiny support, designated senior officers from service departments act as ‘scrutiny champions’:

The scrutiny champion’s role includes supporting the committee with finalising its work programme for the municipal year, and includes directing departmental officers to produce the scoping report for the area the Committee will undertake an ‘in-depth’ scrutiny review on in that year. As the same officers provide direct support to the executive, one can immediately see the defect in this model—officers supporting the scrutiny function are not independent of, and separate from, those being scrutinised.⁶¹

Allocating resources

59. Councils are under extreme budgetary pressures, but we are concerned that decisions regarding the resourcing of overview and scrutiny can be politically motivated. Professor Copus told us that:

In some councils, councillors have said to me, “It is a deliberate ploy that we under-resource scrutiny so that it cannot do anything and it cannot challenge the executive. It has very little role to play.” Because of the financial constraint, supporting scrutiny is a soft and obvious target for reductions. It is a false economy, because good, effective scrutiny can save councils money, and indeed save other organisations money as well.⁶²

60. When we asked the Minister about resourcing scrutiny committees, he told us:

What we have to consider here is that we have not got a scrutiny function that is in the pockets of the executive and the senior management team. We need a scrutiny function where those senior officers have a relationship with the scrutiny function and the people conducting the scrutiny get to see how the executive works and understand the executive, but that does not take away the fact that we need to make sure that scrutiny committees are properly resourced. That is not necessarily, in certain places, about having a

60 Q53

61 An officer from a London Borough ([OSG091](#)) para 3

62 Q22

dedicated officer; it is more about having access to the information, support and, at times, research, to make sure that they do a good job of scrutinising the executive.⁶³

61. We acknowledge that scrutiny resources have diminished in light of wider local authority reductions. However, it is imperative that scrutiny committees have access to independent and impartial policy advice that is as free from executive influence as possible. We are concerned that in too many councils, supporting the executive is the over-riding priority, with little regard for the scrutiny function. This is despite the fact that at a time of limited resources, scrutiny’s role is more important than ever.

62. We therefore call on the Government to place a strong priority in revised and reissued guidance to local authorities that scrutiny committees must be supported by officers that can operate with independence and provide impartial advice to scrutiny councillors. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts. Councils should be required to publish a summary of resources allocated to scrutiny, using expenditure on executive support as a comparator. We also call on councils to consider carefully their resourcing of scrutiny committees and to satisfy themselves that they are sufficiently supported by people with the right skills and experience.

The role of the Statutory Scrutiny Officer

63. The Localism Act 2011 created a requirement for all upper tier authorities to create a statutory role of designated scrutiny officer to promote scrutiny across the organisation. The Act does not require that the officer be of a certain seniority, or be someone that works primarily supporting scrutiny. The Institute of Local Government Studies (INLOGOV) at the University of Birmingham explains that:

The intention was to champion and embrace the role of scrutiny. In reality, in most councils, the designated post-holder, while willing, is a shadow of the other posts required by legislation—the Head of Paid Service, Section 151 Officer, and Monitoring Officer. It is seldom an officer with a level of seniority sufficient to ensure that scrutiny is taken seriously when the Executive (both cabinet members and senior council staff) seek to close ranks.⁶⁴

64. We believe that the role of a statutory ‘champion’ of scrutiny is extremely important in helping to create a positive organisational culture for an authority. However, we are concerned that the creation of this role has resulted in too many instances of Statutory Scrutiny Officers fulfilling the role in name only, with little actual activity. At our workshop, councillors described to us how Statutory Scrutiny Officers were often ‘too low down the food chain’, while officers told us of the need for a higher profile for the role, arguing that officers from across the council should know who their Statutory Scrutiny Officer is in the same way they do for monitoring officers. We agree with INLOGOV that the creation of the post has “proved largely ineffective”⁶⁵ and believe that reform

63 Q114

64 The Institute of Local Government Studies, The University of Birmingham ([OSG053](#)) page 6

65 The Institute of Local Government Studies, The University of Birmingham ([OSG053](#)), page 1

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is needed in order to achieve the aspirations of the Localism Act 2011. The Association of Democratic Services Officers (ADSO) argue that the profile of the Statutory Scrutiny Officer role should be on a par with the Statutory Monitoring Officer⁶⁶ and the County and Unitary Councils' Officer Overview and Scrutiny Network argue that the requirement for a Statutory Scrutiny Officer should be extended to all councils.⁶⁷ We note the positive example of Stevenage Borough Council choosing to fund a scrutiny officer despite not being covered by the provisions of the Act:

Some years ago this authority created a post of Scrutiny Officer and this has greatly helped with the running of an effective scrutiny function. We have prioritised this over other funding options. It is increasingly difficult to do so as this is not a statutory function at a District level, and the further funding cuts we face over the next three years place extreme pressure on existing budgets.⁶⁸

65. We recommend that the Government extend the requirement of a Statutory Scrutiny Officer to all councils and specify that the post-holder should have a seniority and profile of equivalence to the council's corporate management team. To give greater prominence to the role, Statutory Scrutiny Officers should also be required to make regular reports to Full Council on the state of scrutiny, explicitly identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.

66 Association of Democratic Services Officers ([OSG123](#)) page 7

67 Council and Unitary Councils' Officer Overview and Scrutiny Network ([OSG114](#)) para 8.1

68 Stevenage Borough Council ([OSG060](#)) page 1

5 Member training and skills

The importance of training

66. Unlike the quasi-judicial council committees of planning and licensing, members of scrutiny committees are not required to have any specialist skills or knowledge. We have heard evidence suggesting that this can hinder the effectiveness of committees, and are concerned that some councillors might not take their scrutiny role as seriously as others. For example, an anonymous spouse of a scrutiny chair states that:

Whilst most Authorities have educational classes for members they are not well attended for the following reasons. Members who are in full time employment are not willing to attend in their ‘nonworking hours’; those who are long standing members think it beneath them and those who work for a political party are ‘instructed’ by the party’s position on the subject.⁶⁹

67. If scrutiny members are not fully prepared and able to ask relevant questions, the committee will not be able to fully interrogate an issue and committee meetings can become little more than educational sessions for councillors to learn about a service, rather than scrutinise it. An officer from a London Borough explains that scrutiny meetings are:

typically between scrutiny members and senior officers where the temptation to ask questions to simply learn more about a subject matter is greater ... The Council’s Member Development Officer, together with Democratic Services Officers, do arrange training for scrutiny members when opportunities arise; but this has proved insufficient as members infrequently display the required level of listening and questioning skills to make scrutiny impactful. Too many discussions at meetings are based on requests for more information, without expressing why it is required or how it will facilitate good scrutiny.⁷⁰

68. Jacqui McKinlay from CfPS explained that training for scrutiny members usually fell into one of two categories:

One is the generic skills element—questioning skills, and understanding data and performance management information. We then also run training, which is around children’s services, understanding health and social care integration, whatever it might be. We are getting into the nitty-gritty then to give people enough knowledge... [However,] it is about who comes forward and accesses that. The people who come forward and access that tend to come from good organisations.⁷¹

The suitability of training provided

69. Without the legal requirement for training such as on quasi-judicial committees, councils are not able to ensure that scrutiny members have all of the skills or knowledge

69 Anonymous submission ([OSG006](#))

70 An officer from a London Borough ([OSG091](#)) para 10

71 Q30

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that they need to deliver effective scrutiny, and those that need it most are the least likely to engage. However, we also note the view of Professor Copus, who highlighted that the value of councillors is that they are lay persons:

There is a danger that we end up training councillors to be elected officers, and that has to be avoided. Officers are there to do their role. Councillors require a different type of skill and training. I am a great fan of council officers and I am not unfairly criticising them, but in many cases the training that is provided to members is what officers need members to understand, rather than what members need to understand.⁷²

70. We agree that councillors require a different type of training from officers and that knowing a subject is not sufficient to ensure good scrutiny. The ability to question effectively, as well as actively listen to responses, is fundamental to successful scrutiny. Cllr Fitzsimons told us:

Indeed, some of the simpler questions are some of the most pertinent questions going. Someone coming in not knowing too much about a subject can almost get more from a session than someone who has drifted into data nirvana or something like that, where they are really drilling down and finding out why this figure does not match this other one.⁷³

The quality of training available and DCLG oversight

71. We are concerned that there is no mechanism to ascertain whether scrutiny councillors are able to fulfil their vital role or that the training they do receive is fit for purpose. We asked councillors about the training and support that they had received from the Local Government Association (LGA), and responses were mixed. Cllr Fitzsimons for example told us:

the LGA runs some really interesting courses, which I have attended. They outsource some of it to the Centre for Public Scrutiny. I am not particularly a fan of the way they do things, and their training has not really moved on for a long time. The skills training that a councillor has for a meeting about questioning-and-answering skills are good training sessions.⁷⁴

72. He argued that fundamental requirements for training included more emphasis on a self-reflective approach:

I remember going to do a training session with the London Borough of Richmond in 2006, and my challenge to the councillors who were doing scrutiny was, “How much backbone do you have?” and I just do not see that within the training. Are you willing to ask difficult questions? Are you willing, in your own political group, after you have done a scrutiny meeting, to have people say to you, “You were a bit harsh on the leader”? They do not get that self-reflective type training about, “What is your role? Are you really going to hold to account?”⁷⁵

72 Q32
73 Q59
74 Q64
75 Q64

73. Cllr Fitzsimons also criticised national conferences and networking events for having an insufficient emphasis on frontline scrutiny members:

You do not see ordinary councillors leading the events ... ultimately the LGA is focused on the executive and their whole setup. Scrutiny, I believe, is an add-on, and that is just a reflection of the way it works, because the people who are influential in LGA are more likely to be council leaders and cabinet members than the ordinary scrutiny people. Individual training is good, but overall I do not think it is hitting the mark.⁷⁶

74. The Minister told us that the Department allocated £21 million to the LGA “so that it could support various activities to improve the governance in local authorities; and it is why we are absolutely committed to working with the LGA and its delivery partners—organisations such as the Centre for Public Scrutiny”.⁷⁷ DCLG states that:

The Government does not monitor the effectiveness of overview and scrutiny committees—which is a matter for the authorities themselves. However, the Secretary of State may intervene in authorities which have failed in their best value duty, as happened in 2014 in Tower Hamlets and in 2015 in Rotherham.⁷⁸

75. We are concerned that DCLG gives the LGA £21 million each year to support scrutiny, but does not appear to monitor the impact of this support or whether this investment represents best value. When we questioned the Minister about his Department’s monitoring of scrutiny effectiveness and the extent to which this was delegated to the LGA, he told us that DCLG “will look very carefully at the recommendations that are made by the Committee.”⁷⁹

76. It is incumbent upon councils to ensure that scrutiny members have enough prior subject knowledge to prevent meetings becoming information exchanges at the expense of thorough scrutiny. Listening and questioning skills are essential, as well as the capacity to constructively critique the executive rather than following party lines. *In the absence of DCLG monitoring, we are not satisfied that the training provided by the LGA and its partners always meets the needs of scrutiny councillors, and call on the Department to put monitoring systems in place and consider whether the support to committees needs to be reviewed and refreshed. We invite the Department to write to us in a year’s time detailing its assessment of the value for money of its investment in the LGA and on the wider effectiveness of local authority scrutiny committees.*

76 Q64

77 Q113

78 Department for Communities and Local Government ([OSG122](#)) para 19

79 Q125

6 The role of the public

77. Earlier in this report, we discussed the need for scrutiny committees to have greater legitimacy and independence from their executives. A key way of delivering this is to ensure that members of the public and local stakeholders play a prominent role in scrutiny. By involving residents in scrutiny, the potential for a partisan approach lessens and committees are able to hear directly from those whose interests they are representing. Many local authorities have been very successful in directly involving their residents through open meetings, standing agenda items and public appeals for scrutiny topics. Other authorities, and indeed parliamentary select committees, can learn from such positive examples.

Case studies of public engagement

78. Devon County Council argues that “Scrutiny serves as almost the only bastion of opportunity for local people to voice an opinion on changes to a wide range of services, not just those provided by the Council.” The authority also cites an example where scrutiny considered a national issue which had a local manifestation. Search and Rescue services were previously provided by RAF Chivenor, but when this changed “Local People were very concerned about the loss of the service and scrutiny reviewed the evidence in an independent way. The subsequent report helped to reassure local people that the evidence supported the change as well as to establish a baseline from which to challenge future incidents.”⁸⁰

79. At its most effective, we believe that scrutiny amplifies the concerns of local residents and of service users. A positive example of this is in Exeter where the City Council established a ‘Dementia Friendly Council’ task and finish group. As part of its work, the group “invited members of the Torbay Dementia Leadership Group to visit the Customer Service Centre to observe the front line service and facilities from the point of view of a person with dementia and to see if the Council could make any improvements to the existing customer experience.” Subsequent recommendations to improve the service have since been made.⁸¹

80. At our workshop with councillors and officers, one councillor explained that she did not like the term ‘public engagement’ and instead preferred to think of it as ‘listen and learn’. This approach was evident in the example of Surrey County Council, cited by the LGA.⁸² Surrey conducted extensive pre-decision scrutiny of the authority’s cycling strategy to help inform the final strategy. Following an independent consultation, it was apparent that there were mixed views on the proposals within the strategy and a joint meeting of two scrutiny committees was held to consider them, with a public forum to allow residents to express their views. The outcome was a better-informed and more successful strategy:

Having heard and considered the voice and concerns of the public on the Council’s proposed Cycling Strategy, the committees made recommendations to ensure the final strategy was acceptable to Surrey residents. These included: ensuring benefits for local businesses; including

80 Devon County Council ([OSG008](#)) page 2

81 Exeter City Council ([OSG011](#)) para 7

82 Local Government Association ([OSG081](#)) paras 13.5–13.7

cycling infrastructure schemes on highways maintenance programmes; lobbying central government so that unregulated events were regulated; working with boroughs & districts to develop cycling plans; and amending the strategy to ensure roads would only be closed with strong local support.⁸³

Digital engagement

81. The examples above are illustrations of the value that greater public involvement can bring both to the scrutiny process and an authority's decision making process. However, we are also aware that the majority of scrutiny committees across the country are not well-attended by the public. Involving the public in scrutiny is time and resource intensive, but the rewards can be significant. In this context, it should also be noted that many members of the public do not want to engage with public services in the same way that they used to. Digital engagement is becoming increasingly important, with some councils embracing new media better than others (for example the twitter feed of Doncaster Metropolitan Borough Council recently received national attention for effective engagement regarding the naming of two gritters⁸⁴). Jacqui McKinlay told us:

There are some real challenges about what public engagement looks like in the future. It is not necessarily the village hall where we are expecting people to turn up on a wet Wednesday. We need to start to accept that when we engage with people they do not necessarily always speak the same language as we do, particularly on contentious issues. People are very angry. They are very upset. In scrutiny and public services generally, we have to think about what engagement looks like in the future. We are also in a digital and social media world where the conversations now, probably in the last six months, are happening in WhatsApp. They were happening in Facebook earlier. That is something that scrutiny is really going to have to manage if it is going to stay relevant and part of the dialogue.⁸⁵

82. *The Government should promote the role of the public in scrutiny in revised and reissued guidance to authorities, and encourage council leaderships to allocate sufficient resources to enable it to happen. Councils should also take note of the issues discussed elsewhere in this report regarding raising the profile and prominence of the scrutiny process, and in so doing encourage more members of the public to participate in local scrutiny. Consideration also need to be given to the role of digital engagement, and we believe that local authorities should commit time and resources to effective digital engagement strategies. The LGA should also consider how it can best share examples of best practice of digital engagement to the wider sector.*

83 Local Government Association ([OSG081](#)) paras 13.5–13.7

84 "[David Plowie or Spread Mercury? Council asks public to name its new gritters](#)", The Telegraph, 17 November 2017

85 Q39

7 Scrutinising public services provided by external bodies

The conflict between commercial and democratic interests

83. We heard a lot of evidence that scrutiny committees are increasingly scrutinising external providers of council services, both in an attempt to avoid politically ‘difficult’ subjects and as a reflection that services are being delivered in increasingly diverse ways.⁸⁶ We believe that scrutiny committees are ideally placed, and have a democratic mandate, to review any public services in their area. However, we have heard of too many instances where committees are not able to access the information held by providers, or the council itself, for reasons of commercial sensitivity (as further discussed in Chapter 3 of this report). Jacqui McKinlay from CfPS told us that there can be an “unbelievable barrier” with commercial organisations as they “do not recognise they are contracting with a democratic organisation that has democratic governance processes.”⁸⁷

84. The conflict between commercial and democratic interests means that many companies are not set up to accommodate public accountability. This is in contrast with health services, which have a more established history of engagement (backed up by legislative requirements). The London Borough of Hackney explains that:

Health scrutiny has been luckier than other areas in that the duties to attend meetings and engage with scrutiny are well established and accepted. For health scrutiny in Hackney there is an understanding that if invited to attend to be held to account on an issue, the invitation cannot be refused. Where service providers have appeared reluctant to attend scrutiny is often linked to their accountability to local government and whether their management structures are local. We have found where structures are regional or national and the organisation has very limited local accountability there can be difficulty with engagement in the local scrutiny function.⁸⁸

Scrutiny powers in relation to external organisations

85. Overview and scrutiny committees have a range of powers that enable them to conduct scrutiny of external organisations. The Health and Social Care Act 2012 gives local authorities the power to scrutinise health bodies and providers in their area or set up joint committees to do so. They can also require members or officers of local health bodies to provide information and to attend health scrutiny meetings to answer questions. Scrutiny also has powers with regard to the delivery of crime and disorder strategies, with those bodies which are delivering such strategies also being required to attend meetings and respond to committee reports. However, for all other organisations delivering public services, be they public bodies or commercial entities, their participation depends upon their willingness of both parties to do so and the ability of scrutiny committees to forge a positive working relationship. Attitudes to local scrutiny are varied, as Cllr Sean Fitzsimons from Croydon Council explained to us:

86 See for example Q9

87 Q30

88 Overview and Scrutiny Team, London Borough of Hackney ([OSG110](#)) para 11

I would say that the smaller the organisation the better they are at coming along. The most difficult one I ever dealt with was probably the Metropolitan Police. Borough commanders do not think we have any legitimacy. Sometimes, you can see they are thinking about other things. As someone who has sat on a riot review panel, led by a judge, to get someone there was an effort. They may want to come and talk about a certain thing, but the moment you ask them anything specific it is like, "I cannot talk about it". Policing is a really difficult area, and it is actually within our remit. The fire brigade has been quite a useful organisation, and they are quite keen. The ambulance service is desperate to turn up.⁸⁹

Scrutinising council contracts

86. A significant obstacle to effective scrutiny of commercial providers is an over-zealous classification of information as being commercially sensitive (as discussed in relation to council-held information in paragraph 40). Council officers are wary of sharing the terms of contracts as they do not want to prejudice future procurements, and contractors do not always see why they should share information. As discussed earlier in this report, we can see no reason for withholding confidential information from scrutiny councillors, who can then consider it in a private session if necessary. We believe that councils and their contractors need to be better at building in democratic oversight from the outset of a contract. We note for example the views of Cllr Fitzsimons, who argued that scrutiny often gets involved in contracting situations too late:

It is only when the major recommendations can go to cabinet that you can say, "I am unhappy with that and I will bring it in." My experience, particularly in my local authority, is that the failure of the authority, at the time, to engage in scrutiny early on in the process so that we could help shape the outcomes meant that a decision had been taken by the relevant cabinet member, and really it allowed itself to drift into party political flag-waving, to say, "We are just not happy with the letting of this contract." If we had been allowed to look at it six months or a year beforehand, we may have been able to have had some influence for the betterment of the service. I have found that contractors are quite keen to talk, but what it again goes back to is how comfortable the executive is having their decisions challenged, when they may have done 18 months or two years of private work on it and they think they already have the answer.⁹⁰

87. It is imperative that executives consider the role of scrutiny at a time when external contracts are still being developed, so that both parties understand that the service will still have democratic oversight, despite being delivered by a commercial entity. Scrutiny committees have a unique democratic mandate to have oversight of local services, and contracting arrangements do not change this. We therefore support the recommendations made by the scrutiny committee at Suffolk County Council, as described to us by Cllr Evans:

89 Q77

90 Q52

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We had a task and finish group that did a lot of work on procurement and contracting, and we are asking that, in future, when the council signs any contracts, those people who are making the contract are aware that we could well expect to see them in front of scrutiny at some point. They cannot sign a contract with the authority and expect never to be put on the spot and be accountable.⁹¹

88. We heard examples where committees had successfully engaged external providers, such at Suffolk County Council where the contractors for highways and for social care come to scrutiny willingly.⁹² However this is not always the case and such variance is an issue of concern for us. We are of the view that scrutiny committees must be able to scrutinise the services provided to residents and utilise their democratic mandate and we therefore agree with the Minister, who told us:

When councils put contracts out to external bodies, they should look at that in the context of how open and transparent those arrangements can be. That can quite often be difficult because of commercial confidentiality, but, as I say, that should not be a cover-all for everything. I think that that should be considered in the context of when a contract is let, in terms of making sure that a particular provider can be called to a scrutiny committee. However, when a particular local authority lets a contract to a particular company, I do not think it should lead to a situation where that particular local authority is able to sit back and just blame its contractor. The local authority in question should, when tendering out, put together a process over which it has a level of control that enables it to scrutinise a particular contractor and take enforcement action should that contract not be fulfilled.⁹³

Following the ‘council pound’

89. The CfPS highlight the difficulties that scrutiny committees can have monitoring services delivered in partnership, and notes that scrutiny has been effective when its formal powers give it a ‘foot in the door’:

We would therefore like to see these powers balanced across the whole local public service landscape. We would like to see the law changed and consolidated, to reflect the realities that local authorities now face—particularly the fact that much council business is now transacted in partnership. We would like to see an approach which uses the “council pound” as the starting point for where scrutiny may intervene—that is to say, that scrutiny would have power and responsibilities to oversee taxpayer-funded services where those services are funded, wholly or in part, by local authorities.⁹⁴

91 Q50

92 Q52

93 Q148

94 Centre for Public Scrutiny ([OSG098](#)) paras 149–151

90. *Scrutiny committees must be able to monitor and scrutinise the services provided to residents. This includes services provided by public bodies and those provided by commercial organisations. Committees should be able to access information and require attendance at meetings from service providers and we call on DCLG to take steps to ensure this happens. We support the CfPS proposal that committees must be able to 'follow the council pound' and have the power to oversee all taxpayer-funded services.*

Scrutiny of Local Economic Partnerships

91. We are also extremely concerned at the apparent lack of democratic oversight of Local Economic Partnerships (LEPs). There are 39 LEPs in operation across England, tasked with the important role of promoting local economic growth and job creation. However, we fear that they vary greatly in quality and performance, and that there is no public assurance framework, other than any information they themselves choose to publish. LEPs have been charged with delivering vital services for local communities and do so using public money, and so it is therefore right and proper that committees of elected councillors should be able to hold them to account for their performance. LEPs are key partners of mayoral combined authorities and we note that the relationship in London seems established. Jennette Arnold OBE AM, Chair of the London Assembly, told us:

The responsibility for the LEPs falls within the Mayor's economic strategy, so for us the buck stops with the Mayor. He then has a LEP board. There are local authority councillors and businesspeople on that. There is a Deputy Mayor who is charged with business and economic growth in London. Both members of that LEP board and that Deputy Mayor have appeared in front of our Economy Committee. We also had questions about skills, because skills was linked, so our education panel raised questions. Business as usual for us is that where there is a pound of London's money being spent, we will follow that and we will raise any issues as relevant.⁹⁵

92. We applaud this approach and welcome the oversight of the London LEP provided by the London Assembly. In the next chapter we will consider the role of scrutiny in combined authorities, where we have concerns over the capacity of the newer organisations. Their relative infancy when compared to the London Assembly is reflected in unclear relationships with their local LEPs. Cllr Peter Hughes, Chair of the West Midlands Combined Authority Overview and Scrutiny Committee, told us:

There are non-voting LEP representatives on the board of the combined authority and there has been since the day it started. I have LEP representatives on the Overview and Scrutiny Committee. Again, they are non-constituent members, as are some of the rural authorities. Their commitment to overview and scrutiny and to audit is patchy, to say the least. There is one big authority or LEP area that does not contribute to scrutiny or audit ... We have not done so yet, but I am sure before the 12 months are up that the LEP involvement in the combined authority's work will be looked at.⁹⁶

95 Q103

96 Qq104-106

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93. Whilst we welcome the established arrangements in London and the intentions of the newer mayoral combined authorities, we are concerned that there are limited arrangements in place for other parts of the country. We do note that examples exist, and call for such arrangements to be put in place across the country. Wiltshire Council states that:

Wiltshire Council is one of the few local authorities nationally to have a OS task group actively engaging with the region's Local Enterprise Partnership, providing extra public accountability to the LEP funding spent within the county. All LEP reports and expenditure are published to facilitate further scrutiny by members of the public.⁹⁷

94. In October 2017, a review of LEP governance arrangements was published by DCLG. The review makes a number of recommendations and noted that while many LEPs have robust assurance frameworks, approaches vary. For example, LEPs are required to publish a conflict of interest policy and the review found that "Whilst LEPs comply with this requirement, the content of policies and approach to publication varies considerably and is dependent on the overall cultural approach within the organisation."⁹⁸ The review also noted that:

A number of LEPs, but not all, refer to the role of scrutiny in overseeing their performance and effectiveness. Some LEPs are scrutinised from time to time by their accountable body Overview and Scrutiny function. This is an area for further development which would give increased independent assurance. Given the different structures across LEPs it is not appropriate to specify any particular approach to scrutiny. It is an area which could benefit from the sharing of good practice/'what works' to assist LEPs in shaping their own proposals.⁹⁹

95. When we asked the Minister about the democratic oversight of LEPs, he told us that local authorities will usually have representation on LEP boards and that expenditure will often be monitored by the lead authority's Section 151 finance officer. When we asked him about more public methods of scrutiny, he told us that:

in terms of the scrutiny there are ways in which a LEP can be scrutinised. At this point I do not believe that those arrangements need to be changed, but I will certainly be interested—I know you have asked this of a number of the witnesses at this Committee—in their views on local enterprise partnerships. Certainly that will be a Government consideration once the Committee has submitted its report.¹⁰⁰

96. In light of our concerns regarding public oversight of LEPs, we call on the Government to make clear how these organisations are to have democratic, and publicly visible, oversight. We recommend that upper tier councils, and combined authorities where appropriate, should be able to monitor the performance and effectiveness of LEPs through their scrutiny committees. In line with other public bodies, scrutiny committees should be able to require LEPs to provide information and attend committee meetings as required.

97 Wiltshire Council ([OSG034](#)) para 10

98 Department for Communities and Local Government, [Review of Local Enterprise Partnership Governance and Transparency](#) (October 2017), para 6.1

99 Department for Communities and Local Government, [Review of Local Enterprise Partnership Governance and Transparency](#) (October 2017), para 9.3

100 Q146

8 Scrutiny in combined authorities

97. We recognise that the mayoral combined authorities are in their infancy, but given how important organisational culture is, it is important that we include them in our inquiry to ensure that the correct tone is set from the outset. We are therefore concerned by the evidence we heard about an apparent secondary role for scrutiny. Mayors will be responsible for delivering services and improvements for millions of residents, but oversight of their performance will be hindered by limited resources.

The London Assembly

98. The London Assembly has 25 members elected to hold the Mayor of London to account and to investigate any issues of importance to Londoners. London Assembly Members are elected at the same time as the Mayor, with eleven representing the whole capital and fourteen elected by constituencies. The Mayor holds all executive power and the Assembly's ability to override decisions is limited to amending budgets and rejecting statutory strategies. The most visible accountability tool is Mayor's Question Time, when the Mayor of London is required to appear in public before the Assembly ten times a year to answer for decisions made and their outcome. Oversight is also provided by ten thematic scrutiny committees. In 2016/17 the London Assembly controlled a budget of £7.2 million, of which £1.5 million was allocated to scrutiny and investigations, with the remainder used for other member services and democratic services functions. This compares with the Mayor's budget of around £16 billion.¹⁰¹ The Chair of the Assembly, Jennette Arnold, told us:

You will see that we have been learning and changing over the last 16 years. I would say we are a much more robust body than we were, say, eight years previously because we have taken on learning. We set out to make sure that the centrepiece of our work, which is detailed scrutiny, is evidence-based, well resourced and is disseminated as widely as possible. We have two tracks: the first track is to follow the Mayor, i.e. we ensure mayoral accountability; and the other track we have is about any issue of public concern to London. I would say the combined authorities should look and see the clarity that we have. This is what good scrutiny looks like: it is separate; it has its own officers; it has its own budget; and there is money that is required to do that work.¹⁰²

The mayoral combined authorities

99. We welcome and applaud the approach of the London Assembly, however the wide discrepancy in the approach to scrutiny in the newer mayoral combined authorities which has come to light during our inquiry is an issue of concern. Combined authorities have a far smaller budget and do not have an equivalent body to the London Assembly, with scrutiny instead being performed by members of the constituent councils. The Local Government Research Unit at De Montfort University argue that:

101 London Assembly, [The London Assembly Annual Report 2016–17](#), page 57

102 Q83

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An opportunity was missed in the creation of combined authorities—because of the focus on leadership—to recreate a London Assembly style directly elected body with the responsibility to hold the mayor of any combined authority (and other organisations) to account. A directly elected scrutiny body with its own staff and resources may seem an expensive innovation, but ... serious governance failures resulting in damage to public services and the public can occur where O&S is inadequate or fails.¹⁰³

100. In contrast with the London Assembly, Cllr Peter Hughes of the West Midlands Combined Authority told us:

The regulations for the combined authority actually state “a scrutiny officer”, as it stands at the moment. This has been the case for the last 18 months. The combined authority scrutiny chair, whether it is me or anybody else, is supported by a part-time person who is lent out from our own authority. That is the case across all of the other issues. Effectively, the West Midlands Combined Authority is run on the basis of good will and people, chief executives and directors, giving up their time. That is exactly the same with scrutiny. At the moment, we have a person who is lent, with no financial refund to Sandwell, to the combined authority. That has not yet been formalised.¹⁰⁴

101. We recognise that the resourcing levels are not necessarily decisions for the combined authorities themselves, with Government funding dictating that they be organisations with minimal overheads. However, we also acknowledge that the absence of an allocated budget or a directly-elected scrutiny body does not mean that the approach to scrutiny in combined authorities is necessarily wrong. Cllr Hughes for example told us how he will be measuring the effectiveness of his committee:

Part of scrutiny is not just the questioning and scrutiny aspect of it; it is also that we are adding value to the work of the combined authority. As you have just said, it is in the very early stages at the moment. We feel that we can actually add value to some of the policy decisions that are being taken or being formed by actually taking specific pieces of work and drilling down and calling upon evidence from the local authorities beneath us to add value to the work of the combined authority itself.¹⁰⁵

102. Susan Ford, Scrutiny Manager of the Greater Manchester Combined Authority, also told us that successful scrutiny in Greater Manchester will enable the Mayor and officers to:

understand the value that scrutiny can bring, and... sense-checking what might cause issues in particular districts and bringing that kind of wealth of in-depth knowledge that scrutiny members bring in with them. The scrutiny function also has a duty to the public to try to simplify some of what can be seen as a very complicated governance arrangement. Having different governance arrangements across different devolved areas has not helped. Mayors in different city region areas have different powers, so

103 Local Government Research Unit, De Montfort University ([OSG022](#)) para 4

104 Q87

105 Q85

there is a duty to members of the public. There is also a duty to broaden the engagement in terms of thinking about things like younger people and the way in which elected members actually engage with their constituents. We have to support them to be able to make devolution governance and decision-making intelligible.¹⁰⁶

103. We raised the issue of scrutiny of combined authority mayors with the Minister, who argued that the scrutiny arrangements were sufficient:

I consider that the scrutiny arrangements in that sense are stronger than they are for local authorities ... Certainly the powers that were being transferred to Mayors were generally powers that hitherto had been held by Secretaries of State and, therefore, on a virtually daily basis when this House was sitting there was a method, potentially, of scrutinising the decisions that were being made, and their outcomes ... That said, and I have mentioned this a number of times, I do not think there is any room, in this sense, for complacency. I would say that, in the same way as we are now talking about the scrutiny arrangements from the Local Government Act 2000 having bedded in ... the question is: should there now be more changes to update things because time moves on? There will legitimately be the question, as time moves on: how have those scrutiny arrangements worked? Do we need to change anything going forward to make sure that we are responding to circumstances that arise?¹⁰⁷

104. We welcome the approach to scrutiny by new mayoral combined authorities such as the West Midlands and Greater Manchester, but we are concerned that such positive intentions are being undermined by under-resourcing. This is not a criticism of the combined authorities - which have been established to be capital rich but revenue poor - as they do not have the funding for higher operating costs. However, we would welcome a stronger role for scrutiny in combined authorities, reflecting the Minister's point that the Mayors now have powers hitherto held by Secretaries of State. ***We are concerned that effective scrutiny of the Metro Mayors will be hindered by under-resourcing, and call on the Government to commit more funding for this purpose. When agreeing further devolution deals and creating executive mayors, the Government must make clear that scrutiny is a fundamental part of any deal and that it must be adequately resourced and supported.***

106 Q85

107 Qq131-132

Conclusions and recommendations

The role of scrutiny

1. *We therefore recommend that the guidance issued to councils by DCLG on overview and scrutiny committees is revised and reissued to take account of scrutiny's evolving role. (Paragraph 12)*
2. *We call on the Local Government Association to consider how it can best provide a mechanism for the sharing of innovation and best practice across the scrutiny sector to enable committees to learn from one another. We recognise that how scrutiny committees operate is a matter of local discretion, but urge local authorities to take note of the findings of this report and consider their approach. (Paragraph 13)*

Party politics and organisational culture

3. However, all responsible council leaderships should recognise the potential added value that scrutiny can bring, and heed the lessons of high profile failures of scrutiny such as those in Mid Staffordshire and Rotherham. (Paragraph 19)
4. *To reflect scrutiny's independent voice and role as a voice for the community, we believe that scrutiny committees should report to Full Council rather than the executive and call on the Government to make this clear in revised and reissued guidance. When scrutiny committees publish formal recommendations and conclusions, these should be considered by a meeting of the Full Council, with the executive response reported to a subsequent Full Council within two months. (Paragraph 23)*
5. We believe that executive members should attend meetings of scrutiny committees only when invited to do so as witnesses and to answer questions from the committee. Any greater involvement by the executive, especially sitting at the committee table with the committee, risks unnecessary politicisation of meetings and can reduce the effectiveness of scrutiny by diminishing the role of scrutiny members. *We therefore recommend that DCLG strengthens the guidance to councils to promote political impartiality and preserve the distinction between scrutiny and the executive. (Paragraph 25)*
6. It is vital that the role of scrutiny chair is respected and viewed by all as being a key part of the decision-making process, rather than as a form of political patronage. (Paragraph 27)
7. We believe that there are many effective and impartial scrutiny chairs working across the country, but we are concerned that how chairs are appointed has the potential to contribute to lessening the independence of scrutiny committees and weakening the legitimacy of the scrutiny process. Even if impropriety does not occur, we believe that an insufficient distance between executive and scrutiny can create a perception of impropriety. (Paragraph 30)
8. We believe that there is great merit in exploring ways of enhancing the independence and legitimacy of scrutiny chairs such as a secret ballot of non-executive councillors. However, we are wary of proposing that it be imposed upon authorities by government.

We therefore recommend that DCLG works with the LGA and CfPS to identify willing councils to take part in a pilot scheme where the impact of elected chairs on scrutiny's effectiveness can be monitored and its merits considered. (Paragraph 35)

Accessing information

9. Scrutiny committees that are seeking information should never need to be 'determined' to view information held by its own authority, and there is no justification for a committee having to resort to using Freedom of Information powers to access the information that it needs, especially from its own organisation. There are too many examples of councils being uncooperative and obstructive. (Paragraph 37)
10. Councils should be reminded that there should always be an assumption of transparency wherever possible, and that councillors scrutinising services need access to all financial and performance information held by the authority. (Paragraph 41)
11. We do not believe that there should be any restrictions on scrutiny members' access to information based on commercial sensitivity issues. Limiting rights of access to items already under consideration for scrutiny limits committees' ability to identify issues that might warrant further investigation in future, and reinforces scrutiny's subservience to the executive. *Current legislation effectively requires scrutiny councillors to establish that they have a 'need to know' in order to access confidential or exempt information, with many councils interpreting this as not automatically including scrutiny committees. We believe that scrutiny committees should be seen as having an automatic need to know, and that the Government should make this clear through revised guidance.* (Paragraph 42)
12. *We note that few committees make regular use of external experts and call on councils to seek to engage local academics, and encourage universities to play a greater role in local scrutiny.* (Paragraph 45)
13. We commend such examples of committees engaging with service users when forming their understanding of a given subject, and encourage scrutiny committees across the country to consider how the information they receive from officers can be complemented and contrasted by the views and experiences of service users. (Paragraph 47)

Resources

14. We acknowledge that scrutiny resources have diminished in light of wider local authority reductions. However, it is imperative that scrutiny committees have access to independent and impartial policy advice that is as free from executive influence as possible. We are concerned that in too many councils, supporting the executive is the over-riding priority, with little regard for the scrutiny function. This is despite the fact that at a time of limited resources, scrutiny's role is more important than ever. (Paragraph 61)

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44 Effectiveness of local authority overview and scrutiny committees

15. *We therefore call on the Government to place a strong priority in revised and reissued guidance to local authorities that scrutiny committees must be supported by officers that can operate with independence and provide impartial advice to scrutiny councillors. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts. Councils should be required to publish a summary of resources allocated to scrutiny, using expenditure on executive support as a comparator. We also call on councils to consider carefully their resourcing of scrutiny committees and to satisfy themselves that they are sufficiently supported by people with the right skills and experience. (Paragraph 62)*
16. *We recommend that the Government extend the requirement of a Statutory Scrutiny Officer to all councils and specify that the post-holder should have a seniority and profile of equivalence to the council's corporate management team. To give greater prominence to the role, Statutory Scrutiny Officers should also be required to make regular reports to Full Council on the state of scrutiny, explicitly identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them. (Paragraph 65)*

Member training and skills

17. *It is incumbent upon councils to ensure that scrutiny members have enough prior subject knowledge to prevent meetings becoming information exchanges at the expense of thorough scrutiny. Listening and questioning skills are essential, as well as the capacity to constructively critique the executive rather than following party lines. In the absence of DCLG monitoring, we are not satisfied that the training provided by the LGA and its partners always meets the needs of scrutiny councillors, and call on the Department to put monitoring systems in place and consider whether the support to committees needs to be reviewed and refreshed. We invite the Department to write to us in a year's time detailing its assessment of the value for money of its investment in the LGA and on the wider effectiveness of local authority scrutiny committees. (Paragraph 76)*

The role of the public

18. *The Government should promote the role of the public in scrutiny in revised and reissued guidance to authorities, and encourage council leaderships to allocate sufficient resources to enable it to happen. Councils should also take note of the issues discussed elsewhere in this report regarding raising the profile and prominence of the scrutiny process, and in so doing encourage more members of the public to participate in local scrutiny. Consideration also need to be given to the role of digital engagement, and we believe that local authorities should commit time and resources to effective digital engagement strategies. The LGA should also consider how it can best share examples of best practise of digital engagement to the wider sector. (Paragraph 82)*

Scrutinising public services provided by external bodies

19. *Scrutiny committees must be able to monitor and scrutinise the services provided to residents. This includes services provided by public bodies and those provided by*

commercial organisations. Committees should be able to access information and require attendance at meetings from service providers and we call on DCLG to take steps to ensure this happens. We support the CfPS proposal that committees must be able to 'follow the council pound' and have the power to oversee all taxpayer-funded services. (Paragraph 90)

20. *In light of our concerns regarding public oversight of LEPs, we call on the Government to make clear how these organisations are to have democratic, and publicly visible, oversight. We recommend that upper tier councils, and combined authorities where appropriate, should be able to monitor the performance and effectiveness of LEPs through their scrutiny committees. In line with other public bodies, scrutiny committees should be able to require LEPs to provide information and attend committee meetings as required. (Paragraph 96)*

Scrutiny in combined authorities

21. *We are concerned that effective scrutiny of the Metro Mayors will be hindered by under-resourcing, and call on the Government to commit more funding for this purpose. When agreeing further devolution deals and creating executive mayors, the Government must make clear that scrutiny is a fundamental part of any deal and that it must be adequately resourced and supported. (Paragraph 104)*

Annex: summary of discussions at an informal workshop with councillors and officers

As part of the inquiry, the Committee hosted a workshop in October 2017 attended by over 45 council officers and councillors from across the country. Split into four groups, attendees discussed their experiences of overview and scrutiny, with each group considering three questions. The following provides an edited summary of the discussions held and is not intended to be verbatim minutes. Comments are not attributed to individuals or organisations, but seek to reflect the variety of statements made and opinions expressed. This summary and its content does not necessarily reflect the views of the Committee, or all of the attendees present at the workshop.

Q1) Do local authority scrutiny committees operate with political independence and in a non-partisan way

Officers:

- Scrutiny is only non-partisan on the surface: most of the discussion and debate takes place in group meetings, which officers and the public cannot see
- Scrutiny chairs often don't want to challenge their Leaders, so do more external scrutiny or pick 'safe' topics that are less controversial
- The ways that committee chairs are appointed means that chairs more likely to 'keep quiet', use the role as a way to prepare for a Cabinet position, or see it as a consolation prize for not being in the Cabinet
- Personalities of chairs and the ability to work well with executive colleagues is key
- Officers in combined roles struggle to adequately support scrutiny: the roles of scrutiny officer and committee clerk are fundamentally different with different skill sets needed
- Clerking a committee changes how officers are treated, with the value placed on their expertise and guidance lessened so they are treated as little more than admin assistants
- Task and finish groups are less partisan and work effectively cross-party. However, witness sessions are usually held in private with only the reporting of findings being in public. External scrutiny is also less partisan, and so can achieve much more while enthusing councillors
- Third party organisations can sometimes be reluctant to be scrutinised by lay persons. It takes significant time to build positive relationships
- There should be debate at Full Council for topic selection for scrutiny committees
- Committees need more power to force changes on executives

- There is too much executive control over what is scrutinised
- In some local authorities, cabinet members and the Leader attend health scrutiny meetings when the NHS is being scrutinised and sometimes lead the questioning of witnesses
- Appointment of members to scrutiny committees is in the hand of controlling political groups, so there will never be full independence

Councillors:

- Focussing on the impact we want, like improved health and wellbeing, gets rid of the party-political aspect because we've agreed on what we want to achieve
- The better the quality of the opposition, the better the contribution it makes. Currently, we have a very weak opposition and I don't think they understand the difference between scrutiny and opposition
- One problem is engagement of one's own backbenchers to participate in scrutiny. It's often the poor relation, and shouldn't be
- Is aiming for political independence realistic and necessary? If you have people from both sides on committee, as long as they challenge effectively, that's all that matters
- I want to know about value for money, so I ask awkward questions. Politics comes into it when members score points to get votes. It suits my nature to be challenging and ask probing questions. But you need knowledge of subject to do this. A lot of colleagues don't have this
- The role of the Leader is key: they have to believe in good governance. Scrutiny's success depends on the attitude of the Leader, who needs to recognise that good scrutiny reflects on the reputation of council. Too many Leaders seek to block scrutiny
- Scrutiny is improved in authorities where scrutiny reports go to Full Council and not the executive
- Officers have to be supportive of scrutiny. It's not just about the Leader
- Some chairs can be fiercely independent regardless of which party has control. An effective chair of a scrutiny committee need to be apolitical and work collaboratively across party lines. A lot depends on the group of individuals on the committee
- A lack of political independence is often more pronounced in small shire district councils where there is often too much domination by strong leaders and executives
- There is a problem with committees lacking teeth - the executive will often not listen regardless of what scrutiny committees say

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- Joint scrutiny often works well, sometimes with different chairs. Working groups also increase political independence
- Decisions on who will chair a committee is often whipped vote, and there is considerable remuneration which binds chairs' approach
- The executive has control over scrutiny funding and budgets which is a big problem

Q2) Do officers and members working on scrutiny have sufficient resources, expertise and knowledge to deliver effective scrutiny?

Officers:

- Limited access to expertise is a bigger issue than resources: committees struggle to access expert advisors and find it hard to build relationships
- Scrutiny support is often combined with wider a corporate policy role, meaning officers often spend relatively little of their time actually working on scrutiny
- There is a tension in trying to scrutinise people with whom you might later seek to work with or for
- The reduced resources allocated to scrutiny has led to a corresponding reduction in scrutiny committees: local authorities cannot have committees that mirror each portfolio like in Parliament, leading to committees with extremely large remits
- Districts need to work better with upper tier authorities: on their own, districts are limited in what they can influence
- Scrutiny has fewer resources, but increasingly wide remits: it's not possible to do everything justice
- Health scrutiny has a huge workload so committees often struggle to do much more than the statutory requirements
- Scrutiny has become much leaner, but this is not necessarily a bad thing: it is more focussed now so that it achieves more impact and demands greater attention
- Accessing outside experts is easier in London as they are always relatively nearby
- Questioning skills for members are key, and remain the biggest training need
- Getting input from external experts such as academics is possible at the start of an inquiry, but sustaining this engagement throughout an inquiry is difficult
- There should be a separate budget for scrutiny, commissioning research and recommending options
- In authorities that are reducing staff numbers for budgetary reasons, more resources for scrutiny is often unrealistic

- In many councils, there are enough resources, but they aren't allocated appropriately: there needs to be a top-down reallocation of resources, with more priority given to the scrutiny team
- There is often a lot of resistance to scrutiny at the senior officer level. Many actively seek to keep scrutiny to a minimum, as they don't want to be challenged in what they're doing
- Information requested from senior officers is often sanitised or of limited usefulness. Officers need to realise they work for all councillors, not just the executive

Councillors:

- I'm not impressed by the quality of members. They need more training—it's only then they have the knowledge to ask probing questions
- We have people on our Committee with no expertise
- The way round the resource problem is to get members to do more work themselves.
- It is incumbent on members who chair committees and task and finish groups to take on knowledge and expertise and motivate other members to do so too
- The clerks don't prepare papers, someone from the relevant department (e.g. health and social care) does it
- We have found that scrutiny officers have taken on the role of being nothing more than glorified diary clerks. We need to motivate them to become more involved in the background and research. If you rely on reports from individual departments, they are too optimistic
- The key is understanding which questions to ask
- It's about the officers understanding the key role of scrutiny and not seeing it as a nuisance
- Commercial confidentiality is a big issue which impedes scrutiny committees
- Investment in member development is insufficient, but also hampered by large turnover of committee members
- Individual committees often have too wide a remit to cover individual issues sufficiently
- There is a growing trend to merge scrutiny function with corporate policy team. This negatively impacts on scrutiny because of conflicts of interest among officers
- Too many scrutiny committees remain talking shops. There should be more emphasis on measuring how effective scrutiny is in influencing policy and decisions
- Scrutiny staff must be completely separated from the executive

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- There has been a trend towards fewer members on scrutiny committees in recent years. This has negatively affected good scrutiny
- To give scrutiny more agency scrutiny reviews should be regularly produced which go to the full council for consideration
- More focus of scrutiny committees should be placed on upstream policy formation

Q3) If you could make a single change, what would you change about the way scrutiny in your authority operates?

Officers:

- The whole process should be more independent of departmental officers: chairs are reluctant to challenge or disagree with senior officers
- Having opposition chairs would get much better engagement and input from other members
- More members need to actually read their committee papers—however some officers make the papers intentionally long to dissuade members from doing so
- There is a capacity issue for ‘double-hatted’ councillors, and those who work in outside employment
- With meetings being held in the evenings, discussions can go on quite late: with many of the best councillors having demanding day jobs, it’s unrealistic to expect high performance
- Scrutiny committees should share expected questions with witnesses before meetings to ensure all information is available in advance: it shouldn’t be a closed-book exam as some officers can deflect questions by promising to look into an issue and write back later
- Scrutiny in general needs a higher profile, including the role of statutory scrutiny officer: people across the council should know who it is with their status being far closer to that of the monitoring officer
- Scrutiny has become too broad and complex over the years: it is not achievable to do everything asked of it. There needs to be a clear remit for scrutiny with up to date guidance from Government
- Scrutiny will only succeed if the Leader and Chief Executive think it is important—strong scrutiny chairs and strong scrutiny managers are required when they do not
- Ensuring legislation is enforced regarding undue interference from the Leader and cabinet
- Resident-led commissions help to improve scrutiny. Broadening the scrutiny process out to involve the public and prominent campaign groups, inviting them onto task groups, or to serve as chairs of commissions

- There should be an independent secretariat for scrutiny committees with separate ring-fenced budget, independent of the council, to create greater organisational autonomy
- Councils should be able to compel witnesses to attend from publicly funded bodies, such as housing associations
- Legislation relating to scrutiny powers should be simplified, putting them all into one place
- Removing conflicts of interests where scrutiny committees are supported by officers responsible for the policies that are being scrutinised

Councillors:

- Better selection of candidates to be councillors, as well as improving their calibre through training
- We need full time councillors: the part time nature of the role means variable quality
- It should be constitutionally established that scrutiny is on a level with cabinet
- Greater public involvement: if you want to be effective, what really changes a Leader's mind is people and residents, and if you don't get them to meetings, you won't make changes
- Statutory Scrutiny Officers are too low down the food chain to influence people. This statutory post has to be a similar level and have access to the corporate management level
- We've also got to make use of modern technology. It's about getting the message out through facebook and twitter
- One of the changes is taking meetings out in the community
- Political groups need to treat each other with fairness and respect
- Completely disconnect all aspects of scrutiny (formation, governance, resources) from the executive
- Increase connection with residents and public through co-opted members. More witnesses and public evidence sessions
- Clearer feedback loops to quantify scrutiny influence
- Council leadership should be assessed on how they take into account work of scrutiny committees, for example through annual report on scrutiny considered by full Council or annual evidence sessions with cabinet members
- Allocate chairs on the basis of political proportionality
- All scrutiny work should be considered by Full Council, rather than the cabinet

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52 Effectiveness of local authority overview and scrutiny committees

Formal Minutes

Monday 11 December 2017

Members present:

Mr Clive Betts, in the Chair

Mike Amesbury	Fiona Onasanya
Bob Blackman	Mark Prisk
Helen Hayes	Mary Robinson
Kevin Hollinrake	Liz Twist
Andrew Lewer	

Draft Report (*Effectiveness of local authority overview and scrutiny committees*) proposed by the Chair, brought up and read.

Ordered, That the Draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 104 read and agreed to.

Summary agreed to.

Annex agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned until Monday 18 December at 2.15 p.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 16 October 2017

Question number

Professor Colin Copus, Director of the Local Governance Research Unit, De Montfort University; **Jacqui McKinlay**, Chief Executive, Centre for Public Scrutiny (CfPS); **Councillor Marianne Overton**, Leader of the Independent Group, Local Government Association

[Q1-43](#)

Monday 30 October 2017

Councillor Mary Evans, Chair of Scrutiny Committee, Suffolk County Council; **Councillor Sean Fitzsimons**, Chair of Scrutiny and Overview Committee, Croydon Council; **Councillor John Cotton**, Lead Scrutiny Member, Birmingham City Council

[Q44-82](#)

Jennette Arnold OBE AM, Chair, London Assembly; **Ed Williams**, Executive Director, Secretariat, London Assembly; **Susan Ford**, Scrutiny Manager, Greater Manchester Combined Authority; **Councillor Peter Hughes**, Chair, Overview and Scrutiny Committee, West Midlands Combined Authority

[Q83-107](#)

Monday 6 November 2017

Marcus Jones MP, Minister for Local Government, Department for Communities and Local Government

[Q108-152](#)

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54 Effectiveness of local authority overview and scrutiny committees

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

OSG numbers are generated by the evidence processing system and so may not be complete.

- 1 B4RDS (Broadband for Rural Devon & Somerset) ([OSG0006](#))
- 2 Birmingham City Council ([OSG0002](#))
- 3 Chester Community Voice UK ([OSG0022](#))
- 4 Councillor Tony Dawson ([OSG0019](#))
- 5 Dr Laurence Ferry ([OSG0017](#))
- 6 Dr Linda Miller ([OSG0018](#))
- 7 F&G BUILDERS LTD ([OSG0005](#))
- 8 Gwen Swinburn ([OSG0015](#))
- 9 Heston Residents' Association ([OSG0008](#))
- 10 Local Government and Social Care Ombudsman ([OSG0007](#))
- 11 MNRAG ([OSG0020](#))
- 12 Mr Bryan Rylands ([OSG0003](#))
- 13 Mr Mark Baynes ([OSG0009](#))
- 14 Mr Stephen Butters ([OSG0001](#))
- 15 Ms Christine Boyd ([OSG0013](#))
- 16 Ms Jacqueline Thompson ([OSG0012](#))
- 17 Nicolette Boater ([OSG0016](#))
- 18 North Lincolnshire Council ([OSG0021](#))
- 19 Research for Action ([OSG0014](#))
- 20 Susan Hedley ([OSG0004](#))

The following written evidence was received in the last Parliament by the previous Committee for this inquiry and can be viewed on the [inquiry publications page](#) of the Committee's website.

- 1 A Journalist ([OSG0004](#))
- 2 ADSO ([OSG0123](#))
- 3 An Officer from a London Borough ([OSG0091](#))
- 4 Anonymous ([OSG0006](#))
- 5 Anonymous ([OSG0065](#))
- 6 Anonymous ([OSG0103](#))
- 7 Bedford Borough Conservative Group ([OSG0069](#))
- 8 Birmingham City Council ([OSG0087](#))
- 9 Bournemouth Borough Council ([OSG0071](#))
- 10 Bracknell Forest Council ([OSG0010](#))
- 11 Bristol City Council ([OSG0082](#))
- 12 Broadland District Council ([OSG0014](#))
- 13 Cardiff Business School ([OSG0056](#))
- 14 Central Bedfordshire Council ([OSG0019](#))
- 15 Centre for Public Scrutiny Ltd ([OSG0098](#))
- 16 Charnwood Borough Council ([OSG0080](#))
- 17 Chesterfield Borough Council ([OSG0052](#))
- 18 Citizens Advice ([OSG0076](#))
- 19 Cllr Jenny Roach ([OSG0104](#))
- 20 Committee on Standards in Public Life ([OSG0027](#))
- 21 Cornwall Council ([OSG0051](#))
- 22 Councillor Ann Munn ([OSG0109](#))
- 23 Councillor Charles Wright ([OSG0088](#))
- 24 Councillor Chris Kennedy ([OSG0106](#))
- 25 Councillor James Dawson ([OSG0016](#))
- 26 Councillor James Dawson ([OSG0118](#))
- 27 County and Unitary Councils' Officer Overview and Scrutiny Network ([OSG0114](#))
- 28 Debt Resistance UK ([OSG0094](#))
- 29 Department for Communities and Local Government ([OSG0122](#))
- 30 Devon County Council ([OSG0008](#))
- 31 Dr Laurence Ferry ([OSG0023](#))
- 32 Dr Linda Miller ([OSG0095](#))
- 33 Dudley MBC ([OSG0058](#))
- 34 Durham County Council ([OSG0079](#))
- 35 Ealing Council ([OSG0041](#))
- 36 East Devon Alliance ([OSG0040](#))

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- 37 East Riding of Yorkshire Council ([OSG0061](#))
- 38 Epping Forest District Council ([OSG0012](#))
- 39 Erewash Labour Group ([OSG0013](#))
- 40 Exeter City Council ([OSG0011](#))
- 41 Federation of Enfield residents & Allied Associations ([OSG0097](#))
- 42 Gloucestershire County Council ([OSG0050](#))
- 43 Green group on Norwich City Council ([OSG0057](#))
- 44 Hereford and South Herefordshire Green Party ([OSG0119](#))
- 45 Herefordshire Council ([OSG0101](#))
- 46 INLOGOV ([OSG0053](#))
- 47 Institute of Local Government Studies, University of Birmingham ([OSG0115](#))
- 48 It's Our County ([OSG0124](#))
- 49 Julian Joinson ([OSG0112](#))
- 50 Ken Lyle ([OSG0032](#))
- 51 Leeds City Council ([OSG0043](#))
- 52 Leicestershire County Council ([OSG0036](#))
- 53 Lewisham Overview and Scrutiny Business Panel ([OSG0078](#))
- 54 Liberal Democrats on Wokingham Borough Council ([OSG0125](#))
- 55 Local Governance Research Unit, De Montfort University ([OSG0022](#))
- 56 Local Government Association ([OSG0081](#))
- 57 London Assembly ([OSG0117](#))
- 58 London Borough of Enfield ([OSG0075](#))
- 59 London Borough of Hackney ([OSG0110](#))
- 60 London Borough of Merton ([OSG0037](#))
- 61 London Borough of Tower Hamlets ([OSG0105](#))
- 62 Marc Hudson ([OSG0116](#))
- 63 Medway Council ([OSG0021](#))
- 64 Mr G M Rigler ([OSG0002](#))
- 65 Mr Gerry O'Leary ([OSG0092](#))
- 66 Mr John Galvin ([OSG0102](#))
- 67 Mr Martyn Lewis ([OSG0003](#))
- 68 Mr Peter Cain ([OSG0007](#))
- 69 Mrs Tracy Reader ([OSG0009](#))
- 70 Ms Christine Boyd ([OSG0086](#))
- 71 Ms Jacqueline Annette Thompson ([OSG0074](#))
- 72 Newcastle City Council ([OSG0015](#))
- 73 NHS Providers ([OSG0064](#))
- 74 Nicolette Boater ([OSG0107](#))

- 75 North East Combined Authority ([OSG0084](#))
- 76 North East Councils Scrutiny Officers Network ([OSG0083](#))
- 77 North Tyneside Council - Scrutiny Chairs/Deputy Chairs ([OSG0028](#))
- 78 North Yorkshire County Council ([OSG0018](#))
- 79 Nottingham City Council ([OSG0024](#))
- 80 Officer from a Fire & Rescue Authority ([OSG0121](#))
- 81 Pendle Borough Council ([OSG0020](#))
- 82 Rachel Collinson ([OSG0066](#))
- 83 Ryedale District Council ([OSG0030](#))
- 84 Scrutiny Committee of East Devon District Council ([OSG0035](#))
- 85 Sheffield City Council ([OSG0073](#))
- 86 Sheffield for Democracy ([OSG0025](#))
- 87 South Gloucestershire Council ([OSG0113](#))
- 88 Southampton City Council ([OSG0029](#))
- 89 St Albans City and District Council ([OSG0099](#))
- 90 Stevenage Borough Council ([OSG0060](#))
- 91 Stockton on Tees Borough Council ([OSG0077](#))
- 92 Suffolk County Council ([OSG0054](#))
- 93 Sunderland City Council ([OSG0067](#))
- 94 Susan Hedley ([OSG0038](#))
- 95 The Society of Local Authority Chief Executives and Senior Managers (Solace) ([OSG0068](#))
- 96 Trafford Council ([OSG0048](#))
- 97 Villages Focus Group ([OSG0063](#))
- 98 Walsall Council ([OSG0085](#))
- 99 West Sussex County Council ([OSG0026](#))
- 100 Westminster City Council ([OSG0039](#))
- 101 Wiltshire Council ([OSG0034](#))
- 102 Woking Borough Council Overview & Scrutiny Committee ([OSG0100](#))
- 103 Woodhouse Parish Council ([OSG0111](#))
- 104 Worcestershire County Council ([OSG0033](#))
- 105 Wyre Council ([OSG0047](#))
- 106 Wyre Council Labour Group Of Councillors ([OSG0042](#))

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Government Response to the Communities and Local Government Committee First Report of Session 2017-19 on the Effectiveness of Local Authority Overview and Scrutiny Committees

Presented to Parliament
by the Secretary of State for
Housing, Communities and Local Government
by Command of Her Majesty

March 2018

CM 9569

Agenda Item 9



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Government Response to the Communities and Local Government Committee First Report of Session 2017–19 on the Effectiveness of Local Authority Overview and Scrutiny Committees

Introduction

In September 2017, the Communities and Local Government Select Committee relaunched the inquiry into the effectiveness of local authority overview and scrutiny committees that had been started by its predecessor earlier that year. The Select Committee published its report on 15 December 2017: <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/369/36902.htm>.

The Government will be looking at further ways to extend and improve transparency and is grateful both to the Committee for its consideration of the effectiveness of overview and scrutiny committees and to all those organisations and individuals who provided oral and written evidence.

Scrutiny can play a vital role in ensuring local accountability on a wide range of local issues. It is one of the key checks and balances in the system and the Government is committed to ensuring councils are aware of its importance, understand the benefits effective scrutiny can bring and have access to best practice to inform their thinking.

The Government firmly believes that every council is best-placed to decide which scrutiny arrangements suit its individual circumstances, and so is committed to ensuring that they have the flexibility they need to put those arrangements in place.

The Government is pleased the Select Committee acknowledges overview and scrutiny is functioning effectively in many local authorities and that committees are playing a key role in helping executives develop and review policy. The Government accepts, however, that in some councils scrutiny is not functioning as well as might be expected.

The Select Committee has made a number of recommendations, most, but not all, of which are for the Government to consider. The response in the following pages addresses only those recommendations aimed at the Government.

Recommendation 1: Proposed revisions to Government guidance on scrutiny committees (Page 7)

- a) That 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.**
- b) That scrutiny committees and the executive must be distinct and that executive councillors should not participate in scrutiny other than as witnesses, even if external partners are being scrutinised.**
- c) That councillors working on scrutiny committees should have access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity.**

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- d) That scrutiny committees should be supported by officers that are able to operate with independence and offer impartial advice to committees. There should be a greater parity of esteem between scrutiny and the executive, and committees should have the same access to the expertise and time of senior officers and the chief executive as their cabinet counterparts.
- e) That members of the public and service users have a fundamental role in the scrutiny process and that their participation should be encouraged and facilitated by councils.

Government Response:

The Government acknowledges that the current guidance was issued in 2006 and is happy to ensure it is updated. New guidance will be published later this year.

- a) The Government notes the evidence supplied to the Committee. Updated guidance will recommend that scrutiny committees report to the Full Council.
- b) The Government accepts the need to limit the executive's involvement in the scrutiny meetings. Updated guidance will make clear that members of the executive should not participate in scrutiny other than as witnesses.
- c) Scrutiny committees already have powers to access documents and updated guidance will stress that councils should judge each request to access sensitive documents on its merits and not refuse as a matter of course. We will also have discussions 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.
- d) Updated guidance will make clear that support officers should be able to operate independently and provide impartial advice. It will also stress the need for councils to recognise and value the scrutiny function and the ways in which it can increase a council's effectiveness. However, the Government believes that each council should decide for itself how to resource scrutiny committees, including how much access to senior officers is appropriate to enable them to function effectively.
- e) The Government fully believes that local authorities should take account of the views of the public and service users in order to shape and improve their services. Scrutiny is a vital part of this, and scrutiny committees should actively encourage public participation. Updated guidance will make this clear.

Recommendation 2: That DCLG works with the Local Government Association and Centre for Public Scrutiny to identify willing councils to take part in a pilot scheme where the impact of elected chairs on scrutiny's effectiveness can be monitored and its merits considered (Paragraph 35).

Government Response:

The Government will give further consideration to this recommendation.

The Government fully accepts that the chair of a scrutiny committee can have a great impact on its effectiveness. As the then Minister told the Select Committee at the oral evidence session on 6 November 2017, a chair needs to have the requisite skills, knowledge and acumen to take on the functions and achieve the outcomes that the scrutiny committee needs to achieve.

The Government also accepts that, in some instances, the election, rather than the appointment, of a chair might help ensure that the right individual is ultimately selected, but feels that this is a decision for every council to make for itself - we note that the Select Committee is "wary of proposing that [election] is imposed upon authorities by Government".

A local authority is already free to elect a chair if it wishes, and the updated guidance will recommend that every council bears this in mind when deciding on a method for selecting a chair.

The Government is happy to explore with the sector how best to establish the impact of elected chairs on scrutiny committees' effectiveness, but is not yet convinced that running pilot schemes is the best way to achieve this. The Government will therefore discuss this recommendation with the sector, including the Local Government Association and Centre for Public Scrutiny, and write to the Select Committee on this matter when we publish updated guidance.

Recommendation 3: Councils should be required to publish a summary of resources allocated to scrutiny, using expenditure on executive support as a comparator (Paragraph 62)

Government Response:

The Government does not accept this recommendation.

Many councils do not have dedicated scrutiny support staff - officers work on issues and engage with committees as part of the flow of business - so this would make quantifying the support that scrutiny committees receive very difficult. In the Government's view, the quality of the support is the more important issue.

The Government firmly believes that each individual authority is best-placed to decide for itself how to support scrutiny most effectively.

Recommendation 4: That the Government extend the requirement of a Statutory Scrutiny Officer to all councils and specify that the post-holder should have a seniority and profile of equivalence to the council's corporate management team. To give greater prominence to the role, Statutory Scrutiny Officers should also be required to make regular reports to Full Council on the state of scrutiny, explicitly identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them (Paragraph 65).

Government Response:

The Government does not accept this recommendation.

As the then Minister outlined during the oral evidence he gave to the Select Committee, decisions about the allocation of resources for the scrutiny function are best made at a local level. Each council is best-placed to know which arrangements will suit its own individual circumstances. It is not a case of one size fits all.

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The key requirement for effective scrutiny is that the culture of the council is right. Where councils recognise the benefits effective scrutiny can bring, and put in place suitable arrangements, it is working well. Local authorities with a strong culture of scrutiny may invite regular reports to full council on the state of scrutiny in the council and this idea will be reflected in the updated guidance.

Recommendation 5: The Department to put monitoring systems in place and consider whether the support to committees needs to be reviewed and refreshed. We invite the Department to write to us in a year's time detailing its assessment of the value for money of its investment in the Local Government Association and on the wider effectiveness of local authority scrutiny committees (Paragraph 76).

Government Response:

The Government does not accept this recommendation. Local authorities are independent bodies and it is for them to ensure that their scrutiny arrangements are effective.

The Government firmly believes that every council should be able to access the training it needs to carry out its functions effectively, and recognises that Government itself has a role to play in making this happen. That is why we provide funding to the Local Government Association for sector-led improvement work. It should be noted that this funding is to support local authorities on a wide range of improvement work. It is not purely to assist with overview and scrutiny.

The funding is determined annually and for 2017/18 is £21 million. The package of work that is funded from the grant is set out in a jointly agreed Memorandum of Understanding between the Department and the Local Government Association, which is refreshed annually to ensure that it remains relevant to the sector's needs.

The Government is, of course, very keen to ensure that this funding provides value for money and that local authorities feel that the training on offer serves their needs. To this end, the Department has quarterly performance monitoring and review meetings with the Local Government Association, which are chaired by the Director-General for Local Government and Public Services.

The Government notes that not all the councillors who provided evidence to the Select Committee felt that the scrutiny training provided was as effective as they would have liked, and that the Local Government Association wrote to the Committee on 20 December 2017 to provide more information on the feedback it received on its support work.

The Government will ensure that the 2018/19 Memorandum of Understanding with the Local Government Association clearly sets out our expectation that they remain responsive to feedback they receive to ensure all training, including scrutiny training, remains relevant and effective.

Recommendation 6: Scrutiny committees must be able to monitor and scrutinise the services provided to residents. This includes services provided by public bodies and those provided by commercial organisations. Committees should be able to access information and require attendance at meetings from service providers and we call on DCLG to take steps to ensure this happens (Paragraph 90).

Government Response:

Updated guidance will remind councils of the requirements set out in regulations that allow scrutiny members to access exempt or confidential documents in certain circumstances. As mentioned in response to the Select Committee's recommendation on guidance, the Department will also have discussions 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.

In terms of service providers' attendance at meetings, when councils are tendering contracts with external bodies they should carefully consider including requirements to ensure they are as open and transparent as appropriate. Ultimately, however, it is up to each council to decide how best to hold to account those who run its services.

Recommendation 7: The Government to make clear how LEPs are to have democratic, and publicly visible, oversight. We recommend that upper tier councils, and combined authorities where appropriate, should be able to monitor the performance and effectiveness of LEPs through their scrutiny committees. In line with other public bodies, scrutiny committees should be able to require LEPs to provide information and attend committee meetings as required (Paragraph 96).

Government Response:

The Government agrees on the importance of clear and transparent oversight of Local Enterprise Partnerships (LEPs). The Industrial Strategy made clear the continuing important role of LEPs in delivering local economic growth.

The MHCLG Non-Executive Director Review (published in October 2017), looked at a range of governance issues for LEPs. The Review made a series of recommendations that we have accepted in full and are now implementing. As part of this we have published guidance for LEPs on a range of issues including publication of agenda and papers for LEP Board meetings. This will make the proceedings of LEPs more transparent for local people.

The National Assurance Framework for LEPs states that democratic accountability for the decisions made by the LEP is provided through local authority leader membership of LEP Boards. In places where not all local authorities are represented directly on the LEP board it is important that their representatives have been given a mandate through arrangements which enable collective engagement with all local authority leaders. Many LEPs already go much further in allowing democratic scrutiny of their decision making.

The MHCLG Non-Executive Director Review into LEP governance and transparency explored the extent to which scrutiny was embedded into LEP decision making. The review acknowledged that each LEP had their own arrangements to reflect: legal structure, the complexity and needs of the locality and local requirements to ensure value for money; engagement; and democratic accountability. The Review concluded that it was not appropriate to be prescriptive on the specific arrangements that all LEPs needed to adopt due to the variation in LEP operating models.

The Government committed in the Industrial Strategy White Paper to reviewing the roles and responsibilities of LEPs and to bringing forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries. Working with LEPs, the Government committed to set out a more clearly defined set of activities and objectives in early 2018. MHCLG will write to the Select Committee following the conclusion of this Ministerial review into LEPs to provide an update.

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Recommendation 8: We are concerned that effective scrutiny of the Metro Mayors will be hindered by under-resourcing, and call on the Government to commit more funding for this purpose. When agreeing further devolution deals and creating executive mayors, the Government must make clear that scrutiny is a fundamental part of any deal and that it must be adequately resourced and supported. (Paragraph 104)

Government Response:

The Government accepts this recommendation.

At the Budget it was announced that the government will make available to mayoral combined authorities with elected mayors a £12 million fund for 2018-19 and 2019-20, to boost the new mayors' capacity and resources. Combined Authorities could use some of this resource to ensure that scrutiny and accountability arrangements within the CAs are effectively resourced and supported.

Further to this, the recent Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, developed with assistance from the Centre for Public Scrutiny and the National Audit Office, provides for the rules of operation for local overview and scrutiny and audit committees to robustly hold combined authorities and mayors to account. The order ensures that there are strong scrutiny arrangements in place consistently across every combined authority area and sets out clear requirements, strengthened appropriately to match the new powers and budgets being devolved, for the arrangement of overview and scrutiny and audit committees in all combined authorities.

Combined authorities are subject to existing relevant legislation applying to local authorities, including the strong finance and audit requirements around ensuring value for money and sustainability. Local democratic accountability, including through the scrutiny of directly-elected mayors, is a crucial and fundamental aspect of devolution.

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Report to:	Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services)	Date of Meeting:	11 September 2018
Subject:	Work Programme 2018/19, Scrutiny Review Topics and Key Decision Forward Plan		
Report of:	Head of Regulation and Compliance	Wards Affected:	All
Cabinet Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To update the Committee on the Work Programme for 2018/19, topics for scrutiny reviews to be undertaken by a Working Group(s) appointed by the Committee and identify any items for pre-scrutiny by the Committee from the Key Decision Forward Plan.

Recommendation:

That:-

- (1) the Work Programme for 2018/19, as set out in Appendix 1 to the report, be considered, along with any additional items to be included and thereon be agreed;
- (2) the report on the "Tool-Kit" for the Armed Forces Covenant be submitted to the next meeting of the Committee to be held on 30 October 2018; and
- (3) the Committee considers items for pre-scrutiny from the Key Decision Forward Plan as set out in Appendix 2 to the report, which fall under the remit of the Committee and any agreed items be included in the work programme referred to in (1) above.

Reasons for the Recommendation(s):

The determination of the Work Programme containing items to be considered during the Municipal Year 2018/19 and the identification of scrutiny review topics demonstrates that the work of the Overview and Scrutiny 'adds value' to the Council.

The pre-scrutiny process assists effective decision making by examining issues before the Cabinet Member or Cabinet make formal decisions.

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Alternative Options Considered and Rejected: (including any Risk Implications)

No alternative options have been considered as the Overview and Scrutiny Committee needs to approve its Work Programme and identify scrutiny review topics.

What will it cost and how will it be financed?

There are no direct financial implications arising from this report. Any financial implications arising from the consideration of a key decision or relating to a recommendation arising from a Working Group review will be reported to Members at the appropriate time.

(A) Revenue Costs – see above

(B) Capital Costs – see above

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): None
Legal Implications: None
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: None directly applicable to this report but reference in the Work Programme to the approval of, and monitoring of recommendations contained in the Licensing/Child Sexual Exploitation Working Group Final Report will help to protect vulnerable members of Sefton's communities.

The report makes reference to the Digital inclusion Working Group. Digital inclusion is a principal and approach that aims to ensure that people have the capability to use the internet to do things that benefit them on a day to day basis - whether they be individuals, businesses or other entities e.g. the voluntary sector.

Likewise digital inclusion aims to reduce digital exclusion and the digital divide that can exist within society for a variety of reasons

The government's Information Economy Strategy called for greater focus on digital inclusion in order to:

- help businesses make smart use of information technology and data;
- ensure citizens benefit from the digital age; and
- underpin economic growth

Digital inclusion will be one of the areas that the Council will seek to contribute to and enable within the Borough of Sefton and as such this Working Group can help to develop a series of recommendations and principles for consideration as part of this work.

Facilitate confident and resilient communities: None directly applicable to this report

but reference in the Work Programme to the approval of, and monitoring of a recommendation contained in the Licensing/Child Sexual Exploitation Working Group Final report to make parents/guardians in Sefton aware of an online learning tool to learn the signs and indicators of when a child might be being exploited will create the capacity and motivation for parents/guardians to get involved and create an environment in which they are less reliant on public sector support. See also reference to the Digital Inclusion Working Group referred to above.
Commission, broker and provide core services: None directly applicable to this report but reference in the Work Programme to the presentation on the update on the Commissioning and the Procurement Policy will raise awareness of associated issues with Members. See also reference to the Digital Inclusion Working Group referred to above.
Place – leadership and influencer: None directly applicable to this report.
Drivers of change and reform: None directly applicable to this report. See reference to the Digital Inclusion Working Group referred to above.
Facilitate sustainable economic prosperity: None directly applicable to this report. See reference to the Digital Inclusion Working Group referred to above.
Greater income for social investment: None directly applicable to this report.
Cleaner Greener: None directly applicable to this report but reference in the Work Programme to the submission of the report on Air Quality Monitoring will raise awareness of associated issues with Members.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Work Programme Report is not subject to FD/LD consultation. Any specific financial and legal implications associated with any subsequent reports arising from the report will be included in those reports as appropriate

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee meeting.

Contact Officer:	Paul Fraser
Telephone Number:	0151 934 2068
Email Address:	Paul.fraser@sefton.gov.uk

Appendices:

The following appendices are attached to this report:

- Overview and Scrutiny Committee Work Programme for 2018/19
- Latest Key Decision Forward Plan items relating to this Overview and Scrutiny Committee

Background Papers:

There are no background papers available for inspection.

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Introduction/Background

1. WORK PROGRAMME 2017/18

- 1.1 The Committee at its meeting held on 12 June 2018 approved a Work Programme of items to be submitted to the Committee for consideration during the Municipal Year 2018/19 and the Work Programme is set out in **Appendix 1** to the report. The programme has been produced in liaison with the appropriate Heads of Service, whose roles fall under the remit of the Committee.
- 1.2 Members are also requested to consider whether there are any other items that they wish the Committee to consider, that fall within the terms of reference of the Committee. The Work Programme will be submitted to each meeting of the Committee during 2018/19 and updated, as appropriate.
- 1.3 The Work Programme indicates that a report will be submitted to this meeting on the “Tool-Kit” for Armed Forces Covenant. Information is still awaited from the Liverpool City Region on this matter and therefore it is recommended that the report be submitted to the next meeting to be held on 30 October 2018. The Work Programme (**Appendix 1**) has been updated to reflect this change.

2. SCRUTINY REVIEW TOPICS 2018/19

- 2.1 At its meeting held on 12 June 2018 the Committee agreed to the establishment of a Working Group to review the topic of “Digital Inclusion”; and that following the completion of this review a Working Group be established to review the topic of the Council’s Ethical Business Practices. The Committee at its meeting held on 12 June 2018 reaffirmed this decision.
- 2.2 Councillors Bradshaw, Linda Cluskey, Daniel Lewis, McKinley and Michael O’Brien together with a representative of Sefton CVS were appointed to serve on the Digital Inclusion Working Group.
- 2.3 The Digital Inclusion Working Group has met on numerous occasions and it is anticipated that its Final Report will be submitted to Cabinet on 4 October 2018.
- 2.4 Elsewhere on the agenda is a report updating on the implementation of the recommendations arising from the Area Committees Working Group.

3. PRE-SCRUTINY OF ITEMS IN THE KEY DECISION FORWARD PLAN

- 3.1 Members may request to pre-scrutinise items from the Key Decision Forward Plan which fall under the remit (terms of reference) of this Committee. The Forward Plan which is updated each month, sets out the list of items to be submitted to the Cabinet for consideration during the next four month period.
- 3.2 The pre-scrutiny process assists effective decision making by examining issues before the Cabinet Member or Cabinet make formal decisions.
- 3.3 The Overview and Scrutiny Management Board has requested that only those key decisions that fall under the remit of each Overview and Scrutiny Committee should be included on the agenda for consideration.

- 3.4 The latest Forward Plan, published on 31 August 2018 is attached at **Appendix 2** for this purpose. For ease of identification, items listed on the Forward Plan for the first time appear as shaded.
- 3.5 Should Members require further information in relation to any item on the Key Decision Forward Plan, would they please contact the relevant Officer named against the item in the Plan, prior to the Meeting.
- 3.6 The Committee is invited to consider items for pre-scrutiny from the Key Decision Forward Plan as set out in **Appendix 2** to the report, which fall under the remit of the Committee and any agreed items be included in the Work Programme referred to in (1) above.

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APPENDIX 1

OVERVIEW AND SCRUTINY COMMITTEE (REGULATORY, COMPLIANCE AND CORPORATE SERVICES) WORK PROGRAMME 2018/19

	12 JUNE 18	11 SEPTEMBER 18	30 OCTOBER 18	15 JANUARY 19	12 FEBRUARY 19 (BUDGET MEETING)	5 MARCH 19
Cabinet Member Update Report	X	X	X	X		X
Work Programme Update	X	X	X	X		X
Service Operational Reports:						
Review of the Council Tax Reduction Scheme				X		
Disposal of Surplus Council Owned Land						X
Scrutiny Review Progress Reports:						
Universal Credit and Full Service Sefton Council				X		
Air Quality Monitoring				X		
Disciplinary and Grievance Procedures and Sickness Absence Monitoring			X			
Area Committees Working Group – Update on Implementation of Recommendations		X				X
Licensing/Child Sexual Exploitation Working Group – Update on Implementation of Recommendations	X			X		

APPENDIX 1

Discretionary Relief for Business Rates following the Revaluation of 2017	x					
“Tool-Kit” for Armed Forces Covenant			x			
Financial Scrutiny:						
Budget Savings Options Proposals					x	
Update On Listed Budget Savings Performance and Forecast on Council Tax and Business Rates Collection		x	x		x	
Presentations						
The arvato Contract (the meeting on 15/01/19 to update on arvato transition post October 2018)	x			x		
Update on Commissioning and the Procurement Policy			x			
Asset Management and the Accommodation Strategy		x				
Social Media Use and Effectiveness			x			



SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

FOR THE FOUR MONTH PERIOD 1 OCTOBER 2018 - 31 JANUARY 2019

This Forward Plan sets out the details of the key decisions which the Cabinet, individual Cabinet Members or Officers expect to take during the next four month period. The Plan is rolled forward every month and is available to the public at least 28 days before the beginning of each month.

A Key Decision is defined in the Council's Constitution as:

1. any Executive decision that is not in the Annual Revenue Budget and Capital Programme approved by the Council and which requires a gross budget expenditure, saving or virement of more than £100,000 or more than 2% of a Departmental budget, whichever is the greater;
2. any Executive decision where the outcome will have a significant impact on a significant number of people living or working in two or more Wards

As a matter of local choice, the Forward Plan also includes the details of any significant issues to be initially considered by the Executive Cabinet and submitted to the Full Council for approval.

Anyone wishing to make representations about any of the matters listed below may do so by contacting the relevant officer listed against each Key Decision, within the time period indicated.

Under the Access to Information Procedure Rules set out in the Council's Constitution, a Key Decision may not be taken, unless:

- it is published in the Forward Plan;
- 5 clear days have lapsed since the publication of the Forward Plan; and
- if the decision is to be taken at a meeting of the Cabinet, 5 clear days notice of the meeting has been given.

The law and the Council's Constitution provide for urgent key decisions to be made, even though they have not been included in the Forward Plan in accordance with Rule 26 (General Exception) and Rule 28 (Special Urgency) of the Access to Information Procedure Rules.

Copies of the following documents may be inspected at the Town Hall, Oriel Road, Bootle L20 7AE or accessed from the Council's website: www.sefton.gov.uk

- Council Constitution
- Forward Plan
- Reports on the Key Decisions to be taken
- Other documents relating to the proposed decision may be submitted to the decision making meeting and these too will be made available by the contact officer named in the Plan
- The minutes for each Key Decision, which will normally be published within 5 working days after having been made

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APPENDIX 2

Some reports to be considered by the Cabinet/Council may contain exempt information and will not be made available to the public. The specific reasons (Paragraph No(s)) why such reports are exempt are detailed in the Plan and the Paragraph No(s) and descriptions are set out below:-

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the Authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings
6. Information which reveals that the authority proposes a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or b) to make an order or direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime
8. Information falling within paragraph 3 above is not exempt information by virtue of that paragraph if it is required to be registered under—
 - (a) the Companies Act 1985;
 - (b) the Friendly Societies Act 1974;
 - (c) the Friendly Societies Act 1992;
 - (d) the Industrial and Provident Societies Acts 1965 to 1978;
 - (e) the Building Societies Act 1986; or
 - (f) the Charities Act 1993.
9. Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country Planning General Regulations 1992
10. Information which—
 - (a) falls within any of paragraphs 1 to 7 above; and
 - (b) is not prevented from being exempt by virtue of paragraph 8 or 9 above, is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Members of the public are welcome to attend meetings of the Cabinet and Council which are held at the Town Hall, Oriel Road, Bootle or the Town Hall, Lord Street, Southport. The dates and times of the meetings are published on www.sefton.gov.uk or you may contact the Democratic Services Section on telephone number 0151 934 2068.

NOTE:

For ease of identification, items listed within the document for the first time will appear shaded.

Margaret Carney
Chief Executive

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FORWARD PLAN INDEX OF ITEMS

Item Heading	Officer Contact
Digital Inclusion Working Group Final Report	Paul Fraser paul.fraser@sefton.gov.uk Tel: 0151 934 2068
Transactional Finance, HR / Payroll and ICT Services - October 2018	Christine Finnigan christine.finnigan@sefton.gov.uk Tel: 0151 934 4161
Revenue and Capital Budget Plan 2018/19 – 2019/20 - October 2018	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104
Revenue and Capital Budget Plan 2018/19 – 2019/20 - November 2018	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104
Revenue and Capital Budget Plan 2018/19 – 2019/20 - December 2018	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104
Revenue and Capital Budget Plan 2018/19 – 2019/20 - January 2019	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Digital Inclusion Working Group Final Report To present formally the final report of the Digital Inclusion Working Group.			
Decision Maker	Cabinet			
Decision Expected	4 Oct 2018			
Key Decision Criteria	Financial	No	Community Impact	Yes
Exempt Report	Open			
Wards Affected	All Wards			
Scrutiny Committee Area	Regulatory, Compliance and Corporate Services			
Persons/Organisations to be Consulted	Hugh Baird College; Liverpool City Region Combined Authority; Sefton Adult Learning Service; Registered Social Landlords; Older Persons' Forum Co-ordinator for Sefton Advocacy; Sefton CVS			
Method(s) of Consultation	Meetings; Emails			

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List of Background Documents to be Considered by Decision-maker	Digital Inclusion Working Group Final Report
Contact Officer(s) details	Paul Fraser paul.fraser@sefton.gov.uk Tel: 0151 934 2068

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Transactional Finance, HR / Payroll and ICT Services - October 2018 To consider any matters related to the Arvato transition for Transactional Finance, HR / Payroll and ICT Services.			
Decision Maker	Cabinet			
Decision Expected	4 Oct 2018			
Key Decision Criteria	Financial	Yes	Community Impact	No
Exempt Report	Open			
Wards Affected	All Wards			
Scrutiny Committee Area	Regulatory, Compliance and Corporate Services			
Persons/Organisations to be Consulted	Cabinet Member – Regulatory, Compliance and Corporate Services; Head of Corporate Resources; and Head of Regulation and Compliance			
Method(s) of Consultation	Briefing documents; Meetings			
List of Background Documents to be Considered by Decision-maker	Transactional Finance, HR / Payroll and ICT Services			
Contact Officer(s) details	Christine Finnigan christine.finnigan@sefton.gov.uk Tel: 0151 934 4161			

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Revenue and Capital Budget Plan 2018/19 – 2019/20 - October 2018
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	To consider any issues required for the preparation, monitoring, reporting and amendment of the revenue and capital financial plans 2018/19 – 2019/20, including Government grants, financial pressures and service changes.			
Decision Maker	Cabinet			
Decision Expected	4 Oct 2018			
Key Decision Criteria	Financial	Yes	Community Impact	Yes
Exempt Report	Open			
Wards Affected	All Wards			
Scrutiny Committee Area	Regulatory, Compliance and Corporate Services			
Persons/Organisations to be Consulted	Cabinet, Chief Executive, Strategic Leadership Board, Trade Unions, Staff and relevant organisations as appropriate.			
Method(s) of Consultation	Individual budget saving options / amendments to the budget will be subject to appropriate consultation – internal and external to the Council (as appropriate).			
List of Background Documents to be Considered by Decision-maker	Revenue and Capital Budget Plan 2018/19 – 2019/20			
Contact Officer(s) details	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104			

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Revenue and Capital Budget Plan 2018/19 – 2019/20 - November 2018 To consider any issues required for the preparation, monitoring, reporting and amendment of the revenue and capital financial plans 2018/19 – 2019/20, including Government grants, financial pressures and service changes.
Decision Maker	Cabinet
Decision Expected	1 Nov 2018

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Key Decision Criteria	Financial	Yes	Community Impact	Yes
Exempt Report	Open			
Wards Affected	All Wards			
Scrutiny Committee Area	Regulatory, Compliance and Corporate Services			
Persons/Organisations to be Consulted	Cabinet, Chief Executive, Strategic Leadership Board, Trade Unions, Staff and relevant organisations as appropriate.			
Method(s) of Consultation	Individual budget saving options / amendments to the budget will be subject to appropriate consultation – internal and external to the Council (as appropriate).			
List of Background Documents to be Considered by Decision-maker	Revenue and Capital Budget Plan 2018/19 – 2019/20			
Contact Officer(s) details	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104			

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Revenue and Capital Budget Plan 2018/19 – 2019/20 - December 2018 To consider any issues required for the preparation, monitoring, reporting and amendment of the revenue and capital financial plans 2018/19 – 2019/20, including Government grants, financial pressures and service changes.			
Decision Maker	Cabinet			
Decision Expected	6 Dec 2018			
Key Decision Criteria	Financial	Yes	Community Impact	Yes
Exempt Report	Open			
Wards Affected	All Wards			

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Scrutiny Committee Area	Regulatory, Compliance and Corporate Services
Persons/Organisations to be Consulted	Cabinet, Chief Executive, Strategic Leadership Board, Trade Unions, Staff and relevant organisations as appropriate.
Method(s) of Consultation	Individual budget saving options / amendments to the budget will be subject to appropriate consultation – internal and external to the Council (as appropriate).
List of Background Documents to be Considered by Decision-maker	Revenue and Capital Budget Plan 2018/19 – 2019/20
Contact Officer(s) details	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104

SEFTON METROPOLITAN BOROUGH COUNCIL FORWARD PLAN

Details of Decision to be taken	Revenue and Capital Budget Plan 2018/19 – 2019/20 - January 2019 To consider any issues required for the preparation, monitoring, reporting and amendment of the revenue and capital financial plans 2018/19 – 2019/20, including Government grants, financial pressures and service changes.			
Decision Maker	Cabinet			
Decision Expected	10 Jan 2019			
Key Decision Criteria	Financial	Yes	Community Impact	Yes
Exempt Report	Open			
Wards Affected	All Wards			
Scrutiny Committee Area	Regulatory, Compliance and Corporate Services			
Persons/Organisations to be Consulted	Cabinet, Chief Executive, Strategic Leadership Board, Trade Unions, Staff and relevant organisations as appropriate.			
Method(s) of Consultation	Individual budget saving options / amendments to the budget will be subject to appropriate consultation – internal and external to the Council (as appropriate).			

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List of Background Documents to be Considered by Decision-maker	Revenue and Capital Budget Plan 2018/19 – 2019/20
Contact Officer(s) details	Jeff Kenah jeff.kenah@sefton.gov.uk Tel: 0151 934 4104

Report to:	Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services)	Date of Meeting:	11 September 2018
Subject:	Cabinet Member Report – June 2018 to September 2018		
Report of:	Head of Regulation and Compliance	Wards Affected:	All
Cabinet Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To submit the Cabinet Member - Regulatory, Compliance and Corporate Services report for the period June 2018 to September 2018 relating to the remit of the Overview and Scrutiny Committee.

Recommendation:

That the Cabinet Member - Regulatory, Compliance and Corporate Services report relating to the remit of the Overview and Scrutiny Committee be noted.

Reasons for the Recommendation:

In order to keep Overview and Scrutiny Members informed, the Overview and Scrutiny Management Board has agreed for relevant Cabinet Member Reports to be submitted to appropriate Overview and Scrutiny Committees.

Alternative Options Considered and Rejected:

No alternative options have been considered because the Overview and Scrutiny Management Board has agreed for relevant Cabinet Member Reports to be submitted to appropriate Overview and Scrutiny Committees.

What will it cost and how will it be financed?

Any financial implications associated with the Cabinet Member report that are referred to in this update are contained within the respective reports.

(A) Revenue Costs – see above

(B) Capital Costs – see above

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Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
Legal Implications:
Equality Implications: There are no equality implications.

Contribution to the Council's Core Purpose:

Protect the most vulnerable: None directly applicable to this report. The Cabinet Member update provides information on activity within Councillor Lappin's portfolio during a previous two/three month period. Any reports relevant to her portfolio considered by the Cabinet, Cabinet Member or Committees during this period would contain information as to how such reports contributed to the Council's Core Purpose.
Facilitate confident and resilient communities: As above
Commission, broker and provide core services: As above
Place – leadership and influencer: As above
Drivers of change and reform: As above
Facilitate sustainable economic prosperity: As above
Greater income for social investment: As above
Cleaner Greener: As above

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Cabinet Member Update Report is not subject to FD/LD consultation. Any specific financial and legal implications associated with any subsequent reports arising from the attached Cabinet Member update report will be included in those reports as appropriate

(B) External Consultations

Not applicable

Implementation Date for the Decision

Immediately following the Committee meeting.

Contact Officer:	Paul Fraser
Telephone Number:	0151 934 2068
Email Address:	paul.fraser@sefton.gov.uk

Appendices:

The following appendix is attached to this report:

Cabinet Member - (Regulatory, Compliance and Corporate Services) update report

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 In order to keep Overview and Scrutiny Members informed, the Overview and Scrutiny Management Board has agreed for relevant Cabinet Member Reports to be submitted to appropriate Overview and Scrutiny Committees.
- 1.2 Attached to this report, for information, is the most recent Cabinet Member report for the Regulatory, Compliance and Corporate Services portfolio.

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CABINET MEMBER REPORT

**Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services) - 11
September 2018**

Councillor	Portfolio	Period of Report
Paulette Lappin	Regulatory, Compliance and Corporate Services	September 2018

CORPORATE SUPPORT SERVICES

Strategic Support

Strategic Support main priority continues to be the support and project management of the Public Sector Reform projects. All the 10 projects and 25 sub-projects are being supported and developed.

Progress continues to be made with the team working with colleagues from across the Council development of WW1 Commemoration (1918 – 2018) activity plan. As part of this work the Libraries team has launched a poetry competition in schools, the competition will also be promoted more widely.

Both section of the team have worked with others to produce the Position Statement and gather the supporting evidence for the LGA Peer Challenge (4th to 7th September). This challenge is proven tool for sector-led improvement and it is a fantastic opportunity for us to showcase our work and all the things we have done that we are proud of, as well as taking the opportunity to learn from others about how we can do even better. A feedback report will then be sent by the LGA peer review team, which will be considered by the Council’s Senior Leadership Board and Cabinet Members to implement positive recommendations. An action plan will be developed to embrace the learning and to ensure we continue to make improvements where needed. Currently various communications materials are being produced, including briefing notes and letters to key stakeholders to outline key messages around the Peer Review.

The team has been working closely with colleagues from across the Council to launch the STAR Awards 2018. The STAR Awards is now in its fourth year and has gone from strength-to-strength. The awards have been specifically designed to recognise and celebrate individuals and teams who have lived up to the vision and values of Sefton Council. This year an online e-form has been developed to make it even easier for staff to nominate, for those members of staff who do not have access to the intranet they will be able to nominate their colleagues via an alternative method. This year’s STAR Awards will be held at The Atkinson in Southport on Wednesday, November 21.

The latest version of MySefton newsletter is now live and is being distributed across community sites in Sefton <https://indd.adobe.com/view/138cbfa9-588e-4d33-b9f1-0ba7a2967253> . The newsletter celebrates good news and events from across our wonderful borough and compliments MySefton.co.uk news channel.

The Communications team has led on the introduction of a new Corporate Print Framework to be used by all Council teams when purchasing any form of printed promotional materials. This approach is already ensuring consistency, efficiencies and reducing costs across the organisation.

The Communications Team continue to work in partnership with colleagues from CVS to promote and celebrate the Year of the Volunteer. More information is available <http://mysefton.co.uk/category/year-of-the-volunteer/>.

Commissioning Support and Business Intelligence Service

The Commissioning Support Team:

Continues to lead and support a number of key commissioning projects/activity, PSR projects:- Personalisation, Acute Wrap around, Family Cent

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activity, ASC payments and billing, financial assessments, Care Arranging and Direct Payments, including some specific examples:-

- *Pre-Paid Cards* – the numbers of recipients accessing Pre-paid Cards continues to increase in line with targets set, the team have received positive feedback from recipients about how using the card helps to simplify the process. Support to increase numbers, recover unused funds and reconcile accounts with outstanding reconciliation is being supported by ASC Social Work staff.
- *Adult Social Care Domiciliary Care Services* – implementation of the new contracts is underway as part of the tripartite approach with Liverpool and Knowsley. The approach will allow for a shared area of commissioning between Knowsley and Sefton and embedding the new model of support enabling independence and improved monitoring arrangements.
- *Supported Living* – The Supported Living Project (review of service users and review/revision of provision) has been completed however the CST is continuing to work alongside ASC in supporting some residual work around a few remaining services. The CST is also working with ASC to develop the approach around the recommissioning of the services based on the new model and work done to date.

In January 2018 the Council launched its Internal Commissioning Academy bringing a range of Council staff together, the programme ran over six months provided the opportunity for approximately 40 officers from across the Council to develop a better understanding and skills relating to commissioning. This will in turn lead to improved commissioning across the Council, better services and better value for money as part of developing a 'Commissioning Mindset'.

Feedback of the programme has been very positive and it was well received by those attended. The programme was based on a successful national programme originally introduced by the Cabinet Office, the Sefton Commissioning Academy is a key element of organisational development as part of the PSR10 project within the Council's Framework for Change.

Performance & Business Intelligence Function:

Key achievements in this period:

- Successful roll-out of the 'Manage My Requests' (iCaseWork) system for capturing, managing and reporting all customer complaints, representations and feedback across the Council, including Corporate, Adult Social Care and Children's Services comments, compliments and complaints.
- Successful delivery of information, advice and guidance in preparation for the General Data Protection Regulations (GDPR) on the 25th May 2018, including the provision of training and the amendment to relates policies and procedures.
- Preparation of the initial draft of the Sefton Joint Strategic Needs Assessment (JSNA), for consultation with the Council's SLB and the Health & Wellbeing Board.
- Delivery of the comprehensive Community Safety Assessment for review by the Community Safety Board.
- Delivery of a revised framework and process for identifying, auditing and reporting Troubled Families.
- Provision of Children's Social Care data and support to the CQC review of how local health services keep children safe and contribute to promoting the health and wellbeing of looked after children and care leavers.
- Supporting analysis for Adult Safeguarding & Care Governance Board.
- Successfully completed the reconfiguration of the LAS system to support amendments to the Adult Social Care Safeguarding Policy and revised operational process.

Key priorities in next period:

- Co-ordinate the immediate response to an issue raised by the Programme Director - Digital Child Health and CP-IS, regarding data validation for the Child Protection – Information Sharing (CP-IS) system. Recently a small number of instances have been identified where children with the wrong NHS numbers have been uploaded to the national system. The immediate action is to validate a subset of Sefton records currently on the CP-IS system where there is not an exact match on date of birth, forename, family name with data held on the NHS Spine.
- User acceptance testing on LCS and EHM systems (v14) 1st to 13th August.
- User acceptance testing on Capita One systems (v3.65 & v.366) 6th to 20th August.
- User acceptance testing on LAS and ContrOCC systems (v9/v11) 3rd to 13th September.
- Collection, analysis and reporting of 2017/18 educational performance from EYFS, Phonics, KS1, KS2 and KS4.
- Collection, analysis and initial submi

The Service continues to:

- Support PSR programme and the day-to-day performance management of key services across the Council by analysing and providing data, producing detailed reports which generate valuable insight and supports better business decision making. Specific examples include analysis of Potential Poverty and Digital Inclusion across the borough.
- Support the Merton House to Magdalen House accommodation project, providing information, advice and guidance on the process for reviewing, categorising and processing existing paper records across the Council, with a view to achieving a future paperless environment. This includes the ongoing digitisation and transfer of legacy Children's and Adult Social Care paper records into secure storage facilities, mitigating the risk to information preservation and of information loss.
- Manage the provision of the Council's Welfare Rights and ELAS services, monitoring the impact of the local Universal Credit full service roll-out and ensuring that those residents affected by welfare reform, low or irregular income and potential poverty receive appropriate support.
- Continue to support the Council to respond to comments, compliments complaints, FOI, Subject Access and other representations.
- Continue to provide comprehensive support across the Council relating to information management and data protection, assessment of proposed information sharing arrangement and the investigation of potential data breaches.
- Provide supporting analysis across Children's, Adults, Education, & wider determinants areas.

The Procurement Team:

Continues to assist and advise on procurement activity across the whole Council and has 91 procurement exercises at differing stages on the current work plan. Many of these are complex procurement exercises that exceed the OJEU procurement thresholds, examples of which include:

- Housing Agency contract
- Holy Family Catholic High School - Building Cleaning
- Regional Adoption Agency
- Electronic Case Management System – Domiciliary Care
- Extra Care Collaborative contract
- IAG Careers information and guidance contract
- Sefton Healthwatch
- Framework for LTP – Civil Engineering Projects
- Arboriculture Works Term Contract

Updated Contract Procedure Rules were agreed by Audit and Governance and full Council in July 2018 and the CPR e-learning programme is in the process of being updated. All officers that have already taken the course will be updated on the changes that have taken place.

The Central Procurement team continue to be involved in working closely with the other Liverpool City Region Procurement teams. Current collaborative procurement processes under way include Personal Protective Equipment & Corporate Clothing. Amongst other things, over the coming months the Central Procurement Team will be collaborating with the other LCR Authorities on the replacement contracts for Office Stationery, Office Furniture, and Cleaning Materials.

CORPORATE RESOURCES

Corporate Finance

Closure of Accounts 2017/18

Over recent years, the Government has implemented challenging timescales for local authorities to close their annual Accounts. 2017/18 is the final year of the transformation process and required the Accounts to be completed by the end of May, and to be audited by the end of July. This change has required a complete review of processes for both the Council and Ernst Young to meet these deadlines.

Whilst this has been a considerable undertaking, Sefton's Accounts for 2017/18 were closed, audited and approved by the Audit & Governance Committee in line with the new deadlines. Thanks are due to all officers involved in the process and to Ernst Young. It should be noted that several local authorities across the country have failed to comply with the deadline.

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Budget Monitoring - 2018/19 Financial Year

The most recent forecast **revenue budget** position is at the end of June 2018. The estimated year-end deficit is £7.6m, which includes overspending on several services; key service variations are highlighted below:

- Adult Social Care (£2m);
- Children's Social Care / Schools & Families (£3.6m);
- Locality Services Provision (£1.3m)

Heads of Service have been challenged to review what further actions can be taken during the year to improve financial management and to reduce spending across the Council. This process will continue over the coming years to ensure the authority is financially viable. The review is focussed on 4 areas: -

- Review of roles and responsibilities of budget holders and finance staff;
- Policies and processes;
- Financial Training; and
- The development of a technology solution to aid budget monitoring.

The Council's **capital budget** in 2018/19 is £29.050m. As at the end of June, expenditure of £2.589m has been incurred.

ICT

Strategy

The Council is finalising a new ICT Strategy, and is also defining new policies & standards for the ICT service; this activity will be completed in March 2019.

The council has recently appointed a Strategic Lead for ICT & Digital Services who will finalise the revised ICT Strategy by March 2019. Alongside this work a review of all policies and standards will be completed

Transformation

The Council, working with external contractor Agilisys and incumbent ICT provider Arvato, continues to work on the ICT Transformation Programme, there has been some slippage on the programme but it is due to complete in September, with the rollout of agile end user devices, new business software and the migration of systems and data to cloud hosting. Feedback from users so far has been excellent, a full benefits realisation report will be produced at the end of the programme

Future Provision

The Council is pleased to confirm that Agilisys have been appointed as the new outsourced ICT provider to operate the Council's ICT Service from the 1 October 2018. The authority continues to work in partnership with Arvato to ensure a smooth transition to Agilisys

Infrastructure

ICT continues to support a number of the Framework for Change / Public Sector Reform projects, most notably Asset Maximisation (via agile working) and the Early Intervention & Prevention community base programme.

Agile Working

New agile ICT KIT is currently being deployed as part of the Transformation Programme, with completion planned for September 2018

Customer Service

Self Service Promotion

Customers visiting the One Shop Shops are advised about the digital access options available and encouraged to use the self-serve computers which are located in the One Stop Shops if they don't have internet access at home. The plasma screens continue to promote a number of online initiatives.

At Bootle One Stop an assisted self-serve option is also available as a dedicated self-serve officer is available during business hours. Customers are directed towards the self-serve computers by One Stop Shop receptionists.

In light of going live with Universal Credit Full Service, the new Universal Credit Advisors are now responsible for completing the majority of Emergency Limited Access Scheme applications with customers and assisting customers with any other on-line requirements.

Taxi Licensing

Taxi Licensing enquiries continue to be a lot higher to what they were for the same 6-month last year, with drivers from across the country choosing Sefton as their preferred location to complete their license application.

Following meetings with the taxi trade and staff from the back-office, Customer Service now offer a service that benefits local taxi drivers, with far more new appointments and Knowledge tests made available.

Volumes will continue to be monitored to ensure vulnerable customers do not experience longer waiting periods to see a customer advisor.

Revenues Service

In year collection performance business rates 2017/18

On 27th June 2018, the Ministry of Housing, Communities & Local Government published the annual statement of collection performance for Council Tax and Business Rates for 2017-18 for all Councils in England. Key highlights are: -

- Sefton are the top performing authority in the Liverpool City Region for both CTAX and NNDR
- Sefton are in the top quartile performing Metropolitan authority in the country for NNDR Collection in 2017-18
- Total Net Receipts collected in respect of 2017/18 where £208.4m a rise of £5.0m on the previous year.

Business rates in collection 2017/18

Performance nationally rose on average by 0.2% compared to 2016-17. Within the metropolitan class of authorities, of which Sefton is a part, average performance rose by 0.3%.

Sefton's performance was 98.7% in 2017-18 this performance places Sefton in the top quartile performers compared to all 36 Metropolitan authorities.

In year collection performance council tax 2017/18

Performance nationally fell by 0.1% compared to 2017-18. Within the metropolitan class of authorities, of which Sefton is a part, average performance remained unchanged. Average collection performance of all authorities in the Liverpool City Region also remained unchanged compared to 2016-17.

The Governments welfare reform agenda, and the minimum contribution requirements of the Council Tax Reduction Scheme (CTRS), continue to impact on average performance levels.

Sefton's performance was 96.3% in 2017-18 which is unchanged from 2016-17. This performance keeps Sefton outside of the top quartile for metropolitan authorities in 10th place out of 36 authorities, up one place compared to the previous year. However, when compared to authorities with a similar scheme to Sefton i.e. a minimum contribution rate of 16% or greater, Sefton is the 3rd best performing metropolitan authority.

Benefit Service

DWP data reports that, at 1st June 2018, the total number of customers in receipt of Universal Credit (UC) in Sefton is 8,840 and of these 5,993 are receiving assistance through the Housing Costs element of UC. Operationally, the Benefit Service has a weekly telephone conference call with the DWP to raise on-going issues regarding the impact that UC delivery has on Benefit Service assessments. The main issue is the length of time it takes to UC to make a decision; on average five weeks which then causes delays in Council Tax Reduction decisions and during this period multiple notifications are received from the DWP which results in cases being double handled before they can be finalised.

Internal Audit

Work to deliver the Internal Audit Plan continues with audits having been completed in the period in the following areas:

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Audit Title	Audit Opinion	Recommendations		
		High	Medium	Low
2017/18:				
Payroll	Minor	0	0	6
Civica APP	Moderate	1	4	1
Taxi Licencing	Minor	0	0	6
Court of Protection/ Appointeeships	Major	3	8	2
Highways Maintenance	Minor	0	2	1
Non-Domestic Rates	Moderate	2	2	0
Council Tax Reduction Scheme	Negligible	0	0	0
Holy Spirit School	Weak	3	4	2
LAS Finance	Moderate	0	5	1
Care Act	Minor	0	3	1
Crosby Lakeside	Minor	0	3	4
Corporate Risk Management	Moderate	1	5	1
Northway School (Follow up)	All recommendations implemented			
Churchtown Primary School (Follow up)	All recommendations implemented			
Accounts Payable (Follow up)	All recommendations implemented			
Ursuline School (Follow up)	All recommendations implemented			
AGS 2016/17 Follow up	Some recommendations implemented			
Troubled Families Grant	Assurance provided			
Liverpool City Region STEP Grant Q4 2017/18	Assurance provided			
Liverpool City Region Atlantis Grant	Assurance provided			
M58 Junction 1 Grant	Assurance provided			
Mayors Charity Fund	Assurance provided			
2018/19:				
Annual Governance Review (2017/18)	Moderate	10	2	0
Carbon Reduction Commitment Energy Efficiency Scheme	Minor	0	0	2
Health and Safety Risk Assessment	Major	4	11	0
Public Health Grant	Assurance provided			

Responsible officers have given assurance that the recommendations made in the reports will be implemented within reasonable time scales. Follow up

audit work will be undertaken so as to substantiate this.

Internal Audit has conducted a comprehensive review of the Council's corporate governance arrangements during the period, so as to inform the Annual Governance Statement 2017/18. The findings of this review have resulted in a total of seven Significant Governance Issues being agreed for reflection in the Statement. These are:

1. A Code of Corporate Governance has yet to be implemented. This has been drafted and will be introduced in 2018/19.
2. The Council's Core Purpose and Framework for Change Programme was introduced in 2016/17. It will be important that the Council can demonstrate how it is meeting the objectives set out within these strategic approaches as part of its overall performance management process. During 2017/18 the development of a Corporate Performance Framework commenced. The new framework is expected to be implemented in time for the October 2018 PDR process and to inform the next budget cycle.
3. A significant amount of work has been undertaken during 2017/18 in embedding Risk Management in the Authority. This includes regular reporting and dialogue at Audit and Governance Committee and Senior Leadership Board. There are however still certain services that are to fully embed risk management within their overall management processes.
4. A review of the Council's compliance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption is partially completed.
5. A review of the Council's compliance with CIPFA's Audit Committees: Practical Guidance for Local Authorities (2013) [Note: soon to be superseded by the 2018 guidance] has not been undertaken.

6. A review of the Council's compliance with the Local Public Services Data Handling Guidance needs to be undertaken either by or in liaison with the Council's Senior Information Risk Owner (SIRO).
7. The Council should ensure that it has appropriate arrangements to update its Constitution for key changes on at least an annual basis.

Issues 1, 2, 3 and 4 were reported in the 2016/17 AGS, and issues 5, 6 and 7 are new, and reflect the need for the Council to update to reflect changing guidance and local processes. One of the issues reflected last year has now been resolved, as there is now a system in place to update the Audit and Governance Committee on the progress being made in respect of the Significant Governance Issues, and this was reported at its March 2018 meeting.

The Internal Audit service has been the subject of an external inspection, to verify compliance with the Public Sector Internal Audit Standards. The final report has now been received with the overall opinion that the service "generally complies" with the Standards. This is the highest opinion that can be given. The service is required to maintain its compliance and continue to raise standards via its Quality Assurance and Improvement Programme.

Health and Safety

The team has undertaken statutory compliance visits to a range of Council buildings, so as to provide assurance that there is evidence to support compliance with the relevant health and safety legislation, concerning such matters as gas safety, asbestos, and legionella. Premises visited since the last report include:

The Atkinson Centre

A very thorough Fire Risk Assessment has been undertaken by Building Control (this took some months to complete). At the present time, all the high action recommendations on the action plan have been completed and the management are continuing to review and undertake the medium and low actions.

Number of incidents reported to the Health and Safety Executive under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013)	1
Number of substantial complaints (those which have warranted investigation)	0

A very successful IOSH (Institute of Occupational Safety and Health) training course was provided to a group of senior managers, using the Risk Management days incorporated in the Council's insurance provision. This helped to raise awareness amongst senior managers of the requirements, and how these should be applied to their roles. The service has continued to utilise the allocation of Risk Management days to supplement the corporate training offer with a range of high quality health and safety training courses.

Insurance

This claims data relates to the period 1st February 2018 to 31st July 2018:

Category	Number of claims received	Total reserve on claims received (£)	Number of insurance claims paid out	Amount paid out in insurance claims (£) (not necessarily related to claims received in this period)
Public Liability	120	729,803	59	274,840
Employer's Liability	10	117,559	11	19,378
Motor Vehicle	51	17,588	29	53,865

Extensive work has been undertaken on the procurement exercise for the provision of insurance for the period September 2018 – 2021 (with two optional one year extension periods). Delegated authority for the contract award was given to the Cabinet member at the July 2017 Cabinet.

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Risk and Resilience

Positive progress has been made in the delivery of the Emergency Planning Project Plan, with the Plan now largely delivered. As these developments embed over time, so the Council's capability to prepare for and respond to a major incident should be strengthened. Business Continuity represents the main outstanding challenge in respect of the Project Plan, and work is to begin in the Autumn to undertake business impact analysis so as to inform the list of critical activities for which business continuity planning should be prioritised.

Work has been completed with Heads of Service to review the Corporate Risk Register, so as to ensure that this is fully reflective of the major risks facing the Council. The service has also provided support to Heads of Service and training to some teams in compiling Service Risk Registers. Progress being made has been positive in increasing the extent to which robust risk management arrangements are embedded across the Council.

PERSONNEL DEPARTMENT

Operational Issues

Advice and support continues to be provided to various service areas. Consultation is taking place with staff and the trade unions in respect of a number of staffing issues and weekly meetings are timetabled as necessary.

Various reviews and restructures across the organisation are continuing relative to budget savings/Public Sector Reform projects. These are the subject of trade union consultation. Briefings have also taken place on school budget issues, the Arvato insource and other staffing related budget issues.

The Department continues to have a full programme of work in respect of disciplinary, grievance and dignity at work issues. Support to service areas in respect of staffing reviews/restructures is being provided, together with advice and support in the management of sickness absence cases that are cause for concern and complex staffing matters.

Pay & Grading Team

Job evaluation continues relative to all Council and School posts for new or revised roles. Job evaluations are also conducted relative to any operational and service reviews to maximise efficiencies as part of restructuring exercises across the Council as a consequence of budgetary pressures. Regrading applications and regrading appeals are processed in line with the Council protocol.

The team also undertakes any review of HAY graded positions.

Management of the Matrix contract relative to the recruitment of all Agency workers continues with current contract running from February 2018 for 4 years.

Team members are involved in service reviews and work to support transformational proposals associated with the budget proposals and potential changes to service delivery. Of the three team members one is involved with the EIP2 project and one on the EIP3 project.

The pay award for NJC employees for 1.4.2019 involves a number of changes to the current Pay structure including a weighted percentage pay increase for the lower SCPs and a merging of some of the current Spinal column points to former new single spinal column points. Separate reports will be produced and shared (in due course) with the appropriate parties relative to proposals for implementation arrangements which will require the agreement of assimilation arrangements.

Project work continues such as the management of sickness absence, including production of reports, analysis and management data.

Establishment Control, Pensions, Payroll & HR Transactional Services

Regular Client meetings are continuing with the objective of improving processes and data quality. The Council and Arvato are currently mapping all the recruitment processes to ensure consistency. These processes will be built into the upgraded ResourceLink, so all users can see where each individual record is up to, which should alleviate queries and phone calls.

A working Group has been set up with Arvato to introduce workflow to help recruitment, transactional HR, payroll and pension processes. The first project is staff terminations and the voluntary

resignation workflow process is now built in ResourceLink and associated guidance available for managers. A pilot of the new process is being undertaken by managers in Hawthorne Road Depot and this is being rolled out to Leisure in August 2018 and the rest of the Council in September 2018.

The Working Group is now looking at the best way to handle other reasons for leaving e.g. dismissal, redundancy etc. and how these will be managed.

There are 2 other processes which are being looked at, to be put into workflow and they are changes to hours and extensions to temporary arrangements. The changes to hours process is currently being built and Hawthorne Road have again agreed to pilot the new process.

The Pensions Officer is continuing to work closely with the Transformation team and Personnel Officers to provide redundancy/pension information when required.

The Establishment Control Panel is now embedded and occurs every 2 weeks, to consider requests to release vacancies and approve any changes to the Establishment held in ResourceLink. All changes to the Establishment are being mapped by the Council and arvato to ensure correct procedures are followed.

The Government have proposed and agreed changes to exit payments for public sector staff and further clarification is required as to how this will be implemented. Further guidance is still not available.

The Council had to apply Auto-enrolment legislation on 1st April 2013 and as part of this process applied transition arrangements to a certain group of staff. Transition ended 30th September 2017. The affected staff have been written to and they will not be enrolled into their relevant pension scheme until 1st April 2019, but can opt in at any time.

Arvato and the Council are meeting on a regular basis with regard to the TUPE transfer of staff back to the Council on 1st October 2018 for the current Arvato services (excluding ICT).

The plan is to do a parallel payroll run for September 2018 for the transferring staff to ensure correct pay in October 2018.

Occupational Health

The number of referrals (196) to the HU from Sefton employees between 01/04/18 and 30/06/18 is comparable (192) with the same period last year.

The main reasons for referrals within this period are stress and mental health (36.2%) and musculoskeletal problems (22.9%). The majority of referrals are from schools (46.4%), Locality Services - Provision (16.8%) and Adult Social Care (11.7%).

Workforce Learning and Development (CLC)

Training / eLearning

The Corporate Learning Centre continues to design, develop and deliver accredited training courses across the workforce. A total of 26 courses have now been submitted for Badge of Excellence programme approval; this includes four new courses (HIV Prevention Awareness, Diversity, Identify and Culture, PowerPoint (Level 1) & PowerPoint (Level 2)).

Apprenticeships

We continue to promote and access the Apprenticeship levy, have established a pool of lead training providers and we continue to raise awareness of the apprenticeship levy with internal departments and schools. The Corporate Apprenticeship Team continues to attend departmental managers meetings to raise awareness of apprenticeships for existing staff.

A celebrating success event for Apprentices took place on Tuesday 15th May followed by a meet and greet session on Wednesday 18th July. Both events were well attended by Cabinet Members, Apprentices and Managers.

Recruitment

Two staff recently left the team to move onto pastures new – this resulted in two vacancies being advertised. We successfully recruited a Learning and Development Officer early July 18 to take forward the training delivery of the Adult's and Children's Social Care case management systems (Liquid Logic). We also very recently appointed another Learning and Development Officer to take forward the delivery of our ASYE (the Assessed and Supported Year in Employment) Programme for Social Workers who are practising in their first year of employment. Both staff commence their

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Leadership and Management Development

A discussion paper was shared and presented to SLB in June 2018. The aim of the paper was to facilitate a strategic discussion regarding the Council's future approach to the Leadership and Management Development of our front, middle and senior managers and how we will develop a programme to embed a culture of continuous development and improvement to support the on-going implementation of the Framework for Change and Sefton's 2030 Vision.

Organisational Development / One Council Network

The Corporate Learning Centre continues to work with Strategic Support and SLB to develop the One Council champion's network to support the development and implementation of OD across the organisation. The One Council Network meets x1 per quarter to discuss a range of OD related topics including feedback from various task and finish groups. Recent activities include:

- A One Council email address – a single point of contact for Champions and to send out OD and training updates.
- Pop up banners with the One Council branding and mini 'Z' cards detailing the One Council roles and responsibilities.
- Coordinated and delivered OD Mapping exercises with the One Council Champions to identify the full range of OD activity that is taking place across the Council, in addition to the PSR and SLB work streams. Our Communications Team is producing a visual representation, highlighting all the good work that's taking place across the organisation.
 - Provided 3 eLearning courses for the One Council Champions with more courses in the pipeline. The courses are linked to the work we are doing with regards to OD. They are:
 - Creating Positive Working Relationships
 - The Resilient Mindset – Face the future with confidence
 - Negotiation Skills - Gain the Skills to Become an Effective Negotiator.
 - Continue to promote Yammer hour and working with the Champions to get their Digital House in order.
 - We are members of the NW employers OD network – the network delivers a series of action learning sets with a focus on the identification of OD challenges and how to overcome the challenges collectively. We are use the forum to share best practice.
- **Communications:** We have a page on the intranet that is dedicated to OD including the Framework for Change. Regular news updates are published here.

<http://intranet.smbc.loc/framework-for-change/organisational-development.aspx>

<http://intranet.smbc.loc/framework-for-change.aspx>

Building and Property Services

- The Council undertakes a pro-active programme of property disposals to both rationalise the portfolio to remove unproductive assets and realise capital receipts. This process assists in the reduction of revenue costs and raises capital which contributes to the funding of the Council's capital Programme. Provision of information and assistance to Arcadis for ongoing Asset Review

Specific Actions to note

- Valuation and review of Council Assets for end of year Financial Accounting completed by deadline. Assistance to External Auditors and Finance on valuations to report to Members.
- Supervision and implementation of initial Accommodation moves as part of Agile Working Strategy. Moves between floors in Magdalen and working on moves from Merton to Magdalen
- Procurement of terminal Dilapidations at Southport Theatre
- Procurement for terminal Dilapidations Merton House
- Instructions to Legal for St Peter's H

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- Instructions to Legal for acquisition of RC land at Meadow Lane for Housing Development Company
- Letting of Southport Pier concessions. Heads of Terms agreed and reported for approval.
- Heads of Terms for Children's Centres Borough wide
- St Wilfrid's Section 77 and subsequent negotiations with RC/Bellway
- Plans/assistance with conversion to Academies Litherland Moss and Shoreside Primary Schools.
- Renewal of Lease of playing fields Lydiate Parish Council

Corporate Legal Services

The Legal Team have been very busy of the last few months dealing with a number of encampments in the borough as listed below. For each of the encampments this involved drafting and issuing a Section 77 notice, and thereafter drafting summons at court, getting the summons endorsed and thereafter drafting the Section 78 order for the removal, listing the matters for hearing and on three occasions we had to attend court and secure an order for removal .

1. Northern perimeter – 4.6.18-5.6.18 - left at service of summons
2. Formby Nature reserve- police assisted us and moved them on under their powers
3. Duke Street Park Formby- 13.6.18-18.6.18 - had to get an order for removal at court hearing
4. Gorsey lane - 18.6.18-19.6.18 - left at service for summons
5. Kew park and ride- 18.6.18-25.6.18 – went at service of summons
6. Ferryside Lane Park – 20.6.18-23.6.18 - left at service of summons
7. Ainsdale Discovery Centre- 25.6.18-28.6.18 - left at service of summons
8. Victoria Park- 2-4.7.18 - left after court summons
9. Preston New Road - 9.7.18-12.7.18 - had to get an order for removal at court hearing
10. Park and Ride Esplanade- 19.7.18-20.7.18 - left after service of summons
11. Princes Park - 16.7.18- 19.7.18- had to get an order for removal at court hearing.

We also conducted a trial in relation to breaches of a Community Protection Notice under Anti-social Behaviour Crime and Policing Act 2014, involving numerous residents as witnesses. A conviction was secured and the matter is now listed for an application for a Criminal Behaviour Order to be obtained against the Defendant who has been causing much distress to the neighbourhood.

Legal Services have been conducting training sessions for officers together with the Council's Data Protection Officer as to the provisions and implications of the GDPR. We have held approximately 20 training sessions for over 1000 staff. We have also been providing advice to various divisions of the Council regarding the drafting of Privacy Notices and additional documentation to ensure compliance with the GDPR. From July 2017 to June 2018 the Children and Social Care legal team have dealt with the highest number of court hearings since data was recorded in 2011. The Ministry of Justice are undertaking some research to try and understand the national increase in care proceedings and also plan to share best practice observed across different regions across the country. The childcare Senior Lawyer attended a meeting with the MOJ, contributing to the work being undertaken.

The number of children's deprivation of liberty cases has started to increase, as should be the case following case law that defined when restrictions on a child's liberty should be considered by the court. These matters are before the High Court and legal staff are developing expertise in this emerging area of law having presented five cases to the court in the last few months.

The team have recently advised in relation to Forced Marriage case before the court. In July the team delivered a one day training course for junior social workers, entitled "Legal Skills for Social Workers". The feed-back was extremely positive with social workers commenting that they felt much better prepared for court proceedings.

Academy Conversions of Litherland Moss Primary School and Shoreside Primary School are due to take place on 1st September thereby transferring control of both to their respective Academy Trusts. Recently been instructed on the conversions of two more schools - Kew Woods Primary and Churchtown Primary and will provide ongoing legal advice and guidance throughout the process.

In terms of prosecutions during July up to 1st August, the team progressed the following matters at court:

- 34 education prosecutions
- 9 litter prosecutions

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A member of the team attended a training course delivered by Shelter in relation to harassment and illegal eviction in the private rented sector. This will enable the legal team to support Housing Options in their delivery of advice to members of the public.

The legal team have been auditing empty homes cases where outstanding debts are owed to the council. Files that satisfy the criteria for pursuing an order for possession and sale are being assessed and progressed where appropriate.

The team have continued to support the planning department with enforcement notices including s330 notices, breach of condition notices and high hedge complaints.

The selective licensing scheme for landlords has launched for selected parts of the borough. The deadline for landlords to obtain a licence is 1st September 2018. Failure to comply is an offence. Therefore, the team have been preparing for prosecutions in relation to non-compliance from this date. General advice in relation to housing standards and the selective licensing scheme have also been part of the team's workload.

Electoral Services

Preparations have been completed for the annual canvass of the Register of Electors. The annual canvass will commence during the week beginning 6 August 2018, with Household Enquiry forms going out to 128,500 households and 217,400 electors, the highest number for over 20 years.

The canvass will be undertaken in three phases, with reminder forms being sent out in September and October. A series of messages will go out through social media to support each stage of the process, with an emphasis on capturing young voters and maintaining the current high registration numbers. The canvass will run through to the end of November with the new 2019 register of electors being published on the 1 December 2018.

The team will undertake the annual review of polling stations with members, which will form the basis of the full review of polling districts which will take place after the local and Parish elections in May 2019. As part of the preparations for the 2019 elections, the Returning Officers staff database will be updated in a move towards making the whole process paper light with all staffing matters being dealt with by staff signing up to an electronic portal.

Democratic Services

The **Overview and Scrutiny Committee (Adult Social Care and Health)** received information at its meeting held on 26 June 2018 from the Sefton Clinical Commissioning Groups (CCGs) on the Primary Care Strategy in Sefton and requested additional information to be provided to a future meeting. The Committee deferred establishing a Working Group and may consider a topic for review once the additional information on the Primary Care Strategy is received.

The **Overview and Scrutiny Committee (Children's Services and Safeguarding)** had established a Special Educational Needs and Disability Process of Assessment Working Group. The Final Report of the Working Group was considered and approved by the Committee and the Cabinet at their meetings held on 10 and 26 July 2018, respectively.

The Committee hopes to undertake a visit to the Dewi Jones Unit in Waterloo in the near future, to view facilities there in relation to CAMHS (Children and Adolescent Mental Health Services).

The Overview and Scrutiny Committee (Regeneration and Skills)

- The Parks and Greenspaces Working Group's Final Report was considered and approved by Committee and Cabinet at their meetings held on 3 and 26 July 2018 respectively.
- The Housing Licensing Performance Framework Working Group's Final Report was considered and approved by Committee and Cabinet at their meetings held on 13 March and 24 May 2018 respectively.

The Committee at its meeting held on 3 July 2018 selected Apprenticeships as a topic for review by a Working Group. However, since the meeting it has come to light that the Liverpool City Region Combined Authority Overview and Scrutiny Committee has undertaken a similar review and rather than duplicate this work the meeting to be held on 18 September 2018 will further consider this matter. The Committee has also requested the Strategic Leadership Board to suggest topics for review and it is hoped that suggestions will be submitted to the meeting on 18 September.

The **Overview and Scrutiny Committee (Regulatory, Compliance and Corporate Services)** had last year agreed to establish a Working Group to look at the topic of Digital Inclusion. The Working Group has met on 5 occasions and its next meeting in August or September will consider initial findings and recommendations with a view to reporting to Cabinet in October 2018. The Committee at its meeting held on 12 June 2018 agreed

that following the conclusion of the Digital Inclusion Working Group a Working Group be established to review the topic of the Council's Ethical Business Practices.

The **Overview and Scrutiny Management Board** met on 26 June 2018 and considered items relating to Effectiveness of Local Authority Overview and Scrutiny Committees - Government Response to DCLG Select Committee Report; North West Strategic Scrutiny Network; Overview and Scrutiny Working Groups Update; Liverpool City Region Overview and Scrutiny Committee – Minutes; and North West Scrutiny Support Officers Network - 17 November 2017.

Admission Appeals

In addition to the provision of administrative support for meetings of the Council, Cabinet, and Committees, the Section has also organised and clerked school admission appeal hearings involving 144 applications for secondary schools and 165 applications for primary schools during the period from 1 May to 31 July 2018.

Civic and Mayoral Services

VC Commemorative Paving Stone Service

On Friday 7th September 2018, Sefton will be hosting its final VC Commemorative Paving Stone Service for Arthur Evans at a special ceremony to be held at Bowersdale Park in Seaforth at 11.00 a.m. The stone will be unveiled by the Mayor of Sefton, along with family members of Mr Evans and Military Representation from the Kings Regiment.

150th Celebrations of Bootle

Work is currently underway to celebrate the 150th Anniversary of Bootle. Preliminary plans include an Exhibition of all Bootle artefacts in the Assembly Hall at Bootle Town Hall, which will include the refurbished and restored charter of incorporation. There will also be events in the Ballroom during the Exhibition which range from history talks, a Tea Dance, Theatrical Performance and themed bingo night. This will be a week-long event from 22nd October - 26th October, and will culminate in celebration evening on Saturday, 27th October at Bootle Town Hall.

Coroners

2 week jury inquest taking place at Bootle Town Hall 12 – 23 February. Alan Wilson, Coroner for Blackpool, will be holding the inquest as Christopher Sumner has been recused for this case by the Chief Coroner.

Introduction of digital (CT scan) autopsies on track to begin in April 2018. I-Gene London Ltd will have their Preston facility open by end March. Where suitable, a digital autopsy will replace a traditional invasive post mortem. This will be less traumatic for families.

Registrars

2 new wedding/civil partnership venues were approved at Licensing Committee on 8th January – The Bold Hotel in Southport and Oaklea Barns in Lydiate. Oaklea Barns are looking to hold festival style weddings which will give couples an alternative to traditional style ceremonies.

Environmental Health & Trading Standards

Trading Standards -Cigarette seizure:

Approximately 10,000 packets of cigarettes seized (largest seizure we've had in Sefton) from Southport premises that we've prosecuted previously.

We've suspected for some time that the illicit tobacco trade in Southport town centre is organised between a small number of retailers. Officers have witnessed employees present in a number of different retail premises, with no apparent link between the businesses other than the trade in illicit tobacco. Previous seizures have been on a relatively small scale, causing us to suspect that much of illicit tobacco is stored away from the retail premises.

Acting on intelligence from legitimate traders in Southport via Southport BID, we were able to identify a residential premise where the illicit tobacco was being stored. A retail premises was searched and 137 packets of cigarettes was seized. An entry warrant was executed at the residential premises where a further 9643 packets were seized, along with documents Page 167:ing the residential and retail premises.

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Investigations are ongoing, a report will be produced with a view to prosecution.

Enforcement –

Officers have been working with Green Sefton to ensure a clear message is provided to all dog walkers who use Sefton's parks & green spaces with regards to their legal requirements under the Public Space Protection Order on Dog Control. [PSPO]. Posters and colour coded stickers are being introduced together with wider publicity via the communications team. These posters provide a summary of the PSPO requirements relevant to parks, the Sefton Good Dog Code and a link to Sefton's web pages via a QR code accessible using smart phones. Enforcement including issuing fixed penalty notices will then be undertaken.

Prosecutions

Six successful prosecutions have taken place for littering (4) and fly tipping (2) offences that had occurred across the Borough. Fines and costs ranged from approximately £270- £340 for each offender. Twelve prosecution cases are awaiting court dates for dangerous dog attack(3) ,fly tipping (1) and non -compliance with requirements to have your dog micro chipped (9).