

## **Review of Scrutiny Arrangements at Telford and Wrekin**

### Introduction

- 1.1 In January 2010, I was commissioned to carry out a review of the scrutiny arrangements in Telford and Wrekin Unitary Authority. The brief for the review is included as Appendix 1. The fact that the time available for the review was limited, with three days of interviews and observation during a three day period (February 10 – 12<sup>th</sup>) and then one week to submit a draft report (February 22<sup>nd</sup>) meant that I was unable to deal with all the requirements of the brief as fully as I would have wished. However I am confident that I have identified the main challenges facing scrutiny in Telford and Wrekin, and have developed a series of recommendations in response to these challenges.
- 1.2 During the February 10 – 12<sup>th</sup> period, I interviewed the council leader and deputy leader, the chair of the Scrutiny Leadership Board and (in 3 separate focus groups) 11 active scrutiny members and 4 co-optees. I also interviewed 8 officers, including the chief executive, 2 strategic corporate directors, the Head of Finance and 3 members of the scrutiny team. I subsequently conducted a further 5 interviews by phone, including one with the cabinet member with responsibility for the priority ‘an efficient and community-focused council’. I also observed a meeting of the Value for Money Scrutiny Monitoring Group on February 10<sup>th</sup> and studied various helpful background documents (e.g. the Scrutiny Handbook) and a range of recent reports from task-and-finish groups (including Procurement and Bus Services). These various sources of opinion

and information enabled me to form a balanced picture of the strengths and weaknesses of scrutiny and the challenges facing it.

1.3 The report is divided into four main sections. The first section argues that the onset of the recession, and the financial cutbacks that will continue to affect Telford and Wrekin will require a major rethink of scrutiny's priorities. The second section contains an evaluation of the scrutiny's current structure, processes and performance. In the third section the contribution which structural change could make to improved performance is discussed, including a comparative evaluation of different options. Finally in the fourth section a series of recommendations which would be likely to improve the effectiveness of scrutiny are set out and justified.

1.4 I am grateful to all those who agreed to be interviewed or attended focus groups. Particular thanks go to Fiona Bottrill and the scrutiny team for arranging my programme of interviews at short notice and acting as a reference point during my visit.

#### The impact of the recession on the priorities for scrutiny

2.1 There are many functions which scrutiny can carry out including policy development, policy review, budget formulation and scrutiny, external scrutiny performance monitoring and holding the executive to account. All authorities have to prioritise these different functions. The recession, and in particular its impact upon the financial resources available to Telford and Wrekin makes a re-assessment of the priorities of scrutiny essential.

2.2 Currently the main priorities for scrutiny are policy reviews, (some of which have covered the responsibilities of external bodies – e.g. the recent review of local bus services) budget scrutiny and (to a lesser degree) performance monitoring and holding the executive to account. The programme of policy reviews was last year developed through the medium of an imaginative ‘away day’ workshop. These reviews, which can be influenced by the views of cabinet members, are typically carried out in task-and-finish group mode, although other mechanisms – e.g. spotlight reviews and special interest meetings are also used. Budget scrutiny and performance monitoring form the main responsibilities of the ‘Value-for-money’ Scrutiny Monitoring Group. Holding the executive to account is done in various ways, with a formal call-in being seen as a ‘last resort’, if the concerns of members cannot be resolved in other ways.

2.3 It is appropriate that scrutiny itself should have the right to decide its priorities and its programme of work on a year-by-year basis and in more normal circumstances, the current set of priorities and the current method of developing the work programme (especially the content of the ‘in-depth’ studies carried out by task-and-finish groups) might be seen as appropriate. However these are not normal circumstances. Local authorities are currently operating in a very different financial climate, where the challenges of maintaining services and dealing with the fall-out of the recession, with reduced financial resources are indeed formidable. In this situation, there is a new responsibility for scrutiny to ensure that the way it spends its time contributes materially to meeting this

challenge. Scrutiny should no longer have the luxury of developing its own programme, irrespective of the agenda facing the local authority as a whole.

- 2.5 This new responsibility does not of course mean that it should compromise its independence of the executive, nor that it should cease to take seriously its 'holding to account' role, nor that it should not continue to identify and where appropriate highlight issues of public concern as potential scrutiny topics. But it does mean that it should take very seriously the role it can play in helping the authority through the very difficult 4-5 years ahead, by taking on pieces of policy development or policy review work which can make a real contribution to the authority's capacity to respond to the recession – linked agenda.

#### Evaluation of the Scrutiny's Current Performance

- 3.1 There are several strengths in the way scrutiny currently operates in Telford and Wrekin. The emphasis on task-and-finish projects is a positive motivation for a reasonable number of members, and typically results in good quality reports (although the degree of influence they have had has varied). There is a commendable (and largely successful) determination to try to minimise the influence of overt party politics on the work of scrutiny. The authority has a well-deserved reputation for its proactive stance to the scrutiny of health issues, which has continued under the new structures introduced in January 2009. The Value for Money sub group has been reasonably effective in its budget scrutiny and performance monitoring roles and is popular with its members. There is an all-party recognition that scrutiny needs dedicated officer support to operate

effectively, and despite a number of staff changes in 2009, the Scrutiny Team has continued to provide effective support and is widely valued.

3.2 However there are a number of issues of concerns which have developed following the introduction of new structures and in the light of the impact of the recession on Telford and Wrekin. These issues can be summarised as follows.

- ❖ Scrutiny has not yet adapted its work programme sufficiently to respond to the impact of the recession, nor to the priorities adopted by the council (One Council: One Team: One Vision)
- ❖ The new structures are confusing for many members and have not significantly improved member involvement and commitment levels (although those members who had previously demonstrated commitment and involvement have continued to display these qualities)
- ❖ The more informal nature of the sub-groups has overcome some of the limitations of the previous commission-based structure, but has also resulted in problems relating to constitutional status, procedure and ability to influence
- ❖ Scrutiny is not currently proving effective in holding the cabinet to account
- ❖ The current structure is problematical for co-optees and especially for the statutory co-optees nominated by educational bodies
- ❖ The system of cabinet assistants has resulted in the Conservative group being under-represented in the scrutiny process with the result that shared ownership of the scrutiny process, has not been achieved

- 3.3 As many of these issues revolve around the impact of the introduction of the new structures, it is appropriate to address this issue first. The new structures were introduced as an attempt to change the culture of scrutiny working, which was perceived by several (although by no means all) of those involved to have lost momentum during the 2007-2008 period partly because of the mode of operation of the Commissions. It was felt that the Commissions spent too much time on topics where they could not add value and whose proceedings were (in several cases) too dominated by long officer presentations which were certainly informative, but which did not result in scrutiny making much (if any) difference to the issues concerned.
- 3.4 The new arrangements have a degree of logic to them. The Scrutiny Leadership Board (SLB) is in principle an appropriate mechanism which has the capacity to provide effective leadership and co-ordination to the scrutiny process. Leadership Boards of this nature are widely regarded as good practice (CfPS (2005), not least because they provide an appropriate organisational counterpart to the cabinet. Similarly the idea of a Scrutiny Assembly, at which all non-executive members and co-optees involved in scrutiny can meet from time to time, to provide a steer to the work programme and to discuss issues of major significance (such as changes in structure) is in principle a sensible one, which has increasingly been introduced elsewhere by 'good practice' authorities. There are confusions about the role and operational problems within both the Leadership Board and Assembly but both are in principle sensible mechanisms.

- 3.5 The four sub-groups, however are more problematical, both in principle and in practice. First, there is no consistent pattern to their remits, covering as they do, a broad service area (Health and Adult Social Services) an important but limited aspect of Children's Services (Corporate Parenting), a concern with budget scrutiny and performance monitoring in an authority wide basis (VFM) and a major long-term educational building project (Campus Telford and Wrekin). This is a strange mixture of the broad and the detailed and leaves major gaps in the subject matter covered by scrutiny (which the 'task-and-finish' projects only fill to a limited extent). This inconsistency cannot be justified.
- 3.6 Second, the mode of operation of each sub-group is problematical. It falls somewhere between a properly constituted scrutiny commission (requiring political balance, formal agendas and minutes, and public and press notification) and a working group (such as those set up to carry out a task-and-finish project) for which there are no such requirements. This indeterminate status is confusing to members, officers, the media and (in so far as they are involved) the public. There have been instances, for example, where an issue to be considered by the Health sub-group has generated media and public interest, resulting in requests for reports and agendas which cannot easily be met, given the normal operating procedures of the sub-groups.
- 3.7 There are advantages in the lack of requirement for political balance, and informality. In relation to political balance, the pressures have been reduced on the hard-pressed group of Conservatives members outside the cabinet, which currently totals 23% of those eligible for scrutiny, but which under political

balance would be required to total 50% of scrutiny positions. In addition the membership of the sub-group is more likely to consist of councillors genuinely interested in the topic, rather than those whose presence is required because of political balance requirements. Informality enables a more productive working environment for certain activities than has been possible within the Commissions. However these advantages, important though they are, have to be set against the constitutional and procedural confusions.

3.8 Thirdly, the lack of formal agendas and procedural uncertainties appear to have resulted in a tendency for officers (other than the Scrutiny and Democratic support staff) to take the sub-groups less seriously than they did the predecessor Commissions. There was a lot of concern expressed by members (including co-optees), about issues such as how information is distributed and the lack of follow-up capacity relating to actions which mainstream officers have agreed to take, which reflected a general lack of clarity (on the members' part) as to what these sub-groups were there for, and what they could reasonably insist on, in relation to officer information provision and attendance by officer and cabinet members.

3.9 A fourth related point is that because of the informal nature and their patchwork nature of their remits, there has been very little attempt to 'hold the cabinet to account', which should be one of the most important roles of scrutiny. The cabinet do not feel they are being held to account, and nor does anyone involved in the scrutiny process.

3.10 The fifth problem relates to the role of the co-optee members of the scrutiny sub-group. There is less of an issue in relation to health, where the co-optees are playing a proactive and helpful role and appear content with the current arrangements, than there is in relation to 'Campus Telford'. The remit of this sub-group has confused the education co-optees. They have an interest in education in the broadest sense; yet they have been channelled into the Campus Telford sub-group which has a narrow remit, in which education per se plays a limited part. True they are also members of the Scrutiny Assembly, but this body meets only occasionally, and rarely discusses education topics. Co-optees with a particular interest in environmental issues find it hard to see where they fit into the new structure. The new structure has marginalised the potential contribution of the education (and some other) co-optees and their sense of being a valued part of the scrutiny process. This is not an acceptable outcome.

3.11 The existing structure is not viable. Although the SLB and the Scrutiny Assembly can be justified, so long as a greater clarity of functions and working arrangements can be devised, the current sub-groups cannot, either in terms of remits and working arrangements. A different balance between constitutional viability and capacity for informal working is required. In addition their capacity to challenge the cabinet needs to be strengthened.

3.12 The second main problem associated with the current way of working of the scrutiny arrangements is the way in which the work programme is established. This may appear a strange viewpoint, given the detailed (and largely appropriate) criteria which exist for the selection of in-depth studies, and the

positive evaluation by members and officers alike of the Scrutiny Assembly workshop – style meeting in 2009 at which the topics for the 2009-10 work programme were discussed and agreed (subject to refinement by the SLB). Indeed if local authorities operated in a more benign financial climate, where resources were available for new initiatives, then the current way of developing the scrutiny programme would have much to commend it. However in the unprecedented recession-related circumstances in which all authorities find themselves, it is essential that scrutiny plays its part in contributing to the ability of the council to deal with the challenging agenda facing it (see 2.1-2.3 above). Currently the work programme formulation process, despite its positive qualities, is not geared up to making this kind of contribution. In addition the current channels of communication between the cabinet and scrutiny (including KIT – the ‘keep in touch’ principle) do not appear to be equipped to remedy this shortcoming.

3.13 The task of developing the capacity of scrutiny to carry out the kind of in-depth policy development and review work which has become a high priority, would be greatly facilitated by an increase in the number of Conservative group members who are involved in the work of scrutiny. Currently there is not really a shared ownership of the scrutiny process amongst all parties. The adoption by the Conservatives of a ‘cabinet assistant’ system has had the effect of preventing the participation in scrutiny of a group of 7 able\* Conservative councillors (in addition to the 7 who hold formal cabinet positions). As noted earlier, this measure has meant that there are only 11 Conservatives remaining

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\* it can be assumed that they are seen as amongst the most able group members to have been drawn into the cabinet in this way

(which will increase to 13 following the February 11<sup>th</sup> by e-elections) to operate as members of scrutiny boards and sub groups. The more experienced Conservative councillors involved have shown commitment and made a valuable contribution, but it has put huge pressure on them, and has contributed to a perception that there is not a shared ownership of the scrutiny process, with the Conservatives being significantly under-represented, in the light of their position as the dominant group on the council. If the council is to move to a position where all parties are committed to contributing to a policy development and review process, the outputs from which will ultimately be taken forward by a Conservative administration, then ways have to be found of increasing the involvement of Conservative members in the scrutiny process. This requirement in turn implies a review of the role of cabinet assistants, including an examination of whether their cabinet involvement necessarily precludes them from a role in scrutiny.

### Conclusion

3.14 The analysis set out in the preceding pages implies the need for a re-assessment of the structures, processes and procedures of scrutiny which would achieve the following ends.

- ❖ Strengthening its capacity to undertake policy development and review projects which would contribute materially to the council's capacity to meet the demanding challenges associated with the recession and the severe financial cutbacks required
- ❖ Increasing the numbers of Conservative councillors involved in the scrutiny process, in particular the policy work highlighted above

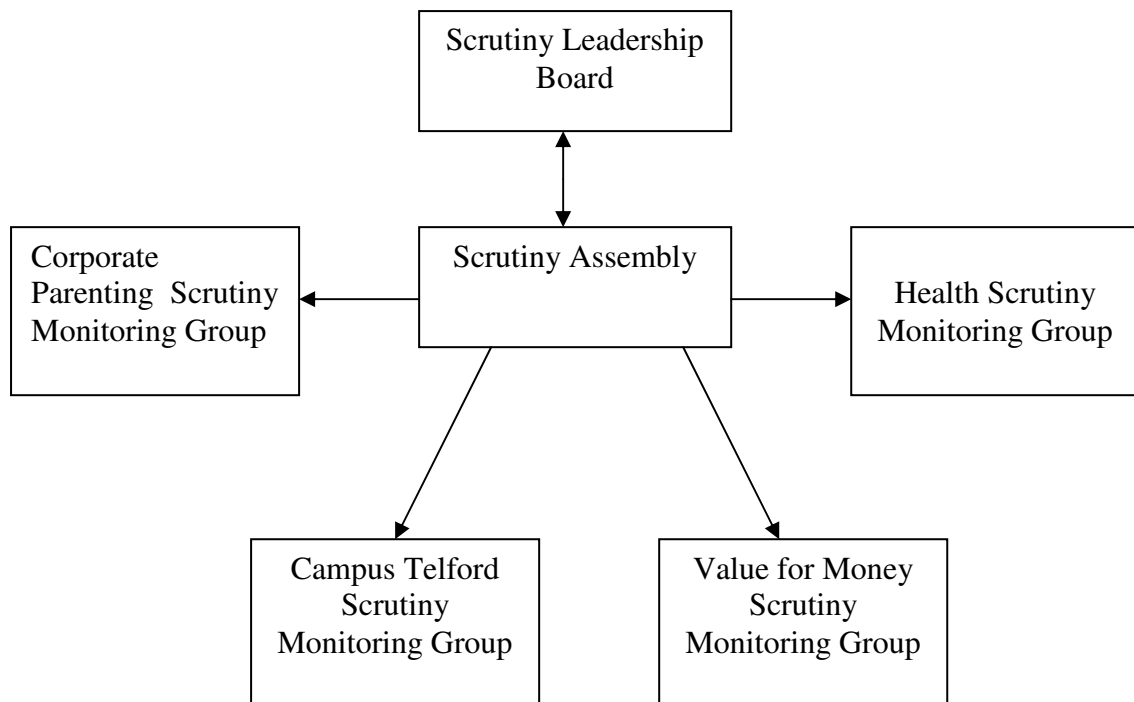
- ❖ Restructuring the way scrutiny's work programme is drawn up so that the most appropriate policy topics can be identified and undertaken
- ❖ Overcoming the confusions and inconsistencies involved in the current remits and operating procedures of the sub groups which are attached to the SLB
- ❖ Retaining the benefits of informal working, whilst ensuring that the scrutiny arrangements operate on a sound constitutional basis

### The Contribution of Structural Change

4.1 One should always be wary of 'structural fixes'. Organisational culture, appropriate processes and the commitment of individuals can be just as important as structures in facilitating the achievement of priorities, often more so. All these factors can contribute materially to the achievement of priorities for scrutiny, as will be demonstrated later. However, structure can also play its part, and at a time when major structural changes have been made to the senior management structure and to the allocation of responsibilities within the cabinet, it is important to address what implications these changes have for scrutiny structures. Structural change may be necessary, but there would need to be a clear justification for it.

4.2 The current structure (see Diagram 1) has been in operation since January 2009.

Diagram 1: Scrutiny Arrangements



From Scrutiny Handbook 2009

One of the aims of the new structure was to change the culture of the 4 former scrutiny commissions, which were seen by many as increasingly unproductive, and to decrease absenteeism (which was relatively high under the old system). Views about it are mixed; it has its enthusiasts and its detractors. Those who support the new structure argue that it is only a year since it was established, which is not an adequate span of time to be able to judge its effectiveness. Also, there has been a period of staff upheaval within the Scrutiny Support Team, which may have restricted its capacity to facilitate the effectiveness of the new structure. Detractors are critical of the lack of clarity involved in the role and operational style of the four monitoring groups. Concerns were also expressed about inconsistency in the allocation of responsibilities (and SRAs)

amongst lead members and chairs of the monitoring groups. Some felt simply that the new structure had made very little difference.

4.3 There was also criticism of the role and effectiveness of the Scrutiny Leadership Board (SLB) and the Scrutiny Assembly (SA) respectively. However, both these structural features have been introduced elsewhere to good effect and would be regarded as ‘good practice’. Whatever other changes are made there is a strong de facto case for retaining both structural elements with their roles suitably clarified.

4.4 More problematical has been the operation of the sub-groups. These problems were discussed in detail on p 6-7 above. Even if changes in the overall structure were not considered necessary, changes would certainly be required in their constitutional status and mode of operation.

4.5 In considering the future of the scrutiny sub-group structure\*, three options emerged for the discussions in the interviews

1. Status quo: the argument here is that the new structure has only been up and running for a year. It requires more time to demonstrate whether it can work effectively in conjunction with the new structures within senior management and the cabinet.
2. Priority-based sub-groups: given the centrality of the seven priorities in ‘One Council; One Team; One Vision’, there is a case for introducing a structure for scrutiny based on these priorities

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\* i.e. the structure which operates below the assembly level

3. Issue or service-based sub-groups: given the dominance of the seven priorities in the executive and management structure, there is also a case for adopting a different categorisation for scrutiny sub-groups, not least to ensure that a (new) silo mentality does not develop around the six priorities (the use of a different categorisation would be congruent with the principle of matrix management)

4.6 In my view, the second option should not be pursued although it admittedly has a degree of logic to it (for example matching scrutiny sub-group remits to priorities would facilitate the function of holding cabinet members (and strategic directors) to account). The accountability link already exists, in that the six scrutiny lead members already each have a responsibility for a particular priority. This set of responsibilities should be retained. The use of the seven priorities as a basis for changing the structure of scrutiny would, in my view, involve a greater degree of potential problems than potential benefits particularly in that it would result in the (over) dominance of one organisational design principle above any alternative. It would also result in an over-elaborate structure, and represent something of a missed opportunity (see below).

4.7 The third option is preferable in a 'checks and balances' sense in that it provides a different way of dividing up reality to avoid the development of 'silo thinking'. There remains the issues of what organisational principle should be used. There are various possibilities – location (e.g. South Telford) client group (e.g. prolific service-using families) cross-cutting issues (e.g. community cohesion) or traditional (but still relevant) service categories (e.g. education).

4.8 However there is also a persuasive case for retaining much of the status quo. The structure introduced in January 2009 hasn't yet had a reasonable time to demonstrate its effectiveness (or otherwise). The Scrutiny Leadership Board and Scrutiny Assembly are both acknowledged examples of 'good practice', which work well in other authorities. Both the Health sub-group and the Value for Money sub group have settled down well and made a significant impact. The Corporate Parenting sub group covers an important issue for the council and shows signs, after a period of uncertainty, of developing a more productive role although its remit does create problems for co-opted members with an education background.

4.9 The most appropriate way forward, in my judgement, is a modified status-quo model which introduces elements of the issue or service-based organisational principle into a modified version of what already exists. There would need to be a clarification of constitutional status and mode of operation of all the existing elements which are retained. And crucial to the capacity of the new arrangements to deliver in terms of the challenging recession-linked agenda facing Telford and Wrekin would be a redesign of the existing system for identifying the programme of in-depth studies, which should involve a greater degree of negotiation between cabinet and the Scrutiny Leadership Board.

### Recommendations

Set out below are the main changes to structure and processes which are recommended.

5.1 The Scrutiny Leadership Board

The Scrutiny Leadership Board (SLB) should be retained at its current size, and with its existing political composition (3 Conservative; 2 Labour; 1 other). The principle of allocating a shadow portfolio to each of its six members should be retained, with the current chair of the SLB holding the shadow portfolio for ‘Adults Care and Support’ (which includes the Health Scrutiny function). One SLB member would need to cover two portfolios (perhaps the Economy – and Housing – related briefs), unless the size of the SLB were to be increased to 7.

5.2 The tasks identified for the SLB in the Scrutiny Handbook are in general appropriate. The problem is that they are not well understood by all its members, nor is the work of the SLB always focused on these tasks.

5.3 The agendas of the SLB should become more focused, with ‘general discussion’ sessions (about progress or emerging issues) identified on the agenda when required, but given a (time-limited) slot in the meeting to enable the SLB to do justice to the more specific items of business facing it. There should in addition be a much more systematic system of briefing and reporting back between the SLB and the sub groups (or panels) attached to it.

5.4 The Scrutiny Assembly

The Scrutiny Assembly should continue in existence and continue to meet on a quarterly basis. Its key role should be to increase the commitment of all

members involved in scrutiny, by enabling them to make a real contribution to the priorities and work programme of scrutiny. The role of the Scrutiny Assembly and the meetings earmarked for it in the Scrutiny Handbook seem appropriate. It should also be used as a way of keeping all scrutiny members (including co-optees) informed about the progress of scrutiny initiatives throughout the year. The 'extranet' may prove particularly helpful in this respect.

### 5.5 The Scrutiny Monitoring Groups

The sub-group structure of scrutiny should be modified in the following ways.

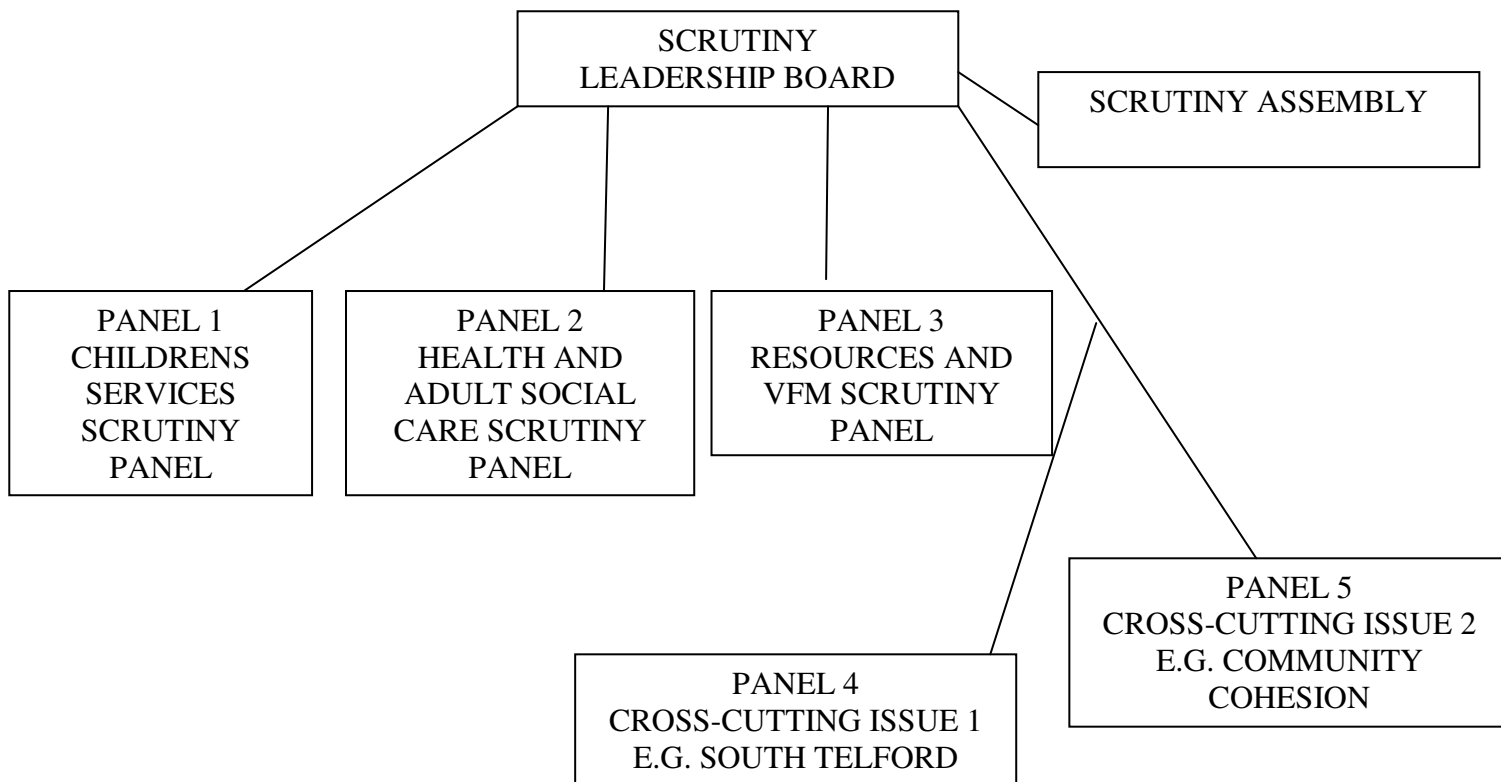
- a) Three scrutiny panels should be established, and given a proper status within the constitution. The principle of political balance should be applied, and the panels should be subject to the normal expectations of public agendas and minutes, and should be serviced by democratic support staff. In two cases (Health and Adult Care Services' and 'Value for Money') the new panels should operate with the same remit as the parallel scrutiny monitoring groups which currently exist. In the third case 'Children's Services' a new panel should be established with a remit which covers the full operation of educational and child protection services. This panel would form a natural home for the education co-optees.
- b) The remit of the Campus Telford and Wrekin scrutiny monitoring group should be subsumed within the remit of the proposed Children's Service Panel, and should thus be discontinued as a separate entity.

- c) The existing Corporate Parenting Scrutiny Monitoring group should be reconstituted as a small working group attached to the Children's Services Panel. Constitutional status and political balance would not be necessary. Any issues requiring formal action should be referred to the Children's Services panel for action.
- d) The three new panels should meet quarterly on a formal basis (or possibly every two months). Between formal meetings, a programme of work involving an appropriate balance of in-depth reviews, spotlight reviews special interest meetings and training sessions should be organised to meet the panel's commitments.
- e) At the joint cabinet/scrutiny programme planning meeting (see below) at the start of the municipal year, two further panels should be established to undertake projects which it was agreed had the potential to contribute materially to the achievement of the council's corporate priorities, in the context of the recession and the difficult financial situation faced by the council. Such projects could cover particular problematical areas of the authority (e.g. South Telford) particularly client-groups (e.g. families who are prolific service users) or particular issues within one of the council's strategic priorities (e.g. community cohesion, homelessness, school to work transition). The panels concerned would not require formal constitutional status or political balance in their membership. Interest in the topic concerned would be the key requirement. These panels would decide their own meeting frequency and pattern of work, in the context of the brief provided for them following the annual cabinet/scrutiny liaison meeting. Their work would be focused on

policy development or policy review projects, but within a broader priority area than the topics previously addressed in in-depth reviews.

- f) Any reports emerging from any of the panels (formal or informal) would be referred in the first instance to the SLB for comment. The SLB would not however have the power to change the content of any report, including the recommendations. The panel concerned could then (if it wished) modify its report, before submitting it to the cabinet.
- g) Debates on major reports could also take place at the scrutiny assembly or full council, where there was sufficient interest and where this was felt to be appropriate.

The new structure is illustrated diagrammatically in Diagram 2.

**Diagram 2 : The proposed new structure**

5.6 For this new structure to work effectively, two conditions would be necessary. First, the involvement of the Conservative group in Telford and Wrekin in the activities of scrutiny would need to be considerably strengthened. Secondly, the way in which the scrutiny work programme was drawn up would require significant changes.

#### Strengthening the Involvement of the Conservative Group

5.7 The strengthened involvement of the Conservative group is crucial because the new priority for scrutiny in the current circumstances would be to support the cabinet in its work (whilst retaining the holding to account role). Ultimately, however impressive the in-depth work of a scrutiny panel was, it would not be

influential unless it were to be accepted and taken forward by the cabinet. It has been argued that this outcome is more likely if the cabinet were to play a more proactive role in the setting of the scrutiny work programme and it would also be facilitated by a greater Conservative presence on the task-and-finish groups and panels. Some of those Conservative members who currently operate as cabinet assistants would have the skills to play a lead role in these groups and panels; something which they are currently precluded from doing.

5.8 The deployment of cabinet assistants, although by no means unique, is a device operated by only a small number of authorities. Clearly, if the practice was discontinued in Telford and Wrekin, it would free up the members concerned to play a major role in scrutiny. However recommendations about this choice are a matter for the Conservative group and are outside the scope of this report.

5.9 However there is another possibility. In other authorities which operate with cabinet assistants, it has not been felt to be necessary to exclude them from scrutiny activity. Cabinet assistants occupy something of a hybrid position. They are included within the cabinet, but cannot legally be allocated any decision making powers, either individually or collectively. Political advisors is perhaps the most realistic way of characterising their role. In those circumstances, some authorities have taken the view that there is no reason why cabinet assistants should not serve on scrutiny panels nor indeed lead in-depth reviews, so long as they do not do so in subject areas for which they have advisory cabinet responsibilities. Thus if a cabinet assistant played a major role in cabinet in relation to 'healthy communities', it would not be advisable for he

or she to a member of the Health Scrutiny panel. However there would be no reason why membership of a children's services scrutiny panel should not be acceptable for this individual, nor a lead role in a panel focusing on a cross cutting issue such as community cohesion. This change in the rules would need to be agreed in Telford and Wrekin for the requisite strengthening of Conservative involvement in scrutiny to be achieved.

### Strengthening the Relevance of the Work Programme

5.10 The second condition – change in the way the scrutiny work programme is drawn up – is necessary to strengthen the degree of cabinet influence on the work programme. If it cannot exercise such influence, then the potential impact on the cabinet of the in-depth studies which scrutiny carries out is very much reduced, and the aim of increasing the capacity of scrutiny to contribute to the recession-linked council agenda becomes less likely to be achieved.

5.11 The implication is that a key part of the way in which scrutiny decides its annual work programme should be an in-depth discussion with the cabinet about this programme, in which the cabinet is able to explain what pieces of work it would find most useful, and why. This discussion could take place as part of the Scrutiny Assembly programme development 'away day', the format of which proved so successful in 2009. It could also take place shortly after this event, when the SLB is clear about the priorities which have emerged from the scrutiny side, and would hence be in a better position to discuss and negotiate a programme with cabinet.

5.12 The ideal outcome would be a work programme which consisted of some items which had emerged from the Assembly away day, but also some items which cabinet had persuaded the SLB that it would be to everyone's advantage if they included them in their work programme. The joint meeting could also usefully agree the remits and briefs for the two 'cross-cutting' panels which were advocated earlier in this report.

5.13 For a dialogue of this nature to prove productive (in the sense of increasing the role of scrutiny in supporting the cabinet) there would have to be an acknowledgment on the part of the SLB that it was appropriate that scrutiny should indeed move in this direction. Cabinet cannot of course tell scrutiny what it should do, nor would that be appropriate. There is nothing to prevent the SLB ignoring the proposals made by the cabinet, and emphasising its right (and intention) to set its own work programme, irrespective of cabinet suggestions of policy reviews or development it would find particularly helpful. But to do so would reduce scrutiny to a marginal role, at a time when its positive contribution to the future of the authority could be immense. Nor would a positive response be incompatible with a rigorous approach to 'holding the executive to account'. Indeed there is scope for scrutiny to operate as a real 'critical friend' by becoming more critical as well as more friendly.

#### Other Recommendations for Change

5.14 There should be an expectation that the chairs of the five panels should be drawn from the membership of the SLB. If however it is agreed that the chair

of a panel would more appropriately be filled by someone other than an SLB member, then that chair should receive an SRA equivalent to that of an SLB member. If the council wishes to restrict scrutiny SRAs to 6, then the implication is that the SLB member who does not chair a panel should not receive an SRA. In other words, the six SRAs should be allocated to the chair of the SLB and the chairs of the five panels.

5.15 The brief for in-depth studies should recognise that in the current financial climate, proposals for change that involve additional expenditure are not likely to be feasible, unless compensatory savings (resulting from the proposals) can be identified elsewhere in the budget, **or** the additional expenditure can be justified in terms of its contribution to the council's priorities.

5.16 Members of in-depth reviews (and spotlight reviews/special interest meetings) should be encouraged to be more radical in their thinking, seeking to develop imaginative new ways of providing services and achieving priorities which can either increase quality at no extra cost or maintain quality with lower costs. Such outcomes would be greatly beneficial in helping the authority to use its limited resource more efficiently and effectively.

5.17 The formalisation of three of the panels (Children's Services, health and Adult Care and Value for Money) will strengthen the capacity of scrutiny to hold cabinet members to account. The panels should not hesitate to use this capacity if they are concerned about any cabinet decision-planned or already taken – within their sphere of responsibility. The SLB should adopt a similar approach,

particularly for cabinet decisions which fall outside the remit of the three formal panels. In all cases, however, the cabinet member concerned should be briefed in advance about what questions the SLB or panel wish to raise with him or her.

5.18 Holding the executive to account would not be an appropriate role for the two other panels whose main task would be policy development or review. However there would be every reason to involve cabinet members in a different way, that is as 'expert witnesses' in the work of the panel. Although cabinet members cannot be members of scrutiny panels (or task-and-finish groups) their views and experience can be drawn upon whenever that is felt to be helpful. In this way, cabinet members can make a real contribution to policy development/review, whilst acknowledging the lead role which scrutiny is playing in the process.

5.19 The current arrangements for call-in, whereby discussions take place with the members who are minded to invoke the call-in procedure to see if the concerns involved can be resolved without a formal call-in, are sensible and should be retained. However such concerns cannot be resolved in this way, it would be better if the monitoring officer were the final arbiter of whether the call-in request meets the criteria set out by the council. In coming to a decision he should seek the views of the chair of the SLB, as well as those of the applicant.

5.20 There may also be advantages in reducing the number of councillors required to initiate the call-in procedure. It is currently 5, which means that some of the smaller groups may find it difficult to elicit support from members of the two

major parties. The alternative of requiring only 3 members to be party to a call-in request should be seriously considered. This change would be in line with practice in many other authorities (indeed some authorities permit call-ins from individual councillors). The important element in the process is ensuring that there is a substantive justification for the call-in, within a framework of criteria agreed by the council.

5.21 The format of the forward plan should be revised and an attempt made to make it more accessible to scrutiny members so that they can more readily make a judgement about any issue upon which they want to express a view before the cabinet discusses it. However a more open sharing of the cabinet work programme in liaison meetings with scrutiny would probably achieve the same end.

5.22 Joint liaison meetings of the cabinet and SLB should take place twice a year. The first meeting should take place as soon as feasible in the municipal year to discuss and (hopefully) agree a programme of in-depth reviews which were appropriate to the strategic priorities of the authority (and the impact of the recession) and also to agree the subject-matter of the two informal panels. The second meeting should take place midway through the municipal year, to discuss progress and to amend the programme if necessary.

5.23 The process for agreeing the work programme for scrutiny discussed in 5.11 – 5.12 above would still leave scope for in-depth reviews, spotlight reviews and special interest meetings, on topics which were felt to be priorities by scrutiny

members but which fell outside the priorities and suggestions emanating from the cabinet. However, in the new circumstances, and given the limits to the overall number of in-depth reviews which are feasible, a smaller number of such priorities would have to be agreed. The Scrutiny Assembly programme planning away day should continue to be the key mechanism for generating and evaluating such priorities. In deciding priorities particular attention should be paid to issues of public concern, where the council is in a position to respond to the problem or to influence other agencies to do so.

5.24 Given the role proposed for scrutiny in contributing in a major way to the development or review of policies which will help the authority to respond to the challenges of the recession with diminished financial resources, it is essential that the scrutiny team should be retained at its current strength (as at March 2010) to enable it to effectively support this new priority (as well as the on-going functions).

5.25 Training and development programmes which are tailored to the specific needs of scrutiny chairs and active members are an essential contribution to good scrutiny. The council should review its current training programme, in the light of any change it decides to make as a result of this report and seek to provide a range of relevant modules which will enhance the skills of scrutiny members. A priority should be given to the development of leadership capacity amongst scrutiny chairs, whose contribution will be crucial to the success of the proposed arrangements. However it is also essential that all scrutiny members be strongly

encouraged to develop relevant skills, to strengthen the part they can play in the demanding agenda which faces scrutiny.

**Brief for Review of Scrutiny Arrangements and Lead Member Appraisals**

**2009/2010 Telford and Wrekin Council**

## **Background**

It was agreed by the Council's Scrutiny Leadership Board at the meeting on 19 November 2009 that the annual appraisal of Scrutiny Lead Members would be combined with a wider review of the Scrutiny arrangements introduced in January 2009. It was agreed that an external consultant would be engaged to undertake this work and report back to Scrutiny Leadership Board on 25 March 2010.

## **Aim of the Review**

The Review will:

- Appraise the work of the Lead Scrutiny Members based on the issues identified in the Lead Member Appraisal framework
- Assess the effectiveness of the scrutiny structure of Scrutiny Leadership Board, Scrutiny Assembly and Sub Groups in scrutinising the work of the Council, NHS and partners involved in the Local Area Agreements
- Assess the effectiveness of Scrutiny in undertaking the work programme of reviews, spot light reviews and special interest meetings
- Consider any implications for Scrutiny of the recent restructure under 'One Council, One Team, One Vision'
- Review the support arrangements in place to enable Scrutiny to effectively undertake its function in the context of the Council's recent restructure
- Assess the effectiveness of the Scrutiny arrangements as part of the Council's governance arrangements This will form part of the evidence reported to Audit Committee on 30 March 2010.

- Make recommendations to Scrutiny Leadership Board based on the evidence gathered during the review, national developments in Local Government Scrutiny and national good practice.

## **Methods**

The review will require a range of evidence:

- Document review (Appendix 1)
- Observing Scrutiny meetings in progress
- Meetings with Scrutiny Members (political balance and engaged / not engaged)
- Co-opted Members focus group
- Member appraisal questionnaire and interviews
- Meeting with Leader and Executive Members
- Chief Executive / Director interviews
- Meeting / focus groups with Lead Officers

## **Time Scales**

The final report will be presented to Scrutiny Leadership Board on the 25<sup>th</sup> March 2010. The draft report should be received week commencing 1 March 2010 to be signed off by the Chair of Scrutiny Leadership Board Week commencing 8 March 2010. The review will involve 5 – 6 days work broken down approximately as follows:

Planning and preparation	0.5 day
Document review	0.5 day
Interviews, focus group, attending meetings	2-3 days
Write up	1 day
Draft report to be signed off by Chair of SLB	0.5 day
Present to Scrutiny Leadership Board	0.5 day

**Officer Support**

The Scrutiny Team and Democratic Support will co-ordinate meetings / focus groups.

The main point of contact will be the Scrutiny Manager.