



DERBY CITY COUNCIL

SCRUTINY MANAGEMENT COMMISSION 4 JUNE 2008

Report of the Chair of the Commission

Scrutiny Management Commission work plan proposals – 2008/09

RECOMMENDATION

1. That the Commission note and approve the proposals contained in the report

SUPPORTING INFORMATION

- 2.1 The attached report to the Annual Meeting of the Council on 21 May 2008 contains recommendations to the effect that:
 - a) During the period June – September 2008 all the Council's Scrutiny Commissions work together and with representatives of the Council's partners to identify options for a scrutiny structure that would enable the Council to most effectively discharge the new duties and responsibilities contained in the Local Government and Public Involvement in Health Act 2007. Possible structures would be reported to a future Council meeting and if adopted could be implemented early in 2009.
 - b) That consideration should be given to holding a single Budget Scrutiny meeting during the latter part of January. The proposed meeting would be attended by all the Commission Chairs and Vice Chairs and by as many Cabinet members and Chief Officers as were considered necessary to present the budget proposals to the scrutiny members and answer their questions

Both these proposals were approved by full Council and it is suggested that the Scrutiny Management Commission should now consider how to implement them.

- 2.2 It is suggested that to commence the process needed to identify any necessary changes to the existing scrutiny structure, Mike Short of IDeA should be asked to provide a follow-up to the member development sessions that he delivered to Scrutiny members and partners on 6 March 2008. The follow-up session would:

- a) consider the new powers and responsibilities for scrutiny contained within the Local Government and Public Involvement in Health Act 2007, the implications these have for local authorities and how these might best be addressed,
- b) further explore the way in which local authorities might scrutinise the delivery of LAA targets by their partners

This session should provide members with knowledge and a solid foundation on which to base their proposals for any changes to the existing scrutiny structure.

- 2.3 Subsequent activity by the Commissions might involve examining the scrutiny structure of comparable local authorities and seeking advice from bodies such as the Local Government Information Unit and the Centre for Public Scrutiny. It is thought that it will be essential to involve the Council's partners in the process and it is suggested that they should be invited to send representatives to the session with Mike Short.
- 2.4 If members approve the approach, it is intended to try to arrange for the session with Mike Short to take place on an evening during the weeks commencing either 16 or 23 June 2008. It is intended that a more detailed scoping report of the review will be then provided to the Commission meeting on 1 July 2008.
- 2.5 In respect of the proposal relating to budget scrutiny, Don McLure, the Director of Resources has agreed to attend the Commission meeting on 1 July 2008 and to provide members with a briefing on the budget process. The Commission's meeting with Don will provide the opportunity to discuss with him the ways in which the budget scrutiny process might be improved. More detailed proposals can be developed by the Commission after their meeting on 1 July.

For more information contact:	David Romaine 01332 255598 e-mail david.romaine@derby.gov.uk
Background papers:	Appendix 1 – Implications
List of appendices:	Appendix 2 – 2007/08 Annual Report of the Overview and Scrutiny Commissions
	Appendix 3 - Sections 7 and 9 of the 2007/08 Annual Report

IMPLICATIONS

Financial

1. It is likely there will be financial implications associated with any reorganisation of the Council's scrutiny structure but at this stage in the process these cannot be quantified. Mike Short's input to the process will incur a charge to the Commission. This has not yet been confirmed but is not thought likely to exceed £1500. This sum can be contained within the Commission's research budget. It is thought unlikely that there will be any cost associated with any changes to the budget scrutiny process that the SMC may recommend and it may indeed be possible to make some savings in terms of the time involved.

Legal

2. None arising directly from this report.

Personnel

3. There is capacity within the Co-ordination team to undertake this work.

Equalities impact

4. Effective scrutiny is of benefit to all Derby people.

Corporate Objectives

5. This report has the potential to link with all the Council's Corporate Objectives,



FULL COUNCIL
21 May 2008

Report of the Scrutiny Management Commission

2007/08 Annual Report of the Overview and Scrutiny Commissions

RECOMMENDATION

- 1.1 Council is recommended to accept the 2007/08 Annual Report of the Overview and Scrutiny Commissions.
- 1.2 Council is recommended to approve the proposal contained in Section 7 of the Annual Report namely; that during the period June – September 2008 all the Council's Scrutiny Commissions work together and with representatives of the Council's partners to identify options for a scrutiny structure that would enable the Council to most effectively discharge the new duties and responsibilities contained in the Local Government and Public Involvement in Health Act 2007. Possible structures would be reported to a future Council meeting and if adopted could be implemented early in 2009.
- 1.3 Council is recommended to approve the proposal described in Section 9 of the Annual Report; namely that consideration should be given to holding a single Budget Scrutiny meeting during the latter part of January. The proposed meeting would be attended by all the Commission Chairs and Vice Chairs and by as many Cabinet members and Chief Officers as were considered necessary to present the budget proposals to the scrutiny members and answer their questions.

SUPPORTING INFORMATION

- 2.1 Paragraph 6.3(4) of the Council's Constitution requires the Overview and Scrutiny Commissions to 'report annually to full Council on their workings and make recommendations for future work programmes and amended working methods if appropriate'.
- 2.2 The report contained in Appendix 2 is the sixth Annual Report of the Council's Overview and Scrutiny Commissions. The report summarises the work that has been carried out by the Commissions during the

administrative year 2006/07.

- 2.3 In addition to reporting the work of the Commissions, the Annual Report contains two specific proposals for scrutiny. These are set out in Sections 7 and 9 of the Annual Report.
- 2.4 The first proposal is that the Council should consider restructuring its scrutiny function in order to address the new duties and responsibilities contained in the Local Government and Public Involvement in Health Act 2007. To this end it is proposed that during the period June – September 2008 all the Council's Scrutiny Commissions should work together and with representatives of the Council's partners to identify some viable options for a future scrutiny structure for Derby. The best of these options could then be presented in the Autumn to a meeting of full Council. This would enable any proposal that was adopted by Council to be implemented in January 2009.
- 2.5 The effectiveness of the scrutiny of local partnerships and the Council's LAA will be part of the Audit Commission's investigations when the new Comprehensive Area Assessment (CAA) inspection regime for local authorities comes into effect. It is therefore important that Derby has a scrutiny structure that enables it to conduct effective scrutiny of its partners and of their delivery of LAA targets.
- 2.6 The second proposal relates to Budget Scrutiny. Previously this has involved a meeting for each Commission with Cabinet members and Chief Officers and/or Assistant Directors at which budget proposals that fall within the Commission's portfolio have been considered by members and where recommendation have been made on a Commission by Commission basis. This is a protracted process which puts a lot of strain on the diaries of all concerned. The difficulties with the process are further exacerbated if, as occurred this year, there is any delay in issuing the draft budget document. If this occurs, it is inevitable with the present arrangements that some Commission will have only a few days in which to consider the budget proposals that affect their portfolios and to formulate their responses and recommendations, and this does not facilitate good scrutiny.
- 2.7 To address these problems it is suggested that consideration should be given to holding a single budget review meeting during the latter part of January. Assuming that the budget proposals were circulated early in January, this would provide sufficient time for Commission members to consider them and make their Chairs and/or Vice Chairs aware of any concerns they might have.
- 2.8 The proposed single budget scrutiny meeting would be attended by all the Commission Chairs and Vice Chairs and by as many Cabinet members and Chief Officers as were considered necessary to present the budget proposals to the scrutiny members and answer their questions. Each Commission could still make its own

recommendations but as these would be proposed with knowledge of what the other Commission were recommending, the outcome should be more holistic.

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Background papers:	Appendix 1 – Implications
List of appendices:	Appendix 2 - Annual Report of the Overview and Scrutiny Commissions

Appendix 1

IMPLICATIONS

Financial

1. None arising directly from this report.

Legal

- 2.1 The Local Government Act 2000 requires that the Council's Overview and Scrutiny arrangements cover the full range of functions for which it is responsible. Delivery of the overview and scrutiny function can be undertaken by a minimum of one committee or any higher number the Council considers to be appropriate. Any committee when considering local authority education functions must, in addition to the Council members, include in the case of Derby five voting members representing faith communities and parents. The Health and Social Care Act 2001 provides for one of the Council's overview and scrutiny committees to review and scrutinise local National Health Service bodies.
- 2.2 The 2000 Act also requires that local authorities must have regard to any guidance issued by the Secretary of State.

Personnel

3. The Overview and Scrutiny Co-ordination Team currently comprises the Scrutiny and Complaints Manager, two Overview and Scrutiny Co-ordination Officers, one Assistant Overview and Scrutiny Co-ordination Officer and one Team Administrator.

Equalities impact

4. Effective Overview and Scrutiny is of benefit to all Derby people.

Corporate Objectives, Values and Priorities

5. Overview and Scrutiny activities have the potential to link to all the Council's Corporate Priorities.

7. Consideration of the Future Structure of Overview and Scrutiny in Derby

From their outset Councils' Overview and Scrutiny committees have had the power to examine Council decision making. This was soon followed by specific powers to scrutinise health services and during the past six and a half years the City Council's Overview and Scrutiny members have developed skills and experience through a wide range of scrutiny activities.

The Local Government and Public Involvement in Health Act 2007 (LGPIHA) has now expanded the role of scrutiny by including Local Area Agreements (LAAs) and Local Strategic Partnerships (LSPs) within the area it covers, and the Act now sets out statutory requirements for LAAs including:

1. A duty for named organisations to co-operate in drawing up the LAA,
2. A duty on those named organisations to:
 - Respond to scrutiny in relation to LAA targets
 - Provide information in response to scrutiny requests
 - Have regard to scrutiny recommendations

The effectiveness of the scrutiny of local partnerships and the Council's LAA will be part of the Audit Commission's investigations when the new Comprehensive Area Assessment (CAA) inspection regime for local authorities comes into effect. It is therefore important that Derby has a scrutiny structure that enables it to conduct effective scrutiny of its partners and of their delivery of LAA targets.

The Council's current scrutiny structure (see Figure 1 Page 9) was originally designed to align Commission portfolios with those of the Council Cabinet members, although in 2007 this principle was to some degree abandoned when the structure was altered to accommodate the Climate Change Commission.

The Council's current scrutiny structure has worked satisfactorily in the past, but to deliver in its new role, scrutiny will need to:

- Support the partnership and help the partners to work together
- Explore the effectiveness of current practice
- Drive service improvements through challenge and analysis
- Identify partnership problems and find ways to make LAAs and the LSP more effective

The new role envisaged for scrutiny will have important training and support implications as in order to scrutinise partnership working effectively, members will need a far greater understanding of how partner agencies operate. The challenge is therefore to put in place scrutiny arrangements that can respond effectively to local problems and find partnership solutions.

It is considered that the Council's current scrutiny structure is not ideal for the tasks that are now envisaged and that some significant re-engineering will be needed to make fit for its new purpose.

To address these issues it will be proposed to the Annual meeting that during the period June – September 2008 all the Council's Scrutiny Commissions work together and with representatives of the Council's partners to identify some viable options for a future scrutiny structure for Derby.

The best of these options would then be presented in the Autumn to a meeting of full Council. This would enable any proposal that was adopted by Council to be implemented in January 2009.

9. Proposed changes to the Budget Scrutiny process

As in previous years, scrutiny of the 2008/9 – 2010/11 draft budget involved each Commission scrutinising the draft budget proposals that were applicable to its own portfolio. The recommendations of the individual Commissions were then reported to the Scrutiny Management Commission which passported them to Council Cabinet together with its recommendations in respect of the budget proposals relating to its own portfolio.

This process involves a meeting for each Commission with Cabinet members and Chief Officers and/or Assistant Directors. It is a protracted process and puts a lot of strain on the diaries of all concerned. The difficulties with the process are further exacerbated if, as occurred this year, there is any delay in issuing the draft budget document. If this occurs, it is inevitable that some Commission will have only a few days in which to consider the budget proposals that affect their portfolios and to formulate their responses and recommendations.

To address these problems it is suggested that consideration should be given to holding a single budget review meeting during the latter part of January. This would provide sufficient time for Commission members to consider the budget documents and make their Chairs and/or Vice Chairs aware of any concerns they might have.

The proposed budget scrutiny meeting would be attended by all the Commission Chairs and Vice Chairs and by as many Cabinet members and Chief Officers as were considered necessary to present the budget proposals to the scrutiny members and answer their questions. Each Commission could still make its own recommendations but as these would be proposed with knowledge of what the other Commission were recommending, the outcome should be more holistic.

The proposed meeting would of necessity be fairly long but as the whole of the budget scrutiny process could be conducted within it there should be an overall saving in member/officer time. A single meeting would be much easier to service and it is thought that there might also be gains from the improved communication between the Commissions and the Cabinet members.

