



## **SCRUTINY COMMISSION – 18<sup>TH</sup> JUNE 2003**

### **ANNUAL REPORT ON BEHALF OF OVERVIEW AND SCRUTINY BODIES**

#### **Introduction**

1. The Constitution requires that Overview and Scrutiny Committees should submit an annual report to the Council (or the Scrutiny Commission in a single report on their behalf) on their workings. The report may make recommendations about future work programmes and changes in working methods.
2. This report outlines the work undertaken by the Scrutiny Commission and its Committees during the period June 2002 to May 2003 and other matters relating to the operation of the Scrutiny function within the County Council.

#### **Background**

3. The role and functions of overview and scrutiny are set out in the Constitution adopted by the Council in April 2001. This, together with an earlier report to the County Council on 10<sup>th</sup> January 2001 on 'The Future Shape of Scrutiny', define the key functions of the scrutiny process (and hence the work programme) as:
  - a) Considering the Executive's proposals for changes to or actions outside the Policy Framework;
  - b) Considering the Executive's proposals in relation to the Budget;
  - c) Scrutinising decisions of the Executive;
  - d) Receiving and commenting on the outcome of Best Value reviews;
  - e) Commenting on matters referred from the Executive;
  - f) Requesting reports on matters identified and of concern to scrutiny members;
  - g) Initiating and conducting its own policy reviews;
  - h) Providing a forum for members of the public to raise issues of concern (by presenting petitions and asking questions).

4. In May 2002 following a review of the Constitution the structure of the overview and scrutiny was amended. The number of Committees was increased to five plus the Commission. The proposals were intended to reflect the changes to the Departmental structures of the County Council.

### **Developing Work Programmes**

5. In accordance with the views of the Scrutiny Reference Group each Scrutiny Committee was asked to develop a work programme for the year. Committees were advised that the identification of issues for the work programme was a matter for Committee members, particularly the Chairmen and Spokesmen, who could influence how proactive each Committee should be in developing work programmes. The committees were also asked to take account of the following:
  - a) Current reviews included in the Best Value Review Programme;
  - b) the review and roll-forward of the Plans forming the Policy Framework;
  - c) Ensuring that any review activity they undertook was achievable within the resources available and did not duplicate work done elsewhere;
  - d) The content and delivery of targets and commitments in the Best Value Performance Plan, Medium Term Corporate Strategy and the outcome of the Comprehensive Performance Assessment;
  - e) Other sources of information relevant to judging the Council's performance, such as analysis of trends in complaints by service users and information arising from external examination of the Council's performance, e.g. Ofsted and SSI Inspections.
6. Recognising that from time to time, Committees would be asked by the Cabinet to comment on key policies or plans or consider the outcomes of Best Value Reviews, each Committee was asked to identify no more than two items at any one time in their annual work programme.

### **Work undertaken during the year**

7. Set out as an Appendix to the report are schedules showing the work undertaken by Scrutiny bodies during the course of the year.

### **Scrutiny Generated Work**

8. Members of the Scrutiny Commission and Committees have raised a number of issues that have lead to further work being undertaken. Some of these have resulted in the establishment of five-member scrutiny review panels and these are mentioned elsewhere in this

report. Examples of some of the issues raised are summarised in the following paragraphs.

**(a) Children attending City Schools**

The report was in response to a request by the Labour Group Spokesman on the Education Scrutiny Committee.

The report highlighted the significant loss of resources because children living in the City attending a County school were funded at the lower 'County rate'. The difference amounted to £400 per primary pupil and £600 per secondary pupil resulting in a net saving to the Treasury of £2 million per year.

The findings also highlighted the position of a number of County schools who were dependent upon City children and whose viability would come into question if these children attended City schools.

The findings helped to reinforce the Council's submission to the Government and external bodies about the low level of funding for the education service.

**(b) Post Office Network**

A meeting was arranged with representatives of the Post Office following concerns about the potential closure of urban sub post offices.

The Leader and Deputy Leader of the Council were also invited to attend the meeting.

The Cabinet accepted the resulting report and recommendations therein and a mechanism has now been agreed, which reflects the scrutiny proposals, to ensure that the local member is made aware of any potential closure and that the County Council and local member have an opportunity to make representations on the proposals.

**(c) Key Stage 4 Improvement Strategy**

In 2002/03 the Administration agreed to invest £250,000 to improve KS4 results in a number of subject areas. The Deputy Chairman of the Education Committee asked that the impact and effectiveness of this investment should be looked at.

The Committee received a report from the Director of Education outlining the use made of the additional investment and an analysis of the impact this had made. The Committee also heard from some Headteachers whose schools had benefited from the investment and their perspective of the effectiveness of this initiative.

9. The recently appointed Scrutiny Committee Chairmen and Spokesmen will need to identify potential issues for consideration during the coming year. A number of potential items have already been identified in recent months, including the following which the Scrutiny Reference Group considered may merit further detailed investigation by Committees or a five member panel:
- A review of the current method of determining the Transportation Capital Programme Block Allocation, and the effectiveness/benefits to the community of such capital spending;
  - A review of the current practices and procedures adopted in relation to road safety and the effectiveness and on-going maintenance of measures introduced;
  - A review of the involvement of the County Council in partnership activity. As part of this exercise it is hoped to address the issue of risk to the Council, the scope, if any, for rationalisation and issues relating to reporting arrangements and governance.

### **Public Access**

10. Reference was made earlier in paragraph 3 to Scrutiny Committees providing a forum for members of the public to raise matters of concern. During 2002/03 the Health and Social Care Scrutiny Committee received a petition in relation to the proposals to externalise elderly persons' homes. The Community Services Committee received a petition requesting support for Hathern Library and asking for provision of a permanent building. The Highways, Transportation and Waste Management Committee received seventeen petitions relating primarily to road safety issues and the provision of bus services. The Committee also received a question from a member of the public. Details of these are given in the Appendix.
11. Members of the public presenting petitions have been given the opportunity to address the Committee thus allowing them the opportunity to articulate their concerns and, when appropriate, to respond to points raised in officer reports made in response to petitions. This development appears to have found favour with members of the public. Local members who have attended with petitions have also been given an opportunity to participate in the debate at the Committee.

### **Plans in the Policy Framework/Referrals from the Executive**

12. With regard to Plans, the Commission has noted that it is not practical for Scrutiny Committees to subject every aspect of every plan to detailed scrutiny and a selective approach is recommended. This approach has yet to be developed in all Committees and it is hoped

that Chairmen and Spokesmen will become more proactive in this area. There has been some improvement in the practice of Scrutiny Committees in analysing plans and proposing appropriate amendments and comments made have been adopted by the Cabinet e.g on the Youth Justice Plan. Some plans have proved to be especially difficult to scrutinise because they are in a format specified by central government departments or agencies, for example the Quality Protects, Early Years Development and Childcare and Youth Work Plans. The recent announcement that the numbers of Plans required will be scaled down is particularly welcomed.

13. During the year a number of issues have been referred from the Executive, including some important consultation papers e.g. Future of Air Transport in the U.K. This has kept members informed of key developments in progress during the year and stimulated debate which has assisted the Council in responding to these documents.
14. On occasions, referrals have resulted in lengthy agendas, making it difficult for committees to conduct detailed and effective scrutiny. Again, Committee Chairmen and Spokesmen have been asked to look critically at referrals and to determine whether detailed scrutiny of them can be justified. The practice of some committees to hold agenda planning meetings, which has been commended by the Scrutiny Reference Group, has greatly assisted this process.

### **Best Value Reviews**

15. Scrutiny has the opportunity to consider and comment on the Best Value performance Plan in detail before it is published, and also to monitor progress during the year. In addition it considers the outcomes of specific Best Value Reviews. A number of major reviews have been reported to scrutiny and have been commented upon. The next stage for scrutiny is to consider and monitor at regular intervals progress with implementing the recommendations of the reviews and how these are impacting on local communities e.g. whilst welcoming the development of the hourly bus service in rural areas particular concerns have been expressed on how this has impacted on some rural communities as evidenced by the petitions received. The Highways Transportation and Waste Management Scrutiny Committee will be receiving further reports on this issue. The process of implementation of the three major reviews that have recently been completed, Youth and Community Education, Special Education Transport and Learning Disabilities, will be a key area of future scrutiny activity.
16. The Scrutiny Reference Group has noted that the production of the next review programme is awaiting agreement with the newly appointed District Auditor (also known as the Relationship Manager) particularly in the light of the findings of the Comprehensive Performance Assessment. The Group also noted that the proposed review programme would be included in the draft Best Value

Performance Plan for 2003/04 and that the Commission would have the opportunity to consider this before final publication. The Commission will wish to ensure that the review programme focuses upon issues of key importance to the County Council.

### **Five-Member Scrutiny Review Panels**

17. When the previous annual report on Scrutiny was presented, two five-member scrutiny review panels had just completed their work and had submitted their findings to the Cabinet for consideration. These were the panels established to investigate the problems at the Record Office and to consider the issue of recruitment and retention of teachers.
18. In its response to the findings of the review panel on the Record Office, reported to the Scrutiny Commission on 4<sup>th</sup> September 2002, the Cabinet noted a number of the Panel's recommendations and commented on others. It agreed that mechanisms should be put in place to ensure that the Cabinet would be advised at key stages in the process of any litigation or dispute resolution where the County Council was at risk of paying damages or costs exceeding £50,000.
19. The Cabinet received a report on 2<sup>nd</sup> July 2002 on the recommendations of the review panel on recruitment and retention of teachers, together with some supplementary recommendations from the Education and Heritage Scrutiny Committee. The Cabinet approved the recommendations. The Education Scrutiny Committee is continuing to receive 6 monthly progress reports on the implementation of the panel's recommendations. The work undertaken by the Panel was recognised and welcomed by the Cabinet Lead Member for Education in Council and by Headteachers.
20. During 2002/03 five-member scrutiny review panels were established to:
  - Consider the development of the Community Strategy in Leicestershire;
  - Assist the Highways, Transportation and Waste Management Scrutiny Committee in formulating a response to the Cabinet on the emerging Household Waste Management Strategy and in particular the implications of any proposals to use incineration as a means of disposing of household waste;
  - Review School Attendance.
21. The review panel on Community Strategies continues to meet to consider the development of district community strategies and their relationship with the Community Strategy for Leicestershire. The other two review panels have recently completed their work and their findings have been referred to the Highways, Transportation and Waste Management and Education Scrutiny Committees respectively. The

recommendations arising from the Review of School Attendance have been agreed by the Education Scrutiny Committee and forwarded to the Cabinet for consideration; a response is awaited.

### **External Evaluation of the Scrutiny Function**

22. During 2002/03 there have been two external evaluations of the Council's performance that have included reference to the effectiveness of scrutiny. These were the Comprehensive Performance Assessment (CPA), conducted during July 2002, and the Ofsted Inspection of the Leicestershire LEA, conducted during January 2003.

23. The following are two extracts from the CPA report:

'Agendas presented to member meetings (Executive and Scrutiny) in the main demonstrate a focus on the important issues facing the council. The commitment to resolve a number of outstanding issues is reflected in the items for discussion and decision. Reports presented for consideration by officers and members generally aid focus on the stated priorities of the council and, since the development of the medium term corporate strategy, show an improved focus on the high level objectives of the council. Again, the lack of a vision and explicit priorities means that focus on outcomes for local people is under-developed in some forums.'

'Within the council there has been continued development of the scrutiny function. The council has learned from its initial experience of scrutiny and has developed arrangements that are seen as more effective and focussed. These improvements were recently introduced and as yet it is too early to assess the effectiveness of these arrangements.'

24. The following is an extract from the Ofsted report on its inspection of the Leicestershire LEA:

'The Education Scrutiny Committee is having an increasing influence after a slow start and is fulfilling its role effectively. The Committee receive regular reports on the performance of schools and progress on the implementation of the Education Development Plan and has effectively scrutinised decisions made by the Executive.'

25. As part of its annual programme of performance audit work at the Council, the Audit Commission will be conducting a study of Leicestershire's Scrutiny arrangements. The study will involve a review of relevant documents, observation of Scrutiny Commission and Committees and interviews with elected members and officers. The study will address a number of key questions including:

- is the role of overview and scrutiny clearly defined and in accordance with government guidance?

- do current arrangements enable the overview and scrutiny function to focus on review of outcomes and on performance towards strategic objectives?
  - does the structure adopted help to maximise effectiveness?
  - does the way that meetings are run ensure that the intended purpose is fulfilled?
26. The outcome of the Audit Commission study, and how the Council responds to its findings, will be included in the annual Scrutiny report for 2003/04.

### **Scrutiny of the National Health Service**

27. The Health and Social Care Act 2001 extended the powers of Overview and Scrutiny Committees of Social Services Authorities to include the power 'to review and scrutinise in accordance with Regulations...matters relating to the Health Service in the Authority's area and to make reports and recommendations on such matters in accordance with the Regulations.'
28. The provisional timetable for introducing the Overview and Scrutiny process proposed by the Department of Health envisaged that Overview and Scrutiny Committees would assume health scrutiny powers from January 2003, but the timetable slipped considerably. The relevant Regulations were made in December 2002. The Guidance from the Department of Health was only issued in late May, much later than had been expected. The Scrutiny Reference Group has considered the matter on a number of occasions including possible options for developing this role in the light of the complex interrelationship of responsibilities of different health bodies and the difficulties engendered by the lack of co-terminosity between the boundaries of health and local government bodies. It is hoped that, following a settling-in period after the local elections on 1 May 2003, County Council officers can start discussions with their counterparts in Leicester City Council and Rutland Council with a view to developing proposals for undertaking scrutiny of the health service that can be submitted for approval by the authorities. The proposals will in due course have to be considered by the Constitution Committee.

### **Conclusions**

29. Scrutiny continues to be a learning experience for both members and officers. It was inevitable that members and officers familiar with the former committee system that had been in place for over a century would not adapt overnight to a system which is fundamentally different, requiring different skills and aptitudes. However, progress has been



made in the last year as members and officers have become more familiar with scrutiny and how to make it work.

30. Continued experience of five-member review panels has been positive, with members enjoying the opportunity to look at issues in depth and to question witnesses outside the County Council's officer corps in a more informal atmosphere than is permitted in a committee meeting. It is likely that this area of scrutiny activity may expand. The effectiveness of the five member panel process has been generally recognised.
31. Work still needs to be done to improve the conduct and performance of scrutiny, and some pointers should emerge from the Audit Commission review to assist this process. There is every reason to believe that the operation of scrutiny in Leicestershire is continuing to improve and stands comparison with best practice elsewhere in the country. Members of the Scrutiny Reference Group have been able to share their experiences and current practices with members and officers from Lincolnshire, who are in the process of developing their constitutional arrangements. Copies of the Guide to Overview and Scrutiny produced in July 2002 have been shared with scrutiny officers in other authorities.
32. Whether the improvement can be sustained will depend upon the commitment of scrutiny members to undertake the work needed to make scrutiny more effective and the willingness of the Cabinet to engage in a dialogue with Scrutiny. The Cabinet has been prepared to involve Scrutiny Committees in the process of formulating policy and Cabinet members have, generally, explained the thinking behind the proposals in some detail to committees. This has meant that it has not been necessary for Scrutiny Committees to invoke the call-in procedure. It is hoped that the new Leader and his colleagues in the Cabinet will continue to co-operate in making the scrutiny arm of the authority increasingly effective.

**N. J. Brown**  
**Chairman of the Scrutiny Commission**

cttee/mo/scrutiny/annructrep

