

# Agenda Item 8.

<b>TITLE</b>	<b>Select Committee Report – Government Response</b>
<b>FOR CONSIDERATION BY</b>	Overview and Scrutiny Management Committee on 20 June 2018
<b>WARD</b>	None Specific
<b>LEAD OFFICER</b>	Andrew Moulton, Assistant Director, Governance

## **OUTCOME / BENEFITS TO THE COMMUNITY**

Overview and Scrutiny is one of the checks and balances which ensure that the Council and its partners make and implement effective decisions. It is a key element in the decision making process which ensures transparency and accountability.

## **RECOMMENDATION**

The Committee is requested to:

- 1) consider the Government's response to the Select Committee report on Overview and Scrutiny in local government (Annex A);
- 2) consider any initial feedback to the Government on the points set out at Annex A;
- 3) consider how Members would like to engage with the Government in the proposed stakeholder engagement relating to the new national guidance on Overview and Scrutiny;
- 4) consider any issues arising which impact on the operation of Overview and Scrutiny at Wokingham Borough Council.

## **SUMMARY OF REPORT**

The House of Commons Select Committee for Communities and Local Government published its report on the effectiveness of Overview and Scrutiny in local government in December 2017. The Committee considered the report at its meeting on 9 January 2018.

A number of the Select Committee's recommendations called for Government action. In March 2018 the Government published its response to the Select Committee's report. The Government's response is set out at Annex A.

Members are requested to consider the Government's response, discuss the next steps and consider any implications for the operation of Overview and Scrutiny at the Council.

## Background

The House of Commons Select Committee for Communities and Local Government published its report on the effectiveness of Overview and Scrutiny in local government in December 2017. The report highlighted a number of key issues as set out below:

- The most significant factor in determining the effectiveness of Overview and Scrutiny is the organisational culture of the Council in question. A positive culture, with support from senior Members and Officers, can deliver an effective scrutiny process. However, when this does not happen, Scrutiny can become marginalised which risks damage to the Council's reputation and missed opportunities to improve service outcomes.
- A number of mechanisms can be used to develop a more positive culture including measures to balance the relationship between the Executive and Scrutiny functions. These include a change in the line of accountability, with Overview and Scrutiny Committees reporting to full Council rather than the Executive.
- The role of Scrutiny Chairmen is crucial and it is essential that Chairmen are viewed as a key part of the decision making process, rather than as a form of political patronage. In order to strengthen the role of Scrutiny Chairmen it proposed that a number of Councils take part in a pilot scheme to consider the impact of elected Chairmen on the effectiveness of Scrutiny.
- Organisational culture also impacts upon another aspect of effective Scrutiny – access to the information that Scrutiny Committees need to carry out their work. There are concerns about the withholding of information from Scrutiny and the overzealous classification of information as commercially sensitive.
- There is a concern that, in many authorities, supporting the Executive is the over-riding priority and that the skills and experience of support Officers is not always sufficient to meet the demands of the Scrutiny function. In this regard the role of Statutory Scrutiny Officer should be strengthened.
- Scrutiny Committees are ideally placed to review any public services in their area but 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. It is recommended that Scrutiny powers in this area are strengthened to, at least, match the powers relating to local health bodies.
- There are significant concerns about the public oversight of Local Enterprise Partnerships (LEPs) and it is recommended that Councils be able to monitor the performance and effectiveness of LEPs through the Scrutiny process.

The Government published its response to the Select Committee report in March 2018 (Annex A). A summary of the main responses is set out below:

- The Government plans to issue new statutory guidance to Councils on Overview and Scrutiny (the previous guidance was issued in 2006);

- The Government agrees that Overview and Scrutiny Committees should report to the full Council meeting rather than the Executive, mirroring the relationship between Select Committees and Parliament;
- The Government guidance will make clear that support officers should be able to operate independently and provide impartial advice to Scrutiny Members;
- The Government aims to continue discussions about the election rather than appointment of O&S Chairmen, but it does not support a pilot scheme. The Government notes that Councils already have the power to elect O&S Chairmen;
- The Government does not accept the recommendations relating to additional resources for the scrutiny function believing that these matters are best left to local discretion;
- The Government agrees that there should be clear and transparent oversight of Local Enterprise Partnerships (LEPs).

The Government also supports measures to encourage greater public participation in the scrutiny process. At its meeting in January 2018 the Management Committee discussed potential measures to increase the profile of Overview and Scrutiny and to encourage residents to participate in the process. These included:

- Greater engagement/briefing with Town and Parish Councils – Towns and Parishes were invited to suggest items for review as part of the 2018/19 work programming process. A suggestion from Finchampstead Parish Council on the state of roads and footpaths was included in the work programme;
- Briefings for local newspapers and other media outlets – it is proposed to arrange an interview between the Management Committee Chairman and local media representatives;
- Increased use of digital engagement and social media – details of upcoming meetings, call-ins and requests for Scrutiny items are communicated via the Council's social media outlets;
- Increased presence of Scrutiny on the Council's website – discussions are ongoing to review the Overview and Scrutiny pages on the Council's website;
- Scrutiny articles in the Wokingham Borough News – an item on Overview and Scrutiny will be included in the Summer 2018 Wokingham Borough News;
- Closer working with the Council's Communications team – ongoing discussions are taking place in relation to the points set out above.

## **Next Steps**

Feedback from the Government indicates that the new Overview and Scrutiny guidance to local authorities will be issued at the end of 2018. Civil servants responsible for drafting the guidance are keen to listen to the views of Scrutiny practitioners. Consequently, it is likely that the Government will invite practitioners to submit views and take part in round-table discussions.

Members are asked to consider any initial feedback following the publication of the Government's response and to indicate if Members wish to be involved in any engagement/round-table sessions prior to the publication of the new statutory guidance at the end of 2018.

Members are requested to consider the Government's response to the select Committee's findings at to discuss any implications for the operation of Overview and Scrutiny at Wokingham Borough Council.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	NA	NA	NA
Next Financial Year (Year 2)	NA	NA	NA
Following Financial Year (Year 3)	NA	NA	NA

### **Other financial information relevant to the Recommendation/Decision**

To be considered as part of the discussions.

### **Cross-Council Implications**

Overview and Scrutiny impacts on all Council services and the work of key partners.

### **List of Background Papers**

Reports to Overview and Scrutiny on the Select Committee Inquiry and report.

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