

Local Members' Interest
n/a

Corporate Overview and Scrutiny Committee – 10 June 2021

Work Programme Planning 2021/22

Recommendation

That the Corporate Overview and Scrutiny Committee considers and prioritises the matters for inclusion on its work programme for 2021/22.

Report of the Scrutiny and Support Manager

Summary

1. The Corporate Overview and Scrutiny Committee is the Council's Principal Overview and Scrutiny Committee. It is responsible for leading on the overall management and coordination of the Overview and Scrutiny Committees work programmes as well as:
 - Holding the Leader and Deputy Leader of the Council to account for their leadership and performance.
 - Scrutiny of the Council's overall performance and approach to managing performance and Strategic Corporate Planning
 - Scrutiny of the Council's ongoing programme of improvement and transformation.
 - Scrutiny of the Local Enterprise Partnership
 - Dealing with any Executive decisions that have been called in.
 - Scrutiny of the Council's support services including Finance, ICT, Human Resources, Organisational Development, Legal and Member Services
 - Building community capacity
2. Corporate Overview and Scrutiny can also establish an MTFs Working Group on an annual basis. The Working Group will be responsible for the scrutiny of the development of the Council's Medium Term Financial Strategy, Annual Budget and Council Tax setting process.
3. Corporate Overview and Scrutiny Committee is the overarching Overview and Scrutiny Committee with responsibility for holding the Leader, Deputy Leader and Cabinet Member for Finance and Resources to account and ensuring overall effective scrutiny of the policy, customer insight and transformation agendas and financial management of the County Council. It also has lead responsibility for ensuring effective and co-ordinated scrutiny across the Council's Scrutiny Committees and for handling Call Ins.

4. In developing a work programme the Committee is encouraged to identify issues that are a current priority for local people and communities and/or are a priority for the Council and partners. If a matter is a recurring issue for the people you collectively as Councillors represent then the likelihood is that it is something the Scrutiny Committee should spend time on. The more relevant the issue is to local communities then the greater the likelihood of engaging those communities in the scrutiny process and of producing outcomes that will be visible to those communities. Members are encouraged to raise and discuss issues that should form the basis of the work programme and review these periodically throughout the year to ensure they remain relevant and will add value to what the Council and partners are doing.

The Remit of Corporate Overview and Scrutiny

5. In essence Corporate Overview and Scrutiny's key focus is in terms of gaining assurances that the Council has a clear strategic direction, effective leadership to deliver against these and effective mechanisms in place for the financial management, people and resources management and governance of the Council. It also has a role in ensuring the Council's direction and activities are being directly informed by the views of customers and the public through effective use of customer insight and complaints.
6. The main responsibilities of the Committee are to:
 - **Hold the Leader to account** for the overall strategic direction and delivery of the County Council. Individual Cabinet Members will be accountable for their actions and decisions through the relevant Scrutiny Committees. They will be requested to attend to give evidence on specific issues highlighted through the relevant work programme. The Committee will have the opportunity to scrutinise the Council's Strategic Plan on an annual basis and hold the Leader to account for the overall progress against the Plan.
 - **Holding the Cabinet Member for Finance and Resources to account** for progress against the overall Transformation Programme. The individual Transformation projects will be scrutinised by the respective Scrutiny Committee and the relevant Cabinet Member called to give evidence as appropriate. The Committee's role is to monitor progress of the overall programme and to consider how the programme is delivering improved services, value for money and innovation. It is also responsible for challenging the extent to which the Council is learning and implementing lessons from past commissioning and transformation activities.
 - **Ensuring best practice in terms of financial management, people and resource management, performance management, governance and risk management** to enable the organisation to be bold in terms of innovation and service delivery and to effectively manage risks from a range of models for service delivery. The Council uses a range of delivery models to provide services to local people with Entrust, the Partnership Trust and Infrastructure+ being some recent or proposed examples. The service quality elements of these will be picked up by the relevant Scrutiny Committees but the impact upon the MTFs

and the models of governance, people management and the overall exposure to risk are matters that fall into the remit of Corporate Overview and Scrutiny.

- The Committee has a specific role in scrutinising the development of the Medium Term Financial Strategy which is considered in greater detail later in the report
- **Ensuring customer insight is at the heart of the Council's approach to delivering and improving services** and that the Council is effectively listening to and responding to complaints. As a Council responsive to public needs it is important that there are effective mechanisms to listen, reflect upon and respond to the views of customers and citizens. Corporate Review has a role in ensuring such systems are in place and that the Council is effectively responding to issues and feeding back to local communities.
- **The effectiveness and strategic impact of scrutiny.** The Scrutiny and Support Manager is accountable to Corporate Overview and Scrutiny for the overall direction of Scrutiny. The impact of best practice and new legislation relating to scrutiny will be presented to this Committee to enable reflection on the approach to scrutiny adopted by the County Council and its effectiveness. Corporate Overview and Scrutiny also has a role in co-ordinating the overall work programmes of the Scrutiny Committees to ensure they are outcomes focussed, achievable and don't duplicate each other. Corporate Overview and Scrutiny may pick up cross cutting issues that don't readily fit within the remits of the other Scrutiny Committees.
- **Scrutinise matters that have been Called In.** Corporate Overview and Scrutiny is the lead body for considering matters that have been Called In (a decision that has been stopped pending further investigation by non Executive Members).

Developing the Work Programme

7. This meeting is an opportunity for Corporate Overview and Scrutiny to begin to identify and prioritise what it wishes to scrutinise during the current municipal year. As with all scrutiny activity Members are encouraged to ask the following questions when devising a work programme:
 - Is the matter of particular concern to local people? You may wish to reflect on topics raised with you when canvassing.
 - Is the issue an identified priority for the County Council or partners?
 - Does the issue relate to an area of service with a trend in weak performance? For example has this issue been identified by external auditors or inspectors?
 - What difference could scrutiny make?
 - What would happen if you did not look at this issue?

Matters from Last Year's Work Programme

8. Whilst it is for the Committee to determine what they do and do not want to include in the work programme, there are some issues from last year that the Committee may want to consider. There is a draft work programme attached as Appendix 2.

Recurring Work Programme Items

9. Integrated Performance and Delivery Progress Report - This quarterly report provides, an overview of Staffordshire County Council's performance in delivering our priority outcomes focused upon ensuring:
 - a. The people of Staffordshire will be able to access more good jobs and feel the benefits of economic growth,
 - b. The people of Staffordshire will be healthier and more independent,
 - c. The people of Staffordshire will feel safer, happier and more supported in and by their community.
10. A review of the Transformation Programme has been included in this report and reported on a quarterly basis since 2011. This provides an opportunity to determine how the Committee can best contribute towards the delivery of the Transformation Programme. In relation to the Transformation Programme, Corporate Overview and Scrutiny Committee may identify projects which should be subject to more in depth scrutiny by the relevant Scrutiny Committee for which the issue falls within its remit.

MTFS Scrutiny

11. It is the responsibility of Full Council to approve the budget and associated council tax. All Councillors have a 'fiduciary duty' to look after the interests of local tax payers in the management of the Council's resources. Accountability to the local tax payer is important to the role of the Member as an elected local representative who is ultimately accountable at the ballot box.
12. Financial scrutiny provides a way for Members to help ensure that the Council manages its finances well, through examining and challenging how public money is allocated, managed and spent.
13. The involvement of scrutiny Members can also help to make the annual budget and medium term financial planning processes open and transparent, including to the public. Councillors who are confident about the Council's finances can engage the public in communication about difficult decisions around priority, cost, income generation and level of council tax.
14. Together with the other roles of scrutiny, financial scrutiny can support integration between planning, performance and financial management. For the coming year Members will be encouraged to take a wider perspective in terms of the value for money being delivered by the services for which the County Council is responsible for.

Aspects of Financial Scrutiny

15. There are three main, linked aspects to financial scrutiny. These are:

16. **Scrutiny of budget setting** - this focuses on reviewing whether the Council will deliver a good and balanced budget with reference to: financial strategy in the wider planning context; how the budget is constructed and decisions made; what criteria, information and consultation shape the budget; and resource allocation according to priority.

17. **Scrutiny of budget monitoring through the year** - this is not about the technical detail but is about reviewing whether: effective budget monitoring systems are in place; in-year variation (under or over spending) is understood and addressed; and lessons and issues arising from the end of year outturn position are understood and addressed.

18. **Scrutiny of the financial aspects of subjects under review** - whether reviewing the operation of a partnership or service, contributing to policy development or reviewing an area of performance, scrutiny Members consider the associated resources.

19. These three aspects need to cross refer so that scrutiny Members are able to test whether the Council is directing resources effectively to meet priorities and achieving value for money and to make comments or recommendations to support this.

20. As part of the Council's political arrangements, this Committee are responsible for scrutiny of the budget and medium term financial strategy. It is recommended that a working group be established with representatives from Corporate Overview and Scrutiny.

Good Practice

21. The elements of the previous arrangements that were highlighted by Members as good practice are:

- looking at budget setting from a corporate perspective - early involvement/opportunity to influence
- the inclusion in the financial scrutiny process of interviews with Directors around a structured set of questions (full and frank discussions)
- the opportunity for scrutiny of the service review options put forward as part of the budget proposals
- the integration of the budget monitoring and budget setting roles and the opportunity to follow through issues raised in scrutiny.

22. Reference was also made to the value of good quality information and officer support to assist Members to undertake financial scrutiny and to the expertise that the Members who had been engaged in the process had gained.

23. The existing model of financial scrutiny meets the majority of these criteria but, in the context of the integration of performance and financial management, it is timely to look at how the elements of finance scrutiny are delivered.

Proposed arrangements for financial scrutiny in 2021/22

24. In the context of the information above, the following arrangements are proposed for financial scrutiny in 2021/22.

25. **Role of Medium Term Financial Strategy Working Group** - It is recommended that the Medium Term Financial Strategy Working Group be established, to assist the Committee with scrutiny of budget setting from a corporate perspective. For illustration, criteria for a balanced and good budget would include:

- income equals expenditure;
- savings targets and investment proposals are credible;
- there is a medium term focus, supporting the Strategic Plan;
- resources are invested in priority areas;
- it is not driven by short term fixes to immediate issues;
- it demonstrates how the County Council have listened to consultation;
- it is transparent and well scrutinised; and
- it maintains the County Council's financial stability.

26. It is recommended, to support the integration of performance and financial management, that the Medium Term Financial Strategy Working Group undertake the scrutiny of budget monitoring the performance management of the services concerned. For illustration, lines of enquiry might include: the achievement of efficiency savings; the reasons for over or under spending or virement; and accountability arrangements.

27. It is proposed that the Working Group would commence in September 2021, with a meeting to determine the questions to be asked of Directors at interview (including service review options). To ensure cross-reference of the aspects of financial scrutiny, Corporate Overview and Scrutiny Committee would advise the Working Group of any issues arising from their scrutiny of budget monitoring that they would like to be addressed in scrutiny of budget setting. The Scrutiny Team would ensure that the Group were also advised of any relevant issues raised through scrutiny activity during the year.

Training and development

28. Member and Democratic Services ran four induction sessions on an Introduction to Overview and Scrutiny on 25 and 27 May. Further training and development sessions will be run for Members as required. Members are invited to make any suggestions for development with the Chairman and/or the Scrutiny Team.

Method of Scrutiny

29. Once Members have identified the matters they wish to scrutinise, consideration needs to be given to the most appropriate timing and method of scrutiny for that issue (proposals for some items may be provided). Members may wish to:

- consider an item at a single meeting;
- consider an item over a series of meetings;

- allocate the work to a small group of Members to look at over a period of 2-3 months; or undertake an inquiry day
- Joint scrutiny with members of another Overview and Scrutiny Committee.

30. The choice of method will depend in part on the scope of the matter, capacity and the opportunity for locality working and community engagement in the review. Experience suggests that single issue meetings and small task groups tend to deliver greater recommendations and outcomes than heavy agenda at scheduled committee meetings.

Reviewing the Work Programme

31. There will be an opportunity to review the work programme at every Committee meeting. Members are encouraged to raise issues at any point during the year and this can be done by:

- talking to the Chair/Vice Chairs and Scrutiny and Support Team;
- raising items under the 'Work Programme' item on meeting agenda;
- completing the proposal form for work programme items (on line or in hard copy);
- Councillor Call for Action.

32. The simplest method is to discuss the issue at the work programme item on meeting agenda. In developing a work programme, Members do not need to set in stone the work programme for a full year. To prepare reports and for officers/ witnesses to attend meetings it is important to plan items for the next two to three meetings. Beyond that it is possible that new issues may have arisen that will take precedence; hence it is advisable to review the work programme quarterly and treat it as a dynamic document. This way the Committee will be better able to respond to community concerns as and when they arise.

Link to Strategic Plan

33. The remits of the Council's Overview and Scrutiny Committees link to the strategic priorities set out in the County Council Strategic Plan. Work programmes should link to community priorities or strategic outcomes if they are to deliver noticeable outcomes for local communities and the organisation.

Link to Other Overview and Scrutiny Activity

34. Overview and Scrutiny Committees are encouraged to identify whether any of the issues for their work programmes are 'cross cutting' and would benefit from joint working. Corporate Scrutiny Committee is ultimately responsible for the co-ordination of work programmes across the Scrutiny Committees.

Equalities and Legal Implications

35. The County Council has a responsibility to undertake adequate Equality Impact Assessments to ensure services do not have a negative impact on any one section of the community and the scrutiny committees have a role in ensuring that this responsibility is fulfilled, particularly in regard to health impact. Scrutiny as a function must also comply with the relevant legislation. When considering work programme

items, especially when undertaking reviews of policy, the scrutiny committees must always consider whether their recommendations may impact differently on various individuals/sections of the community.

36. The Overview and Scrutiny Committees will be updated as necessary on any matters affecting their operation that relate to legislation, regulations, and the County Council's Constitution.

Resource and Value for Money Implications

37. Work programmes which are effectively prioritised will ensure that scrutiny activity is focused where it can be of greatest benefit.

Risk Implications

38. The key aspects of risk management in regard to scrutiny work programmes are:
- ensuring that there are clear outcomes from the scrutiny process that impact positively upon the people and communities of Staffordshire and link to corporate priorities; and
 - that there is adequate capacity for the select committees to complete the work that has been agreed.

Climate Change Implications

39. The Committee will need to consider the implications for climate change of any recommendations it makes in relation to those issues included on the work programme. The Committee should also consider the implications of the scrutiny methods it decides to utilise – for example, travelling for best practice visits.

Contact Officer

Name: Nick Pountney, Scrutiny and Support Manager
Telephone No.: 01785 276153
Address/e-mail: nicholas.pountney@staffordshire.gov.uk

Appendices/Background papers

Appendix 2 - Final work Programme 2020/21
Appendix 1 - Draft Work Programme 2021/22