

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2015-2016

**ANNUAL MEETING OF THE COUNCIL
20TH MAY, 2015**

Agenda Item No. 6

**REPORT OF THE DIRECTOR, LEGAL
AND DEMOCRATIC SERVICES**

PROPOSED SCRUTINY STRUCTURE

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1. PURPOSE OF REPORT

To provide Members with a proposed Scrutiny Committee Structure to support the Council in developing a more outcome focussed approach to its scrutiny arrangements.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Agree to the proposed Scrutiny Committee Structure as set out in the report for implementation with immediate effect.
- 2.2 That the Chairs and Vice Chairs of the 'Public Service Delivery, Communities and Prosperity', 'Children and Young People' and 'Health and Well Being' Scrutiny Committees together with the Performance Management Co-ordinator be appointed on the membership of the 'Finance and Performance' Scrutiny Committee;
- 2.3 That the Chair and Vice Chair of Audit Committee be permitted to attend meetings of the Finance and Performance Scrutiny Committee;
- 2.4 That the 'Public Service Delivery, Communities and Prosperity Scrutiny Committee' be the Council's designated Crime and Disorder Committee with the requirement to meet at least once a year in this capacity;
- 2.5 That any Councillor Call for Actions (CCfAs) under the auspices of the Local Government (Wales) Measure, 2011 or under the requirements of the Police and Justice Act, 2006, following validation by the Council's Monitoring Officer will be at the determination of the Chair (or in his/her absence the Vice-Chair) of the Overview and Scrutiny Committee as to which Scrutiny Committee the matter is to be referred;

- 2.6 Note the 'other proposed areas for improvement' (Section 5) and receive a more detailed update in June 2015.
- 2.7 Authorise the Director, Legal and Democratic Services to make the necessary amendments to the Council's Constitution including any consequential changes to the Scrutiny Call-in rules.

3. BACKGROUND

- 3.1 Members will be aware that in recent years the scrutiny arrangements of local government in Wales has been reviewed by Welsh Government¹ and external regulators². The most recent publication, issued by the Auditor General for Wales in May 2014 'Good Scrutiny? Good Question', concluded that '*local government scrutiny in Wales is improving but councils need to do more to develop consistently rigorous scrutiny to increase public accountability in decision making*'.
- 3.2 The May 2014 publication went onto report, amongst other things, the need for improved scrutiny arrangements that will play a fully effective role in the good governance of local authorities in Wales and help public services respond to the unprecedented financial challenges that lie ahead whilst seeking to improve outcomes for local people.
- 3.3 In the case of Rhondda Cynon Taf, officers and elected members were afforded the opportunity to be part of the Auditor General for Wales' review and are currently in the process of addressing a number of the recommendations to further improve the Council's scrutiny arrangements.
- 3.4 In parallel with the above work, it is also recognised that the Council's current scrutiny structure has been in place since the introduction of the Cabinet system in 2002 (piloted in 2000-2002) and mirrors the Directorates in place prior to October 2014 i.e. four Service Scrutiny Committees and the overarching Overview and Scrutiny Committee. Whilst these arrangements have served the Council well during this period, the revision to the Senior Management Structure in October 2014 (that included a reduction in the number of Directorates from four to three) coupled with the changing environment set out above, provides an opportunity for the Scrutiny Structure to also be reviewed within the overall programme of work.

¹ Welsh Government's Review of local service delivery in 2006

² Care and Social Services Inspectorate Wales (CSSIW) Chief Inspector's Annual Report 2010/11 and Estyn's Annual Report 2009/10

4. PROPOSED REVISIONS TO THE COUNCIL'S SCRUTINY STRUCTURE

4.1 As mentioned in Section 3, Council officers are currently addressing a number of the recommendations included within the Auditor General for Wales' review: 'Good Scrutiny? Good Question'. This is set out in more detail in Section 5.

4.2 As part of this programme of work, it is considered that revisions can be made to the current Scrutiny Structure and if implemented, would complement the introduction of further improvements to scrutiny arrangements during 2015/16.

Drivers for change

4.3 The current scrutiny structure is based on the Service Directorate arrangements that were in place up to October 2014 i.e. Community and Children's Services, Corporate Services, Education and Lifelong Learning Services and Environmental Services. It is anticipated that the continuation of a set up that is built around service structures will not maximise opportunities to move toward a more outcome focussed approach; better demonstrate the contribution the Council's work is having toward delivering the priorities within the Single Integrated Plan; complement key requirements of the Local Government (Wales) Measure 2011 or the Well-Being and Future Generations Act.

4.4 The White Paper – "Reforming Local Government: Power to Local People" sets out to strengthen the role of scrutiny. Although not enshrined in law, the paper advocates, amongst other things, the principle of thematic scrutiny which examines a specific topic or area that has been highlighted as a matter of concern. There are therefore opportunities for this approach to be further exploited within Council, for example, building on the experience gained from the Domestic Abuse project, to enhance the impact that Scrutiny Committees have.

Proposed Scrutiny Structure

4.5 Taking account of the above information, it is considered that the proposed structure set out below will complement the Council's aim of developing more outcome focussed arrangements and at the same time enable the continuation of a rigorous approach to scrutiny. The proposed structure is as follows:

- Overview and Scrutiny Committee;
- Finance and Performance Scrutiny Committee;
- Public Service Delivery, Communities and Prosperity (and Crime and Disorder);
- Children and Young People; and

- Health and Well-Being.

Overview and Scrutiny Committee

- 4.6 This Committee will co-ordinate the work of the four Scrutiny Committees.
- 4.7 To fulfil the overview and scrutiny role in relation to cross cutting themes and to receive reports from the four Scrutiny Committees, as and when appropriate thus ensuring that the work of each of the Committees are “delivering effectively” i.e. “scrutinising the scrutineer” and challenging the work of the Scrutiny Committees. In previous years, the Chairs and Vice-Chairs of the Scrutiny Committees have sat on the Overview and Scrutiny Committee, however, it is now felt appropriate that the Scrutiny Chairs and Vice Chairs should now sit on the Finance and Performance Committee as there could be occasions when they will be summoned to the Overview and Scrutiny Committee, if challenged on matters that are not being “delivered effectively”. The Committee will be responsible for approving the Work Programmes developed by the four Scrutiny Committees to ensure deliverable, coordinated and outcome focussed programmes of work.
- 4.8 It is proposed that the Overview and Scrutiny Committee will deal with all Call-ins, and as and when appropriate to invite Scrutiny Chairs, Vice Chairs and Co-opted Members to such meetings.
- 4.9 It is further proposed that the Overview and Scrutiny Committee no longer continues to be the Council’s designated Crime and Disorder Committee as this Committee should now come within the remit of the Public Service Delivery, Communities and Prosperity Scrutiny Committee.
- 4.10 For the avoidance of doubt, where there are matters that fall within the remit of more than one Scrutiny Committee, the Overview and Scrutiny Committee will determine which Committee has responsibility for its review.
- 4.11 It is proposed that the current arrangements of the LSB Scrutiny Working Group comprising both elected Members and Partners from Cwm Taf Local Health Board and the Voluntary Sector (vacancy of a representative from the Police) will continue to meet as a Working Group of the Overview and Scrutiny Committee. It is understood that the provisions of the Well-Being and Future Generations Act are unlikely to be introduced before April, 2016. The implications of this Act will result in the LSBs becoming statutory bodies and will be known as Public Service Boards (PSBs). The LSB will be changing its way of working and steering towards geographical area based partnership working and focusing on skills and jobs. Scrutiny of these new arrangements will be undertaken by this Working Group. It is intended that new terms of reference will be revised to reflect the changes of the LSB.

Finance and Performance

4.12 This Committee will be responsible for scrutinising:

- Financial and operational performance during the year (quarterly `exception` reporting);
- Treasury Management arrangements;
- The annual revenue budget consultation process;
- Statutory performance reporting requirements, for example, the Corporate Plan;
- Monitoring the implementation of Medium Term Financial Planning decisions considered by the Executive

4.13 Members will note that with regard to the scrutiny of financial and operational performance, `exception` reporting it will be a responsibility of this Committee rather than the specific Scrutiny Committees, as has been the previous arrangements.

4.14 It is recommended that the Chairs and Vice-Chairs of the Scrutiny Committees be appointed to this Committee's membership (with the exception of the Chair and Vice-Chair of the Overview and Scrutiny Committee for the reasons outlined in paragraph 4.7 above) together with the Performance Co-ordinator.

4.15 The "White Paper" also advocates the need to strengthen the links between External and Internal Auditors within the Scrutiny and Audit functions of the Council. However, the Local Government (Wales) Measure, 2009 (Section 23) already requires the external review bodies to work together to coordinate their inspections to minimise the impact on Local Authorities and produce a timetable of work. Nevertheless, there is also an intention within the "White Paper" to repeal part 1 of the 2009 Measure and to restate the requirements in new legislation. As a consequence of this, it is deemed appropriate that the Chair and Vice Chair of the Council's Audit Committee be permitted to attend meetings of this Committee. In circumstances whereby the Chair or Vice-Chair of the Audit Committee is an independent lay member then that person's attendance would be in an ex-officio capacity.

Public Service Delivery, Communities and Prosperity (and Crime and Disorder)

- 4.16 This Committee will be responsible for scrutinising Public Service delivery across a range of Council and public sector services. This will include frontline services delivered by the Council and the corporate functions of the Council. The Committee will consider matters relating to the environment and sustainable development. It will consider areas which contribute to prosperity such as economic development, regeneration and skills. The Committee will also consider community safety matters
- 4.17 In addition, as the Authority is leaning more towards a thematic approach in its new scrutiny arrangements, it is proposed that this Committee be the Council's designated Crime and Disorder Committee (under Sections 19 and 20 of the Police and Justice Act, 2006) as it is required to meet at least once a year in this capacity:

Children and Young People

- 4.18 This Committee will be responsible for focussing on public facing services which delivers services for children and young people within the County Borough. It will be responsible for scrutinising all education provision from 3-19 and all other services, provided by the Council which young people engage with, within our communities. . As part of its remit, and alongside the Corporate Parenting Board, it will consider the Council's responsibilities as Corporate Parents including Looked After Children responsibilities.

Health and Well-Being

- 4.19 This Committee will be responsible for focussing on the services provided by the Council which support the Health and Well-being of our communities. This will include working with partners in the Health Service and also consideration of factors which support the services delivered to support older people. The Committee will consider adult social services as well as all other factors which contribute to the Health and Well-being of the County Borough, such as Leisure services and Public Health and Protection related Services.

Other key principles underpinning the proposed revised structure

Role of Cabinet Members and Senior Officers

- 4.20 Cabinet Members and Senior Officers will attend relevant Scrutiny Committees to provide an overview on key issues raised and to answer questions on their respective areas of responsibility.

Future Committee meeting agendas will include time for Cabinet Member 'Presentation and questions' on a particular matter falling within the remit of

the Committee, with the cycle for attendance to be determined by the Overview and Scrutiny Committee each municipal year

Partnership Working/Co-Option

- 4.21 All of the Scrutiny Committees will utilise co-option when considered necessary to ensure that Members/Partners/Stakeholders who have particular knowledge, interest or expertise in a given subject area will have an opportunity to feed in their views.

Training

- 4.22 In order to assist Members in undertaking their roles effectively, appropriate training will be provided. However, specific training in understanding financial and performance data and Treasury Management activities will be provided to those Members appointed to the Finance and Performance Committee.

Councillor Call for Action (Local Government (Wales) Measure, 2011 and the Crime and Disorder – Police and Justice Act, 2006)

- 4.23 It is proposed that should there be occasions whereby Member(s) feel the necessity for a Councillor Call for Action (CCfA) under the auspices of the Local Government (Wales) Measure, 2011 or under the requirements of the Police and Justice Act, 2006, it will be at the determination of the Chair (or in his/her absence the Vice-Chair) of the Overview and Scrutiny Committee as to which Scrutiny Committee the matter is to be referred following validation by the Council's Monitoring Officer.

5. OTHER PROPOSED AREAS FOR IMPROVEMENT

- 5.1 As referred to in Section 3, work has commenced to address a number of recommendations set out in the Auditor General for Wales' publication: Good Scrutiny? Good Question. However, it is acknowledged that this work is on-going and further progress is required, such as:

- Demonstrating the impact that Scrutiny Committees have – for example, Scrutiny Committees setting specific objectives for the year ahead aligned to Council priority areas / themes; developing outcome focussed Work Programmes that align to objectives set; and undertaking an annual assessment / evaluation of their work;
- Range and quality of information – for example, Scrutiny Committees considering the information and evidence they need to enable informed judgements and assessments to be made;
- Public Engagement.

6. CONCLUSION

- 6.1 The Council has a well established scrutiny structure that has supported its scrutiny function in making positive contributions to service delivery over a number of years.
- 6.2 More recently, the changing financial and legislative environment together with external reviews of scrutiny arrangements across public services in Wales are providing a clear driver for local government to improve its approach in this area.
- 6.3 Rhondda Cynon Taf acknowledges this, has recognised where it needs to improve and is in the process of addressing a number of these areas.
- 6.4 The proposed revision to the Scrutiny Structure whilst only one element of a larger programme of work, will provide a sound platform to support the Council in developing a more outcome focussed approach to its scrutiny arrangements and at the same time enable the continuation of a rigorous approach to scrutiny.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

COUNCIL

20th MAY 2015

REPORT OF THE DIRECTOR, LEGAL & DEMOCRATIC SERVICES

Background Papers

PROPOSED SCRUTINY ARRANGEMENTS

Freestanding Matter

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