

**Report to:** Cabinet

**Date of Meeting:** 7 March 2016

**Report Title:** **Management Response to the Task and Finish Group to review scrutiny functions, processes and potential streamlining**

**Report By:** Jane Hartnell  
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### **Purpose of Report**

To provide a management response to recommendations made by the scrutiny Task and Finish Group.

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### **Recommendation(s)**

- 1. That Cabinet thank the scrutiny Task and Finish Group for their report**
- 2. That Cabinet approve the recommendations of the Task and Finish Group, subject to the comments set out below in paras 11 - 21.**

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### **Reasons for Recommendations**

To acknowledge and respond to the recommendations arising from the work undertaken by the scrutiny Task and Finish Group..

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## Introduction

1. As part of the 2015/16 overview and scrutiny annual work programme a Task and Finish Group was set up to review the council's existing scrutiny function.
2. The impetus for this piece of work has developed in line with the council's broader transformation intentions, aspirations and activities underway in response to the unprecedented financial challenges the council continues to face.
3. Scrutiny members have felt that as the organisation undergoes transformation, there is an opportunity to complement associated work by taking a critical review of existing scrutiny activity, with a view to continuously improving HBC's scrutiny offer and value.

### Direction of travel

4. The work of the Task and Finish Group has concentrated on a prospective move from two to one scrutiny committee and this line of inquiry was the subject of a report (see appendix a) from the Task and Finish Group to both scrutiny committees in November 2015.
5. Subsequently both committees in principle approved the initial recommendation to adopt a single overview and scrutiny committee, combining the responsibilities of the present services and resources committees, with effect from May 2016.
6. The scrutiny committees also recommended that the Task and Finish Group refine their recommendations in terms of the practical applications of such a move to one committee following an all member consultation exercise.
7. An all member consultation on the proposed changes was held between 18 December 2015 and 8 January 2016.
8. Consultation responses supported a proposed move to one committee and views received prompted the Task and Finish group to further refine their recommendations drawing on the support and advice of the Chief Legal Officer.
9. Four refined recommendations (below) emerged and these were approved by Scrutiny Steering Group on the 18th of January before being considered and unanimously approved by Working Arrangements Group at their meeting on the 3rd of February 2016.
10. The Chief Legal Officer also submitted a complementary report at this WAG meeting on the constitutional amendments necessary to implement a potential new scrutiny committee structure.

### Recommendations

#### Recommendation 1

The council adopt a single overview and scrutiny committee, combining the responsibilities of the present services and resources committee, with effect from May 2016. The committee will comprise of 11 members, a draft copy of the role of the

Chair, Vice Chair and committee members are attached at appendix b. The description of the roles will be reviewed by Scrutiny Steering Group six months after the new structure has been implemented. Review teams may co-opt non-overview and scrutiny members, if they have relevant experience or expertise.

### **Recommendation 2**

The special responsibility allowance of the Chair and Vice Chair of the new committee will initially remain the same. The unspent allowance allocated under the previous structure will be ring-fenced in the council's budget. Six months after the new structure has been implemented, Scrutiny Steering Group will review the responsibilities of the Chair and Vice Chair and decide whether the special responsibility allowance should be referred to the Independent Remuneration Panel for consideration.

### **Recommendation 3**

Performance monitoring information to be reported to the committee on an exceptions only basis, updates on performance against the remaining corporate plan targets will be published separately on the council's website for members to consider in advance of the committee. The Directors will also provide a written report at each committee meeting providing further information on the exceptions to performance.

### **Recommendation 4**

Scrutiny Steering Group will continue to explore ways to raise awareness of the overview and scrutiny work programme amongst members and the public.

### **Management Response**

11. Firstly, this response welcomes the work of the Task and Finish Group and more broadly the wider scrutiny committees and WAG for a thorough consideration of how the council's scrutiny function could potentially change in line with the council's broader transformation intentions.
12. This response very much supports the emphasis on reviewing 'roles' as set out in recommendation 1 and 'responsibilities and allowances' (recommendation 2) but furthermore, would emphasise the need to also review the process and workings associated with moving to one committee, should this be approved by Cabinet.
13. Recommendation 1 also suggests that review teams may co-opt non-overview and scrutiny members, subject to relevant experience and expertise. There is already provision for this through existing arrangements.
14. Members have recommended (recommendation 2) that the unspent special responsibility allowance for the Chair and Vice Chair is ring-fenced in the council's budget for six months. So long as the Chair and Vice Chair of the new committee remain unchanged, then consultation of the Independent Remuneration Panel would not be required. There is however the opportunity for this saving to be realised immediately, and in the light of the Council's efforts to streamline its expenditure, Cabinet is recommended to take this opportunity.
15. An 'exceptions' based approach to performance reporting set out in recommendation 3 is welcome and the production of exceptions focused written Director reports are already underway, having been successfully piloted during quarters two and three.

16. It must be noted that while an exceptions based focus is welcome, Director reports have also been used to flag key issues to members that may not be covered through performance monitoring of the corporate plan alone. It is therefore further recommended that this flexibility to provide such key information via the Director reports is retained.
17. In principle, recommendation 4 is supported so that members and the wider public can be better informed of the democratic function and how Scrutiny in particular holds Cabinet to account.
18. It is suggested that to raise awareness of scrutiny activity with wider members, that regular updates of the outcomes of Scrutiny Steering Group meetings be published in the Members bulletin.
19. Scrutiny will need to be creative in its endeavours to raise public awareness of its activities given existing pressures on council resources and an already full and ambitious scrutiny work programme.
20. Striking a careful balance in planning the annual scrutiny programme between topics of public interest and a focus on internal council business is required, if public interest is highly sought.
21. It is advised that Scrutiny continues to maintain a watchful eye on those work areas and internal processes that may not have immediate public appeal, but are fundamental in meeting the council's transformation intentions.

### **Policy Implications**

22. While this management response has addressed each of the recommendations set out, it is also felt appropriate to briefly comment on those recommendations concerning 'organisational supporting changes' identified in the original report to Scrutiny (appendix a) given the associated organisational consequences.
23. Paragraph 62 of this report emphasises that future 'performance information provided to scrutiny include performance status, projected activity, identification and mitigation of risk, costs, projected spend and resource implications.'
24. Whilst it is accepted that the culmination of such information at the beginning of the year would greatly assist scrutiny members to better undertake their performance management role, this aspiration may not be able to be met fully in the short term, as implementation of new systems and processes will take time and has to be balanced against other priorities and workload pressures.
25. Further work will be undertaken as we continue to test and refine performance arrangements in line with commitments set out in the corporate plan.

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### **Wards Affected**

None

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## Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	No
Environmental Issues	No
Economic/Financial Implications	No
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	No
Anti-Poverty	No

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## Additional Information

Appendix a - Scrutiny Report

Appendix b - Draft role of the Chair, Vice Chair and Committee Members

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## Officer to Contact

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