

Scrutiny effectiveness and improvement

Scrutiny Team
January 2024

Introduction from Cllr Ray Gooding

Chairman of the Scrutiny Board



Agenda for today



- 1 BVI report at Thurrock
- 2 Wider landscape
- 3 Improving Scrutiny at Essex
- 4 Reflections and next steps

Best Value Duty

All local authorities are subject to a general Duty of Best Value to:

“make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.”

Best Value Inspection Report

- **Thurrock Council facing financial difficulties**
- **Essex County Council appointed BVI inspector**
- **Inspection to focus on leadership, culture, governance and system of checks and balances**
- **Visits, interviews, attendance at meetings, viewing of documents**
- **Initial report with findings then detailed report with recommendations and fuller set of findings**
- **'Scrutiny' mentioned 158 times in the report**

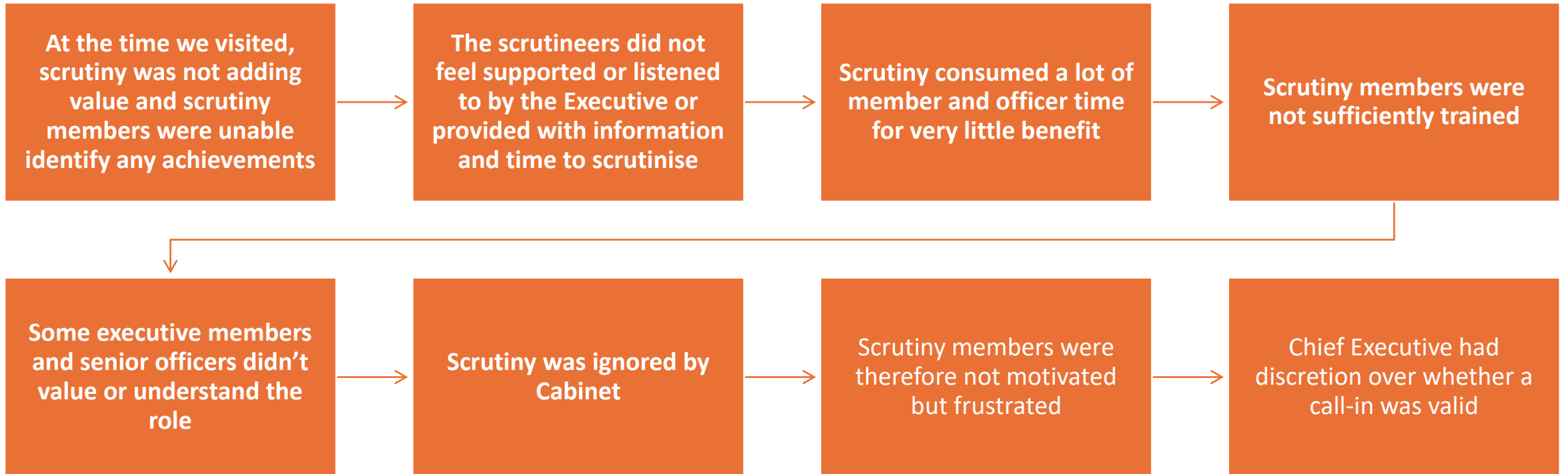


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What we said in the report

- **“Fundamental lack of curiosity, tenacity and follow-through in the scrutiny of Council investments.”**
- **Concealment by officers to report or discuss with scrutiny and cabinet**
- **“restriction on flows of information has led the Council into a way of working in which poor decisions are taken without appropriate challenge and scrutiny”**
- **Lack of access to information for scrutiny**
- **Scrutiny members not listened to by senior members**
- **Decisions not subject to proper scrutiny**
- **Lack of understanding by members on what they were scrutinising as reports “contained such poorly formed options and recommendations”**
- **Cabinet decisions taken without regard to recommendations made by scrutiny committees (case study 4)**

What we heard



Scrutiny landscape when the BVI undertook their review

Six committees with six members each, meeting five times a year

Unclear who the Statutory Scrutiny Officer was

No informal meetings or briefings in-between

Virtually no task and finish groups

Lack of input and even resistance to member influence of the work programmes

Unhelpful pre-scrutiny (sometimes the day before a Cabinet meeting)

No pre-meetings or planning of meetings beyond Chair meeting with presenting officers

No discussion of lines of enquiry or questioning

Little or no coordination between scrutiny committees

Limited recommendations, just asking for comments and comments by the committees not formally agreed

Mixed senior officer support and lack of regard for scrutiny

Unaware call-in applied to Overview and Scrutiny process - confusion with D&R

Lack of Effective Training

Mixed opinions about the value and effectiveness of the training offer

Poorly attended sessions

Led to a limited understanding of scrutiny, including basic concepts such as call-in

No specific training on chairing meetings or role of chairman

Development solely focused on first three months following an election

Wider Scrutiny landscape – Croydon, Liverpool and now Birmingham

Weakness of scrutiny function highlighted at Croydon (2020 Report in the Public Interest) and Liverpool (BVI report 2021) after high-profile financial and governance failures

Croydon – level of scrutiny “not good enough” and as the council faced effective bankruptcy (Section 114 notice) scrutiny members “did not demonstrate an understanding of the urgency of the financial position”

Liverpool – a “range of issues” identified with scrutiny including a blurring of scrutiny and audit roles that left a “material and concerning gap in LCC’s governance framework”

Recommendations – Croydon, Liverpool and Thurrock reports all highlighted the inability of scrutiny to make effective recommendations

Croydon – scrutiny raised some “pertinent” questions on financial due diligence, but these were ignored with recommendations not formed and issues not tracked

Birmingham – Lead Commissioner (Max Caller) has already discussed “significant weaknesses in governance” and said well functioning councils have good reporting mechanisms and scrutiny and an environment where people are “not afraid to say the emperor has no clothes”

Wider Scrutiny landscape – Select Committees

Select Committees – oversee the work of government departments and agencies, run inquiries on specific topics and issues, and develop policy.

Scrutiny system in local government loosely modelled on the parliamentary select committee model (not a like for like comparison due to disparity in terms of resources, reporting mechanism, etc.)

Select Committees generally viewed as effective especially in terms of policy development

Select Committees – recommendations are preceded by a conclusion and are focused on tangible action; recommendations tend to call for more significant policy change and are more clearly tracked

Select Committees – recommendations tend to happen earlier in the policy process and the committees are seen as a key vehicle to shape policy development.

Back to Basics: Supporting Scrutiny at Essex

- Understanding of Call In
- Understanding of role of Statutory Scrutiny Officer
- Regular attendance at pre meetings and committees
- Reading the reports in advance, being prepared and able to adapt questions (training scheduled in March)
- Hold and attend post committee follow up meetings
- Attend training and briefings from the wider development programme as well as scrutiny development
- Process for Scrutinising Cabinet Reports (note that there's not the expectation that all reports will be scrutinised)
- Active management of work programmes (links to point above)
- The benefit of making strong recommendations

Recommendations

Select Committee Example – Public Accounts Committee Inquiry into ‘Developing workforce skills for a strong economy’:

Government response to the Committee

1: PAC conclusion: We are extremely concerned at the dramatic fall in participation in further education and skills training amongst disadvantaged groups.

1: PAC recommendation: Within six months, DfE should develop an evidence-based plan setting out how it will support disadvantaged groups specifically to participate in FE and skills training.

1.1 The government agrees with the Committee’s recommendation.

Select Committee recommendation – identifies an issue, calls for a tangible action and provides a timeframe.

Recommendations

Scrutiny Committee Example 1 – District Council X Task & Finish Group on ‘Housing requirements for adults with moderate/severe learning disability’:

Recommendation - The Council should work closely with Essex County Council in the completion of any needs assessment work and commit to a strategy to meet the identified need

Recommendation asks for something that is going to happen anyway and with no timeframe

Scrutiny Committee Example 2 – District Council X Task & Finish Group on Littering

Recommendation – The Group acknowledges the positive attitude at the Council to embrace the need for a response to the issue and the steps taken so far.

Recommendation is an expression of approval rather than a request for action.

Understanding Call In at Essex

- Call in is a key 'check' on Executive power (as prescribed by the Local Government Act 2000)
- Decisions taken by the Cabinet, Cabinet Members and certain joint partnerships (e.g. the North/South Essex Parking Partnership) can be called in (*with certain exemptions as detailed in the Constitution*)
- Process in Essex is relatively simple: decisions can be called in up to 3 days after publication, by any member of relevant scrutiny committee or 4 other members or with the agreement of the relevant scrutiny committee chairman
- Informal 'resolution' meeting followed by (if needed) committee meeting, in public, within 10 days. Committee can endorse original decision, refer the decision back to the decision maker or send the matter to Full Council
- Council has agreed (following consideration by Scrutiny Board) that no Deputy Cabinet Members to serve on committees hearing call-ins and some streamlining of the meeting processes. Scrutiny Board regularly reviews the process and lessons learnt from specific call ins.

Reflections from today to take away – speak to your Chairman or a member of the scrutiny team



Can you identify benefits or achievements from scrutiny



Could you benefit from further training or development?



Would you benefit from further developing your understanding on scrutiny and the rules that govern it?



What would you like to do differently in your scrutiny committee or at pre-meets?



How can we learn from this report?



Would you benefit from learning more about call in

What next?

Upcoming Training Dates – please confirm your attendance (Outlook invitations have been sent)

Wednesday, 28th February – 2pm : **Effective Scrutiny (LGiU) - online**

Wednesday, 6th March – 2pm: **Questioning Skills (LGiU) – online**

Other learning opportunities

Friday, 19th January - 2pm: **Free LGA Scrutiny virtual event – [Book via this link – will share!](#)**

Tuesday, 30th January – 2pm: **Free LGA Charing Skills virtual event – [Ditto](#)**

Thursday, 1st February – 5.15pm: **Free LGA Data and Managing Council Performance training – [Ditto](#)**

A reminder of the free LGA Councillor e-learning modules, including Scrutiny: [Link here](#)

Stay in touch – suggestions and comments are always welcome

Contact your Committee Chairs or the Scrutiny Team – democratic.services@essex.gov.uk

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