



REPORT OF: THE CHIEF EXECUTIVE  
TO: COUNCIL FORUM  
ON: 27<sup>TH</sup> JANUARY 2011

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**SUBJECT: SCRUTINY 2011 – FIT FOR PURPOSE FIT FOR FUTURE**

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## 1. PURPOSE OF THE REPORT

To agree proposed changes to the structure and focus of Overview and Scrutiny within the authority for implementation in the next municipal year.

## 2. RECOMMENDATIONS

Council are recommended to:

- 2.1 Note the attached report containing the views of the Policy and Review Committee (Appendix A), and
- 2.2 Approve the following recommendations

### 2.2.1 Reduce the number of Committees from six to three

The 6 existing Committees would be replaced with 3, as follows:

- **Policy and Corporate Resources** (the overarching Committee, replacing Policy and Review)
- **Regeneration and Neighbourhoods**
- **Children and Health**

The number of Members on each Committee would be increased to 17 to ensure that as many Members of the Council as possible could participate in Overview and Scrutiny.

### 2.2.2 Establish a standing 'Call In Committee' of 9 Members

A standing Call In Committee would be convened from a virtual pool of the most experienced non Executive Members. One meeting date each month would be scheduled in the Council diary to accommodate Call In hearings. The meetings would be cancelled if no Call Ins are received.

### 2.2.3 Exclusions from Call In

Going forward no reports marked 'to note' or 'for information' will be eligible for Call In. These reports can be debated at scheduled meetings of the main Committees.

No other changes to the Call In process (e.g. timescales for submission of Call In or number of signatures required) are proposed.

### **3. BACKGROUND AND RATIONALE**

Members will be aware the review of Scrutiny has been underway for some time, and that Policy and Review Committee (P&R) have recently concluded their work on this review. The Committee's views are reflected in the summary report at Appendix A which sets out different recommendations for the future structure of Scrutiny and consequent number of Committees.

However, the Council remains under substantial financial pressures as reflected in the decisions of the Extraordinary Council meeting of 6<sup>th</sup> January 2011.

At that meeting, Members agreed a saving of £200k would be sought from the Democratic Services budget (see Appendix A, Section 6) from 2011/12.

The overall reduction in the number of Scrutiny Committees will play an important role in delivering part of this saving, due to the reduced number of meetings and associated officer time and costs.

At the same time, Members are reminded that new government requirements to establish statutory Health and Well-Being Boards, to be serviced by Democratic Services in the Local Authority, represent an additional unfunded pressure in the Democratic Services budget.

It is for these reasons that Council are recommended to agree the new structure for Overview and Scrutiny and consequent reduction in the number of Committees proposed in this paper.

### **4. LEGAL IMPLICATIONS** – The proposed changes will need to comply with relevant provisions contained in the Local Government Act 2000.

New composition of the Committees will need to be politically balanced under section 15 Local Government & Housing Act 1989.

The Council's constitution will require updating to reflect the changes.

### **5. FINANCIAL/ RESOURCE IMPLICATIONS** – The proposals will contribute towards the £200k budget saving in Democratic Services.

### **6. CONSULTATIONS** – as detailed in the chronology contained in Appendix A.

**Graham Burgess**

**Chief Executive Blackburn with Darwen Council and Teaching Care Trust Plus**

Contact Officer: Tom Stannard

Date: 18<sup>th</sup> January

Background Papers: Agenda and Minutes for the Policy and Review Committee 2009/10 and 2010/11, Questionnaire and responses from Members on the Scrutiny structure.





<b>REPORT OF:</b>	<b>CHAIR AND VICE CHAIR OF THE POLICY AND REVIEW COMMITTEE</b>
<b>TO:</b>	<b>COUNCIL FORUM</b>
<b>ON:</b>	<b>27<sup>TH</sup> JANUARY 2011</b>

**SUBJECT: SCRUTINY 2011 – FIT FOR PURPOSE FIT FOR FUTURE**

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**2. RECOMMENDATIONS**

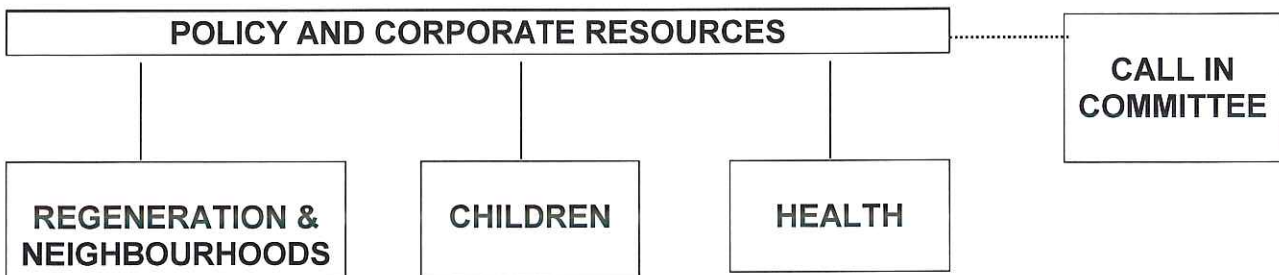
**2.1 Reduce the number of Committees from six to four**

The 6 existing Committees would be replaced with 4, as follows:

- **Policy and Corporate Resources** – this Committee would combine the current functions of Policy and Review Committee and Corporate Resources OSC and would form the overarching Scrutiny Committee to co-ordinate the scrutiny function of the Council.

Below this will be 3 standing Overview and Scrutiny Committees:

- **Regeneration and Neighbourhoods** – this Committee will look at the work of the Council currently carried out by the Regeneration, Leisure, Environment, Neighbourhoods and Housing portfolios
- **Children** – will continue to look at all services provided by the Council and Partners for the education and wellbeing of children in the borough
- **Health** – will continue to look at the issues relating to the health and wellbeing of all residents in the borough



The number of Members on each Committee would be increased to 17 to ensure that as many Members of the Council as possible could participate in Overview and Scrutiny.

## **2.2 Establish a standing 'Call In Committee' of 9 Members**

A standing Call In Committee would be convened from a virtual pool of the most experienced non Executive Members to be nominated by Group Leaders. One meeting date each month would be scheduled in the Council diary to accommodate Call In hearings. The meetings would be cancelled if no Call Ins are received.

## **2.3 Exclusions from Call In**

Going forward no reports marked 'to note' or 'for information' will be eligible for Call In. These reports can be debated at scheduled meetings of the main Committees.

No other changes to the Call In process (e.g. timescales for submission of Call In or number of signatures required) are proposed.

## **3. BACKGROUND**

The Council is facing unprecedented budget reductions of up to £48M over the next four years. Reviews of all aspects of the Council's business are underway or planned. Alongside this, Overview and Scrutiny itself recognised the need for a review of current arrangements with Policy and Review Committee recommending that Party Leaders, together with the Chair and Vice Chair of Policy and Review Committee, draw up options for consideration by the Council Forum. A paper was put together and circulated to Group Leaders in December 2009 and to all Members in March last year, further to which initial proposals were presented to the Policy and Review Committee in December.

A chronology of the review is listed here:

- **December 2009** – debate initiated with Policy and Review Committee on whether the current structure of Scrutiny was fit for purpose. The Committee agreed that a Task and Finish Group meeting be convened in order to review the structure of Scrutiny and agree options for a revised structure, in time to factor in debate by the Committee and Political Groups, with a view to a presentation at the Annual Scrutiny Review and approval of full Council, if required, in time for the new municipal year 2010-2011.
- **March 2010** - All Member consultation took place on an options paper which outlined some of the views raised and expressed at the previous P&R meeting, suggestions derived from Centre for Public Scrutiny research, along with current thinking from some other authorities. It was requested that Group Leaders coordinate their respective party's feedback and comments, which would be discussed in a task and finish group meeting of the Policy and Review Committee.



- **March 2010** – Members of P&R advised that the Task and Finish Group had been unable to meet due to various factors affecting the ability to meet including the number of Call In meetings. In light of feedback from one meeting the agreed way forward was for a paper on the review of Scrutiny to be issued to Political Groups for debate and discussion and feedback be considered to establish whether there is any appetite for change/development.
- **May 2010** – consultation at Annual Scrutiny Review (all Members were invited to this)
- **June 2010** – All Members sent a link to a questionnaire, which was earlier sent to Group Leaders, containing a series of suggestions to canvas Members opinion and consensus on the future direction of a fit for purpose Scrutiny function for Blackburn with Darwen Borough Council.
- **June 2010** - Members were reminded in the new municipal year that the review of Scrutiny - to identify whether Scrutiny was fit for purpose - remained outstanding from last year and it was agreed that this be the focus of the Committees work programme for the year.
- **August 2010** – series of fundamental principles on which to lead a review of the Scrutiny function presented to Committee. The Committee delegated authority to the Chair and Vice Chair of Policy and Review Committee to engage with all four political group leaders on the fundamental principles and the development of options for the future structure of Overview and Scrutiny.
- **December 2010** – series of proposals submitted to Committee and debated and it was agreed that further consultation with Members of the Committee should take place for final recommendations to be decided upon at the next meeting for submission to Council Forum – further detail about this meeting is reported below.
- **January 2011** – recommendations debated and agreed upon for submission to Council Forum

At the December Committee meeting Members received a report and debated some of the recommendations that had been suggested, expressing concerns in two areas; both of which were monetary. Firstly it was felt that the review of Scrutiny should focus on making the current system and processes better, as opposed to realising financial gains, and secondly, that placing a minimum financial threshold of £25,000 on decisions which could be Called In was considered too rudimentary a measure to apply. The closure or cessation of some services may fall well below the suggested threshold of £25,000, however the impact to the community may still fit all the reasons why a Member may wish to Call In a decision. Both these issues have now been addressed with the focus being on improvement and the Call In threshold recommendation being removed.

Following this meeting the Scrutiny Manager sent out a questionnaire to all Members of the Policy and Review Committee on the three main recommendations, the responses and results of which appear in Appendix A,

These recommendations, including the responses to the questionnaire were debated further at the January meeting of the Committee, with a view to agreeing recommendations for ratification by full Council at the end of the month.

#### 4. KEY ISSUES

Following detailed discussions Policy and Review Committee agreed a series of recommendations for forwarding to Council Forum, subject to a change in the reduction in the number of Committees. Members proposed that a reduction to 4 Committees (from 6) plus a Call In Committee would be preferred, as health and children's should continue to be separate Committees. This has now been addressed and forms part of the above recommendations to Council contained in paragraph 2.

The titles assigned to each Committee at this stage are provisional only and are presented in order to give an indication of the areas that these Committees would cover and are subject to change. There would continue to be one overarching Committee, as in the current Policy and Review Committee, which would take the form of the provisionally titled 'Policy and Corporate Resources'. A hierarchy of Committees would therefore still remain in place – with 1 overarching Committee, 3 sitting under that with an additional Call In Committee. Appointments to the Call In Committee would be left to Group Leaders to nominate the most suitable Members to individual Call Ins.

A further report will be brought to the February Policy and Review Committee on the practical implementation of these proposals including the management of the new Call In Committee, the nomination process and other details.

#### 5. RATIONALE

Policy and Review Committee believes the Scrutiny function should play a strong role in providing constructive challenge in the budget cuts process the Council is currently going through.

Taking this into account the reasons for this review are many, ranging from:

- making Scrutiny more focussed, streamlined and effective
- increasing participation of all Members of the Council and LSP whilst taking a more stringent approach to attendance at meetings
- to reflect the changes to the Council's corporate structure
- during the course of last year a lot of Committee time was lost on hearing Call Ins, hence the proposal for a separate Call In Committee (32 Call Ins since Dec 2007: Dec 2007-Dec 2008=10, Jan 2009-Jan 2010=12, Feb 2010-Jan 2011=10)
- Government requirements to establish new Health and Wellbeing Boards – albeit this will not take on a Scrutiny function but it needs to be factored in.
- The Local Strategic Partnership (LSP) is also currently downsizing and a proposal for a similarly reduced number of Committees/sub groups will shortly be agreed by the LSP
- Financial savings, as are required from all areas of Council activity.



## 6. BUDGET ISSUES AND EFFICIENCY CONSIDERATIONS

The current cash limited budget for Democratic Services for 2010/11 is approximately £700K , and as with many support services the majority of this budget is dedicated to salaries of staff, in this case predominantly supporting Executive and Scrutiny functions of the Council. Members will be aware that previous reports to Policy and Review Committee on the review of Scrutiny Committees envisaged that by adopting the revised Committee structure as originally proposed, a saving in the region of £50K would be delivered. Members will further be aware that as a consequence of the decisions made at the Special Council meeting on 6 January 2011, the target saving agreed for Democratic Services was confirmed as a minimum of £200K overall.

Under the council's new corporate management structure, managerial responsibility for Democratic Services is in future to be split between the Directors of Human Resources & Legal, and Policy & Communications, with Scrutiny moving to the Policy and Communications department from 1 January 2011. The two directors concerned will bring forward proposals as part of the wider restructure of this division that will seek to deliver the £200K saving confirmed at the Council meeting as part of re-profiling the current Democratic Services budgets for 2011/12.

Members should also be aware that the small reduction in the overall number of Committees will not in itself generate substantial cash saving, as the reduction and re-organisation of the Scrutiny Committees is directed primarily at improving the efficiency and effectiveness of the Scrutiny function for the Council, rather than solely a cost-cutting exercise. As part of the ongoing budget reductions exercise across the Council, many staff in the Resources portfolio, including those in Democratic Services, are currently at risk of redundancy, and it is through the review of the staffing and non-staffing budgets that the two directors will be required to deliver the savings rather than through the reduction in the number of Scrutiny Committees *per se*.

## 7. POLICY AND LEGAL IMPLICATIONS

Any changes to the Committee structure would be a constitutional change and would require the approval of Council Forum.

**Councillor Jim Shorrocks and Councillor Derek Hardman  
Chair and Vice Chair Policy and Review Committee**

Contact Officer: Tom Stannard  
Date: 13<sup>th</sup> January 2011  
Background Papers: Agenda and Minutes for the Policy and Review Committee 2009/10 and 2010/11,  
Questionnaire and responses from Members on the Scrutiny structure.

The colour pages from Appendix A, relating to the questionnaire can be found at the back of the agenda, in colour.