



## TO THE CHAIRMAN AND MEMBERS OF THE **OVERVIEW AND SCRUTINY COMMITTEE**

You are hereby summoned to attend a meeting of the Overview and Scrutiny Committee to be held on Monday, 13 September 2021 at 7.00 pm in the Council Chamber - Civic Offices.

The agenda for the meeting is set out below.

JULIE FISHER  
Chief Executive

NOTE: Filming Council Meetings

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## **AGENDA**

### **PART I - PRESS AND PUBLIC PRESENT**

#### **Part I - Press and Public Present**

- 1 Apologies for Absence  
To receive any apologies for absence.
- 2 Minutes (Pages 5 - 8)  
To approve the minutes of the meeting of the Committee held on 12 July 2021 as published.
- 3 Matters Arising from the Previous Minutes  
To review and outstanding items from the previous minutes.
- 4 Urgent Business  
To consider any business that the Chairman rules may be dealt with under Section 100B(4) of the Local Government Act 1972.
- 5 Declarations of Interest  
To receive declarations of disclosable pecuniary and other interests from Members in respect of any item to be considered at the meeting.

## **Matters for Scrutiny**

- 6 Housing Services Review 2021 - Update OSC21-019. (Pages 9 - 14)  
Reporting person: Jon Herbert, Strategic Housing and Development Manager.

## **Matters for Determination**

- 7 Work Programme OSC21-018. (Pages 15 - 32)  
Reporting person: Councillor James Sanderson.
- 8 Scrutiny Review Proposal - The Housing Infrastructure Bid. (Pages 33 - 36)  
Reporting Person: Councillor James Sanderson.
- 9 Overview and Scrutiny Guidance by the MHCLG OSC21-023. (Pages 37 - 162)  
Reporting Person: Frank Jeffrey, Head of Democratic Services
- 10 The Elections Bill 2021 OSC21-022. (Pages 163 - 168)  
Reporting person: Frank Jeffrey, Head of Democratic Services.

## **Performance Management**

- 11 Performance and Financial Monitoring Information (Pages 169 - 218)  
To consider the current publication of the Performance & Financial Monitoring Information (Green Book).  
  
Reporting person: Councillor James Sanderson.

## **Task Group Updates**

- 12 Finance Task Group Update OSC21-021. (Pages 219 - 220)  
To receive an update on the work of the Finance Task Group following its meeting on 21 July 2021.  
  
Reporting person: Councillor James Sanderson, Chairman of the Finance Task Group
- 13 Housing Task Group Update OSC21 020. (Pages 221 - 222)  
To receive an update on the work of the Housing Task Group following its meeting on 27 July 2021.  
  
Reporting person: Councillor Ann-Marie Barker, Chairman of the Housing Task Group
- 14 Economic Development Task Group Update OSC21-024. (Pages 223 - 224)  
To receive an update on the work of the Economic Regeneration Task Group following its meeting on 25 August 2021.  
  
Reporting person: Councillor Dale Roberts, Chairman of the Economic Regeneration Task Group

AGENDA ENDS

Date Published - 2 September 2021

For further information regarding this agenda and arrangements for the meeting, please contact Frank Jeffrey, Head of Democratic Services, Ext 3012, Email [frank.jeffrey@woking.gov.uk](mailto:frank.jeffrey@woking.gov.uk)



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MINUTES  
OF A MEETING OF THE  
**OVERVIEW AND SCRUTINY COMMITTEE**

held on 12 July 2021

Present:

Cllr J R Sanderson (Chairman)  
Cllr S Hussain (Vice-Chair)

Cllr J Brown	Cllr R Mohammed
Cllr S Dorsett	Cllr E Nicholson
Cllr A Kirby	Cllr M I Raja
Cllr R N Leach	

Also Present: Councillor D Harlow.

**1. APOLOGIES FOR ABSENCE**

No apologies for absence were received.

**2. MINUTES**

RESOLVED

That the minutes of the meeting of the Committee held on Monday, 7 June 2021 be approved and signed as a true and correct record.

**3. MATTERS ARISING FROM THE PREVIOUS MINUTES**

Introduction to Overview and Scrutiny – Training

It was noted that a training session by South East Employers for all Members, exploring the role of the Overview and Scrutiny Committee, had been held on 28 June 2021.

Introduction to Overview and Scrutiny – Scrutiny and Democratic Services Officer

The Chairman confirmed that the position of Scrutiny and Democratic Services Officer had been advertised.

Pre-decision Scrutiny – Notice of Motion from Councillor Lyons

The comments of the Overview and Scrutiny Committee on the notice of motion by Councillor Lyons on construction noise had been submitted to the Executive. The Executive had welcomed the comments and had included them in the recommendations to Council.

Performance and Financial Monitoring Information

Councillor Kirby advised that he had received a detailed response from Officers in respect of his enquiry on election figures.

**4. URGENT BUSINESS**

There was no urgent business to discuss.

**5. DECLARATIONS OF INTEREST**

In accordance with the Members' Code of Conduct, Councillor Leach declared a non-pecuniary interest in Item 6 – Health and Wellbeing Strategy arising from his position as a volunteer for the Surrey Care Trust, a local organisation referred to in the report. The interest was such that speaking and voting were permissible.

**6. HEALTH AND WELLBEING STRATEGY OSC21-015.**

(NOTE: In accordance with the Members' Code of Conduct, Councillor S Hussain declared a non-pecuniary interest in the following item – Item 6 – Health and Wellbeing – arising from his role as a Governor of the NW Surrey Short Stay School, an establishment referred to in the discussion by Councillor Leach. The interest was such that speaking and voting were permissible.)

The Group welcomed to the meeting Julie Mémé, the Health and Wellbeing Manager, and Councillor Debbie Harlow, Portfolio Holder for Health and Wellbeing. Julie set out the process followed in developing the Strategy, the consultations undertaken, how the priorities had been identified and how, going forward, the impact would be measured and the achievements tracked. It was emphasised that the ten year Strategy was a living document and would evolve over time.

The report put the role of Woking Borough Council in context, within the much wider support environment for health and wellbeing, and the extensive partnership working with agencies and charities across the County, including hospitals, GPs, and the County Council. By analysing the data gained through extensive consultation and feedback from partner organisations, the Council had identified five priority areas where the Authority could achieve the biggest impacts. The five priority areas were mental health, isolation and loneliness, obesity, independent living, and the wellbeing of carers. Councillor Harlow spoke in support of the Strategy, noting the extensive work undertaken by Officers to ensure the Strategy supported local communities in addressing the most pressing areas of health and wellbeing.

The Committee welcomed the report and the proposed action plan. The action plan would develop over time, and would pick up on the points raised by the Members of the Committee. It was noted that some of the forthcoming target dates for actions could need to be updated in response to the impact of lockdown restrictions.

The importance of communicating the services available through the Council to all residents was emphasised, noting that some communities were hard to reach and difficult to engage with, particularly on those matters of health which still had a stigma attached to them. To this end, the Council was exploring all possible avenues of engagement,

including hosting an annual Dementia Awareness Week, engaging with the homeless, working with partner organisations, arranging courses and working on specific areas of concern such as hoarding, domestic abuse and suicide. The Committee was advised that ongoing public consultation and involvement would be arranged as the Strategy evolved, noting that Covid had limited the amount of public consultation in the drafting of the strategy.

The Members discussed the important role of the two Council Support Officers placed at St Peter's Hospital. The Officers reported to the hospital each day and attended ward rounds and consultants' briefings, working with the patients returning home to ensure they received all the personal support necessary to enable them to live independently.

The role of Councillors in promoting the services available was discussed and Julie undertook to arrange a briefing for all Members to explain the services available and the ways in which referrals could be made. The Committee Members emphasised the importance of the educational aspects to tackling issues such as obesity, being able to provide information in an understandable way in a variety of different mediums.

The particular impact on young people and their mental health was discussed and Councillor Leach suggested that Officers could explore close working with groups such as Outline and the NW Surrey Short Stay School. Councillor Leach further suggested the possibility of working with the Youth Council to explore options to support young people struggling with their mental health. Julie undertook to take forward the suggestions, welcoming the reference to the Youth Council and noting that the Council had already established strong relationships with local schools.

The Chairman summarised the key points raised during the discussion and thanked Julie and Councillor Harlow for their presentation, noting the challenges faced and the extensive efforts being made to address them. The Strategy was warmly welcomed by the Committee and, following the presentation, the Committee agreed to recommend to the Executive the endorsement of the Strategy and associated action plan.

#### **RECOMMENDED TO THE EXECUTIVE**

**That the Health and Wellbeing Strategy 2021-2031 be endorsed for recommendation to Council.**

#### **7. WORK PROGRAMME OSC21-017.**

The Chairman presented the Work Programme to the Committee, noting that the report included the forward plan of Executive decisions for the remainder of the Municipal Year to enable the Committee Members to identify areas for pre-decision scrutiny during the year. It was noted that two additional items of business would be brought to future meetings of the Committee. The first report, to be presented in September, would set out for information the proposals contained in the Government's recently published Elections' Bill, noting that part of the Bill built upon the experiences of the Council in running a voter identification pilot. The second report would review the overview and scrutiny guidance published by the Ministry of Housing, Communities and Local Government, highlighting any gaps in the Council's approach. The report would be presented to the Committee in September or October 2021.

The Chairman drew the Members' attention to the suggestion within the agenda that consideration be given to any topics which could be considered for a detailed review in

accordance with the Council's Scrutiny Toolkit, potentially from amongst those items already identified on the Work Programme. The Chairman proposed that one area that could be explored in more detail was the Housing Infrastructure Fund (HIF) project. Whilst it was noted that the Council had established a cross party HIF Oversight Panel, it was suggested that a scrutiny review group could be established to explore whether the Council would be able to manage the future risks of the project and what governance arrangements were in place.

Further to the training provided recently, it was noted that any topics for scrutiny should seek to be forward looking and be clear on what such a review would deliver in terms of benefits for the residents. To this end, it was suggested that a scrutiny topic selection form could be completed to enable the Committee to assess whether a review of the HIF project would meet the criteria for successful scrutiny.

RESOLVED

That the Work Programme be noted.

## **8. PERFORMANCE AND FINANCIAL MONITORING INFORMATION**

The Members of the Committee considered the Council's Performance and Financial Monitoring Information for March 2021, commonly referred to as the 'Green Book'. It was noted that the financial monitoring was normally undertaken by the Finance Task Group.

Councillor Kirby referred to the receipt of payments to support the Council with the costs incurred through its activities around managing the Covid pandemic within the Borough. Councillor Kirby suggested that the Committee should monitor the extent to which the payments would continue and suggested that the Green Book could include a table identifying which of the sums received were temporary, with a net total shown without the temporary sums included.

Councillor Nicholson suggested that a briefing on the Green Book would be helpful for the new Members of the Council and drew attention to the staffing figures, noting that BME communities were under represented in the top 5% of earners and that there was no indication of the number of staff within the category with a disability. Councillor Nicholson asked for a more detailed breakdown of the figures. Officers undertook to arrange a briefing on the Green Book and for the information on staffing to be provided to Councillor Nicholson.

The Chairman noted that the trend in the percentage of household waste arising which had been sent for reuse, recycling, composting or anaerobic digestion had been falling in recent months, continuing to be affected by the impact of Covid on households.

RESOLVED

That the Green Book (March) be noted.

The meeting commenced at 7.00 pm  
and ended at 8.38 pm

Chairman: \_\_\_\_\_

Date: \_\_\_\_\_

OVERVIEW AND SCRUTINY COMMITTEE - 13 SEPTEMBER 2021

## HOUSING SERVICES REVIEW 2021 - UPDATE

### Executive Summary

The Overview and Scrutiny Committee undertook a review of Housing as a topic during the 2020/21 municipal year. This review was undertaken over three consecutive months in three sessions, with the aim of informing development of the Council's next Housing Strategy.

This paper provides an update on progress made regarding the recommendations resulting from the scrutiny review and considered by the Council at its meeting on 8 April 2021.

Since the Scrutiny Review was completed, a new Housing Strategy has been prepared and was adopted in July 2021 following public consultation. The Housing Strategy details the Council's vision for the period 2021 - 2026, covering the scope of our Housing Services and is designed to complement our other policies. It has an overall focus on achieving an increase in the supply of affordable housing whilst making the best use of the existing stock; improving the customer journey across the service; and enabling residents to fulfil their potential.

### Recommendations

The Committee is requested to:

#### **RESOLVE That**

- (i) the report on progress be noted.

The Committee has the authority to determine the recommendation(s) set out above.

<b>Background Papers:</b>	None.
<b>Reporting Person:</b>	Louise Strongitharm, Director of Housing Email: <a href="mailto:louise.strongitharm@woking.gov.uk">louise.strongitharm@woking.gov.uk</a> , Extn: 3732
<b>Contact Person:</b>	Jon Herbert, Strategic Housing and Development Manager Email: <a href="mailto:jon.herbert@woking.gov.uk">jon.herbert@woking.gov.uk</a> , Extn: 3546
<b>Portfolio Holder:</b>	Councillor Debbie Harlow Email: <a href="mailto:cllrdebbie.harlow@woking.gov.uk">cllrdebbie.harlow@woking.gov.uk</a>
<b>Shadow Portfolio Holder:</b>	Councillor Ann-Marie Barker Email: <a href="mailto:cllrann-marie.barker@woking.gov.uk">cllrann-marie.barker@woking.gov.uk</a>
<b>Date Published:</b>	2 September 2021



### 1.0 Introduction

- 1.1 The Overview and Scrutiny Committee (O&S) undertook a review of Housing as a topic during the 2020/21 municipal year. This review was undertaken over three consecutive months in three sessions, with the aim of informing development of the Council's next Housing Strategy.
- 1.2 This paper provides an update on progress made regarding the recommendations resulting from the scrutiny review and considered by the Council at its meeting on 8 April 2021.
- 1.3 Since the review was completed, the new Housing Strategy has been developed and sets out the Council's vision for the period 2021 - 2026, with an overall focus on achieving an increase in the supply of affordable housing whilst making the best use of the existing stock; improving the customer journey across the service; and enabling residents to fulfil their potential.
- 1.4 The Housing Strategy covers the scope of our Housing Services and is designed to complement our other policies, such as the Local Plan and Corporate Plan. The strategic priorities contained in the Housing Strategy are:
  - To provide well designed, high quality homes that are affordable and meet local needs;
  - To prevent homelessness and help those in housing need;
  - To help people to achieve independence and wellbeing;
  - To deliver an improved housing service to our tenants and leaseholders;
  - To enhance choice, standards and quality within the private rented sector.
- 1.5 Following a 4-week consultation process, the new Housing Strategy was adopted in July 2021.

### 2.0 Update on Recommendations

#### 2.1 Recommendation 1

2.2 Recommendation 1 was that -

*"The locally set commuted sum formula to be reviewed when the Affordable Housing SPD is next updated"*

2.3 The Strategic Housing and Development and Planning Policy teams are currently reviewing and updating the Council's Affordable Housing Supplementary Planning Document (SPD) to account for national policy changes and to improve (where possible) its processes for securing affordable housing. Reviewing the commuted sum formula and guidance will form part of this process.

2.4 Officers are aiming to bring a draft Affordable Housing Supplementary Planning Document to the Local Plan Member Working Group on 24 November 2021.

2.5 The aim is to adopt the new SPD in Summer 2022.

#### 2.6 Recommendation 2

2.7 Recommendation 2 was that -

*"The Borough should set the example and seek to bring forward more of its own sites for affordable housing developments."*

- 2.8 This is addressed in Strategic Priority 1 of the Housing Strategy with a specific aim in the action plan to look for opportunities arising from the asset management strategy and property review to develop more affordable housing.
- 2.9 The target dates are to develop an Asset Management Strategy for our Council-owned stock by December 2022 and identify potential development sites resulting from this by Summer 2023.
- 2.10 The recently approved Bonsey Lane garage site is a site currently being prioritised. This project will demolish and replace the existing disused garages to the rear of Bonsey Lane with an apartment block of 7 flats, comprising a mix of 1, 2 and 3 bedroom flats. The rent for these will all be set at Social Rent levels, and will therefore help to meet housing needs of applicants on the Council's Housing Register.
- 2.11 Recommendation 3
- 2.12 Recommendation 3 was that -
- "Where a viability case results in fewer affordable homes being proposed a S106 agreement in order to provide the option for the actual costs and values to be completed."*
- 2.13 The Council has received a number of viability cases in recent years and uses independent viability consultants to interrogate the submitted developer viability reports focusing on the key issues of expected sales values (Gross Development Value - GDV), land value and likely build costs.
- 2.14 The developer pays for the independent viability assessment undertaken by the Council's consultants, though the consultants' report is issued and belongs to the Council. Where it is established that a scheme is not viable, the consultants will recommend that a clawback provision is included in any Section 106 agreement to ensure that any unexpected increase in GDV (overage) is able to be captured and a commuted sum provided to the Council for the provision of affordable housing elsewhere.
- 2.15 An overage clause in the Section 106 agreement is now routinely negotiated as part of the planning process where a viability case has resulted in a reduced provision of affordable homes.
- 2.16 Recommendation 4
- 2.17 Recommendation 4 was that -
- "A town centre strategy to be brought forward in consultation with residents on the nature of new build housing in this area to inform future policy"*
- 2.18 The Council has committed to prepare a newly defined Town Centre Masterplan to help guide future sustainable development within the Town Centre.
- 2.19 At its meeting on 15 July 2021, the Executive received an overview of the Town Centre Masterplan and agreed a budget of £100,000 to take this work forward. Community engagement will be central to the preparation of the Masterplan.
- 2.20 The draft Masterplan will be reported to the LDF Working Group, the Executive and Council before it is adopted.
- 2.21 Recommendation 5
- 2.22 Recommendation 5 was that –

*“Increased vigour and support to the return of empty homes into occupation.”*

- 2.23 This recommendation is addressed in Strategic Priority 5 of the Housing Strategy.
- 2.24 Since 2016/17, 227 empty homes have been brought back into use. However, as at April 2021, Woking had 433 long term empty properties and 105 of these lying empty for more than 24 months.
- 2.25 The Covid-19 pandemic has had a significantly detrimental impact on the team’s ability to work towards addressing this. However, as restrictions have been removed, officers are committed to renewing efforts in this area and bring a minimum of 40 empty properties back into use through negotiation, using enforcement action as a last resort.
- 2.26 Initial work has seen 168 empty home owners written to in June 2021, resulting in a 38% response rate. Of these, 26 stated that their property was not empty and these are due to be followed up with Council Tax.
- 2.27 The proactive empty homes work will pick up from September 2021.
- 2.28 Recommendation 6
- 2.29 Recommendation 6 was that -
- “That the Planning Committee has a session on the viability assessment process in their regular update training.”*
- 2.30 This session took place on 1 February 2021, with feedback from Member indicating that it was an extremely informative and useful session. Further training will be arranged for members of the Planning Committee as required.

### **3.0 Corporate Strategy**

- 3.1 Housing plays an important role in the health, social, environmental and economic wellbeing of everyone who lives in the borough. Good quality, decent and affordable homes contribute significantly to health and wellbeing and social inclusion.

### **4.0 Implications**

#### Finance and Risk

- 4.1 The Housing Strategy provides clear direction and focus with respect to its strategic objectives for Housing Services upon which future financial decisions can be based.
- 4.2 The risks associated with delivering the Housing Strategy are clearly set out in the Action Plan.

#### Equalities and Human Resources

- 4.3 The Housing Strategy reflects the Council’s ambitions to promote equality and address inequalities in Woking. An Equalities Impact Assessment was completed.

#### Legal

- 4.4 The Local Government Act 2003 requires the Council to publish a housing strategy setting out a vision for housing in its area and identify objectives and priorities to meet the current and future housing needs of the local population.

**5.0 Engagement and Consultation**

- 5.1 The draft Housing Strategy was distributed for widespread consultation to tenants, those on the housing register and the wider population of Woking through the Woking Community Forum online platform, emails and social media. Formal consultation was launched on 21 May 2021 for a 4-week period, closing on 18 June 2021.
- 5.2 278 people responded to the online survey, 21 suggestions were posted on the Ideas Board and 3 responses were received via letter/email. The survey showed that 85.9% of respondents agreed with the overall direction of the strategy, with the strongest support being for priorities 2 (to prevent homelessness and help those in housing need) and 3 (to help people to achieve independence and wellbeing) (at 83.5% and 80.1% respectively).
- 5.3 The key themes coming out of the consultation included the need for more coverage on sustainability/energy efficiency; support for making more efficient use of existing stock (including the focus on empty homes and downsizing incentives); support for the planned changes to housing management and maintenance and a clearer prioritisation of social rented homes. There were also comments made that the strategy needed to set clearer targets and actions. The feedback was incorporated into the final Housing Strategy adopted in July 2021.
- 5.4 Community engagement will also be central to the preparation of the Town Centre Masterplan.

REPORT ENDS



# Overview and Scrutiny Work Programme

This Overview and Scrutiny Work Programme is published with the purpose of assisting the Council in its overview and scrutiny role. The Work Programme covers the following areas:

- Items for consideration at future meetings of the Overview and Scrutiny Committee.
- Any Scrutiny Review Topics proposed by Members of the Council for inclusion on the Work Programme.
- Any topics identified for pre-decision scrutiny.
- The draft forward programme of work for the Executive.
- Details of the current Task Groups under the Committee's remit.

The Work Programme is designed to assist the Council with its overview and scrutiny role by providing Members with an indication of the current workload, subjects to be considered for review and items which the Executive expects to consider at its future meetings, so that matters can be raised beforehand and/or consultations undertaken with a Member of the Executive prior to the relevant meeting.

*Any changes to the Work Programme since it was last published have been highlighted in green.*

## The Committee

**Chairman:** Councillor J Sanderson

**Vice-Chairman:** Councillor S Hussain

Councillor J Brown

Councillor R Leach

Councillor S Dorsett

Councillor R Mohammed

Councillor A Kirby

Councillor E Nicholson

Councillor M I Raja

## 2021/22 Committee Dates

7 June 2021

22 November 2021

12 July 2021

24 January 2022

13 September 2021

21 February 2022

18 October 2021

21 March 2022



**Suggested Additions to the Work Programme**

Following the last meeting of the Committee, the Chairman and Vice-Chairman provided Officers with a list of items for consideration over the coming year. Where possible, these have been added to the Work Programme. Set out below are any ideas which have been requested but are yet to be included against a specific meeting of the Committee.

Decision to be Taken	Proposed by	Officer Comment
<b>Housing Infrastructure Fund Bid.</b> To review the process followed in the development of the HIF bid.	Chairman and Vice-Chairman	To enable the Committee Members to fully consider the suggestion of a scrutiny review of the HIF Bid, the Chairman will prepare a scrutiny review topic selection form. The form will set out the proposed scope of the review to enable the Members to assess the merits of the proposal. The form will be included on the agenda of the Committee for 13 September 2021.
<b>Play Area Provision.</b>	Chairman and Vice-Chairman	This was last reviewed by the Committee in January 2021. It is proposed that it is brought back to the Committee at the beginning of 2023.
<b>Survey of Leisure Facility Users</b>	Chairman and Vice-Chairman	Survey to be programmed for Summer 2022. Resources necessary yet to be determined.



## The Work Programme 2021/22

Set out over the coming pages are the items programmed for consideration over the 2021/22 Municipal Year.

### Overview and Scrutiny Committee Meeting – 18 October 2021

#### 1 – Performance Management

**1.1 Performance & Financial Monitoring Information.** For the Committee to consider the current publication of the Performance & Financial Monitoring Information (Green Book)

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

#### 2 – Matters for Consideration

**2.1 Work Programme.** For the Committee to receive the updated Work Programme.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.2 Rutland Group and Thamesway Group of Companies.** To consider the roles and responsibilities of the Rutlands Group and the Thamesway Group of Companies.

Consultation	Background Documents	Contact Person/Team
None	None	Julie Fisher

**2.3 Review of use of Lakeview Community Centre.** The Committee to receive an update on planned projects and activities at the Lakeview Community Centre.

Consultation	Background Documents	Contact Person/Team
None	None	Adam Thomas

#### 3 – Task Group Updates

**3.1 Task Group Update.** To receive an update from any meetings of the three Task Groups under the remit of the Committee.

Consultation	Background Documents	Contact Person/Team
None	None	Chairman of each Task Group



## Overview and Scrutiny Committee Meeting – 22 November 2021

### 1 – Performance Management

**1.1 Performance & Financial Monitoring Information.** For the Committee to consider the current publication of the Performance & Financial Monitoring Information (Green Book)

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

### 2 – Matters for Consideration

**2.1 Work Programme.** For the Committee to receive the updated Work Programme.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.2 Celebrate Woking Review and Forward Plan.** To receive an update on the work of Celebrate Woking For including future plans.

Consultation	Background Documents	Contact Person/Team
None	None	Riette Thomas Chris Norrington

**2.3 Treasury Management Mid-year Review 2020/21.**

Consultation	Background Documents	Contact Person/Team
None	None	Leigh Clarke

**2.4 Freedom Leisure Performance Review.** To receive a report from the Leisure Partnership Board on the performance of Freedom Leisure.

Consultation	Background Documents	Contact Person/Team
Leisure Partnership Board	None	Steve May

### 3 – Task Group Updates

**3.1 Task Group Update.** To receive an update from any meetings of the three Task Groups under the remit of the Committee.

Consultation	Background Documents	Contact Person/Team
None	None	Chairman of each Task Group

## Overview and Scrutiny Committee Meeting – 24 January 2022

### 1 – Performance Management

**1.1 Performance & Financial Monitoring Information.** For the Committee to consider the current publication of the Performance & Financial Monitoring Information (Green Book)

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

### 2 – Matters for Consideration

**2.1 Work Programme.** For the Committee to receive the updated Work Programme.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.2 Joint Waste Management Performance Review.** To review the level of complaints and service KPI's provided by JWS.

Consultation	Background Documents	Contact Person/Team
None	None	Geoff McManus Richard Bisset

**2.3 Lessons Learnt through the Covid-19 Response.**

Consultation	Background Documents	Contact Person/Team
None	None	Geoff McManus

**2.4 Woking Borough Council's Support of Local Businesses During Covid-19.**

Consultation	Background Documents	Contact Person/Team
None	None	Giorgio Framallicco

**2.5 Dr Gifty Edila's Report – Update on Recommendations.** To receive an update report on the recommendations from Dr Edila's report in advance of an update being presented to Council in February 2022.

Consultation	Background Documents	Contact Person/Team
None	None	Joanne McIntosh

**3 – Task Group Updates**

**3.1 Task Group Update.** To receive an update from any meetings of the three Task Groups under the remit of the Committee.

<b>Consultation</b>	<b>Background Documents</b>	<b>Contact Person/Team</b>
None	None	Chairman of each Task Group

## Overview and Scrutiny Committee Meeting – 21 February 2022

### 1 – Performance Management

**1.1 Performance & Financial Monitoring Information.** For the Committee to consider the current publication of the Performance & Financial Monitoring Information (Green Book)

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

### 2 – Matters for Consideration

**2.1 Work Programme.** For the Committee to receive the updated Work Programme.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.2 Freedom of Information Requests Annual Report.** To review the statistics and requests that proceed to the Information Commissioners Office.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.3 Overview of Complaints Received and Contract Review Annual Report.** A review of the complaints received over the past year and identify any trends.

Consultation	Background Documents	Contact Person/Team
None	None	Joanne McIntosh Adam Browne

**2.4 Enterprise M3.** Stephen Martin, Operations Director of Enterprise M3, will attend the meeting to provide an update of the Organisation's work.

Consultation	Background Documents	Contact Person/Team
None	None	Joanne McIntosh Adam Browne

### 3 – Task Group Updates

**3.1 Task Group Update.** To receive an update from any meetings of the three Task Groups under the remit of the Committee.

Consultation	Background Documents	Contact Person/Team
None	None	Chairman of each Task Group



## Overview and Scrutiny Committee Meeting – 21 March 2022

### 1 – Performance Management

**1.1 Performance & Financial Monitoring Information.** For the Committee to consider the current publication of the Performance & Financial Monitoring Information (Green Book)

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

### 2 – Matters for Consideration

**2.1 Work Programme.** For the Committee to receive the updated Work Programme.

Consultation	Background Documents	Contact Person/Team
None	None	Democratic Services

**2.2 Safer Working Partnership – Community Safety Plan.** The Police and Justice Act 2006 gave local authorities responsibility for considering crime and disorder matters. In 2010 the Committee agreed that the Safer Working Partnership Plan would be brought forward annually for scrutiny.

Consultation	Background Documents	Contact Person/Team
None	None	Camilla Edmiston

**2.3 Annual Report of the Overview & Scrutiny Committee.**

Consultation	Background Documents	Contact Person/Team
None	None	Chairman

**2.4 Annual Update on Climate Change.**

Consultation	Background Documents	Contact Person/Team
None	None	Lara Beattie

**2.5 Family Centres – Service Delivery Plan.**

Consultation	Background Documents	Contact Person/Team
None	None	Adam Thomas

### 3 – Task Group Updates

**3.1 Task Group Update.** To receive an update from any meetings of the three Task Groups under the remit of the Committee.

Consultation	Background Documents	Contact Person/Team
None	None	Chairman of each Task Group

**The Draft Executive Work Programme**

The following list sets out the draft forward programme of work for the Executive over the coming year. The programme is subject to additions and alterations and will be updated for future meetings of the Overview and Scrutiny Committee. The purpose of the list is to enable the Members of the Overview and Scrutiny Committee to identify those items they would like to scrutinise under the Committee's function of pre-decision scrutiny. The list includes those items for recommendation to Council as well as those for determination by the Executive.

**Executive – 7 October 2021**

**Matters for Consideration**

- 1) Confidentiality Protocol Annual Report
- 2) Update on development of Corporate Strategy and Medium Term Financial Strategy (MTFS)
- 3) Performance and Financial Monitoring Information

**Executive – 18 November 2021**

**Matters for Consideration**

- 1) Woking Borough Council Digital Transformation Strategy
- 2) Thamesway Business Plans (to include company consolidation plan)
- 3) Smarts Heath Road Woking Gymnastic Centre
- 4) Town Centre Public Spaces Protection Order (PSPO)
- 5) Calendar of Meetings 2022-23
- 6) Draft General Fund Budget 2022-23
- 7) Draft Housing Revenue Account Budget Update 2022-23
- 8) Draft Investment Programme 2021-22 to 2025-26
- 9) Review of Fees and Charges 2022-23
- 10) Safeguarding Policy
- 11) Monitoring Reports – Projects

12) Performance and Financial Monitoring Information

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**Executive – 9 December 2021 (Special Meeting)**

**Matters for Consideration**

1) Grants for Voluntary and Community Organisations 2022/23

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**Executive – 20 January 2022**

**Matters for Consideration**

1) Housing Assistance Policy

2) Update on progress of Corporate Strategy and Medium Term Financial Strategy (MTFS) against Corporate Plan

3) Performance and Financial Monitoring Information

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**Executive – 3 February 2022**

**Matters for Consideration**

1) General Fund, Service Plans, Budgets and Prudential Indicators 2022-23

2) Housing Revenue Account Budgets 2022-23

3) Investment Programme 2021-22 to 2025-26

4) Capital, Investment and Treasury Management Strategies

5) New MTFS and Budget

6) Corporate Strategy

7) Monitoring Reports - Projects

- 8) Performance and Financial Monitoring Information
- 

**Executive – 24 March 2022**

**Matters for Consideration**

- 1) Regulation of Investigatory Powers Act 2000 – Annual Monitoring Report
  - 2) Medium Term Financial Strategy
  - 3) Write off of Irrecoverable Debt
-

**Current Task Groups Responsible to the Committee**

The table below provides a list of current Task Groups established by the Committee, including an indication of the resource requirements and the anticipated completion date. Updates on the progress of individual Task Groups are included elsewhere on the Committee's agenda.

<b>Economic Development Task Group</b>	
<b>Remit:</b>	<p>The Economic Development Task Group shall comprise seven Members of the Council representing all Groups on the Council based on proportionality. The Elected Members to be appointed annually by the Overview and Scrutiny Committee in May. The Portfolio Holder for Promoting the Local Economy shall be an ex-officio member.</p> <p>Members of the Task Group will be expected to gain the views of Councillors/ Officers/ other representatives with a view to reporting those views to the Task Group.</p> <p>Members of the Task Group may also be charged with specific areas to research and report back on to the Task Group.</p> <p>Members of the Task Group may be expected to present proposals to the Overview and Scrutiny Committee and, where necessary, prepare written reports.</p> <p>Substitutes may be appointed when necessary.</p>
<b>Membership:</b>	Councillors Ali, Barker, Davis, Johnson, Mohammed, Roberts and Whitehand.
<b>Resources:</b>	Officer and Councillor time.
<b>Date Established:</b>	11.03.09
<b>Completion Date:</b>	Ongoing

<b>Finance Task Group</b>	
<b>Remit:</b>	<p>The Task Group has been established as a Standing Task Group to review financial issues as identified either by itself or the Overview and Scrutiny Committee. The Task Group will receive financial information, including reports to the Executive, to enable it to undertake effective scrutiny of the financial performance of the Council.</p> <p>The Task Group will receive reports on areas such as Treasury Management, Budget Process and Financial Forecast, Statement of Accounts, Investment Programme, Review of Fees and Charges, General Fund Budget, Update on Commercial Rents, Update on Irrecoverable Debt, and matters arising from the Green Book. Its Work Programme will be received at each Task Group meeting.</p>
<b>Membership:</b>	Councillors Azad, Aziz, Davis, Johnson, Kirby, Sanderson and Whitehand
<b>Resources:</b>	Officer and Councillor time.
<b>Date Established:</b>	25.05.06
<b>Completion Date:</b>	Ongoing

<b>Housing Task Group</b>	
<b>Remit:</b>	<p>The Housing Task Group shall comprise seven Members of the Council representing all Groups on the Council based on proportionality. The Elected Members to be appointed annually by the Overview and Scrutiny Committee in May.</p> <p>Members of the Task Group will be expected to gain the views of Councillors/ Officers/ Portfolio Holder / External Advisors and other representatives with a view to reporting those views to the Task Group.</p> <p>Members of the Task Group may also be charged with specific areas to research and report back on to the Task Group. Any investigation requiring funding would normally be expected to be part of the existing housing budget. Offsite visits will be ad hoc. Requests for additional funds for the purpose would be submitted to the Portfolio Holder.</p> <p>Members of the Task Group may be expected to present proposals to the Overview and Scrutiny Committee and, where necessary, prepare written reports.</p>
<b>Membership:</b>	Councillors Aziz, Barker, Bridgeman, Dorsett, Harlow, Hughes, Kirby and Whitehand.
<b>Resources:</b>	Officer and Councillor time.
<b>Date Established:</b>	25.05.06
<b>Completion Date:</b>	Ongoing

## Scrutiny Review Topic Selection

This form must be completed in full with as much detail as possible.

Your name:	James Sanderson
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Your email:	CllrJames.Sanderson@woking.gov.uk
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<b>Selection criteria</b>	
<b>Criteria for Scrutiny Review:</b>	
Scrutiny Review likely to result in improvements for local people.	
Topic falls within a Community or Corporate priority.	X
Topic represents a key issue for the public.	X
A service is performing poorly.	
High level of dissatisfaction with a service.	
<b>Criteria for rejecting a Scrutiny Review Topic:</b>	
Topic already being addressed.	
Matter is subjudice or prejudicial to the Council's interests.	
Specific case falls within the Council's complaints procedure.	
Topic involves individual disciplinary or grievance matter.	
Proposed topic is unlikely to result in improvements for local people.	

If your proposed Scrutiny Review Topic falls under any of these rejection criteria, it may not be a suitable topic to progress.

**Outcomes of the Review**

**Why should the Scrutiny Review be undertaken?**

The Overview and Scrutiny Committee consider that a scrutiny review of the HIF project would add value to ensure that the project is focused on the delivery of outcomes that reflect the needs of and improves the outcomes for Woking communities. The O&S Committee acknowledge that there is a process in place to support the project via the HIF Oversight Panel.

The role of the HIF Oversight Panel is to:

- oversee the governance and implementation of the Housing Infrastructure Fund (HIF);
- oversee project communications;
- receive updates on the Project; and,
- note and monitor progress of the Project, through the receipt of programme reports, against key milestone dates, budget and key risks.

For reference, this panel has proportional constitutional representation of Councillors in order to ensure that members of the authority that are not part of the Executive can hold the Executive to account as an integral part of the delivery of the project.

The focus of the proposed O&S review is intended to provide effective constructive critical friend challenge, focussing on:

- the decisions the project is planning to make;
- how these are planned to be implemented;
- amplifying the voices and concerns of communities;
- improving outcomes; and,
- contributing to the development of a vision for the project and how this connects with related Council strategy and other change activity

To support the O&S Committee to focus on outcomes, and as an initial action of its scrutiny, it would assist the Committee if they have assurances around the HIF systems of governance, risk management and control that are delivered through by the HIF project under the existing oversight of the HIF Oversight Panel.

To give assistance on this it is proposed that the Standards and Audit Committee approve an additional audit within the audit plan to accommodate the HIF project which would:

- provide assurance that the Council has fully identified all the risks in respect of the Housing Infrastructure Fund (HIF) project and it has sufficient mitigation in place to manage these risks.
- provide assurance that due processes in decision making and project management have been applied and assess how the demands and potential conflicts of multiple major projects occurring concurrently are managed. To identify the wider lessons from a project of this scale with very significant external dependencies.

The final scope for this audit is agreed with the respective Chairs of the Standards and Audit Committee and the O&S Committee.

The O&S Committee will then consider this audit report and subsequently propose how it would help to develop a vision for the project and how this connects with related Council strategy and other change activity.

A subsequent review could also consider if further public consultation and involvement is required in order to address any concerns raised noting the commitment to consult on the housing HIF numbers as part of the Woking Town Centre Masterplan and noting the recent motion at council which has called for:

- The HIF scheme housing to be put to public consultation with full honest disclosures.

## Briefing Paper No. 1 – Submitting a Topic for Scrutiny Review

- The council cease to make any further promises on HIF to any bodies until such consultation is complete.
- The council re asses the scheme’s housing targets under new market conditions, (especially post COVID) public opinion and if needed is open to renegotiations with central government.

### What benefits could result from the Scrutiny Review?

Through an audit of the current systems of governance, risk management and control, identify as early as possible whether further mitigation is required in order to ensure the successful completion of this project. This is a very major project that the Council is undertaking involving other stakeholders and is going to have a significant impact of residents. O&S is in a position to scrutinise the background behind this and it will provide assurance to members and residents of that this project is best placed to complete successfully.

What level of impact will the Scrutiny Review have?

Substantial benefits community wide or for a significant proportion or section of the Community.	X
Moderate benefits for two or more client groups or substantial benefits for only one client group.	
Minor benefits for two or more client groups or substantial benefits for only one client group.	
Minor benefits for only one client groups.	
No benefits likely to result.	

### Topic Review Process

#### Resources to be included in the Scrutiny Review:

WBC Officer Time Committee.	X
Report and/or presentation.	X
Councillor time.	X
Portfolio Holder Involvement.	X
Expert or External Representatives participation.	X
Establishment of a Task Group.	X

**Briefing Paper No. 1 – Submitting a Topic for Scrutiny Review**

Site visits.	
Research and Evidence.	X
Consultation Exercise.	
Other	
Please add explanatory note for any resource selected above.	
<p>Sources of information and evidence should include all relevant Council and Executive papers, details of the HIF project itself including the bid document, the Homes England conditions, correspondence from stakeholders, communication to residents and the papers of the HIF Oversight Panel. It should also include reaching out to relevant experts and stakeholders.</p> <p>For the scrutiny review itself, no specific consultation is planned but the Residents Panel or community engagement panel could be involved.</p>	
Please add any further information that you think would be useful in the consideration of this Scrutiny Review Topic.	
<p>Risk analysis is critical for this topic and there is a high degree of public interest. It should be conducted on a timely basis including an early as possible completion of the audit review.</p>	

Once submitted, if your Scrutiny Review Topic meets the selection criteria and enough information has been provided, it will be considered by the Overview and Scrutiny Committee at their next meeting, where they will decide whether to add the topic to their Work Programme.

THE OVERVIEW AND SCRUTINY COMMITTEE – 13 SEPTEMBER 2021

## OVERVIEW AND SCRUTINY GUIDANCE BY THE MHCLG

### Executive Summary

This report explores the provisions of the statutory guidance on overview and scrutiny published by the Ministry of Housing, Communities and Local Government (MHCLG) in 2019. Furthermore, the report reviews the Council's arrangements in light of the guidance and identifies a wide ranging series of recommendations for the Members of the Committee to consider as a means of strengthening the Council's overview and scrutiny work.

This report follows recent training on overview and scrutiny which highlighted the 2018/19 review of overview and scrutiny undertaken by the Government, and the subsequent guidance. Whilst the Council established a task group in 2018 to review the findings of the review and recommend any changes to the Council's arrangements, due to competing priorities the Council was unable to undertake a similar exercise following the publication of the Government's guidance.

This report seeks to consider the Government's guidance in the context of recent developments at Woking Borough Council which impact in particular on the way in which the scrutiny responsibility of the Authority is taken forward. These include the changes arising from the recommendations put forward by Dr Gifty Edila. The guidance needs to be seen in the context of the Council's own arrangements which include a number of cross party oversight panels.

Subject to the decisions of the Committee, the Work Programme will be updated in light of the proposals to include those matters which need to be brought back for consideration by the Members of the Committee.

### Recommendations

The Committee is requested to:

#### **RESOLVE That**

- (i) a formal opportunity for discussion between the Chairman of the Committee and the Leader of the Council be established;
- (ii) a draft Executive / Overview and Scrutiny Committee protocol be drawn up for consideration by the Overview and Scrutiny Committee and recommendation onto the Executive, in consultation with the Chairman and Vice Chairman of the Overview and Scrutiny Committee and the Leader of the Council;
- (iii) a report be brought to a future meeting of the Overview and Scrutiny Committee proposing the adoption of management arrangements for the release of, reporting on and audit of, the Scrutiny budget, the proposals to be drafted in consultation with the Chairman and Vice-Chairman of the Committee;
- (iv) a communications plan be established on the work of the Overview and Scrutiny Committee which would promote the work of the Committee within the resources available;

;

## Overview and Scrutiny Guidance by the MHCLG

- (vi) the Scrutiny Tool Kit be updated to include, amongst other points, reference to the new Officer support arrangements, the budget available for Scrutiny work and the guidance available, notably that issued by the Local Government Association, the MHCLG, South East Employers and the Centre for Governance and Scrutiny;
- (vii) the Members of the Overview and Scrutiny Committee, where possible, raise any questions or areas of concern arising from the 'Green Book' with the Chairman of the Committee in advance of the meeting of the Committee;
- (viii) a report summarising the points raised on the 'Green Book' and responses given be presented to the subsequent meeting of the Committee;
- (ix) the guide to scrutiny of risk and commercialisation published by the Centre for Governance and Scrutiny, be brought to a future meeting of the Committee for consideration;
- (x) before agreeing a topic for scrutiny review, a scrutiny review topic form to be completed by the Member/Officer proposing the review, for agreement at the next available Overview and Scrutiny Committee;
- (xi) any consideration of topics for scrutiny to highlight the benefits of the work for residents and take into account the Work Programme in assessing the resources necessary, and the work of each Scrutiny Review Task Group be informed by the practices and approaches endorsed by the Scrutiny Tool Kit.

The Committee has the authority to determine the recommendations set out above.

<b>Background Papers:</b>	None.
<b>Reporting Person:</b>	Frank Jeffrey, Head of Democratic Services Email: frank.jeffrey@woking.gov.uk, Extn: 3012
<b>Contact Person:</b>	Frank Jeffrey, Head of Democratic Services Email: frank.jeffrey@woking.gov.uk, Extn: 3012
<b>Portfolio Holder:</b>	Councillor Ayesha Azad Email: cllrayesha.azad@woking.gov.uk
<b>Shadow Portfolio Holder:</b>	Councillor Ann-Marie Barker Email: cllrann-marie.barker@woking.gov.uk
<b>Date Published:</b>	2 September 2021

### 1.0 Introduction to the Government's Review of Overview and Scrutiny

- 1.1 In December 2017 a House of Commons (Department of Communities and Local Government) Select Committee published its report on the Effectiveness of Local Authority Overview and Scrutiny Committees, having considered information and evidence from a range of organisations and witnesses.
- 1.2 The Select Committee Inquiry was prompted by concerns expressed about the limited effectiveness of Overview and Scrutiny and the lack of any assessment of how Overview and Scrutiny had been operating since it was introduced by the Local Government Act 2000 as a counterweight to the increased centralised power of the new executive arrangements. The Inquiry looked at the ability of Overview and Scrutiny Committees to hold decision-makers to account, the impact of party politics on scrutiny, resourcing of Committees and the ability of Council Scrutiny Committees to have oversight of services delivered by external organisations.
- 1.3 The Select Committee made 21 findings and recommendations underpinned by two key conclusions; that effective scrutiny required the right organisational culture, working best where constructive challenge and democratic accountability was welcomed and that the independence of Overview and Scrutiny needed strengthening.
- 1.4 In particular the Select Committee called on the Government to revise and reissue the statutory guidance issued to Councils in 2006, under the Local Government Act 2000, to take into account the evolving role of scrutiny. It also called on the Local Government Association to consider how it can best provide a mechanism for the sharing of innovation and best practice across the scrutiny sector to enable Committees to learn from one another.
- 1.5 In March 2018 the Secretary of State for Housing, Communities and Local Government published the Government response to the Select Committee report stating its belief that every Council is best placed to decide which scrutiny arrangements suit its individual circumstances and committing to ensure that they have the flexibility they need to put those arrangements in place. The Government, in its response, committed to revise and re-issue the statutory guidance on Overview and Scrutiny.
- 1.6 The revised guidance was published in May 2019 and is attached at Appendix 2.
- 1.7 The Centre for Governance and Scrutiny, a national centre of expertise on scrutiny, assisted in drafting the new guidance and published an update to their Good Scrutiny Guide which has been written to complement the statutory guidance. This guide is freely accessible through the Centre's website and a copy is attached at Appendix 3.

### 2.0 Parliamentary Review Of Overview And Scrutiny Functions

- 2.1 At its meeting on 26 March 2018, the Overview and Scrutiny Committee considered a proposal to examine the outcome of the Parliamentary review of overview and scrutiny functions undertaken over the previous year. The Members of the Committee supported the proposals and appointed a Task Group to scrutinise the recommendations to come out of the review.
- 2.2 The extract from the minutes of the Overview and Scrutiny Committee is set out below.

*"The Members of the Committee were advised that a Parliamentary review of overview and scrutiny functions had been undertaken over the past year. The Chairman and Vice-Chairman had submitted a representation to the review as part of the Select Committee's evidence gathering, a copy of which was attached to the report. The review had concluded at the end of 2017 and the Government had recently published its response to the recommendations.*

*The report before the Committee proposed that a cross party task group should be established to review the findings of the work and the Government's response, with a view to determining*

## Overview and Scrutiny Guidance by the MHCLG

*whether any of the recommendations could be adopted for the benefit of Woking. It was anticipated that the Task Group would only need to meet once before reporting back to the next meeting of the Committee.”*

2.3 On 18 June 2018, the Effective Scrutiny Task Group submitted a report to the Overview and Scrutiny Committee following consideration of the recommendations from the Parliamentary Select Committee together with the responses by the Government. A number of recommendations were put forward by the Members of the Task Group for consideration by the Committee, though a number of them were not supported by the Committee, including around the appointment of the Committee Chairman and Vice-Chairman and the establishment of a budget for the Committee.

2.4 An extract from the minutes of the meeting is set out below:

*“The report before the Committee summarised the proposals from the Effective Scrutiny Review Task Group, established to review the findings of a Parliamentary Select Committee review of Overview and Scrutiny. The Chairman invited the Members to consider the recommendations in light of the comment by Officers.*

*The Task Group had proposed that the Chairman and Vice-Chairman of the Overview and Scrutiny Committee should not be appointed from the same political party. However, it was felt that the Council should retain the freedom to appoint the most appropriate persons to undertake the roles, irrespective of their political group. It was further agreed that the proposal that the Council, rather than the Committee, should appoint the Chairman of the Committee, would not be referred to Council. The recommendation to establish a budget for the Committee to secure impartial advice was discussed but was not supported, with members noting that the option to obtain specialist advice already existed. The recommendations in respect of Enterprise M3 were welcomed and it was noted that it was intended to bring the annual report to the September meeting of the Committee.*

### RESOLVED

*That (i) The recommendation in respect of the appointment of the Chairman and Vice-Chairman and the introduction of budget be not supported;*

*(ii) Enterprise M3 be requested to submit an annual report on its activities to the Overview and Scrutiny Committee; and*

*(iii) Enterprise M3 be invited to make a presentation to a future meeting of the Overview and Scrutiny Committee.”*

2.5 It should be noted at this point that Enterprise M3 have recently confirmed their availability to attend the meeting of the Overview and Scrutiny Committee on Monday, 21 February 2022.

## 3.0 Overview of the Statutory Guidance Produced by the MHCLG

3.1 The guidance by the MHCLG restates the four principles of effective Overview and Scrutiny which should:

- provide constructive “critical friend” challenge;
- amplify the voices and concerns of the public;
- be led by independent people who take responsibility for their role; and
- drive improvement in public services.

- 3.2 The guidance highlights that legislation provides a great degree of flexibility to local authorities to determine which overview and scrutiny arrangements best suit their own individual needs and that the Government, in producing the guidance, fully recognises the democratic mandate of local authorities as well as the changing nature of local government with Councils increasingly delivering key services in partnership with other organisations or outsourcing them entirely.
- 3.3 The key messages in the guidance are summarised below:
- **Culture** – the prevailing organisational culture, behaviours and attitudes of an authority will largely determine whether its scrutiny function succeeds or fails.
  - **Resourcing** – the resource an Authority allocates to the scrutiny function will play a pivotal role in determining how successful that function is and therefore the value it can add to the work of the Authority.
  - **Selection of Committee Members** – the right people have to be selected to be on committees, and to hold the position of Chairman. The guidance gives a sense of the personal attributes that people in these positions will require. It recognises the political element of the selection of Chairmen and suggests that Local Authorities should consider taking a vote by secret ballot, although ultimately the method for selecting Chairmen is a matter for each Local Authority to decide.
  - **Power to Access Information** – a Scrutiny Committee needs access to relevant information the Authority holds, and to receive it in good time if it is to do its job effectively. This section emphasises the rights that Councillors have to access information and states that Councillors should have regular access to key sources of information which, collectively, will give them a sense of the management of the authority, with a particular focus on performance, finance and risk.
  - **Planning Work** – effective scrutiny should have a defined impact on the ground, with the Committees making recommendations that will make a tangible difference to the work of the Authority. To have this kind of impact, Overview and Scrutiny Committees need to plan their work programme with arrangements in place for a co-ordinated approach.
  - **Evidence Sessions** – good preparation is a vital part of conducting effective evidence sessions. The role of the Chairman in managing the gathering of evidence is seen as especially important – as is the work of Councillors in pulling together focused and achievable recommendations.
  - **Local Enterprise Partnerships** – The Select Committee Inquiry recommended that Scrutiny Committees should be able to require Local Enterprise Partnerships (LEPs) to provide information and attend Committee meetings as required.

#### 4.0 Review of Woking Borough Council Arrangements

- 4.1 A detailed commentary on how Woking Borough Council measures up against the recommended good practice in the guidance is attached at Appendix 1 for consideration by the Members of the Overview and Scrutiny Committee. Whilst the overview and scrutiny arrangements in place at Woking Borough Council are largely consistent with the Government's guidance, there are areas where opportunities exist to improve or clarify the Council's approach to overview and scrutiny, and accordingly a wide range of recommendations have been drawn up.

- 4.2 The Members of the Committee are asked to consider the review of current practices and the resulting recommendations. These are explained and highlighted in bold in Appendix 1 and set out in full at the start of this report.

### 5.0 Training and Development

- 5.1 Officers will continue to seek to identify different training and development opportunities around overview and scrutiny, the most recent being a training session offered to all Members and provided through South East Employers. It was at this training event, held on 28 June 2021, that the attention of Members was drawn to the MHCLG guidance, leading to the drafting of this report. Prior to that, at the first meeting of the Committee in June, a comprehensive report on the roles and responsibilities of the Committee, together with the Council's Tool Kit for Scrutiny, was presented to Members.
- 5.2 All Members of the Council are encouraged to identify potential training and development opportunities; these suggestions can then be considered as part of the overall programme of training events and, subject to budget considerations, arranged for a suitable date later in the Municipal Year.
- 5.3 The Council has appointed Lead Members for Member Learning and Development and any Member can discuss their training and development aspirations with them or with their Group Leaders. The Lead Members are Councillor Gary Elson, Councillor Rob Leach and Councillor Ilyas Raja.

#### Guidance Documents

- 5.4 In considering the guidance by the MHCLG at the centre of this report, Members should note that a range of agencies provide guidance around overview and scrutiny, some general and some specific to topics or approaches. These include the Local Government Association, South East Employers and the Centre for Governance and Scrutiny. The Centre for Governance and Scrutiny, in particular, publishes guidance on specific types of scrutiny, including topics such as financial scrutiny, scrutiny and housing challenges, using evidence in scrutiny, using evidence in scrutiny and the value of scrutiny in the challenges faced by Health services. All such guidance is freely available online through the websites of the respective agencies.

### 6.0 Corporate Strategy

- 6.1 The role of overview and scrutiny sits across all elements of the Council's Corporate Strategy and beyond, looking at matters that affect residents whether they sit under a Council service or the services of the many agencies, authorities and companies supporting the lives of residents. Key elements, however, include improving the health and wellbeing of all resident, engaging with our communities, promoting a strong economy, strengthening partnerships and improving the Borough's biodiversity and green infrastructure.

### 7.0 Implications

#### Finance and Risk

- 7.1 The Council recently established an annual budget of £20,000 to support the Committee in its role of scrutiny (29 July 2021). This report recommends that proposals for suitable management arrangements for the release of, reporting on and audit of the Scrutiny budget should be drawn up in consultation with the Chairman and Vice-Chairman. A report on the proposals would be presented to a future meeting of the Committee.
- 7.2 The report recommends that the Council's arrangements for the identification of future topics for scrutiny are followed to minimise any risks associated with scrutiny reviews, including

## Overview and Scrutiny Guidance by the MHCLG

around the level of resources necessary, the time to be taken and the achievement of demonstrable outcomes for the benefit of Woking residents.

- 7.3 At present, there are no cost implications anticipated as a result of the recommendations contained within this report. Should any unexpected costs arise, around the establishment of a webpage for example, these costs will be reported to the Committee.

### Equalities and Human Resources

- 7.4 There are no equalities implications arising directly from the proposals within this report.
- 7.5 The recommendations within this report will have an impact on human resources, in particular the Officer and Member time involved in bringing forward the changes. However, it is felt that the recommendations can be achieved within existing resources. Any delays to the implementation of the recommendations will be reported to the Committee.

### Legal

- 7.6 The statutory guidance published by MHCLG in May 2019 has been issued under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009, which requires Local Authorities to have “regard” to the guidance. The phrase ‘must have regard’, when used in this context, does not mean that the sections of statutory guidance have to be followed in every detail, but that they should be followed unless there is a good reason not to in a particular case.
- 7.7 The review in this report of the Overview and Scrutiny arrangements against the new statutory guidance is consistent with the commitment in Article 14.01 of the Council’s Constitution to monitor and review the operation of the Council’s Constitution to ensure that its aims and principles are given full effect. The review also permits the Council to receive assurance over the effectiveness of those arrangements as well as take forward any improvements. The effective scrutiny function of the Council helps secure the efficient delivery of public services and can assist to drive improvements within the authority itself.
- 7.8 The Council’s Procedure Rules for the Overview and Scrutiny Committee are contained in Part 4 of the Council’s Constitution and, as such, any significant changes to the Procedure Rules arising from any review will require the approval of full Council.

## **8.0 Engagement and Consultation**

- 8.1 This report has been prepared in consultation with the lead officers around Scrutiny support at Woking Borough Council and follows the Government’s guidance on overview and scrutiny. It builds on the existing practices of the Authority, seeking to strengthen the Committee’s role and the position scrutiny sits within the culture of the Council.
- 8.2 The Chairman and Vice-Chairman were provided with the opportunity to discuss the report with Officers before its publication. The Portfolio Holder for Overview and Scrutiny and Leader of the Council was also invited to comment on the draft proposals.

REPORT ENDS



## Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities

## Gap Analysis

	Guidance – key points	Current arrangements
<b>Culture</b>	Authorities can establish a strong organisational culture by:	
<b>a)</b>	<p><b>Recognising scrutiny’s legal and democratic legitimacy</b></p> <p>All Members and Officers should recognise and appreciate the importance and legitimacy the scrutiny function is afforded by the law. It was created as a check and balance on the Executive and is a statutory requirement for all authorities operating executive arrangements (and for combined authorities).</p>	This is set out in the Constitution. The role of scrutiny is also well understood amongst Senior Officers.
<b>b)</b>	<p><b>Identifying a clear role and focus</b></p> <p>Authorities should take steps to ensure scrutiny has a clear role and focus within the organisation, i.e. a niche within which it can clearly demonstrate it adds value. Therefore prioritisation is necessary to ensure the scrutiny function concentrates on delivering work that is of genuine value and relevance to the work of the wider authority.</p> <p>Authorities should ensure a clear division of responsibilities between the scrutiny function and the audit function.</p> <p>While scrutiny has no role in the investigation or oversight of the authority’s whistleblowing arrangements, the findings of independent whistleblowing investigations might be of interest to scrutiny</p>	<p>A clear challenge for local authorities is to ensure that Overview and Scrutiny arrangements provide an opportunity for engagement by Members in activity which generates revelatory findings and recommendations that make a real difference. The Council has developed its Scrutiny Tool Kit over the years to assist Members in meeting the challenge of ensuring its work is of genuine value and relevance to the work of the wider authority.</p> <p>The division of responsibilities between the scrutiny function and the audit function of the Authority is clearly described in the terms of reference of the Standards and Audit Committee and the Overview and Scrutiny Committees.</p>

	<p>Committees as they consider their wider implications. Members should always follow the authority’s constitution and associated Monitoring Officer directions on the matter.</p>	
<p>c)</p>	<p><b>Ensuring early and regular engagement between the Executive and scrutiny</b></p> <p>Authorities should ensure early and regular discussion takes place between scrutiny and the Executive, especially regarding the latter’s future work programme. Authorities should, though, be mindful of their distinct roles:</p> <ul style="list-style-type: none"> <li>○ The Executive should not try to exercise control over the work of the Overview and Scrutiny Committee. All Members and Officers should consider the role the Committee plays to be that of a ‘critical friend’.</li> <li>○ The Chairman of the Overview and Scrutiny Committee should determine the nature and extent of an Executive Member’s participation in a Scrutiny Committee meeting, and in any informal scrutiny task group meeting.</li> </ul>	<p>There is currently no regular dialogue between the Chairman of the Overview and Scrutiny Chairman and the Leader of the Council. This is an area highlighted by the training provided to the Members of the Committee and it is <b>RECOMMENDED that a formal opportunity for discussion between the Chairman of the Committee and the Leader of the Council be established.</b></p> <p>It is noted that individual Members of the Executive can each be held to account by the Overview and Scrutiny Committee.</p> <p>The Members of the O&amp;S Committee receive a Work Programme report at each meeting and are able to select items from the Executive’s Forward Plan for pre-decision scrutiny. The Committee sets its own work programme and this is a principle enshrined in the Council’s Constitution.</p> <p>Managing participation falls within the normal role of a Chairman in managing a meeting. Executive Members are invited to attend meetings of the Committee at which topics within their Portfolio areas are to be discussed and may be invited to give evidence to Overview and Scrutiny Task Groups.</p>
<p>d)</p>	<p><b>Managing disagreement</b></p> <p>Effective scrutiny involves looking at issues that can be politically contentious. It is therefore inevitable that, at times, an Executive will disagree with the findings or recommendations of a Scrutiny Committee.</p> <p>It is the job of both the Executive and scrutiny to work together to reduce the risk of this happening, and authorities should take steps to predict,</p>	<p>Party politics and party groups are the basis of the system of UK local government and therefore there will always be differing (and sometimes polarised) points of view across the political spectrum on Council strategy, policy and budgetary priorities.</p> <p>Overview and Scrutiny Committee Members will engage in private party group meetings in their capacity as Councillors and may be either pre-disposed to support the direction of travel set by the</p>

identify and act on disagreement.

One way in which this can be done is via an 'executive-scrutiny protocol' which can help define the relationship between the two and mitigate any differences of opinion before they manifest themselves in unhelpful and unproductive ways.

Scrutiny Committees do have the power to 'call in' decisions, i.e. ask the Executive to reconsider them before they are implemented, but should not view it as a substitute for early involvement in the decision-making process or as a party-political tool.

Leader and Executive (if they are Members of the majority group) or to support another point of view aligned to a particular party line if they are Members of an Opposition Group. This is a reality in Overview and Scrutiny arrangements and entirely legitimate as long as it does not amount to predetermination. The earlier recommendation to adopt a formal opportunity for discussion between the Chairman of the Committee and the Leader of the Council will support the relationship between the two bodies.

In other words, as long as Members keep an open mind, examine the relevant evidence and take into account Officer advice and the views of stakeholders on any issue.

The views of the Overview and Scrutiny Committee are routinely presented to the Executive in relation to items that have been the subject of pre-decision scrutiny or call-in and fully reflect the balance of views expressed across the political spectrum. The Executive will always consider these views.

The MHCLG guidance highlights the benefits of adopting a protocol to clarify the relationship between the Executive and the Overview and Scrutiny Committee in order to ensure the smooth conduct of Overview and Scrutiny business and to encourage effective communication between Scrutiny and Executive Members. Such protocols can lead to more effective scrutiny of and support for the Executive, resulting in better outcomes for the residents of the Borough. It is therefore **RECOMMENDED That a draft Executive / Overview and Scrutiny Committee protocol be drawn up for consideration by the Overview and Scrutiny Committee and recommendation onto the Executive, in consultation with the Chairman and Vice Chairman of the Overview and Scrutiny Committee and the Leader of the Council.** In considering this recommendation, Members of the Committee should note that the Centre for Governance and Scrutiny has made the point that the value of producing such a protocol often derives more from the conversations that precede its agreement than the document

e)

**Providing the necessary support**

While the level of resource allocated to scrutiny is for each authority to decide for itself, when determining resources an authority should consider the purpose of scrutiny as set out in legislation and the specific role and remit of the authority's own Scrutiny Committee(s), and the scrutiny function as a whole.

Support should also be given by Members and Senior Officers to Scrutiny Committees and their support staff to access information held by the authority and facilitate discussions with representatives of external bodies.

itself.

In common with other local authorities, Woking Borough Council is experiencing an unprecedented reduction in resources and capacity. However, Political Leaders and Senior Officers continue to recognise the value of the scrutiny function and there has been no reduction in the size of the Democratic Services Team or the funding set aside for Elected Member training. In light of the findings of the report by Dr Edila, a post within the Team has been reviewed and has now been established as the Scrutiny and Democratic Services Officer.

Proposals to establish a budget of £20,000 for the Committee were recently considered by Council at its meeting on 29 July 2021. To ensure transparency and oversight of this budget, it is recommended that a procedure is put in place to consider requests for the use of the budget, the reporting of its use and an appropriate audit trail of the expenditure. It is therefore **RECOMMENDED That a report be brought to a future meeting of the Overview and Scrutiny Committee proposing the adoption of management arrangements for the release of, reporting on and audit of the Scrutiny budget, the proposals to be drafted in consultation with the Chairman and Vice-Chairman of the Committee.**

New and creative approaches to scrutiny work continue to evolve in response to shrinking capacity elsewhere across the organisation. A systematic approach to the selection of topics for in-depth scrutiny work, and the rigorous prioritisation of scrutiny work programmes, will ensure the quality of outcomes from scrutiny activity. Members of the Committee will continue to be directed to training and guidance available through agencies such as the Local Government Association and the Centre for Governance and Scrutiny.

f)

**Ensuring impartial advice from Officers.**

Authorities, particularly Senior Officers, should ensure all Officers are free to provide impartial advice to Scrutiny Committees. This is fundamental to effective scrutiny.

Of particular importance is the role played by 'statutory Officers' – the Monitoring Officer, the Section 151 Officer and the Head of Paid Service, and where relevant the statutory scrutiny Officer. These individuals have a particular role in ensuring that timely, relevant and high-quality advice is provided to scrutiny.

There have not been any issues in terms of accessing information or holding discussions with external bodies. Regular briefings by partner organisations and arms-length companies are provided, often at meetings of the Committee or as specific Member Briefings.

It has always been the case that the Chief Executive and Senior Officers both advise the Leader and the Executive and also support the Overview and Scrutiny Committee in its deliberations, providing information and answering questions as required.

There may be a range of options and a difference of political opinion about the way forward on a particular matter but Overview and Scrutiny Committee Members are able to request factual information and advice from Officers and are often supported in key lines of enquiry which may culminate in a range of alternative points of view being presented to the Executive.

Certain posts within the Authority are deemed 'politically restricted' which means that individuals who hold them are effectively prevented from having any active political role either in or outside the workplace. This not only debars post holders from holding or standing for elected office but also prevents them from the following:

- Canvassing on behalf of a political party or a person who is or seeks to be a candidate.
- Speaking to the public at large or publishing any written or artistic work that could give the impression that they are advocating support for a political party.

These restrictions aim to prevent politics coming into play where an employee is in a politically influential position. This could be

		<p>where an employee implements the authority’s policies, gives advice to, or speaks on behalf of, the authority.</p> <p>All Member level reports, including reports to Overview and Scrutiny Committees, are produced in accordance with a corporate template which requires the inclusion of risk, legal and financial implications, and reference to the Corporate Strategy.</p>
<p>g)</p>	<p><b>Communicating scrutiny’s role and purpose to the wider authority</b></p> <p>The scrutiny function can often lack support and recognition within an authority because there is a lack of awareness among both Members and Officers about the specific role it plays, which individuals are involved and its relevance to the authority’s wider work. Authorities should, therefore, take steps to ensure all Members and Officers are made aware of the role the Scrutiny Committee plays in the organisation, its value and the outcomes it can deliver, the powers it has, its Membership and, if appropriate, the identity of those providing Officer support.</p>	<p>The role of scrutiny is well understood amongst Senior Officers. The Committee’s Work Programme is shared with the Council’s Corporate Leadership Team and Senior Managers and Officers are encouraged to identify topics of interest for consideration for future work programmes. The Council’s induction programme for new Members of Staff includes a briefing by the Head of Democratic Services on ‘<i>Democracy at the Council</i>’, explaining the roles of Elected Members and the different Committees. Furthermore, a booklet aimed at raising political awareness amongst Officers has been provided to Senior Managers, again explaining the different roles of Councillors and the specific posts held by individuals.</p> <p>In terms of Member awareness, training on the role of overview and scrutiny is provided to which all Members of the Council are encouraged to attend. A recording of the training is made to ensure any Members unable to attend on the evening can watch the event at a more convenient time.</p> <p>At the first meeting of the Committee in the Municipal Year, a report on overview and scrutiny is presented, together with details of the ‘tools’ adopted by the Council to support the work of the Committee Members.</p>
<p>h)</p>	<p><b>Maintaining the interest of full Council in the work of the Scrutiny</b></p>	<p>The Chairman of the Overview and Scrutiny Committee prepares an annual report for Council which sets out the work of the</p>

## Committee

Part of communicating scrutiny's role and purpose to the wider authority should happen through the formal, public role of full Council – particularly given that scrutiny will undertake valuable work to highlight challenging issues that an authority will be facing and subjects that will be a focus of full Council's work. Authorities should therefore take steps to ensure full Council is informed of the work the Scrutiny Committee is doing.

One way in which this can be done is by reports and recommendations being submitted to full Council rather than solely to the Executive. Scrutiny should decide when it would be appropriate to submit reports for wider debate in this way, taking into account the relevance of reports to full Council business, as well as full Council's capacity to consider and respond in a timely manner.

Committee over the past year and its aspirations for the coming year. The report is considered by the Overview and Scrutiny Committee before being presented to Council at its last meeting of the Municipal Year (April).

The Council's Constitution sets out the reporting options available to the Overview and Scrutiny Committee, and includes provision for reports to be brought direct to Council. The Constitution states that:

- “(a) Once it has formed recommendations on proposals for development, the Overview and Scrutiny Committee will prepare a formal report and submit it to the Proper Officer for consideration by the Leader/Executive if the proposals are consistent with the existing budgetary and policy framework, or to the Council as appropriate. The Overview and Scrutiny Committee may publish its report or recommendations.*
- (b) If the Overview and Scrutiny Committee cannot agree on one single final report to the Council or Leader/Executive as appropriate, then up to one minority report may be prepared and submitted for consideration by the Council or Leader/Executive with the majority report.*
- (c) The Overview and Scrutiny Committee shall by notice in writing require the Council or the Leader/Executive:-*
- (i) to consider the report or recommendations,*
  - (ii) to respond to the Overview and Scrutiny Committee indicating what action (if any) the Council or the Leader/Executive proposes to take,*
  - (iii) if the Overview and Scrutiny Committee has published the report or recommendations, to publish a response,*

		<p>(iv) <i>if the Overview and Scrutiny Committee provided a copy of the report or recommendations to a Member of the Council under section 21A(8) of the Local Government Act 2000, to provide the Member with a copy of the response, and to do so within two months beginning with the date on which the Council or the Leader/ Executive received the report or recommendations or (if later) the notice.</i></p> <p>(d) <i>The Council or Leader/Executive shall consider the report of the Overview and Scrutiny Committee within one month of it being submitted to the Proper Officer."</i></p>
i)	<p><b>Communicating scrutiny's role to the public</b></p> <p>Authorities should ensure scrutiny has a profile in the wider community. Consideration should be given to how and when to engage the authority's communications Officers, and any other relevant channels, to understand how to get that message across. This will usually require engagement early on in the work programming process.</p>	<p>There is a clear opportunity for the Council to improve its communication of the scrutiny role of the Committee. The Centre for Governance and Scrutiny makes clear that:</p> <p><i>"Scrutiny is outward facing – an important strategic function of the Council. Scrutineers should work closely with those involved in communications – another important strategic function – to think about how scrutiny's work can engage a wider audience in order to achieve the agreed objective and outcome."</i></p> <p>It is therefore <b>RECOMMENDED that (i) a communications plan be established on the work of the Overview and Scrutiny Committee which would promote the work of the Committee within the resources available. This could include a dedicated web page setting out the work of the Overview and Scrutiny Committee..</b> It is suggested that each Task Group established by the Committee should consider the matter of communications at its initial meeting as part of its scoping work, identifying the ways in which it intends to communicate with the wider audience. There may, for example, be an opportunity to harness digital technology to generate more coverage of overview and scrutiny activity.</p>

j)

### Ensuring Scrutiny Members are supported in having an independent mindset

Formal Committee meetings provide a vital opportunity for Scrutiny Members to question the Executive and Officers.

Inevitably, some Committee Members will come from the same political party as a Member they are scrutinising and might well have a long-standing personal, or familial, relationship with them.

Scrutiny Members should bear in mind, however, that adopting an independent mind-set is fundamental to carrying out their work effectively. In practice, this is likely to require scrutiny chairs working proactively to identify any potentially contentious issues and plan how to manage them.

The importance of scrutiny acting as a 'critical friend' is dealt with as part of the Member training programme.

As stated above party politics is a reality in Local Government and entirely legitimate as long as any pre-disposition based on political party affiliation does not amount to pre-determination; in other words, Members should keep an open mind, examine the relevant evidence and take into account Officer advice and the views of stakeholders on any issue.

All Members receive training and advice on how to deal with conflicts of interest and can always seek the advice of the Council's Legal Team.

### Resourcing

Every authority should recognise that creating and sustaining an effective scrutiny function requires them to allocate resources to it.

Authorities should also recognise that support for Scrutiny Committees, task groups and other activities is not solely about budgets and provision of Officer time, although these are clearly extremely important elements. Effective support is also about the ways in which the wider authority engages with those who carry out the scrutiny function (both Members and Officers).

When deciding on the level of resource to allocate to the scrutiny function, the factors an authority should consider include:

- Scrutiny's legal powers and responsibilities;
- The particular role and remit scrutiny will play in the authority;
- The training requirements of Scrutiny Members and support

The legal powers and responsibilities of the Committee are set out in the Council's Constitution and were reported to the Committee at its first meeting of the Municipal Year.

The Council's training programme is assessed by South East Employers (SEE) and for some 15 years the Council has successfully been awarded Charter recognition by SEE. The annual programme is both proactive, identifying and staging training and briefings on topics considered necessary or of interest to Elected Members, and reactive, always welcoming suggestions for training opportunities from Elected Members and Officers. The Council's Scrutiny Tool Kit includes various approaches to Scrutiny, including the use of effective questioning as part of a scrutiny review.

The Tool Kit was presented to the Members of the Committee at its meeting on 12 June 2021. A number of changes have been made to the Officer support of the Committee and it is accordingly **RECOMMENDED That the Scrutiny Tool Kit be updated to include,**

Officers, particularly the support needed to ask effective questions of the Executive and other key partners, and make effective recommendations;

- The need for ad hoc external support where expertise does not exist in the Council.
- Effectively-resourced scrutiny has been shown to add value to the work of authorities, improving their ability to meet the needs of local people; and
- Effectively-resourced scrutiny can help policy formulation and so minimise the need for call-in of executive decisions.

Authorities should ensure that, whatever model they employ, Officers tasked with providing scrutiny support are able to provide impartial advice.

This might require consideration of the need to build safeguards into the way that support is provided. The nature of these safeguards will differ according to the specific role scrutiny plays in the organisation.

**amongst other points, reference to the new Officer support arrangements, the budget available for Scrutiny work and the guidance available, notably that issued by the Local Government Association, the MHCLG, South East Employers and the Centre for Governance and Scrutiny.** A revised copy of the Tool Kit to be issued to Members in due course.

The Council's approach to scrutiny reviews includes a topic selection form which identifies the anticipated resources necessary for the review as well as any external expertise requirements. In considering any topic for scrutiny, Members must consider what benefits would be brought about the work, the cost of the work in terms of both finances and Member and Officer time, and the need to experts, witnesses or other external representatives.

Administrative support for the Overview and Scrutiny Committee has traditionally been provided from within the Democratic Services Team by Democratic Services Officers on generic job descriptions. In light of the recommendations put forward by Dr Edila, the Council has recently agreed to recruit a Scrutiny and Democratic Services Officer to fill a recent vacancy in the Team. Whilst the individual will take the lead within the Team on overview and scrutiny, support will also be provided by other Officers within the Team. The Council has also identified lead Officers for overview and scrutiny from within the Corporate Leadership Team (Giorgio Framallicco) and the Legal Team (Kuldip Channa).

For any in-depth scrutiny review a lead Officer from the relevant Council Department would be assigned to work alongside the Scrutiny and Democratic Services Officer to support Members.

## Selecting Committee Members

An authority must consider when forming a Committee that, as a group, it possesses the requisite expertise, commitment and ability to act impartially to fulfil its functions.

Authorities should take care to ensure that, as a minimum, Members holding less formal Executive positions, e.g. as Cabinet assistants, do not sit on scrutinising Committees looking at portfolios to which those roles relate. Authorities should articulate in their Constitutions how conflicts of interest, including familial links, between Executive and Scrutiny responsibilities should be managed, including where Members stand down from the Executive and move to a Scrutiny role, and vice-versa.

### *Selecting individual Committee Members*

When selecting individual Members to serve on Scrutiny Committees, an authority should consider a Member's experience, expertise, interests, ability to act impartially, ability to work as part of a group, and capacity to serve.

Authorities should not take into account a Member's perceived level of support for or opposition to a particular political party (notwithstanding the wider legal requirement for proportionality).

### *Selecting a Chair*

The attributes authorities should and should not take into account when selecting individual Committee Members also apply to the selection of the Chair, but the Chair should also possess the ability to lead and build a sense of teamwork and consensus among Committee Members.

Chairs should pay special attention to the need to guard the Committee's independence. Importantly, however, they should take care to avoid the Committee being, and being viewed as, a de facto opposition to the Executive.

The allocation of Committee seats to party groups is considered annually by Selection Panel which recommends any changes to Full Council. Selection Panel proposes the size of Committees in such way to ensure proportionality is maintained.

The appointment of Members to Committees is agreed by Council in accordance with the wishes of each Political Group as required by the Local Government and Housing Act 1989 and associated regulations.

### *Selecting individual Committee Members*

Each Group has its own process for deciding how to match Councillors to Committees. It is understood that regard is given to the particular interests and experience of each Councillor.

The Council has adopted a Learning and Development Framework for Members which includes a summary of the Roles and Responsibilities of Elected Members. This includes details of the role of the Chairman of the Committee, its purpose, specific tasks, personal attributes and the desired skills and knowledge. A copy of the description was presented to the Committee at its first meeting of the Municipal Year. Whilst not a formal recommendation for the Overview and Scrutiny Committee, the Council's Learning and Development Framework will be updated in consultation with the Lead Members for Elected Member Learning and Development to reflect any recent changes to services/information referred to, before being issued to all Members of the Council.

The Member Code of Conduct includes provisions on how conflicts of interest should be managed by elected Members. Training on the Code of Conduct is offered to Members each year. The Council recently (April 2021) adopted the new Code of Conduct, drawn up by the Local Government Association and guidance published by

Given their pre-eminent role on the Scrutiny Committee, it is strongly recommended that the Chair not preside over scrutiny of their relatives.

The method for selecting a Chair is for each authority to decide for itself, however every authority should consider taking a vote by secret ballot.

#### ***Training for Committee Members***

Authorities should ensure Committee Members are offered induction when they take up their role and ongoing training so they can carry out their responsibilities effectively. Authorities should pay attention to the need to ensure Committee Members are aware of their legal powers, and how to prepare for and ask relevant questions at scrutiny sessions.

When deciding on training requirements for Committee Members, authorities should consider taking advantage of opportunities offered by external providers in the sector.

#### ***Co-option and technical advice***

While Members and their support Officers will often have significant local insight and an understanding of local people and their needs, the provision of outside expertise can be invaluable.

There are two principal ways to procure this:

- Co-option – formal co-option is provided for in legislation. Authorities must establish a co-option scheme to determine how individuals will be co-opted onto Committees; and
- Technical advisers – depending on the subject matter, independent local experts might exist who can provide advice and assistance in evaluating evidence.

the Association in July 2021 was circulated to all Members.

#### ***Selecting a Chair***

In regard to the selection of the Chairman of the Committee, this is a matter previously considered by Members in 2018 as part of the scrutiny review of the Government's response to the review of overview and scrutiny functions. Whilst a secret ballot could be introduced, the law requires the appointment of a Chairman and Vice Chairman to be decided by a majority of the Committee present and voting thereon at the relevant meeting. The arrangements at Woking Borough Council has not caused any issues in the past and the introduction of a secret ballot would reduce the transparency of the process.

A role description for the position of Chairman is included in the Council's guide '*Finding the Answers*'.

The Overview and Scrutiny Committee is currently Chaired by a Member of the Opposition Group (2021/22). The Majority Group hold the Vice Chairman position.

#### ***Training for Committee Members***

There is a comprehensive induction and training programme, including an introduction to scrutiny, the responsibilities of the Overview and Scrutiny Committee and skills for effective scrutiny. A comprehensive briefing paper on the role and responsibilities of the Members of the Committee was presented at the first meeting of the Municipal Year and training provided by South East Employers was recently offered to all Members of the Council. Training for the Chairman and Vice-Chairman of the Committee through the LGA has also been arranged and further training by South East Employers is scheduled for early September.

		<p>An external provider usually delivers the session on scrutiny skills.</p> <p><b><i>Co-option and technical advice</i></b></p> <p>Task Groups established by the Committee may well choose to co-opt Members from outside of the authority. These may represent special interest groups, witnesses or experts.</p> <p>Expert opinions can assist the Members of the Overview and Scrutiny Committee to reach an informed and well-argued position on the issues of concern. However, in the current financial climate the commissioning of expert advice where there is an associated cost cannot be undertaken lightly and should be considered as part of the consideration of any suggestions for a scrutiny review.</p>
<p><b>Power to Access Information</b></p>	<p>When considering what information scrutiny needs in order to carry out its work, Scrutiny Members and the Executive should consider scrutiny's role and the legal rights that Committees and their individual Members have, as well as their need to receive timely and accurate information to carry out their duties effectively.</p> <p>Scrutiny Members should have access to a regularly available source of key information about the management of the authority – particularly on performance, management and risk. Where this information exists, and Scrutiny Members are given support to understand it, the potential for what Officers might consider unfocused and unproductive requests is reduced as Members will be able to frame their requests from a more informed position.</p> <p>Officers should speak to Scrutiny Members to ensure they understand the reasons why information is needed, thereby making the authority better able to provide information that is relevant and timely, as well as ensuring that the authority complies with legal requirements.</p>	<p>The Council's Constitution sets out the Authority's Access to Information Procedure Rules (under 'Procedure Rules'). This covers both the access to information for members of public and for Elected Members of the Council. The Constitution provides that:</p> <p><i>"20.1 Rights to Copies</i></p> <p><i>Subject to Rule 20.2 below, the Overview and Scrutiny Committee will be entitled to copies of any document which is in the possession or control of the Executive and which contains material relating to:</i></p> <ul style="list-style-type: none"> <li><i>a) any business transacted at a meeting of the Executive or its Committees;</i></li> <li><i>b) any decision taken by an individual Member; or</i></li> <li><i>c) any executive decision by an Officer acting under powers delegated by the Leader/Executive.</i></li> </ul>

While each request for information should be judged on its individual merits, authorities should adopt a default position of sharing the information they hold, on request, with Scrutiny Committee Members.

The law recognises that there might be instances where it is legitimate for an authority to withhold information and places a requirement on the Executive to provide the Scrutiny Committee with a written statement setting out its reasons for that decision. However, Members of the Executive and Senior Officers should take particular care to avoid refusing requests, or limiting the information they provide, for reasons of party political or reputational expediency.

Before an authority takes a decision not to share information it holds, it should give serious consideration to whether that information could be shared in closed session. The Members of the Overview and Scrutiny Committee should be aware of their legal power to require Members of the Executive and Officers to attend before them to answer questions. It is the duty of Members and Officers to comply with such requests.

#### ***Seeking information from external organisations***

Scrutiny Members should also consider the need to supplement any authority-held information they receive with information and intelligence that might be available from other sources, and should note in particular their statutory powers to access information from certain external organisations.

When asking an external organisation to provide documentation or appear before it, and where that organisation is not legally obliged to do either, Scrutiny Committees should consider the following:

- a) **The need to explain the purpose of scrutiny** – the organisation being approached might have little or no awareness of the Committee’s work, or of an authority’s scrutiny function more generally, and so might be reluctant to comply with any request;

#### **20.2 Limit of Right**

*The Overview and Scrutiny Committee will not be entitled to:*

- a) *any document that is in draft form; or*
- b) *any part of a document that contains exempt or confidential information, unless that information is relevant to (i) an action or decision they are reviewing or scrutinising or intend to scrutinise or (ii) any review contained in any programme of work of the Overview and Scrutiny Committee.”*

Information about the Council’s performance, budget monitoring and risk is reported to both the Overview and Scrutiny Committee and the Executive on a regular basis. All Members of the Council receive the agendas for Executive meetings in full and budget and performance monitoring information is regularly provided to all Members of the Council. Following the discussions at the meeting of the Committee on 12 July 2021, a briefing session for Members will be arranged on the ‘Green Book’.

There is understandable concern that the publication of the ‘Green Book’ does not coincide with the meetings of the Committee. It is therefore proposed that the Members of the Committee should consider the Green Book on its publication and identify any questions or areas of concern in advance of the Committee meeting with the Chairman and the Scrutiny and Democratic Services Officer. Such matters can then be resolved expeditiously and, where appropriate, reported on at the subsequent meeting of the Committee. Such an approach would also facilitate the involvement of the Portfolio Holder in the response if necessary. It is therefore **RECOMMENDED That (i) the Members of the Overview and Scrutiny Committee, where possible, raise any questions or areas of concern arising from the ‘Green Book’ with the Chairman of the Committee in advance of the meeting of the Committee; and (ii) a report summarising the points raised and**

- b) **The benefits of an informal approach** – individuals from external organisations can have fixed perceptions of what an evidence session entails and may be unwilling to subject themselves to detailed public scrutiny if they believe it could reflect badly on them or their employer. Making an informal approach can help reassure an organisation of the aims of the Committee, the type of information being sought and the manner in which the evidence session would be conducted; and
- c) **How to encourage compliance with the request** – Scrutiny Committees will want to frame their approach on a case by case basis.
- For contentious issues, Committees might want to emphasise the opportunity their request gives the organisation to ‘set the record straight’ in a public setting; and
- d) **Who to approach** – a Committee might instinctively want to ask the Chief Executive or Managing Director of an organisation to appear at an evidence session, however it could be more beneficial to engage frontline staff when seeking operational level detail rather than Senior Executives who might only be able to talk in more general terms. When making a request to a specific individual, the Committee should consider the type of information it is seeking, the nature of the organisation and the authority’s pre-existing relationship with it.

#### ***Following ‘the Council Pound’***

Scrutiny Committees will often have a keen interest in ‘following the Council pound’, i.e. scrutinising organisations that receive public funding to deliver goods and services. Authorities should recognise the legitimacy of this interest and, where relevant, consider the need to provide assistance to Scrutiny Members and their support staff to obtain information from organisations the Council has contracted to deliver services. In particular, when agreeing contracts with these bodies,

#### **responses given be presented to the subsequent meeting of the Committee.**

Provisions enabling the Executive and other Committees to go into closed session (thereby excluding the press and public) are used sparingly, as are the provisions for executive decisions to be taken urgently.

The Council’s arrangements for Part II reports for Council, the Executive and Committees are summarised below. The details are set out in full in the Council’s Confidentiality Contract contained in the Constitution.

The lead Officer consults the Council’s Monitoring Officer (or in their absence, the Deputy Monitoring Officer) in the event they believe their report contains exempt or confidential information.

The Monitoring Officer will determine whether the report should go forward as a Part II item in accordance with the Regulations. If so, the Monitoring Officer will also determine whether the report contains any information which could be included in a separate report under Part I of the agenda.

Once published, a paper copy of the report will be included in a register of Part II reports maintained by the Monitoring Officer.

The reports on the register are reviewed annually by the Monitoring Officer to determine whether the information contained continues to be exempt or confidential, or can be released as a public document.

#### ***Seeking information from external organisations***

The powers available to Overview and Scrutiny Committees to require information and attendance by external organisations at meetings is fairly limited. However, invitations to a range of

authorities should consider whether it would be appropriate to include a *requirement* for them to supply information to or appear before Scrutiny Committees.

organisations to attend Committee meetings or participate in Task Group evidence sessions over a number of years have invariably been accepted and constructive input has generally been provided.

***Following 'the Council Pound'***

There is a clear desire by the Overview and Scrutiny Committee to review the performance of the organisations contracted or commissioned by the Council to provide goods and services. Indeed, the Committee's work programme includes reviews of the performance of a number of key commercial partners of the Council, including Freedom Leisure and Amey. The Centre for Governance and Scrutiny has published a helpful guide for Councillors on scrutiny of risk and commercialisation. The Guide suggests that effective use of scrutiny provides five principal elements which support commercialisation activity:

- Helping to drive forward cultural transformation (further work on the cultural dynamics of change);
- Helping to make judgments about the rationale underpinning commercial activity;
- A focus on risks;
- Oversight of governance itself – executive side management systems and the relationships between partners;
- Oversight of performance monitoring (rather than performance monitoring itself, which will largely be managed by traditional means, and within contract).

It is felt that the guide would support the Committee in its scrutiny of the performance of partner organisations and it is therefore **RECOMMENDED that the guide to scrutiny of risk and commercialisation published by the Centre for Governance and**

		<p><b>Scrutiny, be brought to a future meeting of the Committee for consideration.</b></p>
<p><b>Planning Work</b></p>	<p>Effective scrutiny should have a defined impact on the ground, with the Committee making recommendations that will make a tangible difference to the work of the authority. To have this kind of impact, Scrutiny Committees need to plan their work programme, i.e. draw up a long-term agenda and consider making it flexible enough to accommodate any urgent, short-term issues that might arise during the year.</p> <p>Authorities with multiple Scrutiny Committees sometimes have a separate work programme for each Committee. Where this happens, consideration should be given to how to co-ordinate the various Committees' work to make best use of the total resources available.</p> <p><b><i>Being clear about scrutiny's role</i></b></p> <p>Scrutiny works best when it has a clear role and function. This provides focus and direction. While scrutiny has the power to look at anything which affects 'the area, or the area's inhabitants', authorities will often find it difficult to support a scrutiny function that carries out generalised oversight across the wide range of issues experienced by local people, particularly in the context of partnership working. Prioritisation is necessary, which means that there might be things that, despite being important, scrutiny will not be able to look at.</p> <p>Applying this focus does not mean that certain subjects are 'off limits'. It is more about looking at topics and deciding whether their relative importance justifies the positive impact scrutiny's further involvement could bring.</p> <p>When thinking about scrutiny's focus, Members should be supported by key Senior Officers. The statutory scrutiny Officer, if an authority has</p>	<p>The Overview and Scrutiny Committee is responsible for its own work programme, as clearly specified in the Constitution which states that:</p> <p><i>"The Overview and Scrutiny Committee will be responsible for setting its own work programme. An annual meeting of the Committee shall be held to set the work programme for the coming year, and the Committee shall have particular regard to the time and resources (including Officer time) needed to deliver the programme. The Committee shall be assisted in its work by sight of the Leader's draft Forward Plan for the whole year."</i></p> <p>The work programme is organic rather than fixed on an annual basis and is reviewed at every meeting of the Committee. Outside of the formal Committee meetings, Officers discuss the Work Programme with the Chairman and Vice Chairman to identify key issues of concern and shape the priorities for scrutiny activity. Items for work programmes will originate from both suggestions by Officers and by Members.</p> <p><b><i>Being clear about scrutiny's role</i></b></p> <p>In depth scrutiny reviews are undertaken by small cross-party Task Groups of Councillors, often on cross-cutting issues. The Constitution supports the establishment of Task Groups and advises that:</p> <p><i>"Task Groups shall be established as follows. The Committee shall receive draft terms of reference for consideration. These shall be debated and agreed as necessary. The Committee shall also consider the number of persons to be appointed to the Task Group</i></p>

one, will need to take a leading role in supporting Members to clarify the role and function of scrutiny, and championing that role once agreed.

### **Who to speak to**

**The Public** – Authorities should consider how their communications Officers can help scrutiny engage with the public, and how wider internal expertise and local knowledge from both Members and Officers might make a contribution.

**Partners** – relationships with other partners should not be limited to evidence-gathering to support individual reviews or agenda items. A range of partners are likely to have insights that will prove useful.

**The Executive** – a principal partner in discussions on the work programme should be the Executive (and Senior Officers). The Executive should not direct scrutiny's work but conversations will help Scrutiny Members better understand how their work can be designed to align with the best opportunities to influence the authority's wider work.

### **Information sources**

Scrutiny will need access to relevant information to inform its work programme. The type of information will depend on the specific role and function scrutiny plays within the authority, but might include:

- Performance information from across the authority and its partners;
- Finance and risk information from across the authority and its partners;
- Corporate complaints information, and aggregated information from political groups about the subject matter of Members' surgeries;

*and its political balance; usually the composition of the Task Group shall take into account proportionality without applying it inflexibly. Nominations to the Task Group shall be agreed by the Committee and, if necessary, determined by voting.*

*Subject to the above and to applying the guidance of the Toolkit when commissioning work, the Committee may appoint such Task Groups as it thinks fit. Task Groups shall make report to the Committee or direct to the Executive as required, and Task Group Members shall be entitled to attend and speak at Committee meetings where the work of their Group is under consideration.*

*Task Groups shall meet in public and may co-opt councillors and non-councillors as may assist them in their work (including councillors who do not sit on the Overview and Scrutiny Committee). Non-councillors shall be eligible for the reimbursement of their expenses.*

*A permanent Task Group shall consider the financial aspects of the Council's business. The establishment of other standing Task Groups shall be considered.*

*A dedicated Officer resource shall be made available from within Democratic Services to assist, support and coordinate the work of the Overview and Scrutiny Committee and its Task Groups."*

New and creative approaches to scrutiny work will continue to evolve and lessons can be learnt from each review undertaken. It is arguable that a more systematic approach to the selection of topics for in-depth scrutiny work and the rigorous prioritisation of scrutiny work programmes will drive up the quality of outcomes from scrutiny activity.

### **Who to speak to**

The Overview and Scrutiny Committee has a reputation of inviting

- Business cases and options appraisals (and other planning information) for forthcoming major decisions. This information will be of particular use for pre-decision scrutiny; and
- Reports and recommendations issued by relevant ombudsmen, especially the Local Government and Social Care Ombudsman.

As Committees can meet in closed session, commercial confidentiality should not preclude the sharing of information. Authorities should note, however, that the default for meetings should be that they are held in public.

Scrutiny Members should consider keeping this information under regular review. It is likely to be easier to do this outside Committee, rather than bringing such information to Committee 'to note', or to provide an update, as a matter of course.

#### ***Shortlisting topics***

Approaches to shortlisting topics should reflect scrutiny's overall role in the authority. This will require the development of bespoke, local solutions, however when considering whether an item should be included in the work programme, the kind of questions a Scrutiny Committee should consider might include:

- Do we understand the benefits scrutiny would bring to this issue?
- How could we best carry out work on this subject?
- What would be the best outcome of this work?
- How would this work engage with the activity of the Executive and other decision makers, including partners.

Some authorities use scoring systems to evaluate and rank work programme proposals. If these are used to provoke discussion and

particular groups and individuals to attend meetings to share their experiences across a range of issues as appropriate.

Whilst there is a low level of interest by the general public in the activities of the Overview and Scrutiny Committee, there are opportunities to improve the Council's communications around the work of the Committee, as referred to earlier in this report. In particular, there would be opportunities for communications arising from scrutiny reviews which result in tangible benefits for residents, and indeed outcomes are one of the key considerations in considering topics for scrutiny.

Overview and Scrutiny Members are uniquely placed to invite the public and interested stakeholders to share their experiences and views when a particular issue is the subject of in-depth review by a Task Group or a Committee. Themed meetings, round table evidence sessions, one-off stakeholder events and focus groups can all be used to capture the views of the public. The Council's Scrutiny Tool Kit sets out some of the approaches a Task Group of the Committee could consider as part of any engagement work.

Clearly Overview and Scrutiny is only one mechanism for local authorities to engage with the public and at any one time engagement events commissioned by the Council may be running across a range of service areas. Overview and Scrutiny should complement rather than duplicate these activities.

#### ***Information sources***

As mentioned earlier, the Council's 'Green Book', which is shared with all Members and published monthly, is considered at each meeting of the Committee. Members can feedback on the 'Green Book' either through the Committee or direct to Officers on its publication, particularly if they have any concerns or questions.

In terms of complaints, the Committee has adopted a monitoring

debate, based on evidence, about what priorities should be, they can be a useful tool. Others take a looser approach. Whichever method is adopted, a Committee should be able to justify how and why a decision has been taken to include certain issues and not others.

Scrutiny Members should accept that shortlisting can be difficult; Scrutiny Committees have finite resources and deciding how these are best allocated is tough. They should understand that, if work programming is robust and effective, there might well be issues that they want to look at that nonetheless are not selected.

### ***Carrying out work***

Selected topics can be scrutinised in several ways, including:

- a) As a single item on a Committee agenda
- b) At a single meeting
- c) At a task and finish review of two or three meetings
- d) Via a longer-term task and finish review
- e) By establishing a 'standing panel'

role and receives an annual report on the formal complaints received by the Council. The Committee further receives a report on the Freedom of Information requests received by the Council. Both reports are included in the annual Work Programme.

In addition to this, the Council has established a series of cross party Oversight Panels to oversee the work of key projects, contractors and arm-length companies, such as the Leisure Partnership Board, the Sheerwater Regeneration Delivery and Oversight Panel, Victoria Square Oversight Panel and the Housing Infrastructure Fund Oversight Panel.

### ***Shortlisting topics***

The Council has in place a process for agreeing topics for scrutiny, though has not always been fully followed. The process sits within the Council's Scrutiny Tool Kit, a supporting document for scrutiny which was developed from the best practice seen at other Authorities. There is scope for the Committee, and in particular its Task Groups, to apply some of the aspects of the Scrutiny Tool Kit in both selecting and managing scrutiny reviews.

It is therefore **RECOMMENDED That (i) before agreeing a topic for scrutiny review, a scrutiny review topic form is completed by the Member/Officer proposing the review, for agreement at the next available Overview and Scrutiny Committee; (ii) any consideration of topics for scrutiny to highlight the benefits of the work for residents and take into account the Work Programme in assessing the resources necessary; and (iii) the work of each Scrutiny Review Task Group be informed by the practices and approaches endorsed by the Scrutiny Tool Kit.** The Members of Committee can seek the assistance and advice of the lead Officers on Scrutiny from the Corporate Leadership Group and the Legal Team, and the Scrutiny and Democratic Services Officer.

*Carrying out work*

The way in which a scrutiny review is undertaken should be determined at the point the Committee Members consider the proposal for the review. The Committee Members must consider the resource implications of the review, both financial and time necessary, where the review would sit in the Work Programme and an estimated timetable based on expectations. In doing so, the Committee should also consider whether the topic suggested should be taken through a new Task Group or whether it falls within the areas of responsibility of one of the three standing Task Groups, namely the Economic Development Task Group, the Finance Task Group and the Housing Task Group, or one of the Oversight Panels of the Council.

In terms of the size of any Task Group, the Committee should note that scrutiny has been successfully taken forward through a 'task group' as small as one elected Member. More commonly, however, it would be suggested that a Task Group of 3 to 5 Members should be established, noting that smaller task groups can be more flexible but can also place heavier workloads on the individuals involved. Membership should be determined by the Committee (or Council in May each year) and should seek to be cross-party, ideally with the Members proposed having an interest or detailed knowledge of the topic and the time necessary to commit to the review.

It should be further noted that the Committee can appoint Members not on the Committee to such task groups or co-opt Members from outside of the Authority, particularly where such appointments would bring specialist knowledge or experience to the review. One or more Officer from the appropriate service will support the work of a scrutiny review, and again advice can always be sought from the lead Officers on Scrutiny from the Corporate Leadership Group and the Legal Team, and the Scrutiny and

		<p>Democratic Services Officer.</p> <p>Both the Tool Kit and the Constitution specify that, before the Overview and Scrutiny Committee can formally agree the establishment of a Task Group, a 'Terms of Reference' form must be completed and submitted to the Committee for approval.</p>
<p><b>Evidence Sessions</b></p>	<p>Good preparation is a vital part of conducting effective evidence sessions. Members should have a clear idea of what the Committee hopes to get out of each session and appreciate that success will depend on their ability to work together on the day.</p> <p><b>How to plan</b></p> <p>Chairs play a vital role in leading discussions on objective-setting and ensuring all Members are aware of the specific role each will play during the evidence session.</p> <p>After an evidence session, the Committee might wish to hold a short 'wash-up' meeting to review whether their objectives were met and lessons could be learned for future sessions.</p> <p><b>Developing recommendations</b></p> <p>The development and agreement of recommendations is often an iterative process. It will usually be appropriate for this to be done only by Members, assisted by co-optees where relevant. When deciding on recommendations, however, Members should have due regard to advice received from Officers, particularly the Monitoring Officer.</p> <p>Recommendations should be evidence-based and SMART, i.e. specific, measurable, achievable, relevant and timed. Where appropriate, Committees may wish to consider sharing them in draft with interested parties.</p>	<p>Good planning and preparation are essential to ensure any evidence sessions organised by Scrutiny Task Groups as part of in-depth scrutiny reviews are successful. A clear scope and key lines of enquiry should be established and clearly explained to those invited to give evidence. The Council's Tool Kit for Scrutiny will help in planning for such events.</p> <p><b>How to plan</b></p> <p>Scrutiny skills training is provided as part of the Council's Member induction and training programme and further details are outlined by the Council's Tool Kit for Scrutiny.</p> <p>Because the Overview and Scrutiny Committee is a Member led process, the role of the Chairman and Vice-Chairman is an important one. The Chairman has a pivotal role in maintaining the focus of scrutiny activity on issues that are of concern to the residents of Woking.</p> <p>Each Chairman has to possess a range of abilities including good communication, listening, and analytical skills in order to balance the desire for Committee Members to have full and frank discussion about topics, with the need to ensure the Committee makes the best use of its time and resources. The Chairman has to encourage the Committee to operate in an open and robust manner, whilst also making sure that witnesses and Officers are treated with respect and courtesy. It is also important that the</p>

Committees should bear in mind that often six to eight recommendations are sufficient to enable the authority to focus its response, although there may be specific circumstances in which more might be appropriate.

Sharing draft recommendations with Executive Members should not provide an opportunity for them to revise or block recommendations before they are made. It should, however, provide an opportunity for errors to be identified and corrected, and for a more general sense-check.

Chairman summarises to confirm agreement and ownership of actions, decisions, and important points and at key stages refocus discussions.

The importance of reviewing the success of a scrutiny review is highlighted in the Tool Kit, with the objective of drawing out lessons learnt for future reviews. The Overview and Scrutiny Committee will need to make suitable arrangements to monitor the implementation of the recommendations adopted, and request progress reports from Officers and Portfolio Holders.

#### ***Developing recommendations***

The Tool Kit advised that a draft report based on the Task Groups' finding and recommendations should be prepared by the Chairman of the Task Group and the appointed Lead Officer.

Recommendations should:

- Be based on clear evidence
- Address identified need
- Link to Council priorities
- Demonstrate tangible benefits
- Take account of resources

The final report and any recommendations from the Task Group will be considered by the Overview and Scrutiny Committee before being recommended to the Executive. Any changes to the Council's policies will then need to be dealt with by way of a recommendation to Council.

In the event of there being dissent from the recommendations, a minority report will also be allowed to be forwarded to the Executive, Council or Partner Organisation, proposing an

alternative course of action.



Ministry of Housing,  
Communities &  
Local Government

# Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities



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Ministry of Housing, Communities and Local Government  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF  
Telephone: 030 3444 0000

For all our latest news and updates follow us on Twitter: <https://twitter.com/mhclg>

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# Ministerial Foreword

The role that overview and scrutiny can play in holding an authority's decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself. Conversely, poor scrutiny can be indicative of wider governance, leadership and service failure.

It is vital that councils and combined authorities know the purpose of scrutiny, what effective scrutiny looks like, how to conduct it and the benefits it can bring. This guidance aims to increase understanding in all four areas.

In writing this guidance, my department has taken close note of the House of Commons Select Committee report of December 2017, as well as the written and oral evidence supplied to that Committee. We have also consulted individuals and organisations with practical involvement in conducting, researching and supporting scrutiny.

It is clear from speaking to these practitioners that local and combined authorities with effective overview and scrutiny arrangements in place share certain key traits, the most important being a strong organisational culture. Authorities who welcome challenge and recognise the value scrutiny can bring reap the benefits. But this depends on strong commitment from the top - from senior members as well as senior officials.

Crucially, this guidance recognises that authorities have democratic mandates and are ultimately accountable to their electorates, and that authorities themselves are best-placed to know which scrutiny arrangements are most appropriate for their own individual circumstances.

I would, however, strongly urge all councils to cast a critical eye over their existing arrangements and, above all, ensure they embed a culture that allows overview and scrutiny to flourish.



A handwritten signature in blue ink, appearing to read 'Rishi Sunak'.

**Rishi Sunak MP**  
**Minister for Local Government**

# About this Guidance

## Who the guidance is for

This document is aimed at local authorities and combined authorities in England to help them carry out their overview and scrutiny functions effectively. In particular, it provides advice for senior leaders, members of overview and scrutiny committees, and support officers.

## Aim of the guidance

This guidance seeks to ensure local authorities and combined authorities are aware of the purpose of overview and scrutiny, what effective scrutiny looks like, how to conduct it effectively and the benefits it can bring.

As such, it includes a number of policies and practices authorities should adopt or should consider adopting when deciding how to carry out their overview and scrutiny functions.

The guidance recognises that authorities approach scrutiny in different ways and have different processes and procedures in place, and that what might work well for one authority might not work well in another.

The hypothetical scenarios contained in the annexes to this guidance have been included for illustrative purposes, and are intended to provoke thought and discussion rather than serve as a 'best' way to approach the relevant issues.

While the guidance sets out some of the key legal requirements, it does not seek to replicate legislation.

## Status of the guidance

This is statutory guidance from the Ministry of Housing, Communities and Local Government. Local authorities and combined authorities must have regard to it when exercising their functions. The phrase 'must have regard', when used in this context, does not mean that the sections of statutory guidance have to be followed in every detail, but that they should be followed unless there is a good reason not to in a particular case.

Not every authority is required to appoint a scrutiny committee. This guidance applies to those authorities who have such a committee in place, whether they are required to or not.

This guidance has been issued under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009, which requires authorities to have regard to this guidance. In addition, authorities may have regard to other material they might choose to consider, including that issued by the Centre for Public Scrutiny, when exercising their overview and scrutiny functions.

## Terminology

Unless 'overview' is specifically mentioned, the term 'scrutiny' refers to both overview and scrutiny.<sup>1</sup>

Where the term 'authority' is used, it refers to both local authorities and combined authorities.

Where the term 'scrutiny committee' is used, it refers to an overview and scrutiny committee and any of its sub-committees. As the legislation refers throughout to powers conferred on scrutiny committees, that is the wording used in this guidance. However, the guidance should be seen as applying equally to work undertaken in informal task and finish groups, commissioned by formal committees.

Where the term 'executive' is used, it refers to executive members.

For combined authorities, references to the 'executive' or 'cabinet' should be interpreted as relating to the mayor (where applicable) and all the authority members.

For authorities operating committee rather than executive arrangements, references to the executive or Cabinet should be interpreted as relating to councillors in leadership positions.

## Expiry or review date

This guidance will be kept under review and updated as necessary.

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<sup>1</sup> A distinction is often drawn between 'overview' which focuses on the development of policy, and 'scrutiny' which looks at decisions that have been made or are about to be made to ensure they are fit for purpose.

# 1. Introduction and Context

1. Overview and scrutiny committees were introduced in 2000 as part of new executive governance arrangements to ensure that members of an authority who were not part of the executive could hold the executive to account for the decisions and actions that affect their communities.
2. Overview and scrutiny committees have statutory powers<sup>2</sup> to scrutinise decisions the executive is planning to take, those it plans to implement, and those that have already been taken/implemented. Recommendations following scrutiny enable improvements to be made to policies and how they are implemented. Overview and scrutiny committees can also play a valuable role in developing policy.

Effective overview and scrutiny should:

- Provide constructive 'critical friend' challenge;
- Amplify the voices and concerns of the public;
- Be led by independent people who take responsibility for their role; and
- Drive improvement in public services.

3. The requirement for local authorities in England to establish overview and scrutiny committees is set out in sections 9F to 9FI of the Local Government Act 2000 as amended by the Localism Act 2011.
4. The Localism Act 2011 amended the Local Government Act 2000 to allow councils to revert to a non-executive form of governance - the 'committee system'. Councils who adopt the committee system are not required to have overview and scrutiny but may do so if they wish. The legislation has been strengthened and updated since 2000, most recently to reflect new governance arrangements with combined authorities. Requirements for combined authorities are set out in Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.
5. Current overview and scrutiny legislation recognises that authorities are democratically-elected bodies who are best-placed to determine which overview and scrutiny arrangements best suit their own individual needs, and so gives them a great degree of flexibility to decide which arrangements to adopt.
6. In producing this guidance, the Government fully recognises both authorities' democratic mandate and that the nature of local government has changed in recent years, with, for example, the creation of combined authorities, and councils increasingly delivering key services in partnership with other organisations or outsourcing them entirely.

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<sup>2</sup> Section 9F of the Local Government Act 2000; paragraph 1 of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.

## 2. Culture

7. The prevailing organisational culture, behaviours and attitudes of an authority will largely determine whether its scrutiny function succeeds or fails.
8. While everyone in an authority can play a role in creating an environment conducive to effective scrutiny, it is important that this is led and owned by members, given their role in setting and maintaining the culture of an authority.
9. Creating a strong organisational culture supports scrutiny work that can add real value by, for example, improving policy-making and the efficient delivery of public services. In contrast, low levels of support for and engagement with the scrutiny function often lead to poor quality and ill-focused work that serves to reinforce the perception that it is of little worth or relevance.
10. Members and senior officers should note that the performance of the scrutiny function is not just of interest to the authority itself. Its effectiveness, or lack thereof, is often considered by external bodies such as regulators and inspectors, and highlighted in public reports, including best value inspection reports. Failures in scrutiny can therefore help to create a negative public image of the work of an authority as a whole.

### How to establish a strong organisational culture

11. Authorities can establish a strong organisational culture by:

- a) **Recognising scrutiny's legal and democratic legitimacy** – all members and officers should recognise and appreciate the importance and legitimacy the scrutiny function is afforded by the law. It was created to act as a check and balance on the executive and is a statutory requirement for all authorities operating executive arrangements and for combined authorities.

Councillors have a unique legitimacy derived from their being democratically elected. The insights that they can bring by having this close connection to local people are part of what gives scrutiny its value.

- b) **Identifying a clear role and focus** – authorities should take steps to ensure scrutiny has a clear role and focus within the organisation, i.e. a niche within which it can clearly demonstrate it adds value. Therefore, prioritisation is necessary to ensure the scrutiny function concentrates on delivering work that is of genuine value and relevance to the work of the wider authority – this is one of the most challenging parts of scrutiny, and a critical element to get right if it is to be recognised as a strategic function of the authority (see chapter 6).

Authorities should ensure a clear division of responsibilities between the scrutiny function and the audit function. While it is appropriate for scrutiny to pay due regard to the authority's financial position, this will need to happen in the context of the formal audit role. The authority's section 151 officer should advise scrutiny on how to manage this dynamic.

While scrutiny has no role in the investigation or oversight of the authority's whistleblowing arrangements, the findings of independent whistleblowing investigations might be of interest to scrutiny committees as they consider their wider implications. Members should always follow the authority's constitution and associated Monitoring Officer directions on the matter. Further guidance on whistleblowing can be found at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/415175/bis-15-200-whistleblowing-guidance-for-employers-and-code-of-practice.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/415175/bis-15-200-whistleblowing-guidance-for-employers-and-code-of-practice.pdf).

- c) **Ensuring early and regular engagement between the executive and scrutiny** – authorities should ensure early and regular discussion takes place between scrutiny and the executive, especially regarding the latter's future work programme. Authorities should, though, be mindful of their distinct roles:

In particular:

- The executive should not try to exercise control over the work of the scrutiny committee. This could be direct, e.g. by purporting to 'order' scrutiny to look at, or not look at, certain issues, or indirect, e.g. through the use of the whip or as a tool of political patronage, and the committee itself should remember its statutory purpose when carrying out its work. All members and officers should consider the role the scrutiny committee plays to be that of a 'critical friend' not a de facto 'opposition'. Scrutiny chairs have a particular role to play in establishing the profile and nature of their committee (see chapter 4); and
- The chair of the scrutiny committee should determine the nature and extent of an executive member's participation in a scrutiny committee meeting, and in any informal scrutiny task group meeting.

- d) **Managing disagreement** – effective scrutiny involves looking at issues that can be politically contentious. It is therefore inevitable that, at times, an executive will disagree with the findings or recommendations of a scrutiny committee.

It is the job of both the executive and scrutiny to work together to reduce the risk of this happening, and authorities should take steps to predict, identify and act on disagreement.

One way in which this can be done is via an 'executive-scrutiny protocol' (see annex 1) which can help define the relationship between the two and mitigate any differences of opinion before they manifest themselves in unhelpful and unproductive ways. The benefit of this approach is that it provides a framework for disagreement and debate, and a way to manage it when it happens. Often,

the value of such a protocol lies in the dialogue that underpins its preparation. It is important that these protocols are reviewed on a regular basis.

Scrutiny committees do have the power to 'call in' decisions, i.e. ask the executive to reconsider them before they are implemented, but should not view it as a substitute for early involvement in the decision-making process or as a party-political tool.

- e) **Providing the necessary support** – while the level of resource allocated to scrutiny is for each authority to decide for itself, when determining resources an authority should consider the purpose of scrutiny as set out in legislation and the specific role and remit of the authority's own scrutiny committee(s), and the scrutiny function as a whole.

Support should also be given by members and senior officers to scrutiny committees and their support staff to access information held by the authority and facilitate discussions with representatives of external bodies (see chapter 5).

- f) **Ensuring impartial advice from officers** – authorities, particularly senior officers, should ensure all officers are free to provide impartial advice to scrutiny committees. This is fundamental to effective scrutiny. Of particular importance is the role played by 'statutory officers' – the monitoring officer, the section 151 officer and the head of paid service, and where relevant the statutory scrutiny officer. These individuals have a particular role in ensuring that timely, relevant and high-quality advice is provided to scrutiny.
- g) **Communicating scrutiny's role and purpose to the wider authority** – the scrutiny function can often lack support and recognition within an authority because there is a lack of awareness among both members and officers about the specific role it plays, which individuals are involved and its relevance to the authority's wider work. Authorities should, therefore, take steps to ensure all members and officers are made aware of the role the scrutiny committee plays in the organisation, its value and the outcomes it can deliver, the powers it has, its membership and, if appropriate, the identity of those providing officer support.
- h) **Maintaining the interest of full Council in the work of the scrutiny committee** – part of communicating scrutiny's role and purpose to the wider authority should happen through the formal, public role of full Council – particularly given that scrutiny will undertake valuable work to highlight challenging issues that an authority will be facing and subjects that will be a focus of full Council's work. Authorities should therefore take steps to ensure full Council is informed of the work the scrutiny committee is doing.

One way in which this can be done is by reports and recommendations being submitted to full Council rather than solely to the executive. Scrutiny should decide when it would be appropriate to submit reports for wider debate in this way, taking into account the relevance of reports to full Council business, as well as full Council's capacity to consider and respond in a timely manner. Such

reports would supplement the annual report to full Council on scrutiny's activities and raise awareness of ongoing work.

In order to maintain awareness of scrutiny at the Combined Authority and provoke dialogue and discussion of its impact, the business of scrutiny should be reported to the Combined Authority board or to the chairs of the relevant scrutiny committees of constituent and non-constituent authorities, or both. At those chairs' discretion, particular Combined Authority scrutiny outcomes, and what they might mean for each individual area, could be either discussed by scrutiny in committee or referred to full Council of the constituent authorities.

- i) **Communicating scrutiny's role to the public** – authorities should ensure scrutiny has a profile in the wider community. Consideration should be given to how and when to engage the authority's communications officers, and any other relevant channels, to understand how to get that message across. This will usually require engagement early on in the work programming process (see chapter 6).
- j) **Ensuring scrutiny members are supported in having an independent mindset** – formal committee meetings provide a vital opportunity for scrutiny members to question the executive and officers.

Inevitably, some committee members will come from the same political party as a member they are scrutinising and might well have a long-standing personal, or familial, relationship with them (see paragraph 25).

Scrutiny members should bear in mind, however, that adopting an independent mind-set is fundamental to carrying out their work effectively. In practice, this is likely to require scrutiny chairs working proactively to identify any potentially contentious issues and plan how to manage them.

### Directly-elected mayoral systems

12. A strong organisational culture that supports scrutiny work is particularly important in authorities with a directly-elected mayor to ensure there are the checks and balances to maintain a robust democratic system. Mayoral systems offer the opportunity for greater public accountability and stronger governance, but there have also been incidents that highlight the importance of creating and maintaining a culture that puts scrutiny at the heart of its operations.
13. Authorities with a directly-elected mayor should ensure that scrutiny committees are well-resourced, are able to recruit high-calibre members and that their scrutiny functions pay particular attention to issues surrounding:
  - rights of access to documents by the press, public and councillors;
  - transparent and fully recorded decision-making processes, especially avoiding decisions by 'unofficial' committees or working groups;
  - delegated decisions by the Mayor;
  - whistleblowing protections for both staff and councillors; and
  - powers of Full Council, where applicable, to question and review.

14. Authorities with a directly-elected mayor should note that mayors are required by law to attend overview and scrutiny committee sessions when asked to do so (see paragraph 44).

## 3. Resourcing

15. The resource an authority allocates to the scrutiny function plays a pivotal role in determining how successful that function is and therefore the value it can add to the work of the authority.
16. Ultimately it is up to each authority to decide on the resource it provides, but every authority should recognise that creating and sustaining an effective scrutiny function requires them to allocate resources to it.
17. Authorities should also recognise that support for scrutiny committees, task groups and other activities is not solely about budgets and provision of officer time, although these are clearly extremely important elements. Effective support is also about the ways in which the wider authority engages with those who carry out the scrutiny function (both members and officers).

When deciding on the level of resource to allocate to the scrutiny function, the factors an authority should consider include:

- Scrutiny's legal powers and responsibilities;
- The particular role and remit scrutiny will play in the authority;
- The training requirements of scrutiny members and support officers, particularly the support needed to ask effective questions of the executive and other key partners, and make effective recommendations;
- The need for ad hoc external support where expertise does not exist in the council;
- Effectively-resourced scrutiny has been shown to add value to the work of authorities, improving their ability to meet the needs of local people; and
- Effectively-resourced scrutiny can help policy formulation and so minimise the need for call-in of executive decisions.

### Statutory scrutiny officers

18. Combined authorities, upper and single tier authorities are required to designate a statutory scrutiny officer,<sup>3</sup> someone whose role is to:
  - promote the role of the authority's scrutiny committee;
  - provide support to the scrutiny committee and its members; and
  - provide support and guidance to members and officers relating to the functions of the scrutiny committee.

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<sup>3</sup> Section 9FB of the Local Government Act 2000; article 9 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017

19. Authorities not required by law to appoint such an officer should consider whether doing so would be appropriate for their specific local needs.

#### Officer resource models

20. Authorities are free to decide for themselves which wider officer support model best suits their individual circumstances, though generally they adopt one or a mix of the following:

- Committee – officers are drawn from specific policy or service areas;
- Integrated – officers are drawn from the corporate centre and also service the executive; and
- Specialist – officers are dedicated to scrutiny.

21. Each model has its merits – the committee model provides service-specific expertise; the integrated model facilitates closer and earlier scrutiny involvement in policy formation and alignment of corporate work programmes; and the specialist model is structurally independent from those areas it scrutinises.

22. Authorities should ensure that, whatever model they employ, officers tasked with providing scrutiny support are able to provide impartial advice. This might require consideration of the need to build safeguards into the way that support is provided. The nature of these safeguards will differ according to the specific role scrutiny plays in the organisation.

## 4. Selecting Committee Members

23. Selecting the right members to serve on scrutiny committees is essential if those committees are to function effectively. Where a committee is made up of members who have the necessary skills and commitment, it is far more likely to be taken seriously by the wider authority.
24. While there are proportionality requirements that must be met,<sup>4</sup> the selection of the chair and other committee members is for each authority to decide for itself. Guidance for combined authorities on this issue has been produced by the Centre for Public Scrutiny<sup>5</sup>.

Members invariably have different skill-sets. What an authority must consider when forming a committee is that, as a group, it possesses the requisite expertise, commitment and ability to act impartially to fulfil its functions.

25. Authorities are reminded that members of the executive cannot be members of a scrutiny committee.<sup>6</sup> Authorities should take care to ensure that, as a minimum, members holding less formal executive positions, e.g. as Cabinet assistants, do not sit on scrutinising committees looking at portfolios to which those roles relate. Authorities should articulate in their constitutions how conflicts of interest, including familial links (see also paragraph 31), between executive and scrutiny responsibilities should be managed, including where members stand down from the executive and move to a scrutiny role, and vice-versa.
26. Members or substitute members of a combined authority must not be members of its overview and scrutiny committee.<sup>7</sup> This includes the Mayor in Mayoral Combined Authorities. It is advised that Deputy Mayors for Policing and Crime are also not members of the combined authority's overview and scrutiny committee.

### Selecting individual committee members

27. When selecting individual members to serve on scrutiny committees, an authority should consider a member's experience, expertise, interests, ability to act impartially, ability to work as part of a group, and capacity to serve.

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<sup>4</sup> See, for example, regulation 11 of the Local Authorities (Committee System) (England) Regulations 2012 (S.I. 2012/1020) and article 4 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 (S.I. 2017/68).

<sup>5</sup> See pages 15-18 of 'Overview and scrutiny in combined authorities: a plain English guide': <https://www.cfps.org.uk/wp-content/uploads/Overview-and-scrutiny-in-combined-authorities-a-plain-english-guide.pdf>

<sup>6</sup> Section 9FA(3) of the Local Government Act 2000.

<sup>7</sup> 2(3) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009

28. Authorities should not take into account a member's perceived level of support for or opposition to a particular political party (notwithstanding the wider legal requirement for proportionality referred to in paragraph 24).

### Selecting a chair

29. The Chair plays a leadership role on a scrutiny committee as they are largely responsible for establishing its profile, influence and ways of working.

30. The attributes authorities should and should not take into account when selecting individual committee members (see paragraphs 27 and 28) also apply to the selection of the Chair, but the Chair should also possess the ability to lead and build a sense of teamwork and consensus among committee members.

Chairs should pay special attention to the need to guard the committee's independence. Importantly, however, they should take care to avoid the committee being, and being viewed as, a de facto opposition to the executive.

31. Given their pre-eminent role on the scrutiny committee, it is strongly recommended that the Chair not preside over scrutiny of their relatives<sup>8</sup>. Combined authorities should note the legal requirements that apply to them where the Chair is an independent person<sup>9</sup>.

32. The method for selecting a Chair is for each authority to decide for itself, however every authority should consider taking a vote by secret ballot. Combined Authorities should be aware of the legal requirements regarding the party affiliation of their scrutiny committee Chair<sup>10</sup>.

### Training for committee members

33. Authorities should ensure committee members are offered induction when they take up their role and ongoing training so they can carry out their responsibilities effectively. Authorities should pay attention to the need to ensure committee members are aware of their legal powers, and how to prepare for and ask relevant questions at scrutiny sessions.

34. When deciding on training requirements for committee members, authorities should consider taking advantage of opportunities offered by external providers in the sector.

### Co-option and technical advice

35. While members and their support officers will often have significant local insight and an understanding of local people and their needs, the provision of outside expertise can be invaluable.

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<sup>8</sup> A definition of 'relative' can be found at section 28(10) of the Localism Act 2011.

<sup>9</sup> See article 5(2) of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 (S.I. 2017/68).

<sup>10</sup> Article 5(6) of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

36. There are two principal ways to procure this:

- Co-option – formal co-option is provided for in legislation<sup>11</sup>. Authorities must establish a co-option scheme to determine how individuals will be co-opted onto committees; and
- Technical advisers – depending on the subject matter, independent local experts might exist who can provide advice and assistance in evaluating evidence (see annex 2).

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<sup>11</sup> Section 9FA(4) Local Government Act 2000

## 5. Power to Access Information

37. A scrutiny committee needs access to relevant information the authority holds, and to receive it in good time, if it is to do its job effectively.
38. This need is recognised in law, with members of scrutiny committees enjoying powers to access information<sup>12</sup>. In particular, regulations give enhanced powers to a scrutiny member to access exempt or confidential information. This is in addition to existing rights for councillors to have access to information to perform their duties, including common law rights to request information and rights to request information under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.
39. When considering what information scrutiny needs in order to carry out its work, scrutiny members and the executive should consider scrutiny's role and the legal rights that committees and their individual members have, as well as their need to receive timely and accurate information to carry out their duties effectively.
40. Scrutiny members should have access to a regularly available source of key information about the management of the authority – particularly on performance, management and risk. Where this information exists, and scrutiny members are given support to understand it, the potential for what officers might consider unfocused and unproductive requests is reduced as members will be able to frame their requests from a more informed position.
41. Officers should speak to scrutiny members to ensure they understand the reasons why information is needed, thereby making the authority better able to provide information that is relevant and timely, as well as ensuring that the authority complies with legal requirements.

While each request for information should be judged on its individual merits, authorities should adopt a default position of sharing the information they hold, on request, with scrutiny committee members.

42. The law recognises that there might be instances where it is legitimate for an authority to withhold information and places a requirement on the executive to provide the scrutiny committee with a written statement setting out its reasons for that decision<sup>13</sup>. However, members of the executive and senior officers should take particular care to avoid refusing requests, or limiting the information they provide, for reasons of party political or reputational expediency.

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<sup>12</sup> Regulation 17 - Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012; article 10 Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

<sup>13</sup> Regulation 17(4) – Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012; article 10(4) Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

Before an authority takes a decision not to share information it holds, it should give serious consideration to whether that information could be shared in closed session.

43. Regulations already stipulate a timeframe for executives to comply with requests from a scrutiny member<sup>14</sup>. When agreeing to such requests, authorities should:

- consider whether seeking clarification from the information requester could help better target the request; and
- Ensure the information is supplied in a format appropriate to the recipient's needs.

44. Committees should be aware of their legal power to require members of the executive and officers to attend before them to answer questions<sup>15</sup>. It is the duty of members and officers to comply with such requests.<sup>16</sup>

#### Seeking information from external organisations

45. Scrutiny members should also consider the need to supplement any authority-held information they receive with information and intelligence that might be available from other sources, and should note in particular their statutory powers to access information from certain external organisations.

46. When asking an external organisation to provide documentation or appear before it, and where that organisation is not legally obliged to do either (see annex 3), scrutiny committees should consider the following:

- a) **The need to explain the purpose of scrutiny** – the organisation being approached might have little or no awareness of the committee's work, or of an authority's scrutiny function more generally, and so might be reluctant to comply with any request;
- b) **The benefits of an informal approach** – individuals from external organisations can have fixed perceptions of what an evidence session entails and may be unwilling to subject themselves to detailed public scrutiny if they believe it could reflect badly on them or their employer. Making an informal approach can help reassure an organisation of the aims of the committee, the type of information being sought and the manner in which the evidence session would be conducted;

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<sup>14</sup> Regulation 17(2) – Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012; article 10(2) Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

<sup>15</sup> Section 9FA(8) of the Local Government Act 2000; paragraph 2(6) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.

<sup>16</sup> Section 9FA(9) of the Local Government Act 2000; paragraph 2(7) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.

- c) **How to encourage compliance with the request** – scrutiny committees will want to frame their approach on a case by case basis. For contentious issues, committees might want to emphasise the opportunity their request gives the organisation to ‘set the record straight’ in a public setting; and
- d) **Who to approach** – a committee might instinctively want to ask the Chief Executive or Managing Director of an organisation to appear at an evidence session, however it could be more beneficial to engage front-line staff when seeking operational-level detail rather than senior executives who might only be able to talk in more general terms. When making a request to a specific individual, the committee should consider the type of information it is seeking, the nature of the organisation in question and the authority’s pre-existing relationship with it.

**Following ‘the Council Pound’**

Scrutiny committees will often have a keen interest in ‘following the council pound’, i.e. scrutinising organisations that receive public funding to deliver goods and services.

Authorities should recognise the legitimacy of this interest and, where relevant, consider the need to provide assistance to scrutiny members and their support staff to obtain information from organisations the council has contracted to deliver services. In particular, when agreeing contracts with these bodies, authorities should consider whether it would be appropriate to include a *requirement* for them to supply information to or appear before scrutiny committees.

## 6. Planning Work

47. Effective scrutiny should have a defined impact on the ground, with the committee making recommendations that will make a tangible difference to the work of the authority. To have this kind of impact, scrutiny committees need to plan their work programme, i.e. draw up a long-term agenda and consider making it flexible enough to accommodate any urgent, short-term issues that might arise during the year.
48. Authorities with multiple scrutiny committees sometimes have a separate work programme for each committee. Where this happens, consideration should be given to how to co-ordinate the various committees' work to make best use of the total resources available.

### Being clear about scrutiny's role

49. Scrutiny works best when it has a clear role and function. This provides focus and direction. While scrutiny has the power to look at anything which affects 'the area, or the area's inhabitants', authorities will often find it difficult to support a scrutiny function that carries out generalised oversight across the wide range of issues experienced by local people, particularly in the context of partnership working. Prioritisation is necessary, which means that there might be things that, despite being important, scrutiny will not be able to look at.
50. Different overall roles could include having a focus on risk, the authority's finances, or on the way the authority works with its partners.
51. Applying this focus does not mean that certain subjects are 'off limits'. It is more about looking at topics and deciding whether their relative importance justifies the positive impact scrutiny's further involvement could bring.
52. When thinking about scrutiny's focus, members should be supported by key senior officers. The statutory scrutiny officer, if an authority has one, will need to take a leading role in supporting members to clarify the role and function of scrutiny, and championing that role once agreed.

### Who to speak to

53. Evidence will need to be gathered to inform the work programming process. This will ensure that it looks at the right topics, in the right way and at the right time. Gathering evidence requires conversations with:
  - *The public* – it is likely that formal 'consultation' with the public on the scrutiny work programme will be ineffective. Asking individual scrutiny members to have conversations with individuals and groups in their own local areas can work better. Insights gained from the public through individual pieces of scrutiny work can be fed back into the work programming process. Listening to and participating in conversations in places where local people come together, including in online forums, can help authorities engage people on their own terms and yield more positive results.

Authorities should consider how their communications officers can help scrutiny engage with the public, and how wider internal expertise and local knowledge from both members and officers might make a contribution.

- *The authority's partners* – relationships with other partners should not be limited to evidence-gathering to support individual reviews or agenda items. A range of partners are likely to have insights that will prove useful:
  - Public sector partners (like the NHS and community safety partners, over which scrutiny has specific legal powers);
  - Voluntary sector partners;
  - Contractors and commissioning partners (including partners in joint ventures and authority-owned companies);
  - In parished areas, town, community and parish councils;
  - Neighbouring principal councils (both in two-tier and unitary areas);
  - Cross-authority bodies and organisations, such as Local Enterprise Partnerships<sup>17</sup>; and
  - Others with a stake and interest in the local area – large local employers, for example.
  
- *The executive* – a principal partner in discussions on the work programme should be the executive (and senior officers). The executive should not direct scrutiny's work (see chapter 2), but conversations will help scrutiny members better understand how their work can be designed to align with the best opportunities to influence the authority's wider work.

#### Information sources

54. Scrutiny will need access to relevant information to inform its work programme. The type of information will depend on the specific role and function scrutiny plays within the authority, but might include:

- Performance information from across the authority and its partners;
- Finance and risk information from across the authority and its partners;
- Corporate complaints information, and aggregated information from political groups about the subject matter of members' surgeries;
- Business cases and options appraisals (and other planning information) for forthcoming major decisions. This information will be of particular use for pre-decision scrutiny; and
- Reports and recommendations issued by relevant ombudsmen, especially the Local Government and Social Care Ombudsman.

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<sup>17</sup> Authorities should ensure they have appropriate arrangements in place to ensure the effective democratic scrutiny of Local Enterprise Partnerships' investment decisions.

As committees can meet in closed session, commercial confidentiality should not preclude the sharing of information. Authorities should note, however, that the default for meetings should be that they are held in public (see 2014 guidance on '*Open and accountable local government*':

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/343182/140812\\_Openness\\_Guide.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/343182/140812_Openness_Guide.pdf)).

55. Scrutiny members should consider keeping this information under regular review. It is likely to be easier to do this outside committee, rather than bringing such information to committee 'to note', or to provide an update, as a matter of course.

### Shortlisting topics

Approaches to shortlisting topics should reflect scrutiny's overall role in the authority. This will require the development of bespoke, local solutions, however when considering whether an item should be included in the work programme, the kind of questions a scrutiny committee should consider might include:

- Do we understand the benefits scrutiny would bring to this issue?
- How could we best carry out work on this subject?
- What would be the best outcome of this work?
- How would this work engage with the activity of the executive and other decision-makers, including partners?

56. Some authorities use scoring systems to evaluate and rank work programme proposals. If these are used to provoke discussion and debate, based on evidence, about what priorities should be, they can be a useful tool. Others take a looser approach. Whichever method is adopted, a committee should be able to justify how and why a decision has been taken to include certain issues and not others.

57. Scrutiny members should accept that shortlisting can be difficult; scrutiny committees have finite resources and deciding how these are best allocated is tough. They should understand that, if work programming is robust and effective, there might well be issues that they want to look at that nonetheless are not selected.

### Carrying out work

58. Selected topics can be scrutinised in several ways, including:

- a) **As a single item on a committee agenda** – this often presents a limited opportunity for effective scrutiny, but may be appropriate for some issues or where the committee wants to maintain a formal watching brief over a given issue;
- b) **At a single meeting** – which could be a committee meeting or something less formal. This can provide an opportunity to have a single public meeting about a

given subject, or to have a meeting at which evidence is taken from a number of witnesses;

- c) **At a task and finish review of two or three meetings** – short, sharp scrutiny reviews are likely to be most effective even for complex topics. Properly focused, they ensure members can swiftly reach conclusions and make recommendations, perhaps over the course of a couple of months or less;
- d) **Via a longer-term task and finish review** – the ‘traditional’ task and finish model – with perhaps six or seven meetings spread over a number of months – is still appropriate when scrutiny needs to dig into a complex topic in significant detail. However, the resource implications of such work, and its length, can make it unattractive for all but the most complex matters; and
- e) **By establishing a ‘standing panel’** – this falls short of establishing a whole new committee but may reflect a necessity to keep a watching brief over a critical local issue, especially where members feel they need to convene regularly to carry out that oversight. Again, the resource implications of this approach means that it will be rarely used.

## 7. Evidence Sessions

59. Evidence sessions are a key way in which scrutiny committees inform their work. They might happen at formal committee, in less formal ‘task and finish’ groups or at standalone sessions.

Good preparation is a vital part of conducting effective evidence sessions. Members should have a clear idea of what the committee hopes to get out of each session and appreciate that success will depend on their ability to work together on the day.

### How to plan

60. Effective planning does not necessarily involve a large number of pre-meetings, the development of complex scopes or the drafting of questioning plans. It is more often about setting overall objectives and then considering what type of questions (and the way in which they are asked) can best elicit the information the committee is seeking. This applies as much to individual agenda items as it does for longer evidence sessions – there should always be consideration in advance of what scrutiny is trying to get out of a particular evidence session.

Chairs play a vital role in leading discussions on objective-setting and ensuring all members are aware of the specific role each will play during the evidence session.

61. As far as possible there should be consensus among scrutiny members about the objective of an evidence session before it starts. It is important to recognise that members have different perspectives on certain issues, and so might not share the objectives for a session that are ultimately adopted. Where this happens, the Chair will need to be aware of this divergence of views and bear it in mind when planning the evidence session.
62. Effective planning should mean that at the end of a session it is relatively straightforward for the chair to draw together themes and highlight the key findings. It is unlikely that the committee will be able to develop and agree recommendations immediately, but, unless the session is part of a wider inquiry, enough evidence should have been gathered to allow the chair to set a clear direction.
63. After an evidence session, the committee might wish to hold a short ‘wash-up’ meeting to review whether their objectives were met and lessons could be learned for future sessions.

### Developing recommendations

64. The development and agreement of recommendations is often an iterative process. It will usually be appropriate for this to be done only by members, assisted by co-optees where relevant. When deciding on recommendations, however, members should have due regard to advice received from officers, particularly the Monitoring Officer.

65. The drafting of reports is usually, but not always, carried out by officers, directed by members.

66. Authorities draft reports and recommendations in a number of ways, but there are normally three stages:

- i. the development of a 'heads of report' – a document setting out general findings that members can then discuss as they consider the overall structure and focus of the report and its recommendations;
- ii. the development of those findings, which will set out some areas on which recommendations might be made; and
- iii. the drafting of the full report.

67. Recommendations should be evidence-based and SMART, i.e. specific, measurable, achievable, relevant and timed. Where appropriate, committees may wish to consider sharing them in draft with interested parties.

68. Committees should bear in mind that often six to eight recommendations are sufficient to enable the authority to focus its response, although there may be specific circumstances in which more might be appropriate.

Sharing draft recommendations with executive members should not provide an opportunity for them to revise or block recommendations before they are made. It should, however, provide an opportunity for errors to be identified and corrected, and for a more general sense-check.

# Annex 1: Illustrative Scenario – Creating an Executive-Scrutiny Protocol

An executive-scrutiny protocol can deal with the practical expectations of scrutiny committee members and the executive, as well as the cultural dynamics.

Workshops with scrutiny members, senior officers and Cabinet can be helpful to inform the drafting of a protocol. An external facilitator can help bring an independent perspective.

Councils should consider how to adopt a protocol, e.g. formal agreement at scrutiny committee and Cabinet, then formal integration into the Council's constitution at the next Annual General Meeting.

The protocol, as agreed, may contain sections on:

- The way scrutiny will go about developing its work programme (including the ways in which senior officers and Cabinet members will be kept informed);
- The way in which senior officers and Cabinet will keep scrutiny informed of the outlines of major decisions as they are developed, to allow for discussion of scrutiny's potential involvement in policy development. This involves the building in of safeguards to mitigate risks around the sharing of sensitive information with scrutiny members;
- A strengthening and expansion of existing parts of the code of conduct that relate to behaviour in formal meetings, and in informal meetings;
- Specification of the nature and form of responses that scrutiny can expect when it makes recommendations to the executive, when it makes requests to the executive for information, and when it makes requests that Cabinet members or senior officers attend meetings; and
- Confirmation of the role of the statutory scrutiny officer, and Monitoring Officer, in overseeing compliance with the protocol, and ensuring that it is used to support the wider aim of supporting and promoting a culture of scrutiny, with matters relating to the protocol's success being reported to full Council through the scrutiny Annual Report.

## Annex 2: Illustrative Scenario – Engaging Independent Technical Advisers

This example demonstrates how one Council's executive and scrutiny committee worked together to scope a role and then appoint an independent adviser on transforming social care commissioning. Their considerations and process may be helpful and applicable in other similar scenarios.

Major care contracts were coming to an end and the Council took the opportunity to review whether to continue with its existing strategic commissioning framework, or take a different approach – potentially insourcing certain elements.

The relevant Director was concerned about the Council's reliance on a very small number of large providers. The Director therefore approached the Scrutiny and Governance Manager to talk through the potential role scrutiny could play as the Council considered these changes.

The Scrutiny Chair wanted to look at this issue in some depth, but recognised its complexity could make it difficult for her committee to engage – she was concerned it would not be able to do the issue justice. The Director offered support from his own officer team, but the Chair considered this approach to be beset by risks around the independence of the process.

She talked to the Director about securing independent advice. He was worried that an independent adviser could come with preconceived ideas and would not understand the Council's context and objectives. The Scrutiny Chair was concerned that independent advice could end up leading to scrutiny members being passive, relying on an adviser to do their thinking for them. They agreed that some form of independent assistance would be valuable, but that how it was provided and managed should be carefully thought out.

With the assistance of the Governance and Scrutiny Manager, the Scrutiny Chair approached local universities and Further Education institutions to identify an appropriate individual. The approach was clear – it set out the precise role expected of the adviser, and explained the scrutiny process itself. Because members wanted to focus on the risks of market failure, and felt more confident on substantive social care matters, the approach was directed at those with a specialism in economics and business administration. The Council's search was proactive – the assistance of the service department was drawn on to make direct approaches to particular individuals who could carry out this role.

It was agreed to make a small budget available to act as a 'per diem' to support an adviser; academics were approached in the first instance as the Council felt able to make a case that an educational institution would provide this support for free as part of its commitment to Corporate Social Responsibility.

Three individuals were identified from the Council's proactive search. The Chair and Vice-Chair of the committee had an informal discussion with each – not so much to establish their skills and expertise (which had already been assessed) but to give a sense about

their 'fit' with scrutiny's objectives and their political nous in understanding the environment in which they would operate, and to satisfy themselves that they will apply themselves even-handedly to the task. The Director sat in on this process but played no part in who was ultimately selected.

The independent advice provided by the selected individual gave the Scrutiny Committee a more comprehensive understanding of the issue and meant it was able to offer informed advice on the merits of putting in place a new strategic commissioning framework.

## Annex 3: Illustrative Scenario – Approaching an External Organisation to Appear before a Committee

This example shows how one council ensured a productive scrutiny meeting, involving a private company and the public. Lessons may be drawn and apply to other similar scenarios.

Concerns had been expressed by user groups, and the public at large, about the reliability of the local bus service. The Scrutiny Chair wanted to question the bus company in a public evidence session but knew that she had no power to compel it to attend. Previous attempts to engage it had been unsuccessful; the company was not hostile, but said it had its own ways of engaging the public.

The Monitoring Officer approached the company's regional PR manager, but he expressed concern that the session would end in a 'bunfight'. He also explained the company had put their improvement plan in the public domain, and felt a big council meeting would exacerbate tensions.

Other councillors had strong views about the company – one thought the committee should tell the company it would be empty-chaired if it refused to attend. The Scrutiny Chair was sympathetic to this, but thought such an approach would not lead to any improvements.

The Scrutiny Chair was keen to make progress, but it was difficult to find the right person to speak to at the company, so she asked council officers and local transport advocacy groups for advice. Speaking to those people also gave her a better sense of what scrutiny's role might be.

When she finally spoke to the company's network manager, she explained the situation and suggested they work together to consider how the meeting could be productive for the Council, the company and local people. In particular, this provided her with an opportunity to explain scrutiny and its role. The network manager remained sceptical but was reassured that they could work together to ensure that the meeting would not be an 'ambush'. He agreed in principle to attend and also provide information to support the Committee's work beforehand.

Discussions continued in the four weeks leading up to the Committee meeting. The Scrutiny Chair was conscious that while she had to work with the company to ensure that the meeting was constructive – and secure their attendance – it could not be a whitewash, and other members and the public would demand a hard edge to the discussions.

The scrutiny committee agreed that the meeting would provide a space for the company to provide context to the problems local people are experiencing, but that this would be preceded by a space on the agenda for the Chair, Vice-chair, and representatives from two local transport advocacy groups to set out their concerns. The company were sent in

advance a summary of the general areas on which members were likely to ask questions, to ensure that those questions could be addressed at the meeting.

Finally, provision was made for public questions and debate. Those attending the meeting were invited to discuss with each other the principal issues they wanted the meeting to cover. A short, facilitated discussion in the room led by the Chair highlighted the key issues, and the Chair then put those points to the company representatives.

At the end of the meeting, the public asked questions of the bus company representative in a 20-minute plenary item.

The meeting was fractious, but the planning carried out to prepare for this – by channelling issues through discussion and using the Chair to mediate the questioning – made things easier. Some attendees were initially frustrated by this structure, but the company representative was more open and less defensive than might otherwise have been the case.

The meeting also motivated the company to revise its communications plan to become more responsive to this kind of challenge, part of which involved a commitment to feed back to the scrutiny committee on the recommendations it made on the night.



governance responsibility **democracy**  
**accountability** transparency  
policymakers governance **involvement**

# **The good scrutiny guide**

**overview** guidance resource **agreement**  
**structure** **authority** commitment **maximum**  
stakeholders solution experience

## INTRODUCTION

This guide is intended to provide advice to councils, councillors and officers on the operation of overview and scrutiny; we also hope and expect that it will be of use to other stakeholders, including the public. It is written to complement the Government’s statutory scrutiny guidance (published May 2019). Councils are obliged to “have regard to” this statutory guidance (the meaning of this phrase being provided on page 5 of the guidance itself). This guide, produced by CfPS, has no such formal status.

This guide updates and replaces a previous set of Practice Guides published by CfPS in 2014, and CfPS’s original Good Scrutiny Guide from 2006 (published alongside the previous set of Government guidance on scrutiny from the same year).

The statutory guidance, and this guidance, reflects the “four principles” of good scrutiny developed by CfPS in 2003 and which remain vital and relevant today. These are that effective overview and scrutiny should:

- Provide constructive “critical friend” challenge;
- Amplify the voices and concerns of the public;
- Be led by independent people who take responsibility for their role;
- Drive improvement in public services.

CfPS thinks that there are three further components of good scrutiny and good governance which support and reinforce these principles. These components are necessary in order for democracy at a local level to be participative; they are necessary for good scrutiny to thrive. These are:

- Accountability – an environment where responsibility for services and decisions is clear and where those holding responsibility can and are answerable for success and failure;
- Transparency – the publication, proactively, of information relating to services and decisions to allow local people, and others, to hold policymakers and decision-makers to account;
- Involvement – rules, principles and processes whereby a wide range of stakeholders (including elected representatives) can play active roles in holding to account, and influencing and directing the development of policy.

These principles and components rely on the presence of a strong and supportive political and organisational culture; one in which forensic and robust scrutiny can develop and thrive.

### **Applicability of this guide**

This guide applies in England only. Its primary focus is the operation of overview and scrutiny under executive arrangements in local authorities. Scrutiny in combined authorities is covered in the guidance and is also covered in this guide, although significantly more advice can be found in the CfPS publication, “Overview and scrutiny in combined authorities: a plain English guide” (2017).

Scrutiny in committee system authorities operates on a discretionary basis. Readers will note that the guidance, and this guide’s, frequent reference to council executives means that there are elements of both that are less relevant to committee system authorities, although the general principles around, in particular, organisational culture and the overall role of scrutiny are just as valid.

## Sources of information

A full list of resources can be found in an appendix. Principal documents to read alongside this guide are:

- “Statutory guidance for overview and scrutiny in local and combined authorities” (MHCLG, 2019)
- “Overview and scrutiny in combined authorities: a plain English guide” (CfPS, 2017)
- “Pulling it all together: a guide to legislation covering scrutiny and governance in English local government” (CfPS, 2018)

The Centre for Public Scrutiny provides a free helpdesk resource for councils and councillors wishing to better understand and explore how to carry out scrutiny. We can provide advice on matters relating to the rules and procedures under which scrutiny operates, on notable practice and suggested ways to transact work, and can signpost to other organisations and resources.

CfPS cannot provide legal advice. While we can offer our view on matters which intersect with individual councils’ constitutions and governance frameworks, on such matters the advice of the council’s Monitoring Officer should be considered as final.

Other organisations also exist to provide advice to scrutiny and democratic services professionals. Lawyers in Local Government (LLG) and the Association of Democratic Services Officers (ADSO) are particular sources of professional support.

The Local Government Association’s political group offices can provide advice and support to councillors as they carry out their work. CfPS works closely with national group offices to ensure that issues and concerns about scrutiny as they are experienced by members are understood and fed into our work.

## Acknowledgements

CfPS would like to offer thanks to those members and officers who carried out a review of this document in draft form, and for the time taken to provide thoughts, comments and amendments on the draft. This guide is significantly better for their input – but of course any remaining errors and omissions remain the responsibility of the authors.

June 2019

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# 1 An overview of scrutiny

Effective scrutiny depends on two things –

- a recognition of the cultural requirements for scrutiny to succeed
- the extent to which a strong cultural commitment is owned by the council's leadership)

## 1.1 The importance of culture

The prevailing organisational culture, behaviours and attitudes of an authority will largely determine whether its scrutiny function succeeds or fails.

While everyone in an authority can play a role in creating an environment conducive to effective scrutiny, it is important that this is led and owned by members, given their role in setting and maintaining the culture of an authority.

Creating a strong organisational culture supports scrutiny work that can add real value by, for example, improving policy-making and the efficient delivery of public services. In contrast, low levels of support for and engagement with the scrutiny function often lead to poor quality and ill-focused work that serves to reinforce the perception that it is of little worth or relevance.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraphs 7-9, p8*

- 1.1.0.1 Taking the steps necessary to make scrutiny effective is the responsibility of the whole council and the business of all of scrutiny's stakeholders.
- 1.1.0.2 Scrutiny requires commitment in the form of action from local leaders. This involves a willingness to work with scrutiny as an equal partner – to engage early, to provide it with all relevant information and to take its recommendations seriously.
- 1.1.0.3 The executive has a duty to ensure that the way that it and its members act does not undermine and denigrate scrutiny; responsibility for a failing or ineffective scrutiny function very often rests as much if not more with the executive as it does with scrutiny members and their support officers.
- 1.1.0.4 This shared responsibility for ensuring that scrutiny works as well as it can means that a good scrutiny/executive relationships is one of the most critical criteria for success.
- 1.1.0.5 Where scrutiny is marginalised and dismissed by a council's leadership, it will be ineffective – creating a vicious cycle that those leaders will see as justification for their opinions. If those opinions do become widespread, that should be a clue to take urgent action. Scrutiny can and should be seen as a critical part of the governance and improvement landscape for local government. A failure to take advantage of the tools that it offers makes councils less resilient, less responsive to change and less able to manage their challenges – financial and otherwise.
- 1.1.0.6 Councils should be aware of the risk of a lack of organisational commitment presenting itself in “warm words” for scrutiny. In this more insidious situation, leaders say the right things about scrutiny but fail to follow up with action. This is more difficult to identify and hence, to resolve.
- 1.1.0.7 Different cultures can exist in the same authority – it is unlikely that there will be a uniform attitude and approach to scrutiny across the whole council. Relationships with a wider range

of stakeholders (see section 2) will reflect this asymmetry too. For scrutiny practitioners, there may be a job of work in identifying who its key partners are, where their motivations lie, and how closer working can be approached – just as there is a duty for those partners (particularly within the council) to step up to their own roles.

1.1.0.8 A positive working culture involves in particular an understanding of local politics. Scrutiny councillors are politicians and should be using their political insights, and the insights gathered through ward work and doorknocking, to influence and guide their work. However, party politics – expressed through scrutiny as an arbitrary opposition or promotion of a particular party line, and a lack of interest in discussion or consensus on that issue, does not have a place in scrutiny.

1.1.0.9 More information on the culture of scrutiny can be found in section 2, below.

### **1.1.1 Scrutiny, whistleblowing and complaints**

1.1.1.1 The guidance notes the interface between scrutiny and whistleblowing.

While scrutiny has no role in the investigation or oversight of the authority’s whistleblowing arrangements, the findings of independent whistleblowing investigations might be of interest to scrutiny committees as they consider their wider implications. Members should always follow the authority’s constitution and associated Monitoring Officer directions on this matter.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p9: see also comments at paragraph 13, p11*

1.1.1.2 People’s willingness to speak out about wrongdoing is central to a positive organisational culture – however, effective whistleblowing needs robust systems and clear oversight.

1.1.1.3 It is likely that scrutiny will have brought to its attention instances of suspected wrongdoing or poor practice. This may be by service users themselves, or by employees of the council and partners.

1.1.1.4 The first are general complaints and concerns about services which should form part of scrutiny’s overall evidence gathering. While scrutiny has no role in investigating individual complaints, it can and should use the concerns of individuals as a spur to ask searching questions about whether those complaints are evidence of a wider issue. Alongside other partners in the wider governance landscape, scrutiny holds part of a collective responsibility here.

1.1.1.5 It is important to recognise that scrutiny is not a substitute for having, and following, proper processes for whistleblowing.

The responsibilities and accountabilities of external agencies were not well defined, often resulting in “regulatory gaps” or failure to follow up warning signs.

Organisations operated in silos, without consideration about the wider implications of their role, even guarding their territories on occasion.

This situation was exacerbated by a lack of effective communication across the healthcare system in sharing information and concerns. Organisations relied on others to keep them informed rather than actively seeking and sharing intelligence.

At the heart of the failure was a lack of openness, transparency and candour in the information emanating from the Trust and over-reliance on that information by others. This was not helped by the constant reorganisation of NHS structures, often leading to a loss of corporate memory and misunderstandings about an organisation's functions and responsibilities. Information flow was generally poor.

The combination of these “regulatory gaps”, lack of effective communication and constant reorganisation led to a systemic culture where organisations took inappropriate comfort from assurances given either by the Trust itself or from action taken by other regulatory organisations. As a result, organisations often failed to carry out sufficient scrutiny of information, instead treating these assurances as fulfilling their own, independent obligations.

*Report of the Mid Staffordshire Hospital Trust Public Inquiry: Executive Summary Paragraph 1.114 p64*

1.1.1.6 Whistleblowing is slightly different. Where a council employee suggests poor practice or maladministration, or worse, the council's formal whistleblowing processes may come into play. As with complaints, individual instances of whistleblowing should not be “investigated” by scrutiny – but they should be considered as serious, rare events, and members will obviously be interested in understanding how they are dealt with.

1.1.1.7 The council's Monitoring Officer is the ultimate arbiter of how these issues are dealt with. The council's whistleblowing systems will pass responsibility for the management of such issues to the MO and scrutiny should respect this.

## **1.2 Local government scrutiny's statutory functions**

1.2.0.1 Scrutiny has a range of statutory functions. Some of these apply to all councils, but in two-tier areas different powers relate to counties and districts.

1.2.0.2 Scrutiny's statutory powers are the foundation for its work. They can and should be bolstered at local level through dialogue and agreement with scrutiny's stakeholders<sup>1</sup>. Scrutiny's statutory functions should not be taken and interpreted as providing limits for scrutiny's action. In fact the legislation states that scrutiny may look at any issues which affects “the area or the area's inhabitants”, providing a broad freedom to act.

### **1.2.1 Powers in relation to councils: in general**

1.2.1.1. Scrutiny can:

- Require information from the council. Councillors sitting on scrutiny committees have broad information access rights which means that they can and should be able to have access to information even on matters exempt for reason of commercial confidentiality, and the other exemptions found in Schedule 12A of the Local Government Act 1972. More information on information rights can be found in section 4.1 below and at section 5 of the guidance.
- Require attendance from council officers and councillors. Members of the executive invited to attend scrutiny committee meetings, and council officers issued with similar invitations, are expected to do so. While the law does not specify the seniority of officers who should be invited to give evidence, it will usually be most appropriate for senior officers to attend, even where questions are being asked about operational delivery. More information on engagement with councils officers and executive-side councillors can be found in section 2.1 below.

<sup>1</sup> We explore scrutiny's stakeholders, and how they align with the council's stakeholders more generally, in section xxxx

- Require that the council provides responses to scrutiny’s recommendations. Importantly, it is for scrutiny to determine the nature of the response. It is legitimate, for example, for scrutiny to require that a substantive response to each recommendation be made individually, with timescales for implementation; scrutiny can require that the executive do not respond to recommendations simply by “noting” them. More information on recommendations and impact can be found in section 5 below.

1.2.1.2 Scrutiny committees also provide a mechanism to “call in” decisions made by a council’s executive. This only applies where a decision has been made, but has not yet been implemented – a period of time which, as a matter of law, involves the passage of five clear working days.

## **1.2.2 Powers in relation to partners: in general**

### 1.2.2.1

- On matters relating to health, the scrutiny function of a county or unitary authority has a formal role in evaluating whether local health bodies have properly consulted scrutiny when a substantial variation to local health services is proposed. Detailed guidance on the operation of health scrutiny can be found at <https://www.gov.uk/government/publications/advice-to-local-authorities-on-scrutinising-health-services>
- On matters relating to community safety, the scrutiny function of a shire district or unitary authority has a role in reviewing the work of the community safety partnership (CSP). Importantly, this does not confer a right to scrutinise the individual CSP partners on their wider work. Separate statutory guidance on these powers was published in 2009 and is still in force, but is no longer online.
- On matters relating to flood risk management. Scrutiny has general powers to oversee partners’ work on flood risk. Until 2018 more detail was provided for by Regulations (<http://www.legislation.gov.uk/ukxi/2011/697/made>). These no longer have effect (<https://www.cfps.org.uk/flooding-scrutiny-regulations-no-longer-in-force/>) but the general statutory powers remain.
- On other matters relating to a list of named partners. This list is set out at s104 of the Local Government and Public Involvement in Health Act 2007, which is still in force.

In 2014, Government produced guidance on health scrutiny: <https://www.gov.uk/government/publications/advice-to-local-authorities-on-scrutinising-health-services>

1.2.2.2 The differing nature of the powers set out above should not be used as a reason to refer to the legislation every time scrutiny wants to engage with a different partner, and should not be used as a reason why partners need to be scrutinised discretely. Section 2, below, provides more detail on the relationship between scrutiny’s stakeholders.

1.2.2.3 The statutory guidance provides an “illustrative scenario” at Annex 3 which covers possible approaches to inviting an external organisation to appear before a committee.

## **1.3 Combined authority scrutiny statutory functions**

1.3.0.1 Scrutiny in combined authorities operates using a similar statutory framework as local authority scrutiny. We touch further on this in section 3 on role and function.

1.3.0.2 CfPS has produced separate, detailed guidance on combined authority scrutiny which can be found at <https://www.cfps.org.uk/wp-content/uploads/Overview-and-scrutiny-in-combined-authorities-a-plain-english-guide.pdf>

## 2. Scrutiny's stakeholders

2.0.0.1 Scrutiny has a wide range of stakeholders – people with whom scrutiny works to carry out its work. Understanding the motivations and objectives of these stakeholders is crucial if scrutiny is to have influence. Some of these people will sit within the council – others outside it.

2.0.0.2 There is likely to be overlap between these groups. We have not “classified” them to indicate that each group of individuals and organisations needs to be dealt with in a particular way – but simply for clarity. The importance of these relationships is highlighted in the guidance.

Relationships with other partners should not be limited to evidence gathering to support individual reviews or agenda items. A range of partners are likely to have insights that will prove useful.

- Public sector partners (like the NHS and community safety partners, over which scrutiny has specific legal powers);
- Voluntary sector partners;
- Contractors and commissioning partners (including partners in joint ventures and authority-owned companies);
- In parished areas, town, community and parish councils;
- Neighbouring principal councils (both in two-tier and unitary areas);
- Cross-authority bodies and organisations, such as Local Enterprise Partnerships; and
- Others with a stake and interest in the local area – large local employers, for example.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 52, p22*

2.0.0.3 Scrutiny's stakeholders in combined authorities are likely to be different; these issues are covered in more detail in the section on combined authorities, at 2.4 and 3.11

### 2.1 Managing relationships inside the authority

2.1.0.1 Some of the principal stakeholders for scrutiny inside the authority are as follows. These people's motivations will differ significantly – from role to role and from council to council. Managing these relationships can be challenging – which is why scrutiny needs champions amongst councillors and officers at the very top of the organisation in order to succeed:

- The executive – the senior political leadership of the council set the tone of how successfully scrutiny will be able to work, as we set out in section 1 and set out in section 2.1.1 in more detail below. The executive should act as a champion for scrutiny's work within and outside the organisation. In the case of combined authorities, this set of relationships will be lent additional complexity by the fact that members of the executive (the combined authority cabinet or Board) may come with different expectations and motivations;
- Senior Officer Leadership – the most senior officers need to have a clear sense of scrutiny's role, and the contribution they need to make towards scrutiny's effectiveness. The strength of the “golden triangle” – the relationship between the Head of Paid Service, the Monitoring Officer, and the s151 Officer – is particularly important here;

- Middle management – there will often be surprisingly little awareness or knowledge of scrutiny and its role amongst middle managers (those in tier 2 or tier 3 management roles).
- Backbench councillors generally – not all backbench councillors will be members of scrutiny committees; their motivations and perceptions of scrutiny and its role will differ. Some will possess vital insights about local people’s experience of services delivered by the council and its partners, that scrutiny will need to be able to access and understand. For combined authorities, issues around backbench members will relate to the sustained engagement of scrutiny members and substitutes, bearing in mind in particular the challenges around assuring quoracy under those circumstances;
- Co-optees and others actively involved in the scrutiny process (eg as witnesses) – scrutiny may formally co-opt non-councillors to sit on committees, as discussed at section section 4.2.5.2; in some cases, statutory co-optees must be appointed. Maintaining the engagement of these people – and recognising the unique value they can bring to scrutiny committees, and task and finish groups, is vital;
- The authority’s audit function – guidance from CIPFA used to say that councils’ scrutiny and audit functions should be kept entirely separate. Now, it is understood that close links between the two functions is important – but audit does have a specific, formal role which has to be recognised as distinct from the work of scrutiny. Sharing of information about financial scrutiny and oversight will be important here;
- Area or community forums, where they exist - where councils have area governance structures they will be an important way for scrutiny to listen to and understand the concerns of local people – this is covered in more detail in section 2.3.1 below. While this is likely to be less of a feature for combined authorities, CA scrutiny members will still need to think about how they can assure themselves that they are gathering evidence so as to understand the voice and concerns of the public.

## **2.1.1 Practical issues relating to the executive / scrutiny relationship**

- 2.1.1.1 The guidance suggests that authorities should consider drafting an “executive-scrutiny protocol”. In CfPS’s experience, the value in the production of such a document derives from the conversations that precede its agreement, rather than the document itself. As such there is no simple “off the peg” protocol that authority can assume they can just transpose and apply in their own place, although examples of the potential contents of such a protocol can be found in the guidance at Annex 1.

An executive scrutiny protocol can deal with the practical expectations of scrutiny committee members and the executive, as well as the cultural dynamics. Workshops with scrutiny members, senior officers and Cabinet can be helpful to inform the drafting of a protocol. An external facilitator can help bring an independent perspective.

*Statutory guidance on overview and scrutiny in local and combined authorities, Annex 1, p27*

- 2.1.1.2 There are, however, some common themes and principles. There should be:

- A collective understanding of scrutiny’s role within the council and the area – the specific niche which it fills and the value that it adds through occupation of that niche (see section 3, and the part of the guidance that mentions the need to communicate scrutiny’s role and purpose to the wider authorities (paragraph 11, p10));

- Regular dialogue between scrutiny and the executive – informal and candid, to ensure that both have a clear sense of the other’s work and priorities. Complete frankness may not be possible all the time but should always be the objective;
- Plans in place, owned jointly by scrutiny and the executive, to continuously improve scrutiny, in part by ensuring that the function gets the support and engagement it needs from across the area;
- An understanding that scrutiny is in charge of its own work programme and will occasionally do things with which the executive may disagree;
- An understanding that scrutiny is political, that it is driven by politicians whose political insights are a fundamental part of scrutiny’s work, but is not a place for political point scoring as we mentioned in section 1;
- A relentless focus on impact – both in tightening up scrutiny’s focus and work, and in ensuring that the way that the executive works with scrutiny recognising that impact can only come about with the active support of the executive.

2.1.1.3 The presence of a positive political and organisational culture will not prevent the emergence of difficulties, challenges and tensions about scrutiny and its work. Without such a culture, however, the resolution of these issues will be difficult to resolve.

2.1.1.4 Part of a positive culture is about scrutiny and the executive working together to develop solutions to these issues. Below we summarise some of these issues and some of the possible solutions.

- A feeling that scrutiny is being combative or “meddling” in areas where it is not needed. Members of the executive and senior officers might describe this as scrutiny being “political”, or as members “misbehaving”. Clarity on mutual roles and transparency over the way that the scrutiny work programme is developed and evidenced will help to address this.
- Disagreements about the way in which executive/scrutiny relationships should be managed. We noted the benefits of more informal meetings above, but some may raise concerns about informality, and suggest that transparency demands a different approach. What approach works best will depend on the political culture of the authority concerned, but more informality and more dialogue does not automatically mean worse scrutiny;
- The executive may disagree with the logic that underpins scrutiny’s decisions about what issues will be subject to a scrutiny investigation. This suggests the need for clarity about how decisions about work programming are made, as we will go on to discuss in section 3.2. While the executive should not direct scrutiny’s priorities, scrutiny work will need to reflect at least some of the executive’s priorities in order to ensure that it is adding value.
- There can be disagreements about who attends scrutiny committee meetings, and when. Where invitations are submitted far enough in advance (and where the work programme makes future meeting agendas clear) this should be avoidable, but an unwillingness to attend may suggest more fundamental problems, which should be separately addressed;
- Disagreements about how and when information will be shared. This is discussed in more detail in section 4. In brief, information can be late, or provided in a way that makes it of little value – for example, where it is difficult for members to understand. Conversations about the purpose for which information is being requested will help to clarify scrutiny members’ own requirements as well as to make those requirements clearer to officers.

2.1.1.5 Some of these features are highlighted for particular attention by the guidance in respect of councils led by a directly-elected Mayor (at paragraphs 12-13, p11).

2.1.1.6 Practical issues relating to the relationship between scrutiny/democratic services officers and executive-side officers are covered in section 6 on resources, below.

## **2.1.2 Party politics**

2.1.2.1 Party politics should not express itself through scrutiny. That said, scrutiny is inherently “political” – scrutiny should be looking at high profile issues, issues of local political contention, issues on which people will hold strong views and which will inevitably involve some intersection with party politics.

Inevitably, some committee members will come from the same political party as a member they are scrutinising and might well have a long standing personal, or familial, relationship with them (see paragraph 25).

Scrutiny members should bear in mind, however, that adopting an independent mindset is fundamental to carrying out their work effectively. In practice, this is likely to require scrutiny chairs working proactively to identify any potentially contentious issues and plan how to manage them.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p11*

2.1.2.2 Scrutiny and democratic services officers need unique political awareness to understand and predict potential political flashpoints before they occur, and plan for them. The support of the Monitoring Officer and head of paid service is particularly necessary here – to provide officers with the support they need in what might be a fractious and febrile environment. A positive political culture is one that recognises that an expression of party politics in scrutiny will generally be inappropriate, but that councillors, as politicians, need to use their political skills and experience to carry out their work.

2.1.2.3 More information can be found at section 6.3.4

## **2.2 Managing relationships beyond the authority: professional partners**

2.2.0.1 Relationship management in combined authorities is covered in detail in, ““Overview and scrutiny in combined authorities: a plain English guide” (CfPS, 2017)

2.2.0.2 In order to meet the needs of local people, councils work with a wide range of other organisations. There is no “council” service that is delivered without the involvement of partners in some form; scrutiny needs to understand this partnership dynamic, how the culture and practices of partners affect how the council works, and how lines of accountability between organisations active at local level might need to influence how scrutiny proactively engages with partners.

2.2.0.3 In working with and seeking to influence partners it can be productive to think about how local people experience services, framing scrutiny’s work with reference to those experiences, rather than trying to conduct “scrutiny of partners” as a separate and distinct kind of scrutiny work. This issue is explored more fully in section 2.2.1 below.

2.2.0.4 The motivations and objectives of those beyond the council can be slightly more difficult to discern and act on. Scrutiny lacks formal powers in relation to many partners, which can make engagement challenging. Some of these partners include:

- Trading companies, joint ventures, alternative delivery vehicles – increasingly, councils adopting more commercial and entrepreneurial approaches to service design and delivery are setting up new kinds of structures for that purpose. These might be wholly owned by the council, or together with other public or private sector bodies.

- Partners in these sorts of venture – other councils, or private sector bodies, might be the council’s partners in these sorts of activity. Understanding what drives them and what scrutiny work might add value to their work will be productive. This may however be a challenge – these organisations are likely to have their own accountability and governance systems.
- Commissioned partners – councils may have commissioning frameworks which see elements of service delivery carried out by other partners. Such arrangements are often long term in nature and guided (if not specified in detail) by contract. These arrangements will be subject to a fair degree of internal oversight
- Contracted partners – organisations may contract with the council on a more traditional basis. It is more common now for contracts to have written into them provisions requiring that the contractor respond to scrutiny requests, but early engagement and dialogue will help them to understand scrutiny, its role, and how they can involve themselves in a way that provides them with real benefits
- Statutory partners – bodies like local NHS bodies, community safety partners and a range of other public bodies will work closely with the council to develop and deliver services to local people – we have outlined some of these relationships in section 1 above.
- Neighbouring councils and other scrutineers - we will cover the relationship with other scrutineers in the locality in the section below.

2.2.0.5 The guidance highlights the importance for scrutiny of being able to follow “the council pound”, which has implications for work with contractors, commissioned partners, trading companies, joint ventures and other organisations.

Scrutiny committees will often have a keen interest in “following the council pound” – ie scrutinising organisations that receive public funding to deliver goods and services.

Authorities should recognise the legitimacy of this interest and, where relevant, consider the need to provide assistance to scrutiny members and their support staff to obtain information from organisations the council has contracted to deliver services. In particular, when agreeing contracts with these bodies, authorities should consider whether it would be appropriate to include a requirement for them to supply information to or appear before scrutiny committees.

*Statutory guidance on overview and scrutiny in local and combined authorities, p20*

## **2.2.1 General themes relating to the scrutiny of partners and partnerships**

2.2.1.1 In carrying out scrutiny work that involves partners, it can be tempting to look at individual partners, their duties, and responsibilities, separately. However, as we have noted above, this may not reflect the experiences of local people, or lead to scrutiny that will make a real impact.

2.2.1.2 For example, looking at the specific work of a local charity operating under a service level agreement (SLA) with the council to deliver a range of youth services will frame that subject with reference to the SLA and the perspective of the council in enforcing that agreement’s delivery. Looking instead at the issue from the perspective of young people themselves - following them through the system and identifying the interactions they have with public, private and third sector bodies as they live their lives – helps us to identify the links and, potentially, the gaps between organisations. Scrutiny, as a function of the council benefiting from councillors’ local insights, is uniquely placed to carry out this cross-cutting work.

2.2.1.3 This is really about “mainstreaming” a consideration of partners and partnership into everyday scrutiny work. In some cases, this may provoke scrutiny councillors to rethink how they conceive of scrutiny’s role and focus (as we will discuss in section 3 below). It may also provoke a shift in structures. Some councils have “internal” and “external” scrutiny committees, for examples, which may be considered not especially fit for purpose if scrutiny wants to take a more citizen-focused approach to its work.

**Wirral Council: Children’s Services “Reality Checks”**

(extract from “Scrutiny frontiers”, (CfPS, 2019))

Following the inadequate Ofsted inspection of 2016, we considered possible approaches to gain a better picture of our business. Following this consultation, we developed a programme of Children’s Services ‘Reality Check’ visits. Benefits of the reality checks include improved understanding of services for vulnerable children and families, enhancing engagement with partner organisations and aiding assessment of integrated health and care. The work also aligns with the children’s services improvement plan developed as a result of Ofsted inspection and visits. The approach enables triangulation of evidence from different sources to ensure scrutiny receives a robust and comprehensive picture on which to base their recommendations. [...]

Recommendations made include improving pathway plans to ensure care leavers’ voices are captured. We have addressed concerns regarding re-referral rates to social services, putting in place an action plan monitored through the Committee. We have identified concerns about staff communication and recommended co-location of staff across the borough and this has been implemented across children’s services. Development of staff IT training has been endorsed and encouraged by scrutiny and agile working is now being introduced throughout the Local Authority. All recommendations were fully accepted by all agencies and are shared with the Cabinet Member and Local Safeguarding Children’s Board. [...]

Reality check visits encourage a culture that allows us to gain assurance that children’s services are providing the best outcomes for our children and young people. As recommendations and reports are made in partnership with the services visited, it has evolved into a collaborative approach.

*Cllr Tom Usher, Chair, Children and Families OSC*

2.2.1.4 Partners are likely not to be especially familiar with scrutiny and its work. There may be a degree of resistance to scrutiny; or a willingness to use scrutiny in ways that are unproductive – using scrutiny as an opportunity to “market” issues and solutions to councillors in ways that may cause frustration. Both issues will arise where there is a lack of clarity over scrutiny’s role.

2.2.1.5 A focus on local people will make scrutiny an “easier sell” to those who might otherwise feel that their organisation’s inner workings are about to be subjected to some forensic investigation. In thinking about early interactions with partners, scrutiny councillors will need to consider:

- What exactly are your, and their, expectations? Misunderstandings about what overview and scrutiny is trying to achieve, and what other scrutineers are doing, can hinder the development of positive working relationships.
- What are their own powers and lines of accountability? In hierarchical organisations or sectors (for example, where lines of accountability are seen as ultimately passing upwards to a Government Minister), people may feel that engaging with overview and scrutiny makes a formal commitment to being held to account by local government.

- What are the timing and resource implications for partners in engaging in this way? Some will need to be given not only a justification for engaging but an incentive for doing so – a commitment to improving services in a way that links closely to the other organisation’s priorities.

### 2.2.2 Working with other scrutineers

2.2.2.1 Increasingly, identifying and working with other local scrutineers is an important part of securing an impact beyond the bounds of the authority, as discussed in 2.2.1 above. It is also important because:

- Local government and combined authority scrutiny operates with limited resources (see section 6.3). It is impossible for council scrutiny functions on their own to investigate and have consistent oversight over the services provided to local people;
- Local government business – the business of improving the lives of people in a given geographical area – involves a huge range of different partners, with different operational models and governance arrangements. Such arrangements should involve the sharing of scrutiny, alongside shared decision-making, in the interest of streamlining governance.

2.2.2.2 As we noted above, it is now generally accepted that a shared responsibility exists, across partners and partnerships, for ensuring that local people are being provided with the services they need.

2.2.2.3 Other scrutineers might include:

- Other tiers of government. On some issues, particularly large scale health service reconfigurations, it has become common for joint scrutiny committees to be established. In two-tier areas, links between district and county scrutiny are important – in combined authority areas, links between CA scrutiny (covered below at 2.4) and local authority scrutiny are important to recognise and get right;
- Neighbourhood and area structures established by the authority.
- External regulators and inspectors (Ofsted, Care Quality Commission and information from Ombudsman investigations can be an important source of insight for scrutiny).
- Those involved in providing support and guidance to the sector at national level. The Local Government Association, and membership organisations such as SOLACE and CIPFA, support councils and can provide important insight into local and national challenges. The National Audit Office does not scrutinise individual councils, but it does carry out thematic reviews into value for money in the sector which can present challenges and opportunities for change;
- Local Healthwatch, in respect of local NHS bodies (more detail on the role of Healthwatch in respect of health scrutiny can be found in <https://www.cfps.org.uk/wp-content/uploads/Local-Healthwatchhealth-Roles-relationships-and-adding-value.pdf>);
- Local community groups or advocacy organisations – a range of bodies acting locally may seek to hold the council and its partners to account.
- Local Enterprise Partnerships (LEPs). Although not conventional “scrutiny bodies”, LEP structures provide a mechanism for local business to engage with, and hold to account, a range of partners on action in relation to local growth and local industrial strategies. In areas that have them, this will link closely to the role of combined authorities, as described above;
- Police and Crime Panels and other policing structures (including fire and rescue scrutiny), on which further guidance awaits publication at the time of writing (June 2019).

- Tenant scrutiny; in England, tenant scrutiny panels are part of the “co-regulatory” system of accountability. Tenant scrutiny sits alongside the role of Homes England and the Housing Ombudsman; panels, where they exist, are there to champion the interests of tenants and to hold social landlords to account on their behalf. More information can be obtained from TPAS;
- The press, and local bloggers, also have an important role in holding decision-makers to account – the opportunity to work with journalists should be taken, as well as ensuring that scrutiny is as open as possible with journalists as it carries out its work;

#### 2.2.2.4 Working with other scrutineers could take many forms.

- Informal information sharing. It might prove useful to periodically share information about issues of mutual interest.
- Informal joint work. Two or more sets of scrutineers might identify a common area which deserves further research. Joint background work could be carried out to inform two separate pieces of research, which would have different focuses on account of the different organisations involved, but the pieces of work would be designed to dovetail together
- Formal joint work. Two sets of scrutineers might come together – perhaps as a joint task group, or on a committee onto which people from other scrutiny bodies are co-opted – to carry out an investigation together, leading to a combined report with recommendations for two or more separate organisations.

#### **West Sussex:** joint scrutiny arrangements

Arun, Chichester, Horsham and Mid Sussex District Councils, Crawley Borough Council and West Sussex County Council (WSCC) agreed in 2010/2011 to establish trial joint scrutiny arrangements, to enable them to work together on specific scrutiny projects. After a review in late 2012 it was agreed to make Joint Scrutiny a permanent arrangement. Worthing Borough and Adur District Councils decided not to take part in the formal arrangements at that stage but joined the group in November 2014. A Joint Scrutiny Steering Group oversees the arrangements and is made up of the Overview and Scrutiny Committee Chairmen of the participating councils. This Steering Group has met six times. The Group has also shared information and sought comments via virtual means.

Joint scrutiny in West Sussex has involved task and finish groups being carried out on a range of topics including housing arrangements for care leavers and community legal services. The standing joint arrangements make it possible to identify and carry out work of mutual interest but do not result in a resource intensive approach; the steering group has met physically only six times since the establishment of the arrangements.

2.2.2.5 Timing is critically important. Other scrutineers will need to be engaged early on, when a piece of work is being planned. Plenty of time will need to be given to ensure that they can secure clearance to work with you. Once you have started to develop a relationship, pursuing other pieces of work in the future is likely to be more straightforward. It may be that your relationship is such that you will develop some kind of informal agreement or protocol to define how you will work together in the future.

## **2.3 Managing relationships beyond the authority: the public**

2.3.0.1 At combined authority level, the strategic nature of the CA’s work may suggest that there is less of a need to work with the public; this may not be the case, and some of the opportunities for public facing work can be found in “Overview and scrutiny in combined authorities: a plain English guide” (CfPS, 2017)

2.3.0.2 At a more local level, the public are vital partners in scrutiny work. Public involvement goes beyond “consultation” or “engagement” in particular scrutiny reviews. Such traditional consultation is often framed in a way that meets members’ needs or the council’s needs, and may not provide the kind of insight and perspective that comes of giving local people a more meaningful role in the scrutiny process. Public input into scrutiny should be awkward and challenging for professionals and councillors alike – it should challenge our assumptions about how services are delivered on the ground, and about how people experience their lives in the communities we serve.

2.3.0.3 “The public” are not a single group; geographically and by topic, local people will organise themselves in a range of different ways. Broadly speaking, some of the key groups will include the following. These groups will all overlap:

- Local people as citizens with a stake in local democracy. In carrying out scrutiny work it is important to remember that we should not think of local people just as “service users”, or “customers” of the council – people who pay their council tax and get a service in return. The relationship is much more complex than that, and it starts with the public’s role as citizens and their rights to challenge the council and its partners to understand and meet their needs better;
- Local people as they experience “universal services”. Visible, universal services – councils’ environmental services and infrastructure responsibilities for the most part – may provoke people to organise on geographical lines, in neighbourhoods, communities and wards;
- Local people as they experience support provided to meet their specific needs. Less universally visible services, like children’s services and adult social care, will see their users engage with the council in different ways – through advocacy and support groups and potentially through the local third sector.

2.3.0.4 The presence of borough-wide, or area-specific, community and advocacy groups will make a difference to the way that scrutiny engages with civil society on a local level. It is probably not productive for scrutiny to try to “map” the various local pressure groups and organisations but having an understanding of the key individuals, groups and relationships will be important as scrutiny begins to consider topics and how they will intersect with the interests of local people.

### **2.3.1 Giving the public a stake in the scrutiny process**

2.3.1.1 In a way, asking how to engage the public in scrutiny’s work is the wrong question. Meaningful public engagement starts with ensuring that the public has a clear stake in scrutiny and its work programme, and that there is a transparent opportunity for the public to use a variety of means to influence that work programme. This form of engagement will make engaging the public in individual reviews easier. Promoting scrutiny’s role to the wider public is an important duty which is covered in the guidance in some detail.

Authorities should ensure scrutiny has a profile in the wider community. Consideration should be given to how and when to engage the authority's communications officers, and any other relevant channels, to understand how to get that message across. This will usually require engagement early on in the work programming process.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p11*

It is likely that formal "consultation" with the public on the scrutiny work programme will be ineffective. Asking individual scrutiny member to have conversations with individuals and groups in their own local areas can work better. Insight gained from the public through individual pieces of scrutiny work can be fed back into the work programming process. Listening to and participating in conversations in places where local people come together, including in online forums, can help authorities engage people on their own terms and yield more positive results.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 53, p21*

- 2.3.1.2 Many councils formally, or informally, consult local people on the content of scrutiny's annual work programme, where such a work programme exists.
- 2.3.1.3 The outcomes of these exercises can vary. Talking to local people "about scrutiny" is often difficult – public understanding of how the scrutiny function operates is low to non-existent, and alternative approaches might be better. Some councils have found success by announcing that councillors want to understand what is important to local people, in order to think of ways to improve services based on their input – essentially, providing an explanation of scrutiny without any of the jargon.
- 2.3.1.4 By and large, however, public feedback from those not currently involved in scrutiny is likely to be low from these broad-brush attempts at engagement. Scrutiny officers, and members themselves, are likely to have little time to try to design the traditional kinds of public engagement exercises that might be thought necessary to make them work (exercises which, in fact, tend to have poor results anyway).
- 2.3.1.5 Local online discussion forums and blogs – and Facebook groups – can provide a useful place to engage in snapshot-style discussions with local people on issues that interest them – although councillors will of course be aware of the risks and shortcomings of engaging in this way, which can act as a lightning rod for people's personal concerns and complaints.
- 2.3.1.6 Of course, most important is the need to just listen. There will be plenty of discussions happening at local level amongst local people and within local groups about important issues. Listening to and understanding these conversations in the spaces they are happening is much easier now that they are more likely to be happening online but should not preclude physically getting out to where conversation is happening within and amongst local groups and organisations. Councillors will have direct conversations with local people about these needs – these should be fed in too.
- 2.3.1.7 When these views, opinions and experiences are drawn together, reflection and self-discipline will need to be exercised by councillors to determine which reflect pressing, genuine concerns, and which may not. This is not about focusing on the demands of the loudest people, but it is also about recognising that noisy members of the public whose behaviour and activities may exasperate councillors and council officers may have extremely good reasons for their campaigning, and deserve to be listened to and have action taken through scrutiny.

## **Devon:** work programming

Co-ordination of the activities of Scrutiny Committees is undertaken by the Chairmen and Vice-Chairmen of Scrutiny Committees to avoid duplication of effort and to ensure that the resources of the Council are best directed to support the work of Scrutiny Committees. Before an issue is added to the work programme Members consider:

- Whether the issue is in the public interest
- Is there a change to National Policy?
- Does it affect people across Devon?
- Are there performance concerns?
- Is it a safety issue?
- Can scrutiny add value by looking at it?
- Is it ACTIVE ?

## Tower Hamlets: review of scrutiny

As part of a wider review of scrutiny (see <https://democracy.towerhamlets.gov.uk/mgConvert2PDF.aspx?ID=128813>) the London Borough of Tower Hamlets has adopted a new approach to work programming, which follows the following stages:

- Mapping legislative and constitutional requirements;
- Horizon scanning by directorate (performance reports, inspections, risks);
- Reviewing issues identified by residents (complaints, member enquiries, FOI);
- Review of work programme from last year and any ongoing areas;
- Consult with scrutiny committee members, officers, partners and local residents;
- Prioritisations;
- Division of priorities between committees;
- Draft work programme agreed.

2.3.1.8 The important things to note – not only in the use of evidence for work programming but in the use of public views more generally – are that:

- No one source of evidence will provide a definitive picture of the issues likely to be important to local people;
- A “good enough” approach should be taken to the way that scrutiny seeks to collect public views – you will never achieve perfection, and it is better to have a partial picture (while recognising where flaws and gaps exist) than doing nothing at all;
- Conversations are often a better source of detailed information than lots of numerical data.

2.3.1.9 The section below on work programming provides broader context on how public views form a part of a wider programming process. The section on evidence-gathering provides more information on public engagement in individual scrutiny reviews.

## **2.3.2 Scrutiny's public visibility**

- 2.3.2.1 Scrutiny is outward facing – an important strategic function of the council. Scrutineers should work closely with those involved in communications – another important strategic function – to think about how scrutiny's work can engage a wider audience in order to achieve the agreed objective and outcome.
- 2.3.2.2 Part of this is about ensuring that the basics are met – fundamentally all communication activity needs a clear objective and clarity around what outcome you are trying to achieve. Seeking to improve the profile of scrutiny for the sake of it will not work or justify the time spent.
- 2.3.2.3 Scrutiny needs a web presence (on the council's website) which articulates clearly scrutiny's role (see section 3) and links to evidence of scrutiny's recent impact. Committee papers should be available and easily searchable. Scrutiny – and scrutiny councillors – ought to have a social media presence (on which platforms will depend on the area and the council's broader corporate policies). We know that some councils have attempted to prevent scrutiny from social media activity; in our view such action is inappropriate as scrutiny has a need of an independent way of expressing itself to the wider public. Overall, scrutiny might wish to have a communications plan – setting out specific points in the year, in relation to specific issues or topics, where public outreach might be necessary, and thinking about how these can be organised. Communications, here, is not about just broadcasting what scrutiny is doing to a passive audience – it is about opening up opportunities for dialogue with the local community to hear their views and insights on specific issues.

## **2.4 Stakeholders for combined authority scrutiny**

- 2.4.0.1 A very different set of stakeholders operate at regional, combined authority level.
- The Mayor. The Mayoral/scrutiny relationship is particularly important; the guidance mentions the importance of effective scrutiny in Mayoral systems. The Mayor has broad power given their direct election and powers conferred by the bespoke Orders establishing CAs; scrutiny's role is both to support and challenge the exercise of this power;
  - CA Boards. Made up of leaders of constituent authorities, the CA Board may, in different places, play both an executive and a scrutiny role – holding the Mayor to account but working closely with that person to deliver collective priorities;
  - The LEP. For many CA areas, the LEP will be a functional arm of the CA itself, although in areas where more than one LEP area currently overlaps with the CA, this will not be the case;
  - The wider business community, who will engage both through the LEP and directly with the CA;
  - Constituent and non-constituent councils. All local bodies (and some outside of the CA's functional area) will be impacted by CA decision-making. CA scrutiny can work with local authority to investigate these issues in more detail;
  - The CA's officer corps. The CEO of the CA, and other senior officers, are important stakeholders – particularly as most CAs' officer corps is far smaller than that of most local authorities.
- 2.4.0.2 All combined authorities are different in governance terms, because of their bespoke devolution deals. This leads to differences in the identity of key stakeholders. For example, for most but not all CAs, transport providers will be a central partner; in some cases, policing and health partners will also be key stakeholders.
- 2.4.0.3 CfPS research has suggested that “local public accounts committees” could evolve from the current CA scrutiny model, reviewing and holding to account public spend across a whole

place. The CA geography has been suggested as a good one for this.

2.4.0.4 More information on combined authority scrutiny can be found at ““Overview and scrutiny in combined authorities: a plain English guide” (CfPS, 2017)

## 3. Role and priority

3.0.0.1 The role of scrutiny needs to be clarified and understood by scrutiny’s stakeholders.

Authorities should take steps to ensure scrutiny has a clear role and focus within the organisation – ie, a niche within which it can clearly demonstrate it adds value. Therefore, prioritisation is necessary to ensure the scrutiny function concentrates on delivering work that is of genuine value and relevance to the work of the wider authority – this is one of the most challenging parts of scrutiny, and a critical element to get right if it is to be recognised as a strategic function of the authority.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p8*

3.0.0.2 The guidance highlights the importance of role and focus. Many councils have sought to adopt different approaches to clarifying their role.

### **Devon:** local government reorganisation

The Bournemouth, Christchurch and Poole Council, when in shadow form, needed to establish and operate a scrutiny function in preparation for the vesting of the new authority in May 2019.

The challenge of this process was to ensure that members of the shadow authority could effectively transact their role while scrutiny in the predecessor authorities continued.

Members decided to use the concept of risk as a “lens” through which to review and evaluate potential topics for the work programme. Doing so ensured that scrutiny retained focus, and that members were directed towards the kind of strategic issues which were critical to the establishment of strong, effective corporate systems in the shadow authority as vesting day approached.

### 3.1 Scrutiny’s role overall

3.1.0.1 Clarifying what scrutiny “does” is difficult but necessary. It is difficult because it presents a significant cultural shift away from the approach that many councils have taken historically – that scrutiny exists to carry out a generalised oversight of the council and its partners, and that trying to do anything “less” would involve key issues falling between the gaps. Research published by CfPS and APSE in 2017 expands on this issue.

3.1.0.2 Resource constraints being what they are, an attempt to keep a general watching brief over everything in the local area is impossible. Not only that, adopting such vagueness for scrutiny’s role increases the risk that scrutiny will duplicate the work done by others – by audit, by contract managers, by council directors, by partners, by the press and by others.

3.1.0.3 Instead, it is more productive for scrutiny to attempt to adopt a primary area of focus. This

role may be different from council to council – it will depend on the council’s culture and its priorities.

- 3.1.0.4 We do not suggest that councils have an area of focus in a substantive sense (for example, that councils should focus on, say, children’s services at the exclusion of other topics) – more that role be used as a “lens” through which scrutiny can focus its work on what can add most value (as demonstrated by the Devon example given above).

Scrutiny works best when it has a clear role and function. This provides focus and direction. While scrutiny has the power to look at anything which affects “the area or the area’s inhabitants”, authorities will often find it difficult to support a scrutiny function that carried out generalised oversight across the wide range of issues experienced by local people, particularly in the context of partnership working [..]

Different overall roles could include having a focus on risk, the authority’s finances, or on the way the authority works with its partners.

Applying this focus does not mean that certain subjects are off limits.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 49-51, p21*

- 3.1.0.5 Scrutiny often ties in with decision making and to the development of major policies by the council. This makes sense, because it is only by influencing those policies that scrutiny will have an impact on the business of the council.
- 3.1.0.6 This section on these different forms of scrutiny focuses on the council, but as we have already noted scrutiny will want to have an impact across the wider area, and this will influence how it engages with the council’s partners. Work programming is the way in which scrutiny members can reflectively decide on the relative priority of opportunities that present themselves, and the way in which they can decide on the timing of that scrutiny. This work all needs to be supported by a robust approach to the accessing and use of information, and by a clear understanding of the research methods available to scrutiny to carry out its work.

### **3.1.1 Scrutiny’s role in Combined Authorities**

- 3.1.1.1 Combined Authorities (CA) have particular roles to perform – roles which are potentially very different to how scrutiny operates in local government.
- 3.1.1.2 CAs are primarily strategic entities. They are systems integrators, working with a range of partners with long term goals in mind. CA’s functions are currently focused on transport, infrastructure, investments and economic development. Potentially (like Greater Manchester) they have a developing focus on a far wider range of issues such as health and social care. These are all strategic issues where decisions have lead times which may be decades-long. Projects are likely to be especially complex, and governance reflects this.
- 3.1.1.3 Some CAs also, however, have highly operational roles – particularly in respect of transport provision.
- 3.1.1.4 This presents a real challenge, as it demands that councillors sitting on CA scrutiny committees conceive of different ways of working at CA to those with which they will be familiar locally, in a way that takes account of this mix of strategic and operational roles. For example, while it fits within the CA’s duties, a scrutiny function that preoccupied itself with the positional of local bus stops would not be especially effective from a strategic point of view.

- 3.1.1.5 CfPS research has demonstrated that by and large CAs have struggled to come to terms with this very different role for scrutiny (<https://www.cfps.org.uk/wp-content/uploads/2018-01-05-ca-scrutiny-report.pdf>). We have in the past (<https://www.cfps.org.uk/wp-content/uploads/Overview-and-scrutiny-in-combined-authorities-a-plain-english-guide.pdf>) said that scrutiny in combined authorities should be seen as “light touch”, reflecting the generally strategic nature of combined authority and the limited approach to governance that accompanies it. This is however not to say that combined authority scrutiny should not be forensic and robust; it is more a reflection of the strategic, rather than operational, nature of the issues that scrutiny will be looking at. This demands bringing a different kind of focus and approach to CA scrutiny.
- 3.1.1.6 A model of scrutiny which sees councillors coming together periodically to undertake “traditional” scrutiny – working through multiple reports in a meeting – is likely to be unfit for purpose in these circumstances.

## **3.2 Work programming**

- 3.2.0.1 This section is particularly focused on the needs of local councils; more detailed information on work programming in CAs can be found at, ““Overview and scrutiny in combined authorities: a plain English guide” (CfPS, 2017). There is significant overlap in the core principles but also some key differences, reflecting scrutiny’s strategic role in those authorities.
- 3.2.0.2 Effective work programming is the bedrock of an effective scrutiny function. Done well it can help lay the foundations for targeted, incisive and timely work on issues of local importance, where scrutiny can add value. Done badly, scrutiny can end up wasting time and resources on issues where the impact of any work done is likely to be minimal.
- 3.2.0.3 Once scrutiny’s role is agreed, it becomes easier to decide what specific topics should be prioritised. Councils have a range of ways to set their work programme. In councils with multiple scrutiny committees, the individual committees might have separate work programmes, or there may be a single one for the whole function. Where multiple work programmes exist, it is necessary that they be co-ordinated to avoid duplication and imposing too great a burden on reporting officers.
- 3.2.0.3 Councils may adopt rolling work programmes, might prefer the predictability of an annual programme, or may have programmes that run across the entire electoral cycle.
- 3.2.0.4 The most common approach is to have an annual work programme but with enough flexibility to account for some shifts in priority and topic over the course of the year. It is best to consider work programming as a continuing exercise rather than a stop-start one.
- 3.2.0.5 A range of voices need to be heard and listened to as scrutiny plans its work. The stakeholders mentioned in section 2 are likely to have useful insights; the council’s executive, in particular, needs to be kept involved. In a wider sense a range of other communication requirements need to be borne in mind:
- Discussion and dialogue, informally, as the work programme is put together. Where councils have an annual scrutiny work programme (for the whole function, or for individual committees), these discussions can happen in January or February. They will involve officers, and members of the executive, informing scrutiny councillors and officers of interested and relevant forthcoming work where scrutiny might be able to add value, and may offer a useful sounding board for both the executive and scrutiny in considering where scrutiny’s resources might be focused.

- Ensuring that information about current and prospective decisions is shared in a timely manner by the executive, meaning that scrutiny can build these plans into its work programme as necessary;
- Ongoing discussions around performance and finance issues which crop up in-year. This is covered in more detail in section 4.1.1.

3.2.0.6 This approach is predicated on having a work programme whose key elements are set in advance, but where the flexibility exists to add (and remove) items as needs demand.

3.2.0.7 Local authority governance expert Dr Dave McKenna has set out one approach to work programming which we have adopted here (with amendments). It has several elements:

- Information gathering / discovery (3.21 below)
- Prioritisation (3.22 below)
- Matching activities to topics (3.2.3 below)

3.2.0.8 Ongoing review of the work programme, as it delivered, is important to ensure its continued relevance.

### **3.2.1 Information gathering / discovery**

3.2.1.1 In the section on engagement with the public we highlighted the role that local people can play in having a stake in the scrutiny process through active involvement in work programming.

3.2.1.2 Public views will go alongside a range of other sources of information to allow members to make an informed choice about what to look at. In reality, this means that scrutiny is likely to need to have a range of sources of information which it will periodically review. This is not the same as scrutiny trying to maintain a watching brief over everything – it is about knowing what information to access in order to know enough to understand on which issues scrutiny’s focus is most needed.

3.2.1.3 These sources of information will differ from council to council but are likely to include some of the documentation to which we make reference in section 4.1.1.1. Councillors might want to select some key sources of information – from the council and elsewhere – and resolve that they will review it every quarter to give themselves the assurance that scrutiny is looking at the right issues, and in the right way. The use of a “digest” of information can help to ensure that the sheer quantity of information that councillors *could* look at is more manageable.

Scrutiny members should have access to a regularly available source of key information about the management of the authority – particularly on performance management and risk. Where this information exists, and scrutiny members are given support to understand it, the potential for what officers might consider unfocused and unproductive requests is reduced as members will be able to frame their requests from a more informed position.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 40, p18*

3.2.1.4 We cover the use of information digests in more detail in section 4.1.1.

3.2.1.5 Effective information gathering needs to be complemented by members’, and officers’, ability to effectively and independently review information when they have it. Skills and capabilities are important here – as the guidance says, and as we go on to expand in section 6.2.1.

### **3.2.2 Prioritisation**

- 3.2.2.1 With a range of information at its disposal, scrutiny has to decide how to direct its time most effectively. Critical here is the ability to reflect back on the overall role of scrutiny; topics naturally need to be framed in a way that relates closely to that role.
- 3.2.2.2 Beyond this, there are a variety of methods to manage prioritisation. Some councils use rigorous scoring systems and other forms of criteria – in part to make the process transparent and accountable. In others, councillors give themselves much more discretion to use their subjective judgement to decide on the relative priority of topics.
- 3.2.2.3 There is no single correct approach. With clarity of role, councillors are likely to find the task of prioritisation easier. That said, the prioritisation of work will mean that – by definition – some (councillors and officers alike) will find that topics they may wish to promote cannot be delivered.
- 3.2.2.4 There is a natural urge to find “ways around” this – by merging topics, or by prioritising loosely. Councils and councillors are likely to find that they need to resist these urges, so as to ensure that scrutiny can stay focused.
- 3.2.2.5 There are two other important factors in prioritisation:
- Methods – the various tools and methods that scrutiny can employ to carry out its work. Choices here can influence prioritisation (and vice versa);
  - Timing – again, the right moment for scrutiny will differ from subject to subject, and will depend on the topic.
- 3.2.2.6 An effective scrutiny work programme is likely to incorporate a range of methods and timings. Both factors are likely to influence the relative priority of a given topic.

#### **Members’ rights to place items on the agenda**

- 3.2.2.7 Most councils’ constitutions protect the right of any member to place an item on a scrutiny committee agenda. In practice, this has to be mediated with reference to the work programme and the best use of committee resources. Democratic services officers will be best placed to speak to councillors about particular issues that they wish to place on agendas and work programmes, and to suggest the best ways of ensuring that those matters can be dealt with productively. It is, however, right that occasions will arise when the urgency or importance of a particular item brought to the committee’s attention by one of its members will justify its inclusion.

#### **The Councillor Call for Action (CCfA)**

- 3.2.2.8 CCfA was introduced by legislation in 2007, with the intention of providing a mechanism for councillors to raise issues of importance to local people at a scrutiny committee, with a view to ensuring that these issues could be resolved.
- 3.2.2.9 Legislative provisions relating to CCfA remain in force and all councils have procedures and protocols in their standing orders defining its use. The Improvement and Development Agency (IDeA) published “best practice guidance” on CCfA in 2009; CfPS published a review of the operation of CCfA in autumn of that year which concluded that its use had been fairly minimal; since then it has continued to reduce in importance and can now be considered fairly peripheral. Other methods exist for scrutiny to understand a pressing local issue and bring local people, officers, members and partners round a table to resolve it.

### 3.2.3 Methods

3.2.3.1 Structurally speaking there are several ways to investigate a topic, some of which are explored in the guidance. These include a variety of different approaches to “scrutiny reviews”, or “task and finish” reviews. These are more informal approaches to scrutiny, which involve a small group of councillors being commissioned by a formal committee to go and investigate a topic in detail, before reporting back with recommendations.

- By way of an agenda item at an ordinary committee meeting.
- By way of a “single issue” committee meeting. The opportunity might exist to call a range of witnesses, to hear from the public or to take and consider a wider range of evidence, with this all happening in the traditional environment of a formal scrutiny committee meeting. In some places these are known as “challenge panels”.
- By way of a single issue meeting of another type. Members may find that the formality and structure of a typical committee meeting may not always be appropriate. A single issue meeting of another type allows for more meaningful public input, debate and discussion.
- By way of a short scrutiny review. A short, sharp review might take a few weeks, with members meeting two or three times over that period. It might be possible to transact such a review between the meetings of a formal committee (so, one meeting involves a review being commissioned, and the next sees the report of that review group coming back to committee for approval).
- By way of a more traditional, longer scrutiny review. Less common now are longer term, more detailed scrutiny reviews. These might take a few months;
- By way of a standing panel or (notionally) time-limited committee. When scrutiny is shadowing long-term working (for example, a major NHS reconfiguration) setting up a more open-ended arrangement may be appropriate.

3.2.3.1 We cover research methods in more detail in the section on scoping, below.

### 3.3 Timing: pre-decision scrutiny

3.3.0.1 Pre-decision scrutiny is where an authority’s overview and scrutiny function looks at a planned decision before it is made by the executive. It is often seen as a contrast with post-decision scrutiny through the council’s call-in arrangements, whereby the implementation of Executive decisions can be delayed.

3.3.0.2 Looking at decisions before they are made provides an important means to influence those decisions, and to improve them. It gives scrutineers an opportunity to challenge assumptions that may have been made as the decision was developed; it also gives them the chance to consider how decision-makers have considered what risks might arise from the implementation of the decision, and how those risks might be mitigated.

3.3.0.3 This can happen in two ways – shortly before a decision is made by the executive, usually two or three weeks before, or looking at a planned decision several months before it goes to the executive. Whatever the timing, the most important factor is to ensure that scrutiny is able to truly influence a decision and not just act as a rubber stamp, or carry out work that does not feed in to the decisions itself in an especially effective way.

#### 3.3.1 Pre-decision scrutiny immediately before a decision is made

3.3.1.1 This is scrutiny undertaken two or three weeks before the decision is made by the executive or by an executive member. It is usually, but not always, based on the publication of the Forward Plan. This form of pre-decision scrutiny does not tend to be a feature of combined authorities, where the infrequency of committee meetings makes it unattractive.

**Northampton:** pre-decision scrutiny

The Leader and relevant Portfolio Holders attend the Overview and Scrutiny Committee to outline his aims and objectives for the year and issues likely to be in the Forward Plan.

From this the Overview and Scrutiny Committee considers areas where Overview and Scrutiny will contribute. The Overview and Scrutiny Officer includes any additional Forward Plan items, not considered by the above process, on the agenda of the Overview and Scrutiny Committee. The Overview and Scrutiny Committee determines which items it would like an input into, based on strategic impact, relevance to the Committee's work programme, public interest and/or financial implications, and Overview and Scrutiny Officer, on behalf of the Chair, advises the relevant Director of the Overview and Scrutiny Committee's request for predecision Scrutiny.

The Director will consider the request, in particular in respect of timings and will then provide a response to the Chair. The request for pre-decision Scrutiny also requires the agreement of the Leader and relevant Portfolio Holder.

The Director and Portfolio Holder will attend the meeting to discuss the issue and set out the nature of the matter under consideration, the key issues identified, any constraints, timescale for a decision, intended impact and a summary of progress to date.

The Overview and Scrutiny Committee discusses the issue and identifies any points it would like addressed in the final report. These are minuted. If necessary, and timescales allow, a further report may be requested by the Overview and Scrutiny Committee.

The report author drafts the final report for Cabinet, clearly identifying points raised by the Overview and Scrutiny Committee and demonstrating how they have been addressed. This will clearly demonstrate how Overview and Scrutiny is contributing to better cross-party decision-making. The Overview and Scrutiny Committee would not usually have an input at this stage, although they would retain the right to call-in the decision after it had been made.

Where it was felt appropriate for the Overview and Scrutiny Committee to consider a draft final report for Cabinet, it must be approved for release by the relevant Corporate Director, the Leader and the relevant Portfolio Holder, before submission to the Overview and Scrutiny Committee. The final report is submitted to Cabinet.

3.3.1.2 Under this approach, decisions might be brought to scrutiny as drafts of the final executive report; members will ask questions of the officers responsible (and Executive member) and make suggestions as necessary. Where scrutiny meetings convene less frequently than the executive (and particularly where some decisions may be more operational in nature) not every item on the Forward Plan may come to a committee for pre-scrutiny (and there is usually some filtering system which may reflect some of what we have to say about work programming in section 3.2).

3.3.1.3 This form of pre-decision scrutiny is particularly common in councils which operate "hybrid" governance arrangements. In these instances, key decisions are submitted to scrutiny committees (although under these arrangements they might have different names). The committee makes a recommendation to the executive, or to individual members of the

executive, that the decision should be approved (or not). This recommendation is basically rubber-stamped by the executive.

- 3.3.1.4 Pre-decision scrutiny carried out immediately before a decision is made will demand a different approach – perhaps focused on a hearing at a committee meeting which asks key questions around the decision’s implementation, risks and measures of success – the last of these is likely to be particularly important for post-decision scrutiny, as we set out in section 3.4.1.1.
- 3.3.1.5 For these meetings, questions which delve into the fundamentals of the decision and which bring up radically different options to those which are being proposed are unlikely to be useful or productive. Scrutiny, when making these recommendations, can find itself ignored – potentially precipitating a later call-in. These kinds of debates lend themselves far better to the longer-term work we’ve described above.
- 3.3.1.6 Pre-decision arrangements based on the Forward Plan rely on the accuracy and quality of that Plan to work properly.

### **3.3.2 Pre-decision scrutiny some time before the decision.**

Ensuring early and regular engagement between the executive and scrutiny – authorities should ensure early and regular discussion takes place between scrutiny and the executive, especially regarding the latter’s future work programme.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p9*

- 3.3.2.2 For example, a scrutiny chair may be aware that the authority plans, in nine months, to agree a new housing strategy or review a partnership or contract arrangement which is due for renewal in the near future. He or she can plan the committee’s work programme to look at some or all of the key elements of that strategy as they are being considered – key pieces of evidence (such as proposed housing targets), emerging priorities (dealing with shortages in social housing), financial implications (budgets to be spent on maintenance) and the extent to which the authority is engaging with key stakeholders (by speaking to tenants and leaseholders). It is important to ensure that this work aligns with the work being undertaken by the executive in developing the final decision. This is the only way that you can be sure that the work will ultimately have value.
- 3.3.2.3 This kind of scrutiny may well be in-depth. To be carried out properly it will need more time and resources to be allocated to it. As such, it may make sense to reserve its use to major decisions and significant strategic matters. It will also require a commitment to openness by the executive, along the lines we set out in section 2.1.1.
- 3.3.2.4 There are several tangible benefits to this form of scrutiny:
- Challenging assumptions and making evidence-gathering more robust. Scrutiny can gather its own evidence to contribute towards the decision-making process, and can triangulate evidence being used by the council against that held by other partners and stakeholders. It can consult those directly affected by the decision impartially and independently. It can look at projections relating to the impact of the decision – financial, social, economic, environmental – and consider whether those projections and assumptions are justified.
  - Developing realistic plans and targets. Several months before a decision is made, the ultimate outcome – in terms of substantive targets – will probably not have been finalised. Scrutiny can

help to impartially develop challenging but realistic target that will be focused on outcomes rather the outputs, and which will be more difficult to “game”.

- Securing ownership and buy-in to the final decision. Engaging with scrutiny will help the executive to understand the expectations of the wider group of elected members and, by extension, the public (see below). This should ensure that the final decision takes account of such expectations and may reduce the risk of call-in or political disagreements which will hinder the decision’s ultimate implementation.
- Engaging with and satisfying the public. Around the country scrutiny has, in recent years, significantly enhanced its capabilities in engaging with the public. This expertise can be brought to bear in helping the council to understand local needs, with this engagement being led by councillors who approach this discussion with no vested interest or stake in the final decision.

3.3.2.5 The amount of time devoted to the work will depend on the extent to which it is considered to be a priority by scrutiny councillors. The usual principles around adding value, ensuring impact, prioritisation and work programming will apply.

3.3.2.6 In all other respects, pre-decision scrutiny should not differ from other kinds of scrutiny investigations.

### **3.4 Timing: post-decision scrutiny**

3.4.0.1 There are two obvious forms of post-decision scrutiny – call-in (where a decision which has been made, but which has not yet been implemented, has that implementation delayed) and post-decision review of performance and finance information, which might take place six months or a year after a decision is made.

#### **3.4.1 Post-decision review**

- 3.4.1.1 The post-decision review of how a decision has been implemented forms part of the way that scrutiny more generally reviews and oversees services and support offered to local people.
- 3.4.1.2 Some of this will be expressed through review of performance, finance and other management information. Comparison with the set objectives and expected outcomes of a decision will give a sense of whether those objectives were realistic and whether a decision was “successful”.
- 3.4.1.3 This requires that decisions, and council objectives, should have some defined measures of success. Ensuring that this happens – that officers and members of the executive clearly understand the impact that decisions and changes in policy will have – can form an element of the pre-decision scrutiny processes that we describe above in section 3.3.
- 3.4.1.4 Because of the volume of key decisions being made and implemented, scrutiny will need to exercise discrimination in how it carries out this kind of post-decision review. It is likely that the same kind of escalation methods that we describe elsewhere can be applied here.

#### **3.4.2 Call-in**

- 3.4.2.1 Call-in provides a mechanism for councillors to intervene when they feel that a decision being made by the executive needs to be revisited (or possibly changed). It should, however, be regarded as a measure that is only needed in exceptional circumstances, rather than day-to-day. It sits in the context of a range of other tools at scrutiny’s disposal to influence decision-making.
- 3.4.2.2 The law says that scrutiny has a power to review or scrutinise decisions made but not implemented by the executive, which includes a power to recommend that the decision be

reconsidered by the person who made it. Statutory guidance exists to govern how councils carry out call-in work.

3.4.2.3 Generally only “key decisions” made by the authority are subject to call-in, although councils may decide in their constitutions to expand the scope of their call-in powers to allow other decisions to be scrutinised. Key decisions will for the most part be decisions made by members of the executive as individuals (where a power for individual members of the executive to make decisions is delegated from the the executive) or by the executive as a whole. However, guidance states that “it may be appropriate for key decisions made by officers to be subject to individual call-in”.

Scrutiny committees do have the power to ‘call in’ decisions, i.e. ask the executive to reconsider them before they are implemented, but should not view it as a substitute for early involvement in the decision-making process or as a party-political tool.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p10*

3.4.2.4 The current definition for key decisions derives, in England, from legislation. Councils have used this to derive their own local definitions. Generally speaking, this will consist of:

- A financial threshold – so decisions with financial implications over £100,000, £200,000 or £500,000 might be key decisions, for example;
- A geographic threshold – so key decisions must affect two or more wards.

3.4.2.5 Key decisions must be notified publicly. Since 2012, councils in England have been obliged to give 28 days notice of planned key decisions (with provision for a shorter timescale in the case of urgency). This notice is usually provided by way of a “schedule of key decisions”, sometimes referred to as a Forward Plan.

### Who can exercise call-in powers?

3.4.2.6 Different councils have established a range of requirements for a call-in to be valid.

- **Eden:** a decision may be called in by three members of the council in respect of an executive decision;
- Kingston: a committee system authority which has a system of “community call in” whereby 100 “interested” people (an interested person being someone who lives, works or studies in the borough) or 9 councillors can call a decision in: <https://moderngov.kingston.gov.uk/mgCommitteeDetails.aspx?ID=347>;
- Southwark: a decision may be called in by three members of the overview and scrutiny committee: <http://moderngov.southwark.gov.uk/documents/s53426/Call-in%20Procedure.pdf>

3.4.2.7 In some authorities, the requirements on who can and cannot exercise a call-in acts as a “de facto” bar to call-in being exercised at all. For example, a council’s constitution may require that three councillors on a given committee must request a call-in where the maximum number of opposition councillors on any committee is two, or may require that the chair of a committee “sign off” a call-in request, when all of those chairs are members of the majority party.

### **How does the process work?**

3.4.2.8 The call-in process differs from authority to authority, but generally follows the following form:

- Members and the public are notified of the planned decision 28 days before it is made;
- The decision is submitted to the decision-maker; this submission, made by an officer, is sometimes placed on public deposit at this point;
- The decision is made by the decision-maker, who in the case of an executive decision may be a Cabinet member or the whole Executive;
- Notification is sent to the chair of the relevant overview and scrutiny committee (and sometimes to a wider group of members) that the decision has been made, usually within two days of the decision being made, advising of the timescale for the exercise of the call-in powers. There are usually five clear working days between the notification and the implementation of the decision. The implementation of the decision is essentially automatic, and no further notification needs to be given before it goes into effect;
- A request for a call-in is made, in accordance with the council’s local rules of procedure. The Monitoring Officer may determine that a request is invalid – for example if it does not have the correct number of signatures;
- If a valid request for a call-in is received, a meeting of the relevant overview and scrutiny committee is convened. There is usually a time limit for this;
- The meeting takes place. The committee takes evidence and decides on what action to take. They may agree that the decision may be implemented, or they may recommend that it be changed, or that it be withdrawn entirely;
- The executive responds. An executive meeting will be convened to decide how to formally respond to scrutiny’s recommendations. If the executive decides to continue to implement, there is no further right of delay. If it decides to withdraw the decision and place it back on the Forward Plan subject to resubmission at a later date, on this subsequent occasion councillors will still have the right to request a call-in.

### **What will happen at the meeting?**

3.4.2.9 Different councils take different approaches to their management of call-in meetings. Many have protocols to define how call-ins will be carried out.

3.4.2.10 Call-ins can be discussed at an ordinary committee meeting, but given the timescales involved it is more common for a special meeting to be called. It is usual for the Executive member and the chief officer for the service involved to be invited to give evidence. However, it is at the discretion of the Chair how the meeting is run, and he/she may invite others to give evidence. This might include other council officers, members of the public directly affected by the decision or representatives of partner organisations. 3.4.2.11

There will also be variance in the information provided to members in advance of the meeting. Often, councils make the decision notice and the report underpinning the decision available. It is not common for wider evidence-gathering activities to be undertaken – there is usually no time to do so. While timing will be a significant constraint, ensuring that the panel have access to a carefully selected amount of relevant information, and early discussion between the chair and other members of the panel, will help to manage the session better.

3.4.2.12 At the end of the meeting, two approaches can be taken to reach a conclusion:

- The Chair and the committee can withdraw briefly to consider their recommendations in private. This can be a useful approach if the Chair feels that the committee might want to make narrative recommendations other than that the decision should or should not be implemented;
- A vote can be taken immediately to decide whether the committee wish to recommend that the decision should be implemented or not.

3.4.2.13 Opinion about the general value of call-in is very mixed across councillors and officers around the country. Views have been expressed that it is too open to “abuse” for “party political reasons”, although a call-in driven by party politics could still be perfectly valid and reasonable. Councils with strong pre-decision scrutiny may consider call-in to be less vital.

## 4. Using evidence and gaining expertise

4.0.0.1 There is a lot of evidence and information available that scrutiny can and should apply to its work. Scrutiny should always be informed by evidence. However, evidence will always be subjected to competing interpretations – influenced by the subjective perspectives of those interpreting it, and by the way it is “triangulated” with other sources of information.

4.0.0.2 The task of scrutiny lies in understanding what evidence does and doesn’t tell us about how local people experience the support that councils and their partners provide; it is about teasing truths out of these perspectives and building policy solutions to match.

4.0.0.3 There will always be challenges attached to this work. In brief, these include:

- Challenges in getting hold of information in the first place. Councillors sitting on scrutiny committees have enhanced information rights, under Regulations – including some rights to access information which might be classified as commercially confidential. Particular challenges, however, can apply when trying to access information held by partners (which we address in section 4.1.2, and which the guidance covers in paragraph 45 onwards).
- Being buried in a morass of information, and feeling that scrutiny has to look at everything – which is covered in section 4.1
- Not duplicating work carried out by others. The executive, senior officers and others will also be overseeing services and intervening to bring about improvements where necessary.

### 4.1 Keeping a watching brief

4.1.0.1 In commenting on work programming, role and prioritisation we noted the importance of maintaining a watching brief on the local area, and how local people experience – and influence – the services delivered to them by public bodies and others. The guidance makes specific reference to members’ ability to access a digest of information about the area.

4.1.0.2 This feeds directly into work programming, as evidence and information allows scrutiny to make informed judgements on what it should be looking at.

4.1.0.3 There are a large number of sources of information to which scrutiny has access.

#### **4.1.1 Principal sources of information: from within the council**

4.1.1.1 Where councils undertake pre-decision scrutiny in particular (see section 3.3.0.1 above) the Forward Plan (or “schedule of key decisions”) will be a crucial document. Other key sources of corporate information might include:

- The Council Plan – will take different forms but should clear set-out the priorities and outcomes the council (and possibly with partners) is seeking to achieve for the place. This will be supported by supporting strategies (partnership, departmental, cross-organisational. These should be based on background evidence, which you should also be able to access;
- Partnership plans and strategies. Partnerships – like Community Safety Partnerships and Local Enterprise Partnership will have plans and strategies to direct their work. There should be background evidence for these documents too;
- The council’s overall budget and policy framework;
- The medium term financial strategy (MTFS), which sets out a rolling three year picture of the future of the council’s finances;
- Quarterly performance reports. Departments of the council and their partners will normally produce quarterly scorecards and reports which will provide a snapshot of current performance;
- Quarterly finance figures. These will explain how the council is spending according to projections, and will give a good idea of unexpected expenditure, and issues which may lead to overspends and underspends at the end of the year;
- Risk registers. The council should have a clear idea of what the risks are in the implementation of major policies, and in the ordinary day-to-day delivery of services. Analysis of risk registers on an ongoing basis will mean that scrutiny can understand what the impacts might be if risks are likely to occur, and what steps can be taken to mitigate. The council’s internal audit function also has a role to play in overseeing the management of risk;
- Complaints digests/information. Looking at complaints against the council in general (ie, not analysing specific, individual complaints, but looking at major themes and issues) may give a good idea about where problems might lie
- Internal improvement plans. From time to time the authority will identify problems or issues with its own services. This may be as a result of internal reviews – either carried out by the council’s own officers or by external consultants – and may result in operational action plans to bring about improvements.
- External improvement plans and activities. The LGA carries out corporate improvement work with councils including corporate peer challenges – reports from these might be useful. Formal inspection of some council services are carried out by bodies like Ofsted and CQC.
- The Council’s own research and insight. To support the development of departmental, council or partnership programmes, councils will carry out research and analysis – sometimes procured from external organisations.
- Information from benchmarking clubs. Many councils voluntarily share performance information with others to help with improvement and mutual learning; CIPFA provides some

of this support, as does the LGA. Many also share information more widely using the LG Inform system (<http://lginform.local.gov.uk/>).

- Information from ombudsman investigations.

4.1.1.2 Less formal, but no less useful, forms of information are available corporately which will help you to do your work.

- Feedback from consultations / residents panels. The council will periodically consult with local people on major decisions; the council may also organise a residents' panel, which it will survey for their opinions on key local issues;

- Feedback from frontline staff. There will be formal, or informal, ways for middle and senior managers to get feedback from frontline staff about the service they deliver. Getting hold of this information can be valuable for scrutiny.

#### **4.1.2 Principal sources of information: from elsewhere**

4.1.2.1 Beyond the council, information can be accessed from a range of sources. Partners will hold management information of the type mentioned in 4.1.1 above. The public will also have insights into local issues. Regular reference to public debate and discussions – wherever they happen – ought to be a feature of scrutiny's "watching brief". In section 4.4 on the voice of the public, we mention the proactive use of social media and monitoring of things like Facebook groups.

4.1.2.2 The guidance makes reference to steps that authorities can take in attempting to access information held by partners (paragraph 46, p19 onwards)

#### **4.1.3 An information digest**

4.1.3.1 The way that members use information needs careful thought. In many councils, a number of the sources of information we have highlighted in sections 4.1.1 and 4.1.2 would be reported to committee on a regular basis as a matter of course. This is not especially productive. Reporting information to note, or for general comment, is not especially productive for two main reasons:

1. It makes triangulation between evidence sources more challenging, and hence makes it less likely that information will be used as a source of evidence for other scrutiny work.
2. By the time such data reaches committee, it is likely already to be out of date. This is particularly the case where data is reported to committees which meet quarterly.

4.1.3.2 For this reason we suggest that, instead of using committee as a clearing house for this information, members instead receive it more regularly, and informally, by way of an information digest, as highlighted in the guidance at paragraph 40. It is more useful to think of these various different kinds of corporate evidence sources as background information, to which scrutiny members have regular access, and which they can use to drive and inform their wider work.

4.1.3.3 Having a digest of information, to which members have regular access, can help to manage both this issue, and the risk of councillors becoming bombarded with a morass of data which they cannot work through quickly and easily. What this digest contains would depend on scrutiny's overall role. For some, performance, finance and risk data might form the core of such a digest. For some, the net will go wider. The critical thing is to use this information to identify those issues which may require further in-depth investigation.

4.1.3.4 In addition, there may be information available in online management information systems, updated in real time by officers. The benefit that this brings is that it allows members to look at raw data, making their own links between performance issues, and identifying connections

(based on their unique perspective as elected representatives, and given the detailed knowledge they will have of their wards) which officers may have missed. However, this relies on members having the confidence and skills to access and use this information, and also on ways in which to feed members' views through the scrutiny process itself.

- 4.1.3.5 Encouraging members to access the same management information as senior officers means that they can independently decide which issues they think are sufficiently important to raise at scrutiny. An approach based exclusively on officer reports in effect makes this judgment one for officers alone.

#### **4.1.4 Triangulation**

- 4.1.4.1 Using evidence effectively means triangulating it. This means looking at it alongside other sources of data, to see what themes emerge (and whether different evidence sources disagree about services being provided on the ground).
- 4.1.4.2 For example, you might triangulate customer complaints data with performance information, finance information and risk registers, to take a comprehensive view of the performance of a given service. While performance information may suggest that all targets are being met, the service may be overspending and complaints data may demonstrate that the public are unhappy with the level of service being provided; an issue which has not been identified in the risk register as needing action. Linking together information in this way allows judgments to be made about difficulties which can help to frame and focus solutions in a way that will be useful to officers delivering the service on the ground.

- 4.2.4.3 Triangulating evidence in this way is not a complex science but there are a number of issues to consider in doing so:

- How different sources of evidence will be weighed – not all evidence and information is of equal value. Some kind of complex, quasi-scientific weighing exercise is probably not required, but having a general sense of what should be afforded more attention, and less, is necessary;
- How much evidence is needed in order to come up with an accurate picture. There may be a tendency to seek out more and more information in order to establish the most “comprehensive” picture possible, but this may be resource intensive and add little to the evidence gathering process. Officers and members should discuss between them the most appropriate balance. The suggestion of an information digest, in section 4.1.3, is an attempt to manage this challenge.

## **4.2 Understanding enough to scope reviews**

- 4.2.0.1 One of the principal challenges for any scrutineer is gaining a swift understanding of a topic being investigated. This is particular the case when a review, or inquiry, is being scoped (or planned).
- 4.2.0.2 Done properly scoping is a managed, swift process of initial research and design. But it can quickly become a process of detailed substantive research itself, and it can easily be unfocused and unproductive. Getting “up to speed” on a complex topic – enough to be able to tease out the right issues in the right way, and enough to be prepared to make recommendations and deliver outcomes which will make a real difference – is difficult.
- 4.2.0.3 There are two elements to this – members need to understand the strategic context (4.2.2) in which their work sits and the local issues (4.2.3) that make the issue particularly pertinent to residents. Some of this will have been sketched out during the work programming process, but scoping provides an opportunity to dig further into the issues and better understand them.
- 4.2.0.4 A necessary prerequisite is both of these elements is member ownership – members having

the confidence and ability to understand the strategic context and local implications. This relates to councillors' skills and capabilities, which we cover in section 6.2.1

#### **4.2.1 A process for scoping**

4.2.1.1 Unless planned properly scoping can be a lengthy exercise. A good scope sets out:

- The topic of the review, and an explanation for why the topic is being framed in the way it is – including a reference back to scrutiny's overall role;
- The objectives of the review and its expected impacts and outcomes;
- The strategic context;
- The overall method (and why it's the right method for this topic at this time);
- The key individuals and groups involved, and how they will be involved;
- Other key sources of research which will be used, how they will be analysed, by whom and when;
- The timescale for the review – when meetings will happen, where, and who will be involved;
- A communications plan relating to all the above;
- A statement of the resources which will be necessary to deliver the above. We cover resources in more detail in section 6.3.

#### **4.2.2 Member ownership**

4.2.2.1 Members direct and own the scrutiny process, and this goes for scoping as well. In some councils scoping is primarily led by officers, who will carry out background research and deliver a scope to members for approval; the need for member ownership demands a more proactive approach from councillors.

4.2.2.2 Scoping will involve the selection of members to undertake a review. In general:

- Membership should be defined and agreed by the group's parent committee;
- The parent committee should also decide on who should chair;
- While party whips may nominate members to sit on groups, the ultimate decision rests with the committee and the committee chair;
- As far as possible, membership should loosely reflect the political proportionality of the authority (the only caveat being that attempts are usually made to involve smaller parties where they otherwise would not be entitled to a seat);
- Members (and even the chair) need not be drawn exclusively from the group's parent committee – any member can be nominated to participate;
- Decision-making in the group (deciding on the wording of a final report, deciding on recommendations) should be undertaken through consensus rather than through a vote, given the fact that the membership may not directly reflect political proportionality.

#### **4.2.3 Getting to grips with the strategic context**

4.2.3.1 Councillors and the officers supporting a review need to start by understanding the strategic context within which the council operates. This is about:

- National policy. Understanding the constraints within which the council and its partners

operate is important; this can also, for certain subjects, incorporate academic research (with which a technical adviser might be able to help) and research from local government thinktanks;

- The council's position amongst its partnerships, and the collaborative context. Across the "place", professionals beyond the council will work together to deliver services and manage issues that affect local people;
- The strategic, governing documents that direct the council's action. Some of this information is highlighted in 4.1.1 above – departmental or corporate plans that provide a framework for the council's activity in a given area.

### Sources of information on national policy

There will be professional associations, think tanks and other bodies who will carry out research and hold information on substantive policy issues.

There are particular organisations who can be a particularly useful source of information on matters relating to local government and local services in general. These are:

- The Local Government Association (LGA). The LGA is the membership body for local councils in England and carries out policy and best practice research on a range of issues. The LGA has a research and information team specifically tasked with gathering data on local government activity and performance, and operates a system called LG Inform which can provide comparative data on key service metrics.
- The Chartered Institute of Public Finance and Accountancy (CIPFA). CIPFA is a membership body for public sector finance professionals. All s151 officers and many other local government finance professionals are members. Councils can also hold institutional membership of a large range of subscription-based advisory networks, which provide additional support, research and support on local finance issues. CIPFA also provides "nearest neighbour" benchmarking services, and a range of other data and analytics services, for its members.
- The Society of Local Authority Chief Executives (SOLACE) is a membership body for senior local government leaders. It carries out policy research and makes comment on a range of local government policy and improvement matters.
- The Local Government Information Unit (LGIU) and the New Local Government Network (NLGN) are membership bodies to which individual councils may subscribe. They provide briefings on emerging areas of policy and detailed research on a range of matters relating to local services.
- Localis, IPPR, Demos, IFS and Reform are a selection of think tanks who occasionally or regularly carry out research on matters relating to local government.
- The Institute for Government carries out research on the machinery of national government and the civil service which may be useful in understanding how national policy which affects local issues is developed and implemented.
- Parliamentary resources – select committee reports, House of Commons Library research briefings, research carried out by the National Audit Office and so on;

In reading research carried out by think tanks it is worth reflecting on the political affiliation and funding arrangements of the organisation in question. Some thinktanks avowedly approach public policy issues from a particular political standpoint. Some have opaque funding arrangements which could be seen as casting doubt on the independence of their research. Triangulation of this research with other information is therefore important.

CfPS provides a helpdesk function for councils and councillors on matters relating to scrutiny. We can signpost you to further resources and information that might be helpful as you scope and design reviews.

4.2.3.2 Strategy may seem esoteric but it is vital in ensuring that recommendations – when they come – are couched in practicality. Strategic challenges may also provide a barrier to the effective implementation on policy – a critical matter for scrutiny.

4.2.3.3 The effectiveness of strategy can be evaluated using a variety of mechanisms:

- SWOT analysis – considering the strengths, weaknesses, opportunities and threats relating to the council (and its partners’) approach to an issue and seeing if this is reflected in strategy;
- Testing / triangulating it against the strategies and plans of other partners, to identify alignments and areas of divergence;
- Triangulating it against the views of local people (see 4.2.3).

#### **4.2.4 Understanding the issues on the ground: user-centred design**

4.2.4.1 How local people are affected by the issue under study will have an influence over how a review is scoped.

4.2.4.1 This is primarily an issue of framing. Some of the most powerful scrutiny is that which is carried out on the basis of local people’s experiences – and which is framed accordingly. This means that the topic is not being looked at from the same, institutional perspective that council officers may be used to – raising the opportunity to effect real change.

4.2.4.2 Getting an understanding of this perspective is not necessarily difficult. It may be that advocacy groups, and other groups (such as community groups) who have a representative role of sorts can be engaged with in planning – for example, tenants and residents associations. Some of these people could take an active part in the review itself by way of technical advice or co-option (see section 4.2.4). Service users will be an extremely useful source of information and introductions can be effected, or mediated, through service departments – or directly through local groups. Scrutineers will get a partial view of the issues through these individual conversations but these personal testimonies can serve to bring a topic alive and suggest opportunities for more detailed research.

4.2.4.3 Sharing power within the scrutiny process with local people – through providing them with a voice in scoping, and through co-designing work which is centred on their needs and driven by their aspirations – can be a powerful way of demonstrating scrutiny’s sincerity in understanding local people. It can particularly help to demonstrate good faith to marginalised individuals or groups who might otherwise be suspicious or cynical about councillors’ intentions in wanting to work with them.

4.2.4.4 Such approaches can be resource intensive. They will not be appropriate, or necessary, in all cases.

#### **4.2.5 Technical advice and co-option**

4.2.5.1 Many councils appoint co-optees – members of the public with a particular expertise or interest – onto review groups. Appointment of co-optees in this way tends to be more effective than their appointment to sit on a committee, because a task group is not open-ended and has a defined purpose, enabling individuals to be chosen for a specific purpose. Some councils maintain a “co-optee pool” of local experts for this purpose.

While members and their support officers will often have significant local insight and an understanding of local people and their needs, the provision of outside expertise can be invaluable.

Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 35, p16

**Kirklees:** volunteer co-option

Kirklees Councils carries out periodic recruitment exercises for volunteer co-optees. Co-optees sit on scrutiny panels and participate in the production of scrutiny reports.

4.2.5.2 The selection of co-optees is a delicate exercise. People need to be involved who have a specialism and expertise, but not people who might be closed-minded, or who would seek to push a particular viewpoint to councillors irrespective of the evidence gathered. People might be involved as co-optees where they add to the diversity of the review group, bringing insights and perspectives that councillors, on their own, cannot.

4.2.5.3 Technical advice can also be secured. A technical adviser provides support to a review group from an officer perspective, rather than sitting as a member of the group itself. Sometimes the line between “technical adviser” and “co-optee” can be rather blurred, which is why it is important to set out expectations and roles beforehand.

4.2.5.4 Information on statutory co-option (in the case of education co-optees, who must be appointed to certain scrutiny committees further to legislation) can be found at section xxxxx.

### **4.3 Gathering evidence to support reviews**

4.3.0.1 Evidence to support scrutiny reviews is likely to come from a wide variety of sources.- many will be those highlighted in sections 4.1.1 and 4.1.2 above.

4.3.0.2 The guidance covers evidence sessions, and suggests ways to prepare and manage these sessions. It emphasises that the principles around evidence gathering apply equally to individual agenda items as to longer scrutiny reviews.

Effective planning does not necessarily involve a large number of pre-meetings, the development of complex scopes or the drafting of questioning plans. It is more often about setting overall objectives and then considering what type of questions (and the way in which they are asked) can best elicit the information the committee is seeking.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 59, p25*

#### 4.3.0.3 Scrutiny can also gather evidence by

- Holding focus groups or workshops or survey users of a service or people affected by a particular issue. It may be that these workshops and groups can be designed and facilitated by local people themselves – local people are likely to have ideas about gathering evidence from their peers which may well be more sophisticated than those of professional officers. We cover this in more detail in section 4.4;
- Going on site visits (a good opportunity to understand issues “in situ”);
- Chairing discussions amongst experts – a “roundtable” exercise, bringing together local experts, can be an action-focused way of gathering evidence;
- In-depth review of written evidence and information – this may come from a variety of different sources, which should have been identified through the scoping exercise.

Further resources on gathering information from the public and other external sources can be found at section 4.4.3

#### 4.3.1 Scope creep

4.3.1.1 As evidence is gathered it may provoke thought about issues which might not have been considered during the scoping exercise. It can encourage scrutineers to begin to depart from the scope – pursuing issues which may not have been properly envisaged.

4.3.1.2 Good scoping should limit the risk of this happening, but if it does the following questions might be borne in mind:

- Does the change in scope fundamentally change the nature of the work? A substantial shift in topic and objective is likely to be difficult to justify unless there were significant flaws in the scoping process;
- Would a change in methods still deliver the objectives anticipated – or deliver those objectives better? This may be justified – but again, good scoping can avoid method deficiencies;
- If the change is driven by political needs, what confidence do we have those issues will not continue once a change is made? Political difficulties can lead to work being frustrated.

4.3.1.3 By rights, a substantive non-trivial change to the scope will require reference back to the committee commissioning the work. Such proposals for changes should be recognised and the formal steps for change should be adhered to, in order to ensure accountability to the public body which has initiated the work in the first place.

### 4.4 The voice of the public

4.4.0.1 Listening to and giving voice to the public is central to scrutiny’s effectiveness. In section 2.3.1 we talked about giving the public an active stake in the scrutiny process – this section goes into more detail about what this might look like in practice.

#### 4.4.1 The public’s needs

4.4.1.1 “The public” is not a monolithic group whose members can all be “engaged” in the same way. The various models and methods discussed in this section have to be thought about, and deployed, in the context of local people’s specific needs – as individuals, and as part of groups.

- 4.4.1.2 Some people may feel comfortable with formal, public meetings. Some may find these events highly alienating. Some people may face barriers in attending meetings, formal or not – not wanting to share their views in a public setting, caring responsibilities, language difficulties, difficulties with physical accessibility or simply a lack of confidence or disengagement from the political process which makes them disinclined to get involved.
- 4.4.1.3 People may feel that their personal experiences and testimony will be belittled by “professionals” and “experts” in whom they have limited trust, particularly if they have had poor experiences in the past.
- 4.4.1.4 Planning the engagement of people with these, and other, complex needs is not about somehow dumbing down the approach to scrutiny to make it more “accessible” in the views of officers and councillors. Members of the public can understand the nuances of the trade-offs that the council has to make in how it plans and delivers services, and can bring a significant degree of sophistication to any topic by speaking about their personal experiences in a way that is self-aware and reflective. They need to be trusted to be ceded the space, and the power, to speak on their own terms – councils, councillors and officers need the humility to listen and understand.
- 4.4.1.5 This suggests public involvement in the design and selection of the various methods that exist for “public involvement”. It may increase the effort required in the short term but it is likely to pay off.

#### **4.4.2 Public attendance at scrutiny meetings**

- 4.4.2.1 Scrutiny meetings can often be poorly attended by members of the public, although agenda items on particularly contentious topics can result in more people attending. Where this happens, it may need to be anticipated and logistical steps put in place to handle it – how large numbers of attendees will be physically accommodated, ensuring that the venue is accessible (including possibly choosing a venue other than the usual council offices).
- 4.4.2.2 By law, the council is obliged to make appropriate space available for the public to attend and observe, and it goes without saying that meeting rooms should be laid out with this in mind. Setups involving councillors and other participants sitting around a conference table with a large space in the middle of it, while a makeshift “public gallery” is formed of a half dozen chairs crammed into the corner of the room, is unlikely to present an especially welcoming environment, even if it does satisfy legal requirements.
- 4.4.2.3 Where people sit makes an important difference to public understanding of the scrutiny role. Who chairs the meeting, who the committee members are, who the officers are (and what their roles are) and who else may be in attendance may not be obvious to observers. Nameplates will help.
- 4.4.2.4 Research exists on the variety of ways that exist for rooms to be laid out.

Dr Dave McKenna has carried out research on effective room layouts for local government meetings, some outcomes of which can be found at <https://medium.com/local-democracy/how-to-design-the-perfect-council-committee-meeting-with-lego-63c919872d81>

- 4.4.2.5 Filming and recording is permitted in council meetings (Government guidance can be found at <https://www.gov.uk/government/publications/open-and-accountable-local-government-plain-english-guide>); facilities have to be provided to ensure that those filming can do so in a way that makes their work easier. People attending public, formal meetings can have no expectation

of privacy and so cannot stop filming or recording happening; if topics or witnesses require particular sensitivity it is best considered how evidence might be taken in a different way – through use of Part II or by convening meetings in a different way.

4.4.2.6 Many councils also webcast, and webcasting can bring a committee’s work to a wider audience. Councillors and others may want to comment on social media when a meeting is under way – council may want to live-tweet meetings.

4.4.2.7 Councils differ significantly in how they “manage” the input of the public at meetings. For formal committee meetings, the norm is to allow no public input whatsoever. Some councils have a defined timeslot for public questions, but this is for questions to be put to the committee, rather than to council decision-makers. The public can end up leaving such meetings frustrated and disengaged, as committee members are often ill-equipped to answer substantive questions. It is probably more worthwhile to take a more targeted approach. “Formal” spaces like this are often a poor place for the voice of the public to express itself in an unmediated form.

#### **4.4.3 Other public meetings, and meetings involving the public**

4.4.3.1 More informal public meetings – specifically designed to incorporate and involve the public – can be more welcoming to local people than formal committee meetings. A more open and flexible environment allows people to talk about their issues and concerns in a way that suits them, rather than suiting the formal requirements of the council.

4.4.3.2 Public meetings can still feel “owned” by the council. With the best of intentions it can be possible to “design” a public meeting with the objectives of a scrutiny review foremost in the mind, to “manage” contributions and to channel contributions in a way that makes the event feel safer and more predictable for those in charge, but frustrating for members of the public themselves, who may feel that the way that the meeting is organised and structured doesn’t make it a “public” meeting at all.

4.4.3.3 Public meetings may be appropriate for discussion of universal services (visible services, such as those relating to the environment, culture and so on). Where other services – social care, children’s services – are under discussion, their use can be more challenging. However, the opportunity for people affected by those services to share their testimony and experiences can be valuable and cathartic. Likely participants should therefore be engaged at the planning stage so they can direct how such meetings are managed.

#### **4.4.4 More “informal” evidence gathering**

4.4.4.1 A wealth of material exists online about the various other approaches that can yield results, rather than just large meetings. More traditional approaches – surveys, focus groups – can still be useful if properly designed.

A range of resources on engaging, involving and empowering local people can be found at:

- The LGA’s website: <https://www.local.gov.uk/topics/devolution/engaging-citizens-devolution/how-can-local-government-engage-communities>

## 5. Making and proving impact

- The charity Involve, whose guide “Public engagement: not just about the public” is a useful primer: <https://www.involve.org.uk/sites/default/files/field/attachemnt/Public-engagement-not-just-about-the-public.pdf>

5.0.0.1 Scrutiny’s purpose is to have an impact and this guidance outlines the many different elements involved in securing success. Key to this are two elements:

- Making effective, high quality recommendations;
- Understanding how those recommendations make a difference to local people’s lives.

5.0.0.2 Both issues reflect back on scrutiny’s role, and how it prioritises its work. Vagueness in those areas means that scrutiny is more or less guaranteed to be of low impact and effect.

### 5.1 Recommendations

5.1.0.1 Recommendations are the way that scrutiny can have an impact. Making good recommendations, and monitoring them, makes it more likely that scrutiny’s work will add value.

5.1.0.2 The guidance emphasises that the process for the development of recommendations should be iterative, and that it should be led by scrutiny members – the guidance also sets out a three stage iteration process for the refinement of recommendations.

Authorities draft reports and recommendations in a number of ways, but there are normally three stages:

- The development of a “heads of report” – a document setting out general findings that members can then discuss as they consider the overall structure and focus of the report and its recommendations;
- The development of those findings, which will set out some areas on which recommendations might be made; and
- The drafting of the full report

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 66, p26*

5.1.0.3 We should note that it is not common for councils to describe their drafting approach in the way described above. It is quite common, for example, for steps i) and ii) to be conjoined. Most will follow a process that broadly reflects it even where it might be managed and structured slightly differently.

5.1.0.4 Scrutiny’s engagement in an issue should always be with recommendations in mind. Inquiring into an issue formally only to “note” it is not an effective use of time or resources.

5.1.0.5 The likelihood of making a recommendation that will “stick” will influence the decision of whether to put that issue on the work programme.

5.1.0.6 Ultimately, this is underpinned by having a clear idea about the return on investment of the work you are undertaking. CfPS has developed a model for establishing the return on investment of scrutiny work which starts with effective topic selection (including effective prioritisation of topics), and moving through the way in which the public and wider

stakeholders are engaged in designing the review, to the end result of producing a piece of work with clear, measurable and meaningful outcomes. More information can be found at [https://www.cfps.org.uk/wp-content/uploads/cfps\\_\\_\\_social\\_return\\_on\\_investment.pdf](https://www.cfps.org.uk/wp-content/uploads/cfps___social_return_on_investment.pdf)

5.1.0.7 The report drafting process is a member-driven process – but drafting itself is likely to be carried out by officers. To manage this, the guidance suggests a three stage process that is intended to put members in the driving seat.

#### **5.1.1 Recommendations – the “heads of report”**

5.1.1.1 While few councils use a “heads of report” stage for their work, the guidance suggests it, and it is common practice in Parliament.

5.1.1.2 The “heads of report” are the key findings that will be used to formulate recommendations. They will incorporate key sources of evidence; the heads will also identify points of contention and how they might be resolved.

5.1.1.3 The heads of report will also set out the areas in which recommendations might be made, and in a broad sense what those recommendations might be.

5.1.1.4 The purpose of this document is to ensure member ownership of the overall findings and recommendations before significant work has been done to flesh out a report.

#### **5.1.2 Recommendations – draft report**

5.1.2.1 This is the first stage at which recommendations themselves are likely to be developed.

5.1.2.2 There is no single “best” approach to making recommendations. What they look like will differ from topic to topic and from council to council, However, there are some basic general principles.

- Recommendations should have a clear focus on outcomes “on the ground”. They should focus on a measurable change in a service, which you can use to establish the return on investment of scrutiny’s input. For example, a specific increase in resident satisfaction, a reduction in housing rent arrears, a reduction in the number of instances of anti-social behaviour in a town centre, and so on. You will be looking to identify the “payback” from scrutiny’s work – who benefits, and when? This will require you to make some assumptions about the past, present and future, but the more evidence you have the easier this will be;
- Recommendations should be evidence-based, specific and realistic enough to be implemented. Many of the other points we make below are implicit in this central requirement.
- Recommendations should be addressed to a specific person or group. Where responsibility for delivering a recommendation’s outcome is unclear, it makes it less likely that it will be implemented;
- Recommendations should engage with financial realities – for example, where a recommendation involves additional expenditure, it may increase the force of the recommendation if funding sources can be recognised. However, it should not be required for scrutiny to fully cost all of its recommendations; this is an issue for the executive. Return on investment might be a useful tool;
- Recommendations should be developed in partnership. You should be prepared to speak to the executive, to senior officers and to partners about recommendations in draft, before they have been agreed. Provided it is accepted that the decision as to what recommendations are submitted remains at the absolute discretion of scrutiny councillors, such discussions can help to ensure that recommendations are more robust and realistic.

- 5.1.2.3 Open-ended recommendations, where acceptance does not actually commit decision-makers to further action, should be avoided. For example, recommendations beginning, “The executive should consider...” or “The executive should investigate further...”
- 5.1.2.4 At this stage, once councillors have agreed a draft report the recommendations can be shared with the executive, and others to whom those recommendations are addressed. This should be to check factual accuracy rather than to invite substantive comment. The executive may wish to provide advice on how recommendations can be drafted and refined to maximise their impact, but the decision how to proceed should always rest with scrutiny.
- 5.1.2.5 Ensuring impact from scrutiny work hinges on making recommendations which are accepted by the executive, and which go on to be implemented. This will involve liaison and dialogue over work being carried out, and recommendations being prepared. The drafting stage is likely to be the best opportunity for this to happen – before formal signoff of a report and when changes can still be made which increase the opportunity for impact to happen. Formally, liaison will be between the relevant executive member (or possibly the Leader) and the relevant scrutiny chair, but in practice it may sit in the context of ongoing discussions between the relevant Head of Service/chief officer and the scrutiny officer responsible for the work.
- 5.1.2.6 It does not mean that the executive and scrutiny need to operate “hand in glove”. But liaison will need to happen, and it will include:

#### **For scrutiny reviews**

- Ensuring that the executive’s viewpoint is fully understood and reflected in scrutiny review reports;
- Sharing key findings with the executive before scrutiny reports are prepared;
- Talking to the executive about likely recommendations will be framed and drafted (and possibly sharing them in draft);
- Liaising with the executive over how success in implementing recommendations will be judged (and agreeing timescales).

#### **For committee meetings**

- When members of the executive and/or senior officers are asked to attend, being clear what the aims and objectives are of the session (including clarity over the content of any reports and presentations);
- Discussion beforehand over who should attend to give evidence;
- Trying to discuss beforehand what recommendations the committee might make on the day, and how the executive might respond to them.

5.1.2.7 These issues are addressed in more detail in the section on impact, section 6 below.

5.1.3 Recommendations – final report and the executive response

Recommendations should be evidence based and SMART, ie specific, measurable, achievable, relevant and timed. Where appropriate, committees may wish to consider sharing [recommendations] in draft with interested parties.

Committees should bear in mind that often six to eight recommendations are sufficient to enable the authority to focus its responses, although there may be specific circumstances in which more are appropriate.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 67-68, p26*

- 5.1.3.1 The review may have gathered a significant amount of evidence and it is probably necessary that this should be published in some form – but the report itself should focus on the outcomes that scrutiny wants to see, with evidence presented to support those conclusions.
- 5.1.3.2 The council - Generally recommendations should be addressed to members of the executive or the executive as a whole; where scrutiny operates in a committee system authority it will be to the relevant committee, and in a mayoral authority it will be to the executive Mayor.
- 5.1.3.3 Recommendations addressed to the council should relate directly to matters on which they can take direct action, either individually or in partnership with others. Recommendations should not be made that require the council to “lobby” others (including central Government). Where this might be thought necessary scrutiny should take the necessary steps to submit a recommendation directly to the proposed subject of such lobbying.
- 5.1.3.4 The council’s partners - Where a “partner” (under the terms of the 2007 Act) is being asked to respond to a recommendation, scrutiny should speak to the relevant organisation to find out:
- To whom the recommendation should be addressed;
  - Whether there are business planning issues of which scrutiny should be aware that require the recommendation to be framed in a certain way (even if the partner has agreed to the terms of the recommendation).

## Responses

- 5.1.3.5 The executive has to respond to recommendations within two months of them being made. It is usual that after agreement at a scrutiny committee, recommendations are submitted to the executive. It is not unrealistic to expect that a substantive response will be provided at this stage, but practice will vary from council to council.
- 5.1.3.6 The position with scrutiny’s recommendations to partners can be more complicated. Partners are, in general, not obliged to respond, but prior liaison will make the risk of this happening less likely.
- 5.1.3.7 A response to a recommendation from a decision-maker should consist of:
- A clear commitment to delivering the measure of success (see above) within the timescale set out;
  - A commitment to be held to account on that delivery in six months or a year’s time (see below);
  - Where it is not proposed that a recommendation be accepted, the provision of detailed, substantive reasons why not.
- 5.1.3.8 It may be that arrangements for responses to recommendations forms part of an executive-scrutiny protocol.

#### 5.1.4 Monitoring recommendations

- 5.1.4.1 The monitoring of recommendations can easily become an industry. Where recommendations are effectively drafted and sufficiently clear, the executive should be able to collect data that clearly demonstrates whether a recommendation has or has not been successfully implemented.
- 5.1.4.2 At some point, you have to stop monitoring recommendations. Usually this will be after six months or a year. Continued oversight on the issue in question then reverts to the standard “watching brief” that scrutiny holds over all services (see section xxx).
- 5.1.4.3 It should not be necessary to bring recommendation monitoring to committee. However, where recommendations have not been implemented, it may be appropriate to hold the Executive Member to account in a public forum to understand why not.

#### 5.2 Demonstrating impact more generally, and improving scrutiny itself

- 5.2.0.1 Demonstrating impact is about being prepared to understand scrutiny’s effectiveness, and to improve it where necessary.

The prevailing organisational culture, behaviours and attitudes of an authority will largely determine whether its scrutiny function succeeds or fails. [...]

Creating a strong organisational culture supports scrutiny work that can add real value [...] in contrast, low levels of support for and engagement with the scrutiny function often lead to poor quality and ill-focused work that serves to reinforce the perception that it is of little worth and relevance.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 7, 9, p8*

- 5.2.0.2 It’s not possible to set out a definitive description of what good scrutiny work looks like, but we can give some examples of it. There are some common factors:

- Good scrutiny tackles issues of direct relevance to local people;
- Good scrutiny tackles issues where, through the unique perspective of elected members, it can add the most value;
- Good scrutiny is informed by high quality evidence;
- Good scrutiny is about talking to a wide range of people, drawing them together and building consensus;
- Good scrutiny is about challenging the accepted ways of doing things and acting as a champion for developing a culture of improvement in the local area.

- 5.2.0.3 Generally speaking, work that does all of most of these things is likely to be having a positive impact.

- 5.2.0.4 Being able to demonstrate your impact is a multi-stage process.

1. Firstly, you need to develop ways to establish what impact your work has currently;
2. Then, you have to identify ways to maintain or improve that level of impact – being aware of the need to work with others to do so;

3. Finally, you need to implement those improvements.

5.2.0.5 CfPS's "self-evaluation framework" can assist in this task - <https://www.cfps.org.uk/wp-content/uploads/CfPS-Scrutiny-Evaluation-v2-SINGLE-PAGES.pdf>

The **scrutiny self-evaluation framework** is a tool that officers and members, even those with little previous knowledge or understanding of scrutiny and scrutiny good practice, can use to evaluate their approach. It provides a member-led mechanism for understanding practice, and putting in place realistic actions to improve.

5.2.0.6 For authorities which feel that they would benefit from external assurance for their scrutiny function, CfPS also offers a "scrutiny improvement review" (SIR). The SIR is designed to expand on the themes in the SEF, and engages fully with the themes of culture, role and responsibility highlighted in the guidance. It is overseen and carried out by CfPS staff and expert consultants.

### **Scrutiny improvement review (SIR)**

The SIR is designed to complement and build on the SEF. Its method is looser and more flexible as it is carried out by external CfPS experts to focus on those specific issues identified by local officers and members. More information can be found at [www.cfps.org.uk/sir](http://www.cfps.org.uk/sir)

### **5.2.1 Establishing what impact your work has currently**

5.2.1.1 This can be difficult. We have set out some of the challenges and issues in a blogseries published in 2017. Some of the principal issues are:

- The act of scrutiny is itself of value – shining a light onto policy making and decision-making can itself lead to improvements in the quality of decision-making without you being aware that these have occurred. Deciding what things you do and don't look at involves an element of risk, too – at the beginning of a piece of work its final impact can be difficult to discern. But the more planning you do at the outset, the more confidence you can have that the work you do will make a difference.
- It is difficult to establish when something might have happened anyway, and when it happened because a scrutiny recommendation/investigation made it happen. In a number of instances the fact of a forthcoming scrutiny investigation will lead officers to review their own outcomes, systems and processes, and make changes as a result – this is "scrutiny having an impact" but is often something you'll only realise during informal discussions with the officers in question;
- Success in scrutiny depends on more than the assiduity and skill of the scrutineers involved. There can be a number of highly motivated scrutiny councillors, supported by some effective officers, carrying out high-quality work – but with a defensive executive and partners and obstructive senior officers, impact may be minimal;

5.2.1.2 Ways around these challenges may include:

- Looking at recommendations you make, and whether they are accepted and implemented
- Having a broader performance management system for scrutiny. Some councils have a performance scorecard for the scrutiny function. Care should be taken in the development of "KPIs for scrutiny", as measurement of processes rather than outcomes can lead to perverse

outcomes. Furthermore, the complex nature of the way that scrutiny makes an impact on the ground may make the use of KPIs less appropriate.

- Speaking to people inside, and outside, the council about work you've previously carried out. Going back and speaking to council managers, frontline staff and service users about work you've previously undertaken can often give you tangible examples of scrutiny's impact in a way that more formal management updates can't. Importantly, such discussions will help to disaggregate what might have happened anyway from the changes that scrutiny has been instrumental in bringing out – in effect, the things that would not have happened but for scrutiny's involvement.
- Looking at return on investment. The return on investment model can be a powerful one in establishing the “added value” that scrutiny brings to a topic.

## **5.2.2 Identifying and implementing ways to enhance impact**

5.2.2.1 Once you have established what impact your work currently has, you can set out to enhance that impact. Conversations between members and officers, and others, will help to deliver change. The CfPS scrutiny self-evaluation framework provides more detail on these measures and reference our review support.

5.2.2.2 Any measures to change or augment the operation of overview and scrutiny should be led by scrutiny members themselves. It is not the role of the council's leadership or senior officers to unilaterally change scrutiny's methods of operation – although it is their responsibility to ensure that the structures and systems are in place to permit effective scrutiny to happen. In addition, the implementation of changes to scrutiny will require executive (and partner) buy-in. Positive change will usually require decision-makers to change their behaviour and attitudes towards scrutiny. This will be more important than any structural changes which might be agreed on. There needs to be a recognition that there is a collective responsibility to make scrutiny work.

5.2.2.3 Being able to articulate scrutiny's “value added” is important for a number of reasons – not least to justify the commitment of resources to the function, but also to contribute to the development of a culture where scrutiny is welcomed and encouraged (see section 1).

## **5.2.3 Securing agreement in a political environment**

5.2.3.1 The process of enhancing scrutiny's impact (often carried out via a review of the scrutiny process) must be seen as a conversation between the executive and the scrutiny function. Scrutiny members should lead, in defining the function and their expectations of it, but the executive must work to ensure that it is doing all that it can to ensure that effective scrutiny can be carried out. This requires openness on the part of the executive, and a responsibility on all involved to be constructive and candid when considering scrutiny's impact on individual services, and the area as a whole. Political circumstances can make such candid discussions difficult, and as such, political factors need to be recognised and managed.

## **5.2.4 Accountability to full Council**

5.2.4.1 In many authorities, the constitution (usually in the scrutiny rules of procedure) will incorporate a requirement for scrutiny to report periodically to full Council – often by way of an annual report, tabled by the chair of scrutiny (where applicable) and supported by the statutory scrutiny officer (again, where applicable).

5.2.4.2 Scrutiny is not, strictly speaking, “accountable” to full Council for its activities. The business of scrutiny is for scrutiny members to determine, so full Council has no role in (for example) determining the work programme or “clearing” or otherwise ratifying recommendations.

5.2.4.3 The relationship, and reporting process, should recognise this, but should also recognise that full Council still holds an interest in the work that scrutiny carries out.

5.2.4.4 Annual reports can provide, to full Council, this information and the assurance that scrutiny's work is effective and impactful. Annual reports vary significantly from council to council. For some they are narrative descriptions of scrutiny's activity, prepared specifically for full Council and drafted principally for readers internal to the council. In other places the opportunity is taken to use the annual reporting process to highlight where scrutiny has been able to make an impact, and/or as part of wider work to publicise scrutiny to the wider community. Which approach is taken depends on the role of scrutiny within the authority.

5.2.4.5 In addition to the submission of annual reports, individual scrutiny reports can be submitted to full Council.

Part of communicating scrutiny's role and purpose to the wider authority should happen through the formal, public role of full Council – particularly given that scrutiny will undertake valuable work to highlight challenging issues that an authority will be facing and subjects that will be a focus of full Council's work. Authorities should therefore take steps to ensure full Council is informed of the work the scrutiny committee is doing.

One way in which this can be done is by reports and recommendations being submitted to full Council rather than solely to the executive. Scrutiny should decide when it would be appropriate to submit reports for wider debate in this way, taking into account the relevance of reports to full Council business, as well as full Council's capacity to consider and respond in a timely manner. Such reports would supplement the annual report to full Council on scrutiny's activities and raise awareness of ongoing work.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 11, p10*

## 6. Committee structure, chairing and resourcing

6.0.0.1 There is no "right approach" to the structure of scrutiny committees. Some councils have a single one, others have many. Equally, there is no one right approach to chairing (including opposition chairing) or any agreement about what "adequate" resourcing of scrutiny looks like.

The resource an authority allocates to the scrutiny function plays a pivotal role in determining how successful that function is and therefore the value it can add to the work of the authority.

Ultimately it is up to each authority to decide on the resource it provides, but every authority should recognise that creating and sustaining an effective scrutiny function requires them to allocate resources to it.

Authorities should also recognise that support for scrutiny committees, task groups and other activities is not solely about budgets and provision of officer time, although these are clearly extremely important elements. Effective support is also about the ways in which the wider authority engages with those who carry out the scrutiny function (both members and officers).

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 15-17, p13*

## 6.1 Structures for scrutiny

6.1.0.1 There are many different models for committee structures. No one is “best”, and trying to compare the committee structures of different authorities in the hope that transposing those models to your own set of circumstances will, on its own, lead to failure.

6.1.0.2 Scrutiny’s structures are often a reflection of the culture in which scrutiny operates and the role which has been agreed for it. There are a few common models.

- Single committee which does all the work. More common in smaller authorities, this approach sees all scrutiny work happening in a single, formal space.
- Single committee commissioning task and finish group. Here, a committee provides co-ordination of a number of task and finish groups – the committee will usually also undertake its own substantive work
- Two committees dividing substantive topics between them (eg “people” and “places”)
- Two committees dividing issues between them differently (eg “policy development” and “performance”)
- Multiple committees (sometimes involving a corporate committee which “leads” the function, sometimes not)

6.1.0.3 Form should follow function, and it is only when members and officers have a clear sense of the role of scrutiny, its approach to work programming and impact, that the structure to support that work can be properly evaluated.

6.1.0.4 Further detail on committee structures can be found in CfPS’s regular scrutiny survey, usually published annually in late autumn.

## 6.2 Chairing and membership arrangements

6.2.0.1 Technically, chairing and membership is in the gift of full Council, and the Council AGM in May is the usual point at which decisions on this are made. In practice, this means that things are largely in the gift of the executive. Membership of committees must be politically proportionate, but chairing need not be, and a council’s leadership can entirely legally give all scrutiny committee chairships to majority party members. A number of councils make chairships available across party groups, proportionately, but there is no requirement to do so.

6.2.0.2 It has been suggested that Chairs could be selected by secret ballot – being elected by their peers at full Council.

### 6.2.1 Chairing: skills and capabilities

6.2.1.1 The guidance sets out some expectations around the skillset and capability of chairs, as well as ordinary committee members.

When selecting individual members to serve on scrutiny committees an authority should consider a members’ experience, expertise, interests, ability to act impartially, ability to work as part of a group, and capacity to serve.

Authorities should not take into account a members’ perceived level of support for or opposition to a particular political party [...]

The attributes authorities should and should not take into account when selecting individual committee members also apply to the selection of the Chair, but the Chair should also possess the ability to lead and build a sense of teamwork and consensus among committee members.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 27-28, 30, p16*

6.2.1.2 Councils might want to think further about how they articulate the qualities of a good chair, and how they can provide assurance that the attributes mentioned in the guidance are being taken into account. .

6.2.1.3 Other members, as well as officers, have a responsibility to support and assist the chair. This is covered in more detail in 6.2.3 below.

### **6.2.2 Chairing: party politics and the use of the whip**

6.2.2.1 Councillors sitting on scrutiny committees should not, at those committees, act in an overtly party political way. Scrutiny is meant to be a forum for the evidence-based discussion of issues affecting local people. This will involve discussion of politically contentious issues, which are likely to include disagreements, but these discussions shouldn't be framed by party political viewpoints.

6.2.2.2 Use of the party whip (sometimes known as "political management") is permitted in England.

6.2.2.3 Some councils in England use their constitutions to control the use of the whip but its informal nature and the fact that the council's Monitoring Officer is unlikely to know the detail of discussions at political group meetings may make these prohibitions difficult to enforce. The presence or threat of the whip being used as a disciplinary tool risks curtailing political debate and discussion and diminishing scrutiny's role as a neutral forum for meaningful discussion. It could also be seen as limiting the willingness of majority group members to challenge and hold to account their executive colleagues, or an undue focus by a minority group on political opposition rather than on the substance of scrutiny work.

### **6.2.3 Councillor membership**

6.2.3.1 Membership of committees must be proportional to the political balance of the whole authority. Individual groups decide who they wish to nominate to sit on committees to fill the spaces available to them; membership is usually agreed at council AGM.

6.2.3.2 The guidance talks about the skills and capabilities, and other characteristics, of committee members, as mentioned above in respect of chairs at section 6.2.1. It also mentions the importance of training and development.

### **Executive assistants**

6.2.3.3 "Executive assistants" or "Portfolio holders' assistants" are councillors (usually in the majority party) who have been given an informal role by the council's executive to assist one or more members of the executive in carrying out their role. This role will sometimes be specified in the council's constitution but is not provided for in law. As such, decision-making powers held by members of the executive cannot be delegated to executive assistants, and executive assistants may take no formal part in decision-making.

6.2.3.4 As such, executive assistants can technically sit on scrutiny committees (members of the executive themselves are excluded).

Authorities are reminded that members of the executive cannot be members of a scrutiny committee. Authorities should take care to ensure that, as a minimum [our emphasis], members holding less formal executive positions, eg as Cabinet assistants, do not sit on scrutinising committees looking at portfolios to which those roles relate.

*Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 25, p15*

6.2.3.5 We are not aware of any councils which, in their Constitution, specifically exclude executive assistants from sitting on overview and scrutiny committees, but in most instances their role is circumscribed, owing to the risk of a conflict of interest arising. This is likely to be far easier to determine with post-decision scrutiny, although the informal nature of the executive assistant role makes judgments even here difficult to make, requires subjective determination on the part of the person involved.

6.2.3.6 It is common, therefore, that in authorities where executive assistants exist and sit on scrutiny committees, they are assigned to sit on committees that do not reflect their portfolios.

### **Personal and family relationships**

6.2.3.7 It is inevitable that members of scrutiny committees will have personal relationships with members of the executive – particularly in smaller councils and particularly where they are in the same political party. It is not uncommon for members of the same family to sit on councils and, under some circumstances, it is therefore possible that close relatives could find themselves sitting across the scrutiny table. The guidance mentions this risk in paragraphs 25 and 31.

6.2.3.8 Monitoring Officers will have to be alive to the risks, and perceptions, around how these relationships might interfere with the operation of scrutiny. It is impossible to hand down rules on this matter – what happens, and what works, will depend on determinations made at local level. But councillors should certainly be supported to understand how their personal relationships might influence their work on scrutiny – or might be perceived as influencing that work.

### **6.2.4 Co-option: statutory**

6.2.4.1 There is a requirement, where a council is responsible for education functions in both England and Wales, for certain voting co-optees to be appointed to the relevant committee.

6.2.4.2 For most authorities, this will be two diocesan representatives (one Church of England or Church in Wales, one Catholic) and two parent governor representatives (one primary, one secondary, and both from maintained schools). Such co-optees have voting rights but they are not treated as opposition councillors for the purposes of political proportionality. As more schools (especially secondary schools) have academised, the role of the Parent Governor Representatives is becoming more uncertain. Areas without maintained primary, or secondary, schools will not need to appoint PGRs, as there will be no parent governors to act as an electorate. Provision does exist in the legislation for a change to the way that parent governor representation is expressed where there are few maintained schools in an area, but this change can only be applied by the Secretary of State.

6.2.4.3 Parent governor representatives are elected by all parent governors in the authority's areas. This election needs to be carried out by the authority wishing to co-opt them. Guidance was produced by Government in 2001 which provided further information on this, but this guidance appears no longer to be online.

## **6.2.5 Co-option: other**

6.2.5.1 Council scrutiny functions have the opportunity to co-opt people from outside the council to sit either on scrutiny committees (as voting or non-voting co-optees), or on task and finish groups. Co-option to a committee requires that a council co-opt in accordance with a scheme established under s115 of the Local Government Act 2003.

6.2.5.2 There is no legal provision for co-option to task and finish groups, as T&F groups themselves are not mentioned in legislation. Task and finish groups may co-opt members without restriction. We highlighted opportunities around technical advisers or co-optees on task and finish groups in section 4.2.5, but co-option onto formal committees is slightly different.

6.2.5.3 Most councils make provision in their constitution for the appointment of non-voting co-optees to scrutiny committees. Where an appointment is planned, arrangements for the selection of an appropriate person tend to involve an external organisation being asked to nominate one of their members, or a formal recruitment process being carried out if the person is being co-opted from the general population.

6.2.5.4 Non-voting co-optees will not affect the political balance of the meeting, but voting ones will (and allowances will therefore need to be made along the lines of those suggested above for education co-optees). Care should be taken in formal co-option in this way. There may be two reasons to co-opt:

- Expertise. A co-optee may possess particular technical skill or knowledge – often by virtue of being a representative of a particular organisation. Co-optees brought onto committees for their expertise will naturally have a large role to play when the committee considers items that relate to that issue specifically – but where a committee has especially broad terms of reference, this may not be the case;
- Personal characteristics. A co-optee may, by virtue of their background, have perspectives or insights that others on the committee may lack. Using co-optees to provide more diverse representation on a committee should be encouraged and welcomed.

## **6.3 Resourcing**

6.3.0.1 The guidance also highlights three particular models of scrutiny support. These are explained below, along with reflections on scrutiny's value added. The wording used derives from CfPS research into scrutiny support models carried out in the mid-2000s.

6.3.0.2 Training and development support for officers is critical if they are to carry out their roles effectively. Bodies like ADSO provide representation for those in member-facing roles, along with CPD-certified courses.

### **6.3.1 “Specialist model”**

6.3.1.1 The “dedicated scrutiny officer” model is still common in the sector, but less so than it was. There has been a drop in the number of dedicated officers since 2010, and a drop in the overall size of teams (where teams still exist).

6.3.1.2 Effective scrutiny is possible under a range of models but CfPS still considers that the specialist model provides the best opportunity for robust, high quality support to councillors.

### **6.3.2 “Integrated model”**

6.3.2.1 Here, a single officer will provide administrative and policy support to a committee. This is an increasingly common model. An obvious shortcoming is that skillsets that combine excellence in policy support and excellence in administration are not necessarily common.

### 6.3.3 “Committee model”

6.3.3.1 This is the model where support is offered from within council service departments. While democratic services officers administer committee meetings, these “link officers” work with the chair to develop agendas and manage the work programme.

6.3.3.2 This model is not especially widespread and is problematic from the point of view of independence. It asks a lot of “link officers”; under this model, without the mediating work of officers working in democratic services, senior service officers might find themselves fielding large numbers of substantive queries from councillors.

### 6.3.4 The role of statutory officers in supporting the function

#### The statutory scrutiny officer

6.3.4.1 Combined authorities and councils are required to designate an officer as the “scrutiny officer”, in unitary and county areas (shire districts remain exempt from the requirement, although the guidance does suggest that they consider so designating an officer).

[The role of the statutory officer is to]:

- Promote the role of the authority’s scrutiny committee;
- Provide support to the scrutiny committee and its members; and
- Provide support and guidance to members and officers relating to the functions of the scrutiny committee.

Statutory guidance on overview and scrutiny in local and combined authorities, paragraph 18, p13

6.3.4.2 All councils are required to appoint a monitoring officer, a head of paid service and a s151 officer. Collectively these three officers have been termed the “golden triangle”. The statutory scrutiny officer also fulfils a vital role – to support the scrutiny function and to promote it within the organisation.

6.3.4.3 The role is especially important as scrutiny officers, and democratic services officers, will often hold positions in the organisation’s hierarchy that are comparatively junior. The process of carrying out scrutiny will involve them speaking to chief officers and other senior members of staff (and to councillors on the executive). The inevitable power dynamics involved could present problems where a council has an unproductive political and organisational culture. Officers supporting scrutiny members and committees can use the fact that they are empowered by members to their advantage, but properly navigating the relationships involved requires a significant degree of political awareness. This is a lot to ask; the position of scrutiny officers can, in some councils, be quite isolating. The Centre for Public Scrutiny is funded to provide substantive support on scrutiny and governance issues to both councillors and officers; scrutiny and democratic services officers who are members of professional organisations like the Association of Democratic Services Officers may find their support useful as well.

6.3.4.4 A positive working relationship recognises these power dynamics and highlights the need for the support of senior statutory officers – as champions both of the scrutiny function and of good governance more generally – to ensure that scrutiny and democratic services staff feel supported as they carry out their duties. This may be a feature that forms part of a scrutiny / executive protocol.

6.3.4.5 Difficulties will inevitably arise where there are disagreements about scrutiny's powers, role and remit. For example, questions over scrutiny's rights to require the attendance of certain people at meetings, disagreements over work programming, difficulties with acquiring and using information effectively, issues over resourcing, and so on. The role of the statutory scrutiny officer is a broad one, and the holder of that position is required to advocate on behalf of the function (and to protect its independence). In the first instance this will involve a discussion between the Monitoring Officer and the statutory scrutiny officer to consider the issues involved.

6.3.4.6 Those occupying these statutory roles need to have a nuanced and meaningful understanding of the scrutiny function in order to accurately make judgments about its operation when disagreements or other issues arise.

6.3.4.7 It is up to councils to decide who they designate to carry out this role. Some have chosen someone senior in the organisation; others have chosen a comparatively junior officer.

6.3.4.8 The arguments in favour of appointing a senior officer are:

- Gives scrutiny a high profile at a corporate level;
- Commensurate with other statutory posts such as the Monitoring Officer and s151 officer;

6.3.4.9 The arguments in favour of appointing a more junior officer are:

- Empowers those involved in scrutiny day-to-day with a statutory role and duty, which bolsters their visibility to the rest of the organisation;
- The responsibility for providing advice and guidance on scrutiny is a more obvious fit, in terms of skill-set, with an officer with practical experience of scrutiny;
- The other statutory posts relate to corporate functions across the authority, where the scrutiny officer role relates specifically to the council's non-executive activity, which is usually supported by a team or individual.

6.3.4.10 While the Act defines the statutory role as the "scrutiny officer", many councils appoint officers whose job title is "scrutiny officer", but who are not actually the statutory scrutiny officer. The role of statutory scrutiny officer in those councils may in fact be given to an officer who may not have the word "scrutiny" in their job title.

### **The role of the Monitoring Officer**

6.3.4.11 The Monitoring Officer has three principal responsibilities:

- To report on matters they believe are, or may be, illegal or amount of maladministration. There is particular provision in the 1989 Act as to how these reports should be framed, and how they should be responded to. These are slightly different for authorities operating executive arrangements, and other authorities;
- To be responsible for the conduct of councillors and officers;
- To be responsible for the operation, review and updating of the constitution. This includes providing advice on the interpretation of the constitution, and making determinations where necessary.

6.3.4.12 The third of these responsibilities is arguably the one most relevant to overview and scrutiny.

6.3.4.13 Like the other two statutory roles, the role of Monitoring Officer will sit with an officer who has a broader array of duties. The Monitoring Officer will usually be the council's Director of Legal Services, or similar, and a chief officer. As such they will be involved in assisting with setting and delivering the direction of the authority at a senior level, as well as safeguarding good governance and the constitution. This makes the role of Monitoring Officer an extremely complex one.

**This index provides a reference in the text of this guide by paragraph. References to what the guidance has to say about specific topics can be found at these points in the text, where relevant.**

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77 Mansell Street London E1 8AN  
telephone **020 3866 5100** email [info@cfps.org.uk](mailto:info@cfps.org.uk) twitter [@cfpscrutiny](https://twitter.com/cfpscrutiny)

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THE OVERVIEW AND SCRUTINY COMMITTEE – 13 SEPTEMBER 2021

## THE ELECTIONS BILL 2021

### Executive Summary

This paper forms a briefing report for the Members of the Committee on the recently published Elections Bill which proposes a range of new measures seeking to ensure the security of the ballot of future elections. As Members will be aware, Woking Borough Council participated in the Government's Voter Identification pilot, the findings of which have informed some of the proposals in the new Bill.

This report is simply for information; the Bill had its first reading on 5 July 2021 and still has a number of stages to go through before being enacted. Updates will be made through the Council's Elections and Electoral Registration Review Panel and a further briefing paper will be prepared once the Bill has been enacted.

### Recommendations

The Committee is requested to:

**RESOLVE That** the report be noted.

The Committee has the authority to determine the recommendation set out above.

<b>Background Papers:</b>	None.
<b>Reporting Person:</b>	Frank Jeffrey, Head of Democratic Services Email: frank.jeffrey@woking.gov.uk, Extn: 3012
<b>Contact Person:</b>	Frank Jeffrey, Head of Democratic Services Email: frank.jeffrey@woking.gov.uk, Extn: 3012
<b>Portfolio Holder:</b>	Councillor Ayesha Azad Email: cllrayesha.azad@woking.gov.uk
<b>Shadow Portfolio Holder:</b>	Councillor Ann-Marie Barker Email: cllrann-marie.barker@woking.gov.uk
<b>Date Published:</b>	2 September 2021

## 1.0 Introduction to the Elections Bill 2021

1.1 New legislation which seeks to strengthen the integrity of UK elections and protect democracy was introduced in Parliament on Monday, 5 July 2021. The legislation will:

- Deliver on the Government's manifesto pledges to protect democracy;
- Make sure elections are secure, modern and fair; and
- Adopt a series of measures including the securing the ballot, introducing digital imprints and tightening up rules on electoral intimidation

1.2 The Government is intending to ensure that, collectively, the measures will serve to reassure electors that their vote, regardless of the method they choose to use, is secure.

## 2.0 Summary of the Measures Proposed by the Bill

2.1 A range of new measures are proposed as part of the Elections Bill, with the objective of ensuring the electoral arrangements are up-to-date, including tighter new laws to stamp out the potential for electoral fraud, make the overall approach more transparent and further protect elections from foreign interference. The key measures proposed are summarised below.

### Voter identification

2.2 Voters will be required to show an approved form of photographic identification before collecting their ballot paper to vote at a polling station for UK parliamentary elections in Great Britain, at local elections in England, and at Police and Crime Commissioner elections in England and Wales.

2.3 A broad range of documents will be accepted including passports, driving licences, various concessionary travel passes and photocard parking permits issued as part of the Blue Badge scheme. Any voter who does not have an approved form of identification will be able to apply for a free, local Voter Card from their local authority.

### Postal and proxy voting measures

2.4 The proposed measures will require those using a postal vote on a long term basis to re-apply every three years. The current legislation requires postal voters to provide a new signature every five years in order to refresh their original postal vote application. Furthermore, to negate 'postal vote harvesting', the Elections Bill proposes to ban political campaigners from handling postal votes.

2.5 The Bill also introduces a limit on the number of electors on behalf of whom a person may hand in postal votes to a returning officer or at a polling station.

2.6 The Bill provides that a person may be appointed to act as a proxy for a maximum of four electors, and within that four, no more than two may be electors who are not overseas electors or service voters.

### Clarification of undue influence

2.7 Although it is currently an offence to unduly influence an elector, the Government's Bill argues that the outdated legislation requires modernising in order to provide electors with a high level of protection. The Bill therefore seeks to clarify and update the offence so that:

- Undue influence encompasses a wide range of harms, such as physical violence, damage to a person's property or reputation, undue spiritual pressure and injury, or inflicting financial loss.
- Deceiving an elector about the conduct or administration of an election or referendum can also amount to undue influence.
- Intimidation of electors is explicitly listed as a form of undue influence.

### Accessibility of polls

- 2.8 To improve the electoral process for people with disabilities, the Bill places a new requirement on Returning Officers to consider a wider range of support for voters with disabilities in polling stations, supported through Electoral Commission guidance.
- 2.9 The Bill also removes current restrictions on who can act as a 'companion' to support voters with disabilities to cast their vote in the polling station.

### Overseas Electors

- 2.10 The measures will scrap the 15 year limit on overseas electors' right to vote in UK Parliamentary elections and enfranchise all British citizens overseas who were previously registered or resident in the UK. The Bill also seeks to deliver improvements and consequential amendments to the registration process for overseas electors, including the processes by which applicants have their identity and connection to a UK address verified.
- 2.11 The registration period for overseas electors will be extended from one year to up to three years and electors will be able to reapply or refresh their absent vote arrangements (as appropriate) at the same time as renewing their registration. These changes will make it easier for overseas electors to remain on the register with an absent vote arrangement in place.

### EU Voting and Candidacy Rights

- 2.12 Now that the UK has left the EU, and with the ending of free movement and introduction of the new points-based immigration system, the basis for an automatic grant of voting and candidacy rights to European citizens no longer exists. This measure will amend the local voting and candidacy rights of EU citizens in local elections in England and Northern Ireland, elections to the Northern Ireland Assembly and Police and Crime Commissioner elections in England and Wales (other local elections in the UK are devolved).
- 2.13 Once the measures have been introduced, in addition to satisfying the usual eligibility requirements which apply to all electors (e.g. age, residence etc.), EU citizens must be part of one of two groups to participate in the above elections. They must either:
  - 1. be a citizen of an EU member state with which the UK has a voting rights agreement (currently Spain, Portugal, Luxembourg, Poland), or
  - 2. have been continuously resident in the UK or Crown Dependencies since before the Implementation Period completion date – 31 December 2020.
- 2.14 An EU citizen elected before these measures come into force, and who otherwise remains eligible, will be able to serve their full term. Citizens of Cyprus and Malta, which are both EU and Commonwealth states, will retain the right to vote and stand as candidates in all elections for which the UK Government is responsible. The voting and candidacy rights of Irish citizens are also not affected by these measures, as these long-standing rights pre-date EU membership.

The Electoral Commission

- 2.15 To improve the parliamentary accountability of the Electoral Commission, the Bill makes provision for the introduction of a 'Strategy and Policy Statement', to be approved by the UK Parliament. This Statement will provide the Electoral Commission with guidance it must have regard to in the discharge of its functions.
- 2.16 The Bill also amends the function of the Speaker's Committee beyond its current limited remit to give it the power to examine the Commission's compliance with its duty to have regard to the Strategy and Policy Statement. Finally, to avoid imposing an undue burden on taxpayers' funds and duplicating the work of the Crown Prosecution Service and Public Prosecution Service Northern Ireland, the Bill legislates to expressly prevent the Commission from bringing criminal prosecutions in England, Wales and Northern Ireland.

Notional Expenditure

- 2.17 The current rules in this area have led to widespread uncertainty and risk discouraging parties from campaigning in marginal constituencies. The Bill will amend the law to make it clear that candidates only need to report benefits in kind which they have actually used, or which they or their election agent have directed, authorised or encouraged someone else to use on the candidate's behalf and do not need to fear being responsible for benefits in kind, of which they had no knowledge. This clarification will also be extended to other campaigners who are subject to notional expenditure controls.
- 2.18 Expenditure which promotes an individual candidature will continue to count towards a candidate's own spending limit.

Political finance

- 2.19 The following five measures seek to improve and tighten three important components of the political finance framework: fairness, transparency and controls against foreign spending. The measures will complement separate Home Office forthcoming legislation to Counter State Threats, which will help tackle the evolving threat from hostile activity by states and actors.
- **Third-party campaigner registration:** This measure will introduce a new 'lower' tier of registration with the Electoral Commission for third parties spending above £10,000 across the constituent parts of the UK but less than the current per-country registration thresholds. Groups in this 'lower tier' would be subject to basic transparency requirements and would need to be UK-based or otherwise eligible to register (e.g. a registered overseas elector).
  - **Restriction of all third-party campaigning to UK-based entities and eligible overseas electors:** This will restrict third-party campaigning during a regulated period to only those groups eligible to register with the Electoral Commission, even those spending below the registration threshold. This will remove the scope for spending by ineligible foreign third-party campaigners.
  - **Ban on registering as both a political party and a third-party campaigner:** Campaigners can currently register as both a political party and third-party campaigner at the same time, allowing them to potentially make use of two spending limits. This measure will prohibit entities from appearing on both registers at the same time.
  - **Restrictions on coordinated spending between parties and third parties:** Currently, when one or more third parties work together on a campaign, they must all account for the costs. This new measure will extend similar principles to third-party campaigners and political parties who work together on a joint campaign, to ensure they cannot unfairly expand their spending limits by sharing costs.

- **Asset and liabilities declaration for the registration of new political parties:** This measure will introduce a requirement for new political parties to declare their assets and liabilities (if over £500) when registering with the Electoral Commission. This will allow for earlier public scrutiny of political party finances.

Intimidation: new electoral sanction

- 2.20 The Bill introduces a new electoral sanction to protect candidates, future candidates, campaigners and elected officeholders from intimidation and abuse, both online and in person. Under this new electoral sanction, someone convicted of intimidating a candidate, future candidate, campaigner or elected officeholder will face a five-year disqualification from standing for, being elected to and holding elective office.
- 2.21 This five-year disqualification is in addition to the punishment for the underlying criminal offence of an intimidatory nature, such as a fine or imprisonment, depending on the severity of the intimidation.

Digital imprints

- 2.22 This measure introduces a new digital imprints regime, requiring political campaigners to explicitly show who they are and on behalf of whom they are promoting digital campaigning material. The Government has sought to balance the need to avoid unreasonably restricting the free speech of individuals, and avoid imposing disproportionate measures which would discourage political campaigning.
- 2.23 Under the new regime, all paid for digital political material would require an imprint, regardless of who it is promoted by. In addition, certain campaigners, such as elected representatives and political parties, will also require a digital imprint on their organic material if it constitutes digital election material, referendum material or recall petition material.

**3.0 Process for the Bill to be Passed into Law**

- 3.1 Summarised below is the process the Bill will need to take before being enacted (<https://bills.parliament.uk/bills/3020#timeline>).

Stage 1	The House of Commons <ul style="list-style-type: none"><li>• 1st reading</li><li>• 2nd reading</li><li>• Committee stage</li><li>• Report stage</li><li>• 3rd reading</li></ul>
Stage 2	The House of Lords <ul style="list-style-type: none"><li>• 1st reading</li><li>• 2nd reading</li><li>• Committee stage</li><li>• Report stage</li><li>• 3rd reading</li></ul>
Final stages	Consideration of amendments Royal Assent

- 3.2 The passage of the Bill will be monitored by the Council and updates provided if necessary to the Council Elections and Electoral Registration Review Panel.

#### **4.0 Corporate Strategy**

- 4.1 The work of the Election's Team falls within the Corporate Strategy's priority of 'Engaging with our Communities'. The changes within the Bill would have a substantial impact on voters if passed into legislation and will require a significant level of public engagement and support, both nationally and locally, to raise awareness of the changes.
- 4.2 In particular, the changes which would affect electors voting at Polling Stations and those voting by post will need to be comprehensively communicated to residents to minimise any inconvenience. The Borough of Woking, however, has the benefit of having participated successfully in the Government's pilot scheme for voter identification, the communications element of which will be built upon should the Bill be passed.

#### **5.0 Implications**

##### Finance and Risk

- 5.1 There are no financial or risk implications arising from this report.

##### Equalities and Human Resources

- 5.2 There are no equalities or human resource implications arising from this report.

##### Legal

- 5.3 This report has been reviewed by Legal Services who have not raised any issues.

#### **6.0 Engagement and Consultation**

- 6.1 The passage of the Bill through the House of Commons and the House of Lords does not offer any opportunities for consultation. The purpose of this report is to brief the Members of the Overview and Scrutiny of the aims of the new Elections Bill, noting that one of the key elements – the introduction of voter identification – has been developed following the pilot scheme held in Woking.
- 6.2 Details of the Bill will also be shared with the Members of the Council's Elections and Electoral Registration Review Panel, together with a final report once the Bill has been passed.

REPORT ENDS



**PERFORMANCE  
AND FINANCIAL  
MONITORING  
INFORMATION**

**July 2021**



**PERFORMANCE AND FINANCIAL  
MONITORING INFORMATION**

**July 2021**

## **PERFORMANCE AND FINANCIAL MANAGEMENT INFORMATION**

**July 2021**

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**BEST VALUE PERFORMANCE PLAN  
INDICATORS**

**July 2021**

**Performance Management - Monthly Performance Monitoring of Performance Indicators  
July 2021**

**Introduction**

The Council's corporate approach to improving efficiency is supported by integrated performance management and monitoring systems. Performance Indicators, across a range of service areas, are monitored and reported monthly in this document, the Green Book. The Green Book also supports the monitoring of contractual relationships the Council has with its outsourced service providers. The Council uses a variety of performance indicators to monitor how well our services are performing in meeting the needs of our residents.

We monitor our performance on a monthly basis to ensure that we remain focused on our priorities and to ensure that we can promptly deal with underperformance wherever necessary. All the monitoring data is circulated to elected Members, Corporate Management Group, staff and the public.

Additional information is shown on the charts where appropriate to aid analysis and indicate where management intervention may be needed:-

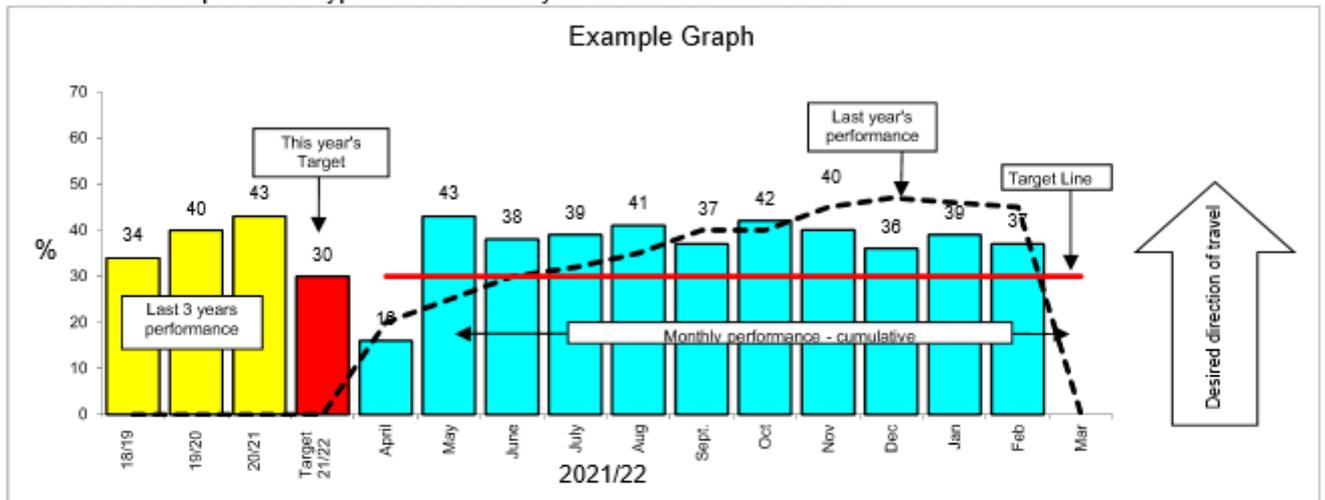
Last year's performance is shown as a dotted line which is useful for comparative purposes and enabling target profiling to be considered.

In many cases some natural variation in performance is to be expected and this is represented (in some charts) by a thinner line above and below the red target line, based on calculating the standard deviation of previous year's actual performances.

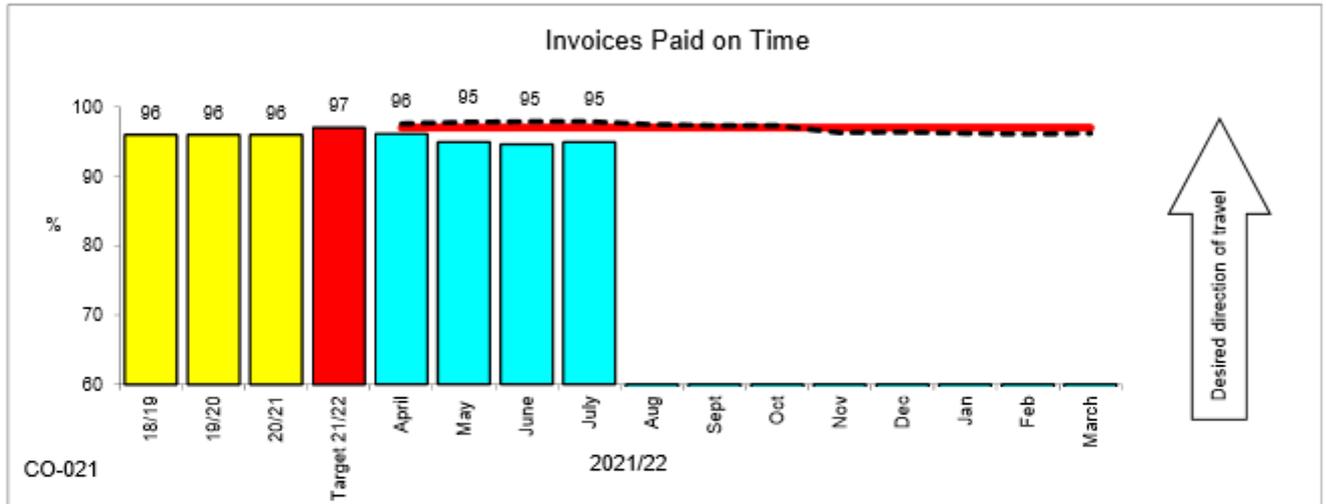
Performance is reported cumulatively for most indicators. Where this is not the case it is indicated on each graph.

The objective of the additional information is to enhance the monitoring of performance. The aim is to be as close to the target line as possible and at least within the upper and lower lines. Significant variation outside these lines might indicate a need for management intervention or could suggest a fortuitous improvement which might not be sustainable.

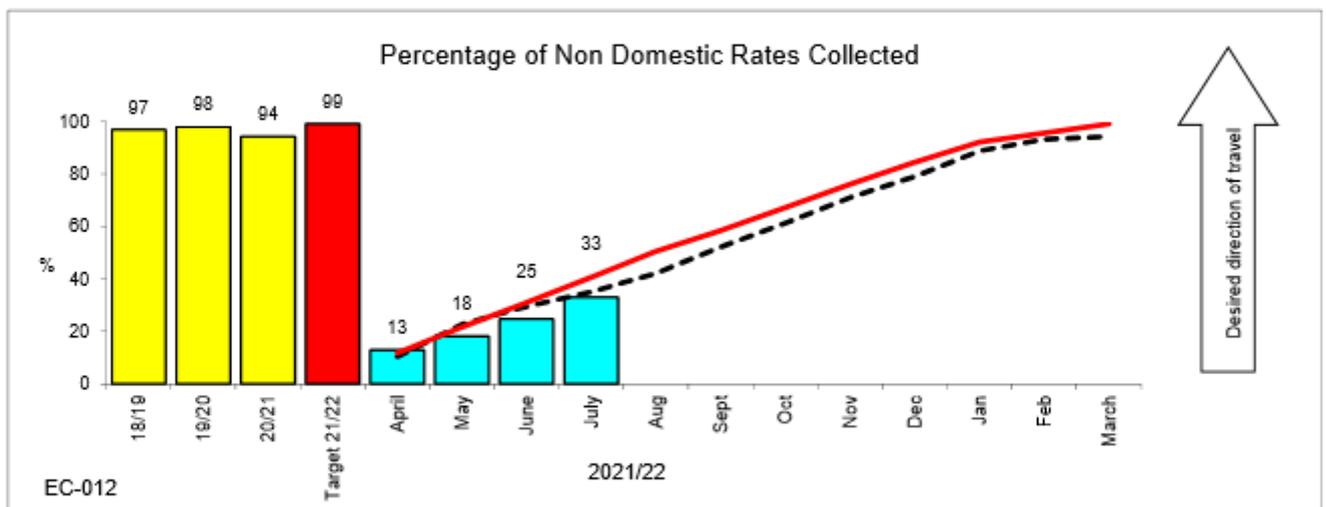
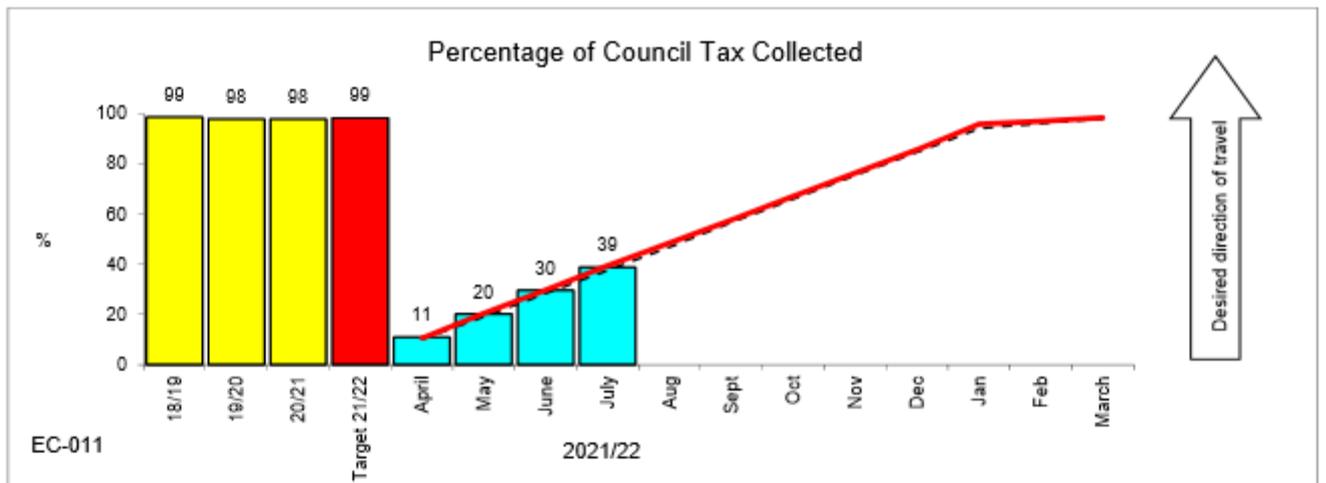
Here's an example of the typical information you will find in each chart:



**CORPORATE HEALTH INDICATORS (Responsible Manager - Various)**



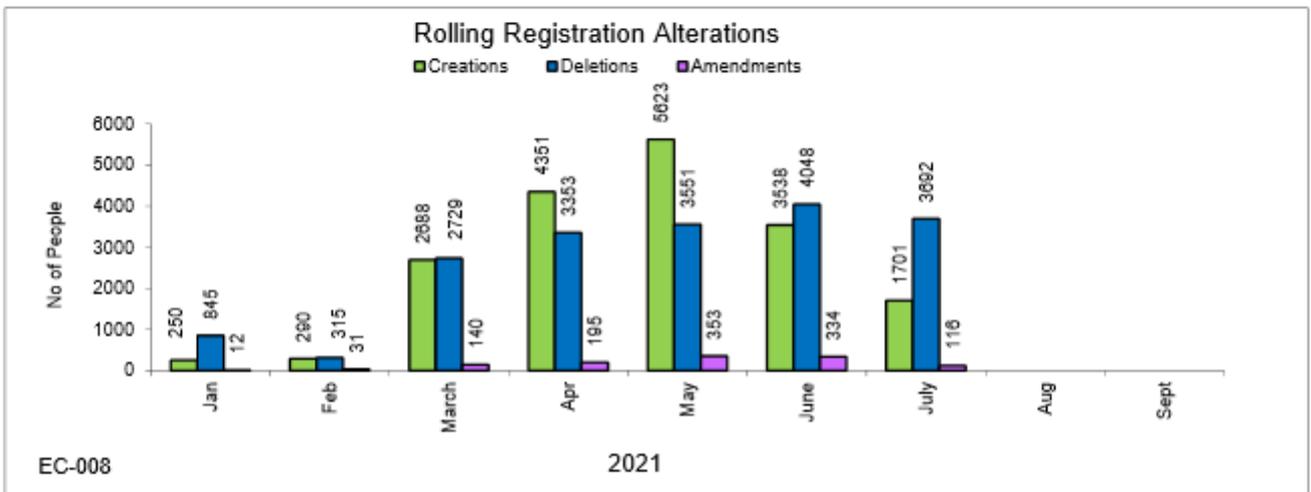
Since January 2009, measures have been in place to reduce the time taken to pay Local Suppliers. The Average Number of Days taken to pay Local Suppliers in July was 1.72(Target = 12 days); Average Number of Days taken to pay All Suppliers in July was 8.62 (Target = 20 days). Late Payment legislation introduced in March 2013 provides for all undisputed invoices payable by a Public Authority to be paid within 30 calendar days, unless agreed with the supplier, and introduces financial penalties for late payment.



Impacts of Covid restrictions and removal/reduction of Government reliefs from 1st July.

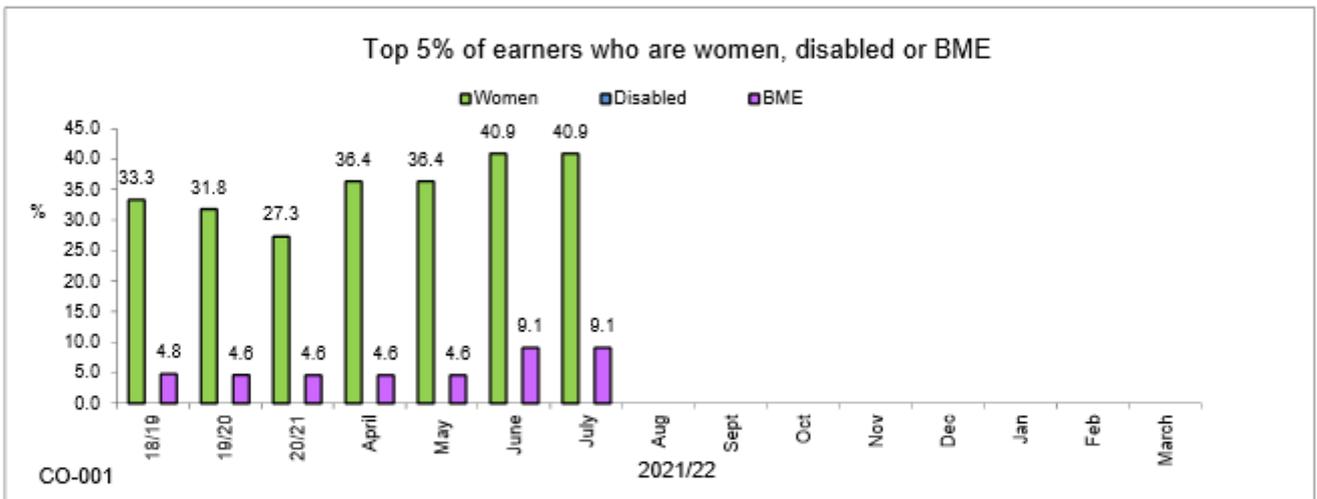
Annual Election Indicators	Desired Direction of Travel	2018	2019	2020	2021
EC-002: Percentage of Adult Population on the Electoral Register	↑	96	94.5	97.3	97.8
EC-003: Percentage of rising 18 year olds on the Electoral Register	↑	26	23.6	26.9	23.3
EC-004: Percentage of those on the Electoral Register who voted	↑	37.7	36.3	n/a	40
EC-005: Percentage of people who voted by post	n/a	41.3	33.8	n/a	33.5
EC-007: Percentage of clerical errors recorded at the last election	↓	0.0001	0.0001	n/a	0.013

Local elections scheduled for May 2020 were postponed until 2021 due to Covid-19 lockdown.

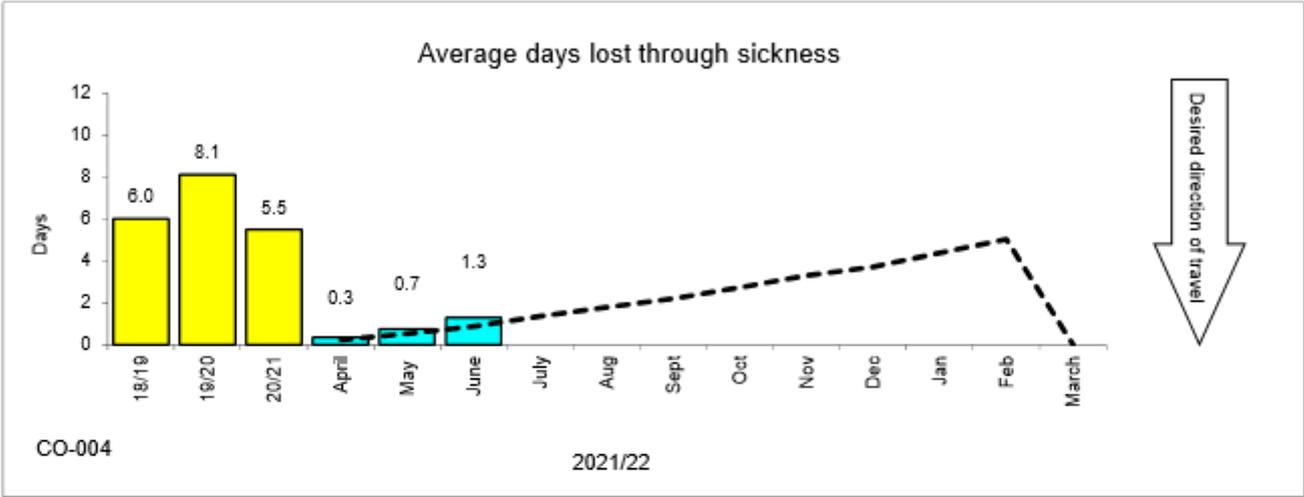


There will be no monthly updates to the Electoral Register published in October, November and December whilst the annual canvass is carried out.

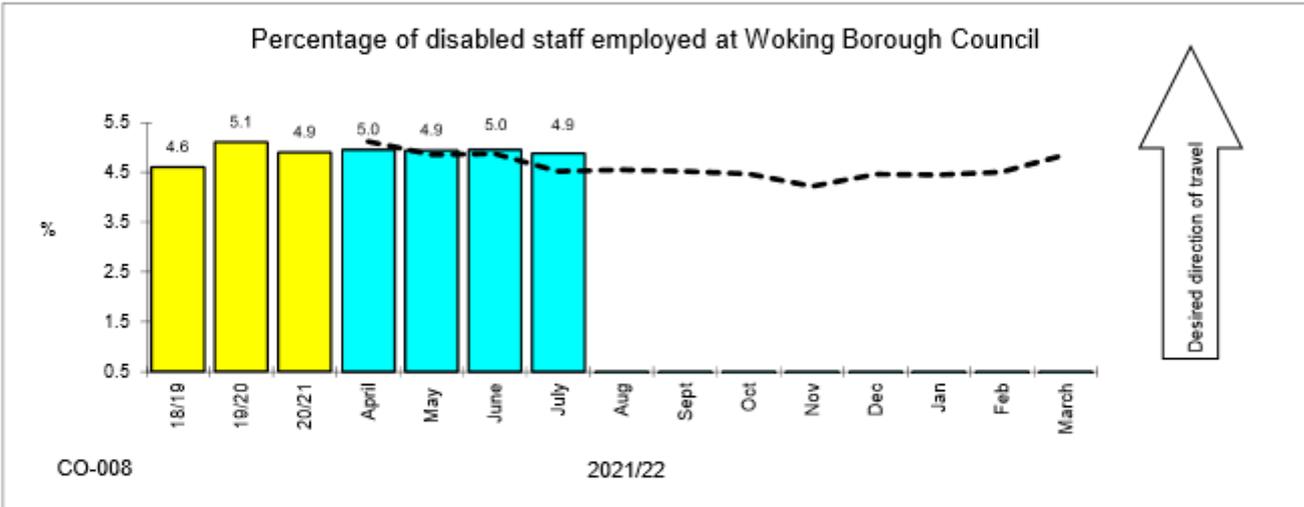
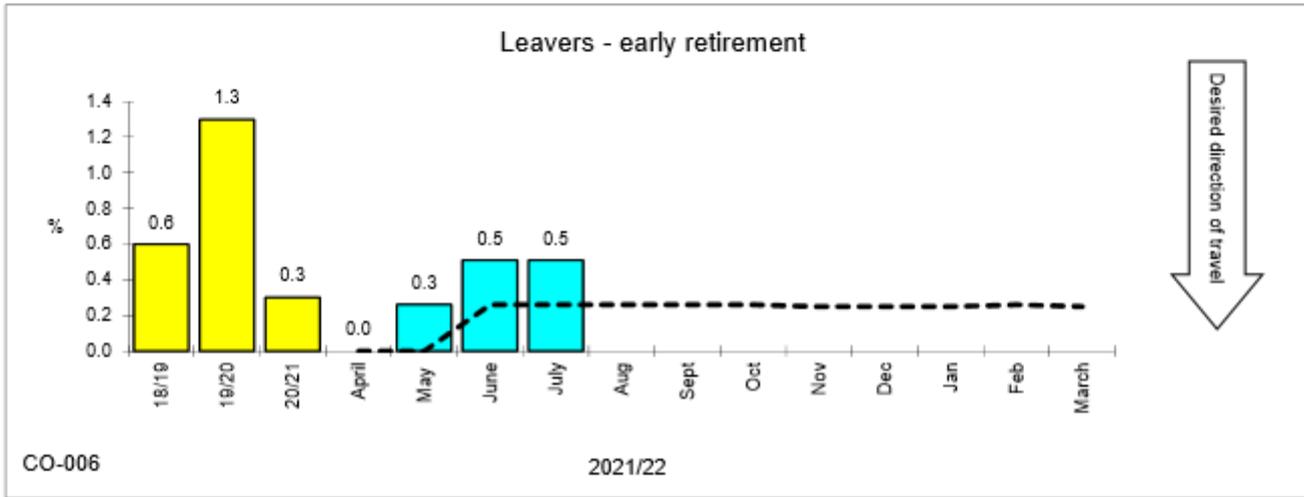
### HUMAN RESOURCES (Responsible Manager - Amanda Jeffrey)



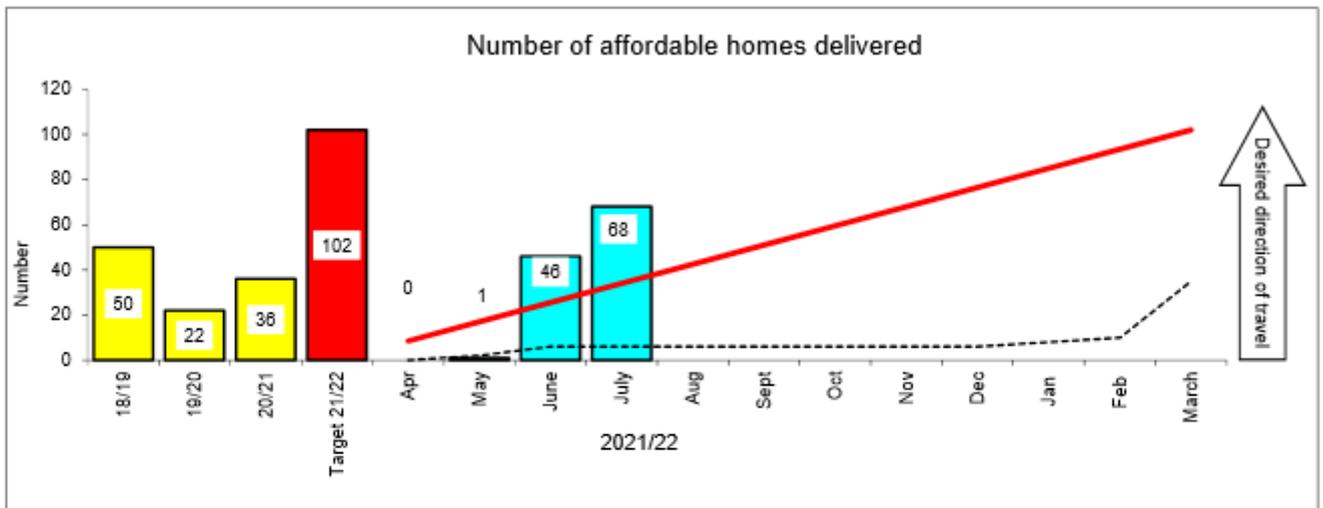
The number of employees included in the top 5% can differ, depending on the total number of employees, and if there are salary changes for top earners. This causes these figures to fluctuate, even if no one in the top 5% of earners leaves the organisation.



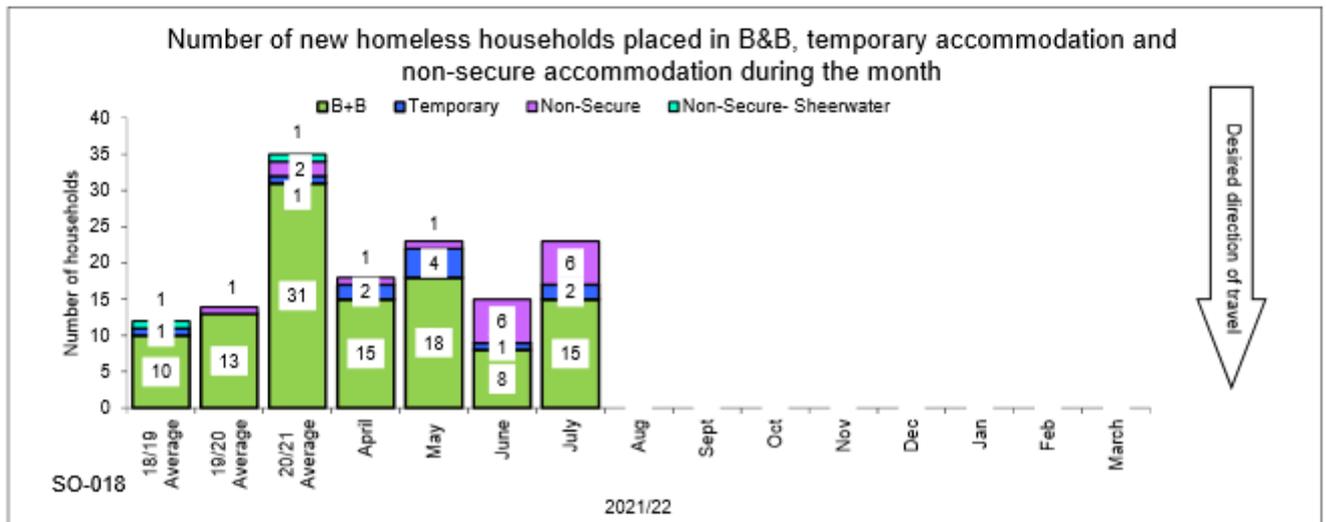
Excluding long term sickness to June = 0.48 days. There is a 1 month time lag on this indicator.



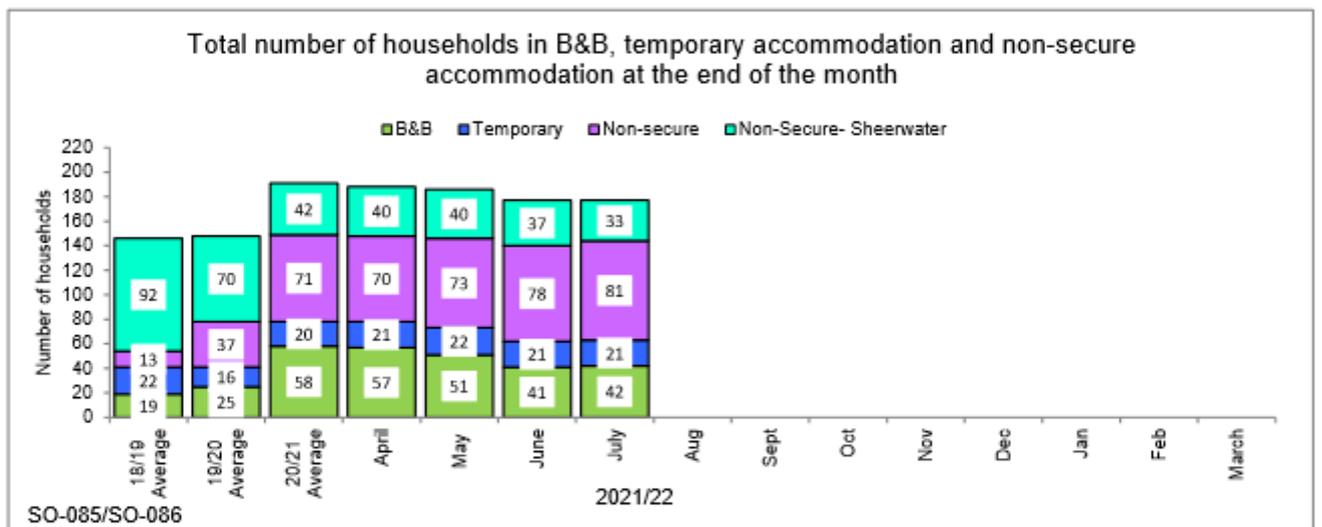


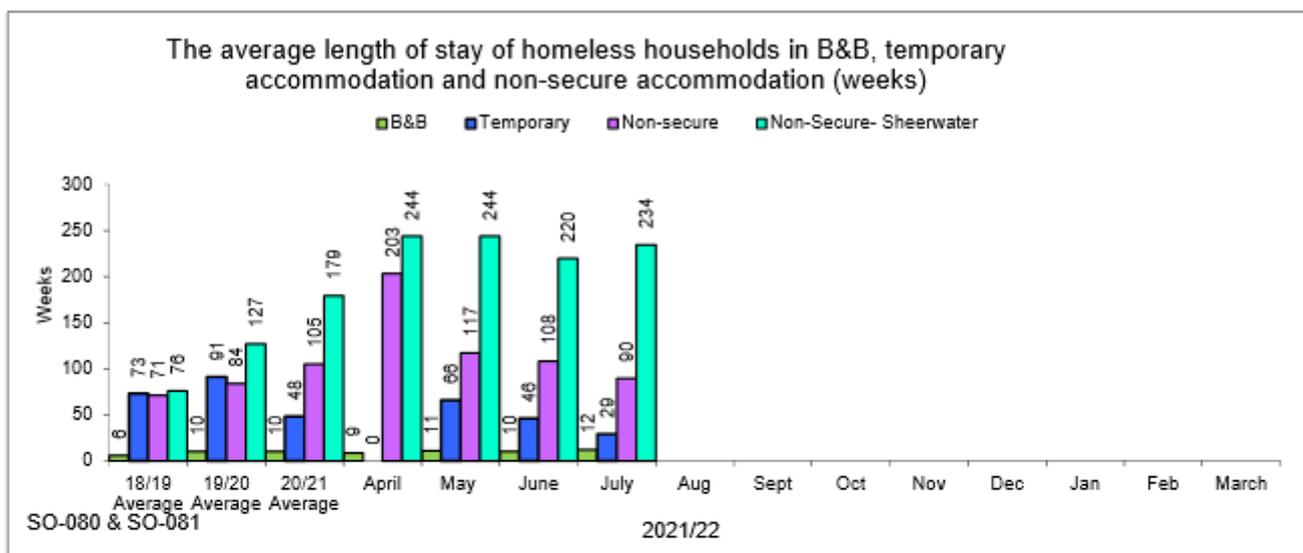


Figures for July: Social Rented: 0, Intermediate homes for rent: 0, Intermediate homes- shared ownership: 0, Affordable Rent: 22, Starter Homes: 0. Cumulative figures year to date: Social Rented: 0, Intermediate homes for rent: 0, Intermediate homes- shared ownership: 0, Affordable Rent: 68. Total for year to date: 68



The Sheerwater properties are being used pending the redevelopment of Sheerwater.





The Sheerwater properties are being used pending the redevelopment of Sheerwater.

Annual Homelessness Indicators	Target	Desired Direction of Travel	18/19	19/20	20/21	21/22
SO-015: Number of rough sleepers	1 - 10	↓	11	11	1	
SO-082: The number of households prevented from becoming homeless	N/A	N/A	78	N/A	N/A	N/A

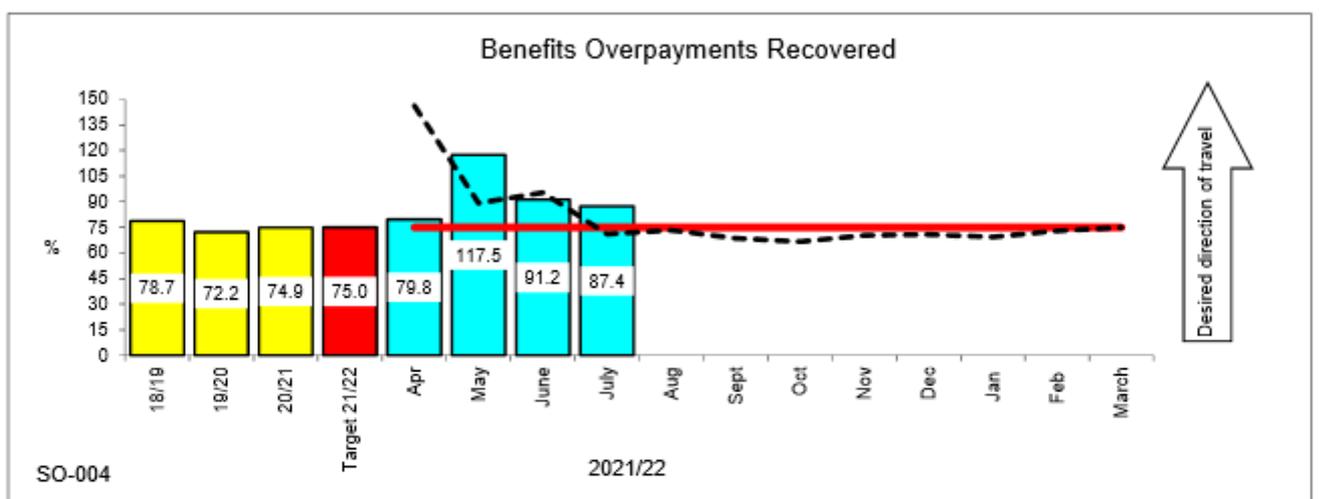
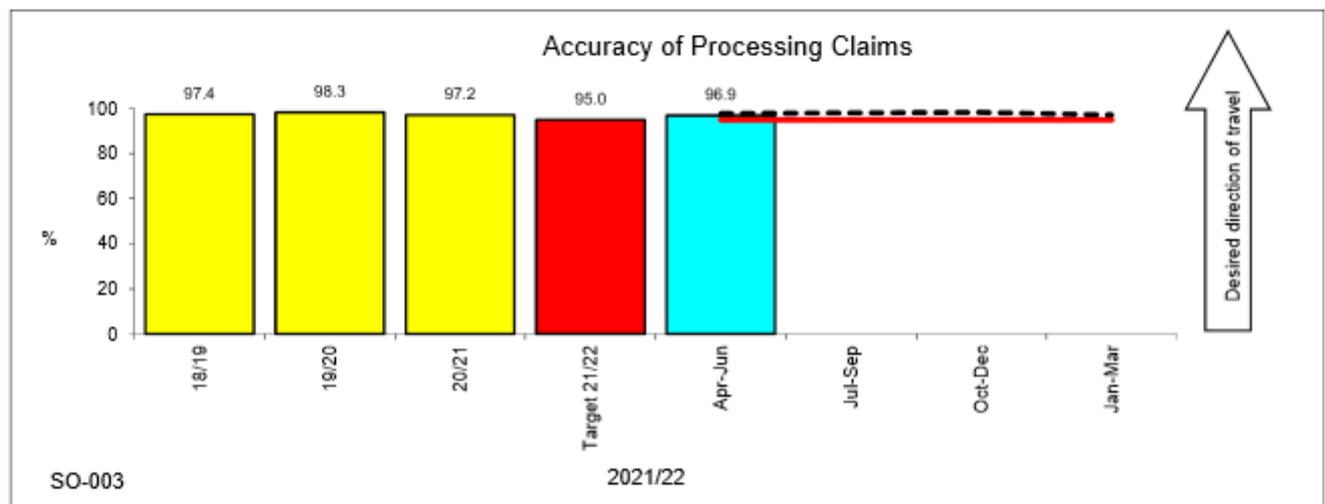
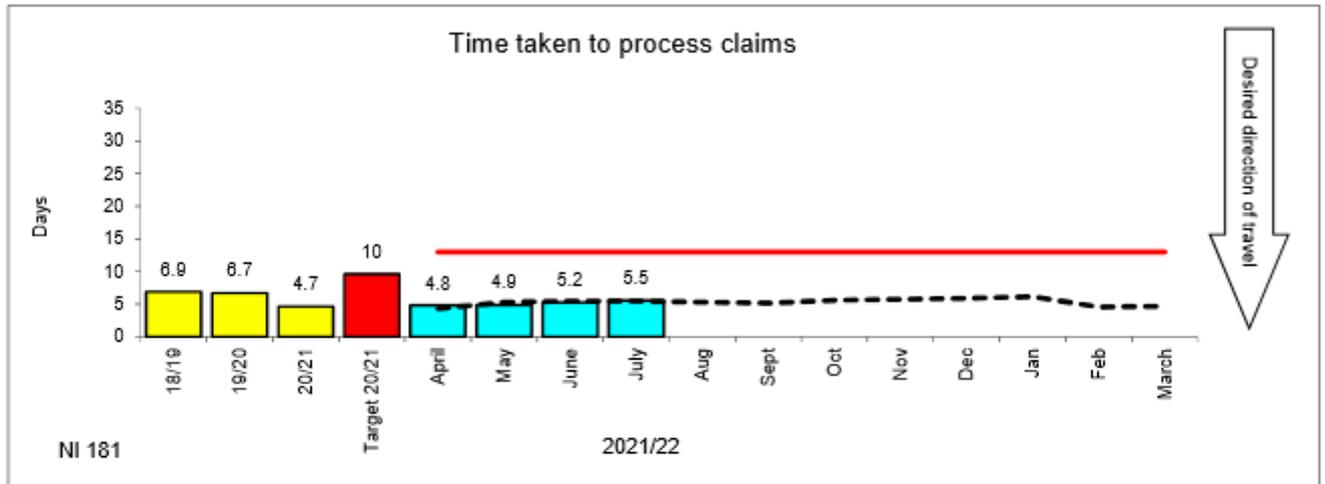
The number is very low as this was the only person on the street. All other rough sleepers were brought into accommodation under the Government's "Everyone In" scheme.

Quarterly New Vision Homes Indicators	Annual Target	20/21	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
IM1: Rental income (%)	98.90	95.06	86.68			
IM3: Average days void	21	30.13	35.22			
RR1: Emergency repairs (%)	98.75	99.84	98.68			
RR2: Urgent repairs (%)	97.75	97.61	99.01			
RR3: Routine repairs (%)	96.72	92.33	93.04			

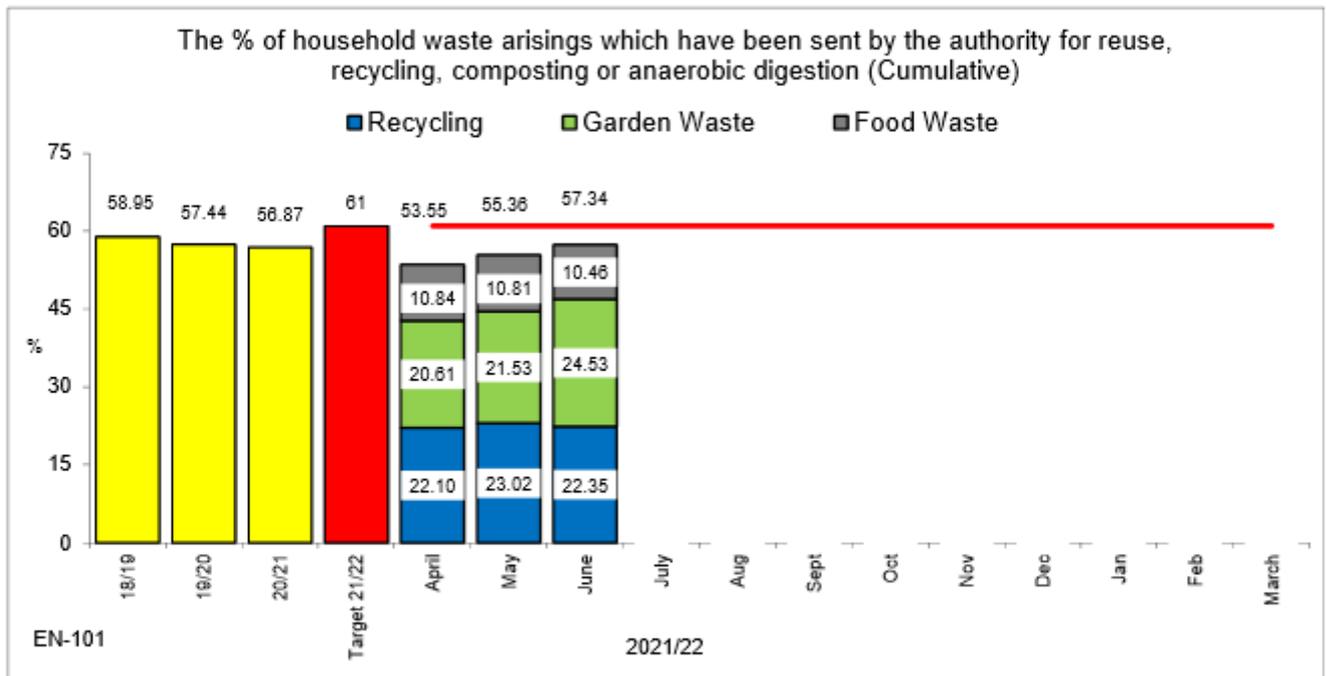
Income performance includes a brought forward balance so the figures in the early part of the year will always be low – the collection rate including b/f balance is only truly measurable at year end. The collection rate excluding the b/f balance for Q1 has been excellent at 101.83%.

General repairs performance remains at a good level but void turn-around times have continued to be an issue throughout Q1. NVH have held various meetings with the contractor to address a number of problems and to ensure that all parties are taking actions to put things right. There also continues to be a number of issues with SSE who take over the energy supply for voids and their ability to ensure gas and electric meter issues are dealt with in a timely manner. This is out of NVH's control and is adding considerable delays to some voids.

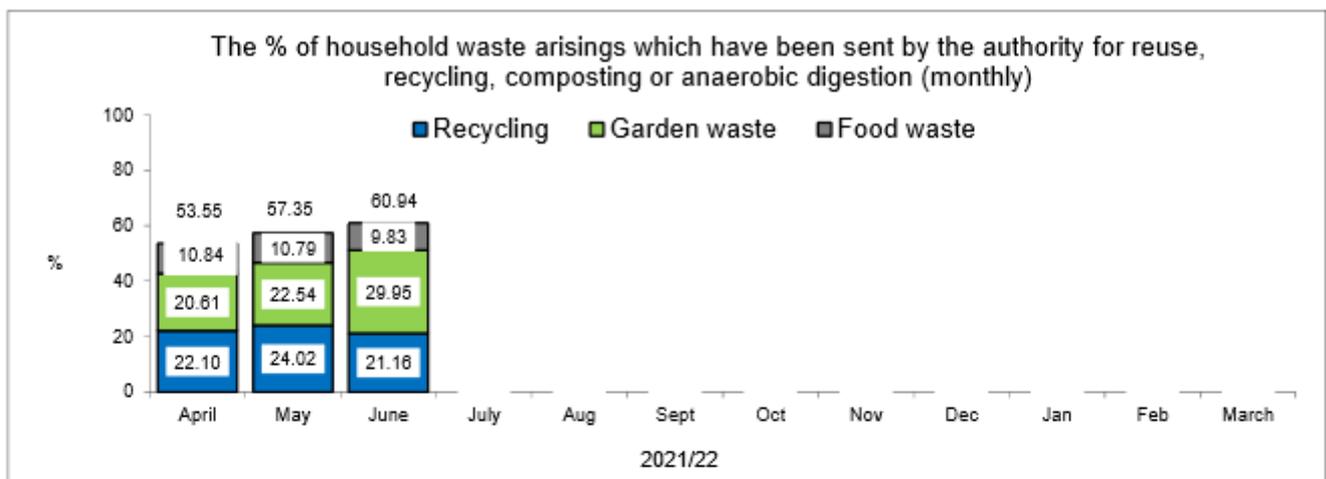
**HOUSING BENEFIT AND COUNCIL TAX (Responsible Manager - David Ripley)**



**WASTE AND CLEANLINESS (Responsible Manager - Geoff McManus)**



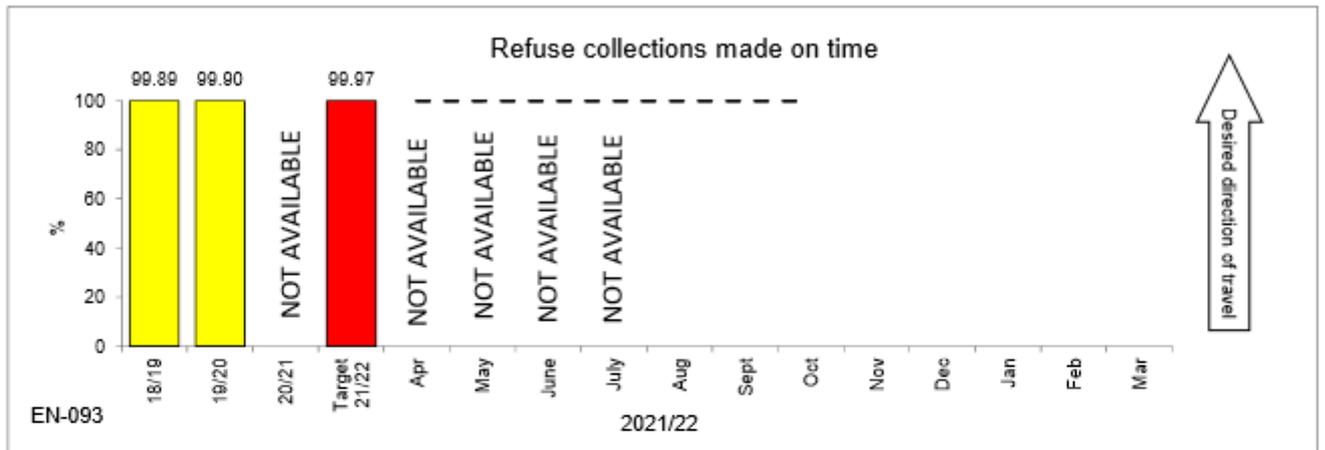
Waste and recycling tonnages are continuing to be affected by the Covid-19 pandemic; due to residents staying/working from home. In all four main waste streams (household waste, comingled, food waste and green waste) tonnage has increased in June with green waste having the most significant increase. The June monthly recycling rate is 60.93% and the cumulative recycling rate (year to date) stands at 57.35%. Please note – due to ongoing driver issues we anticipate a drop in recycling levels until green waste services are fully reinstated. There is a 5 week time lag on this indicator.



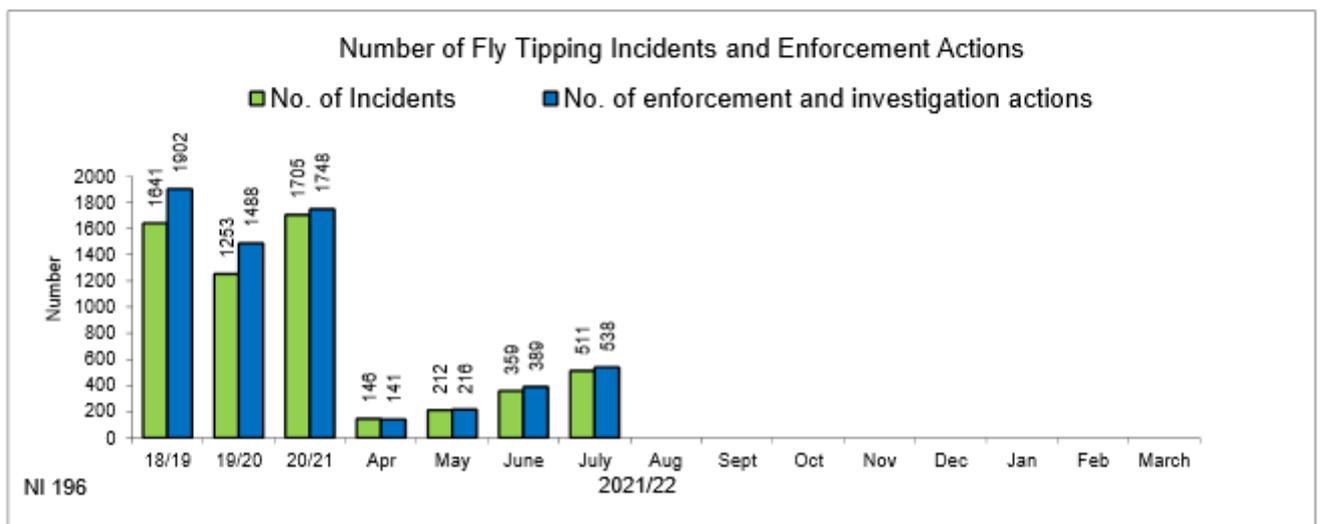
Waste and recycling tonnages are continuing to be affected by the Covid-19 pandemic; due to residents staying/working from home. There is a 5 week time lag on this indicator.

Quarterly Waste Indicators	Annual Target	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
NI-191: Residual household waste per household (kg)	350	99			

Figures provided quarterly. Population figure used = 42,953 . There is a 5 week time lag on this indicator.



Indicator EN-093 enables the Council to measure its contractors performance by recording the number of genuine missed waste and recycling containers reported by residents. Data for April, May, June and July is currently unavailable. There is a 5 week time lag on this indicator.

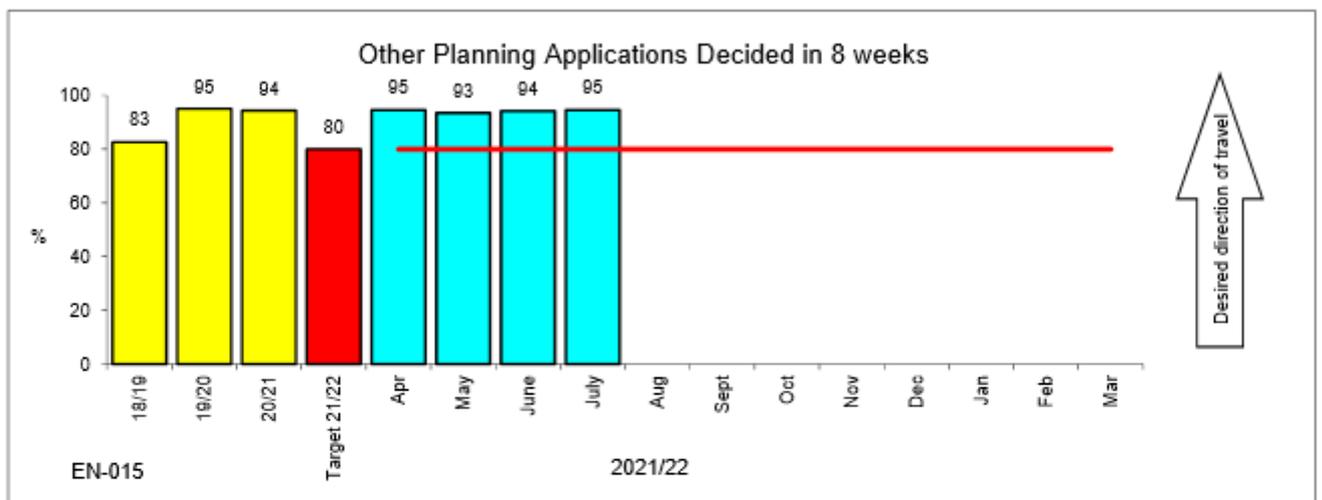
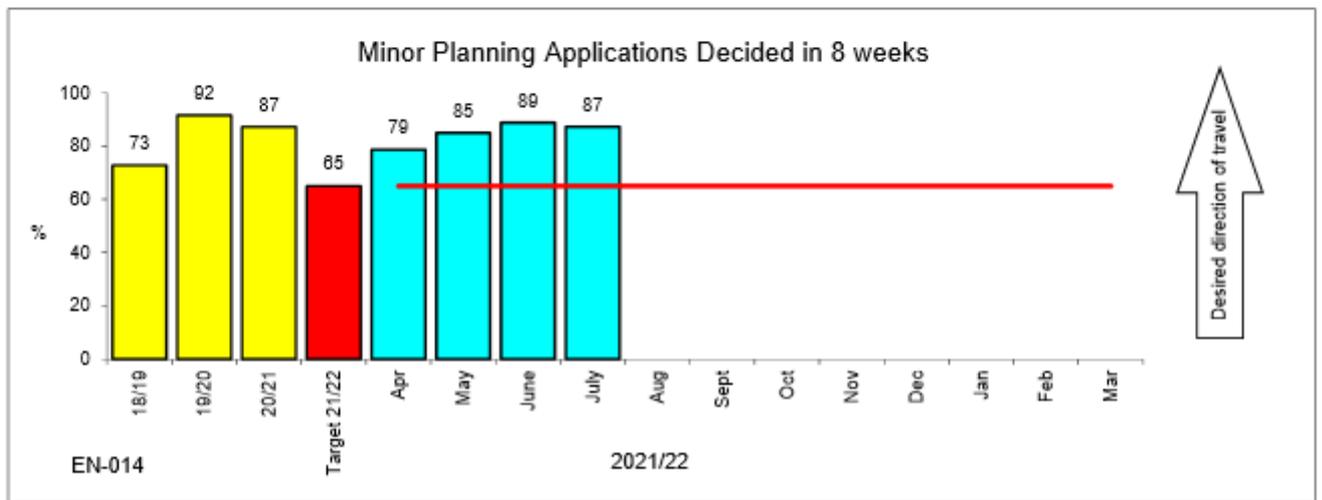
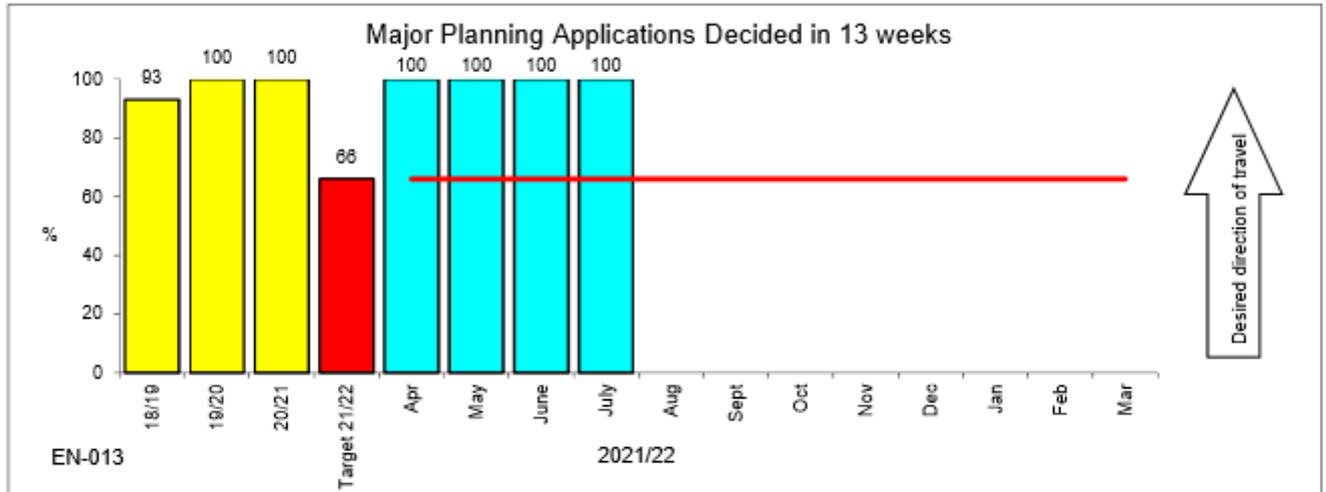


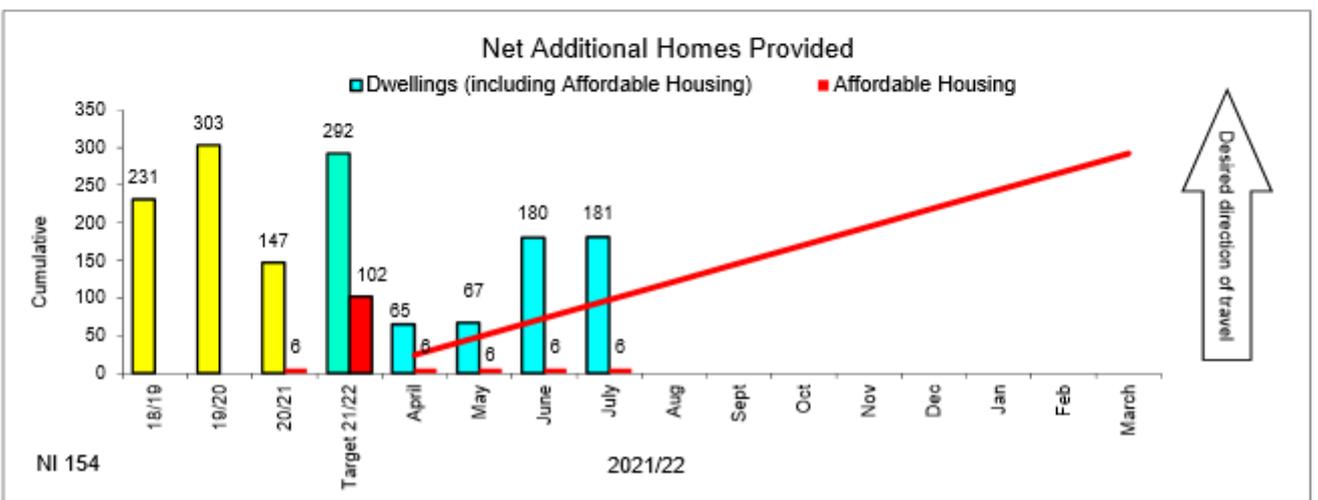
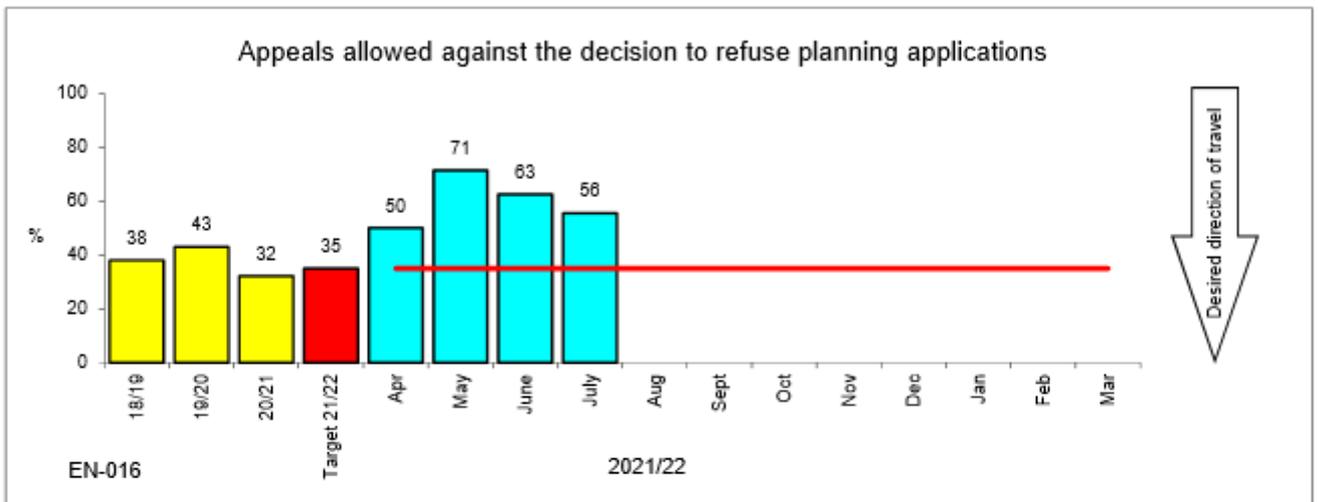
Please note that there can be more than one investigation action per fly tipping incident. This is why there are more investigation and enforcement actions than there are fly tipping incidents..



Satisfaction surveys are carried out through a telephone poll of 300 residents every quarter. There is a one month time lag on this figure.

**PLANNING (Responsible Manager - Thomas James)**

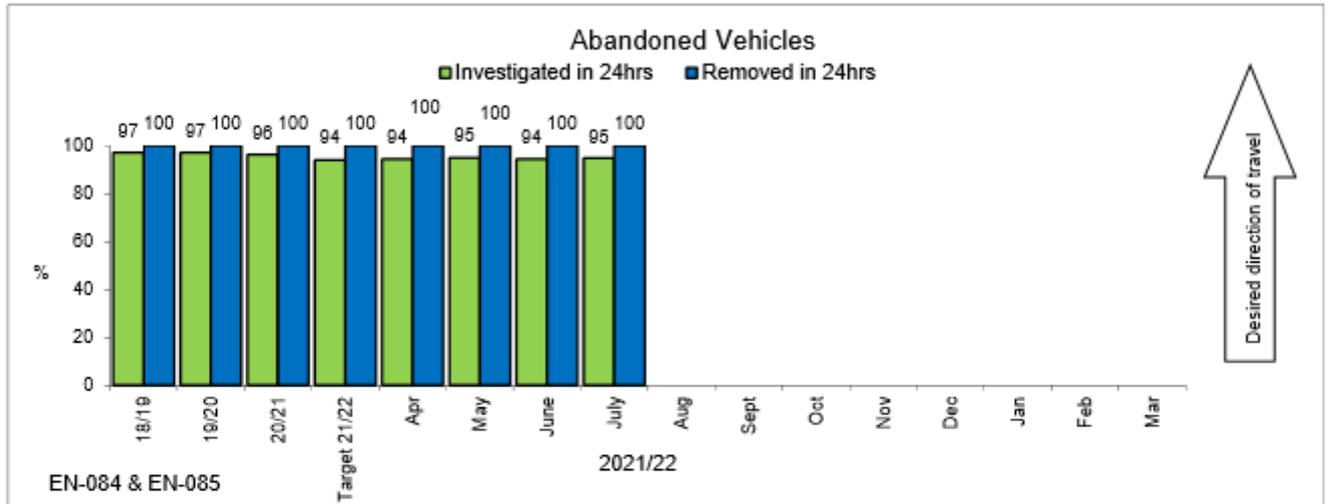




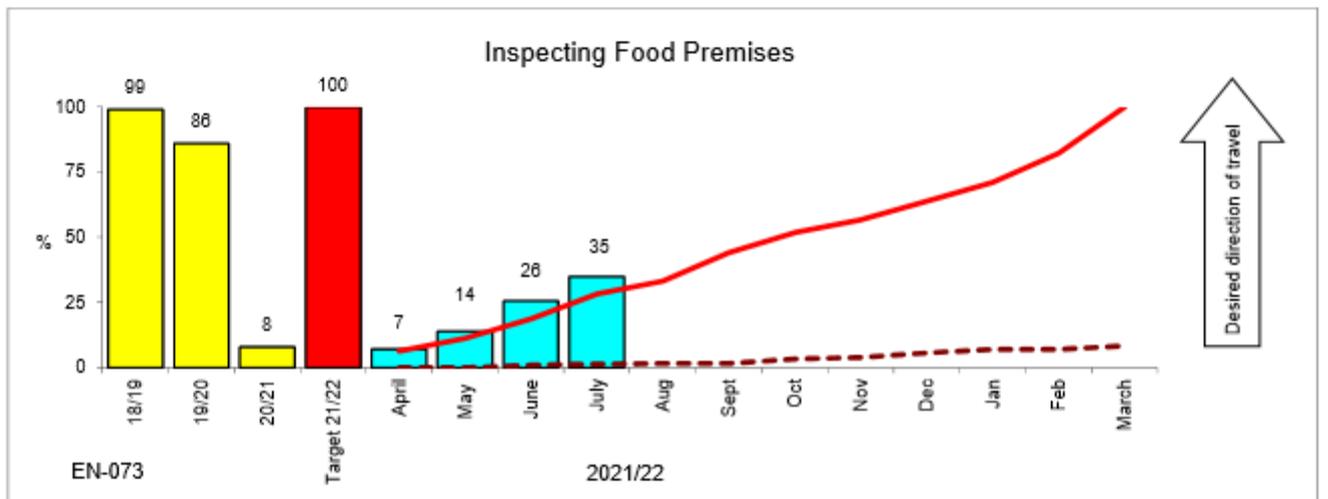
Total Residential Properties Completed				
Year	Residential Properties Target	Dwellings	Affordable Housing Target	Affordable Housing
2011/12	292	175	102	3
2012/13	292	273	102	0
2013/14	292	370	102	14
2014/15	292	66	102	8
2015/16	292	360	102	126
2016/17	292	399	102	173
2017/18	292	345	102	54
2018/19	292	231	102	37
2019/20	292	303	102	19
2020/21	292	147	102	6
2021/22	292	181	102	6
Cumulative Total	3212	2850	1122	446

This table has been added to show all of the residential completions each year since 2010/11, which was the start of the current Local Plan period. The affordable housing numbers may vary from those recorded in the Housing section of the Green Book, due to use of different monitoring arrangements and the inclusion of acquisitions (in the Housing section only).

**COMMUNITY SAFETY (Responsible Manager - Geoff McManus)**



\*24 hours from the time that the vehicle can be legally removed. The table shows the cumulative percentage of vehicles visited and removed during the course of the year.



Targeted inspections are revised this year due to the FSA 'Recovery Plan' outlining priorities for high risk and newly registered inspections rather than the usual programme. 'Revised inspections due' will include adjustments for inspections brought forward due to public health risk, new registrations, inspections completed as a result of a re-rating request and businesses that have ceased trading.

Quarterly Environmental Health Indicators	Desired Direction of Travel	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
Percentage of establishments with a food hygiene rating of 3 or better	↑	96%			

Annual Environmental Health Indicator	Target	Desired Direction of Travel	2019/20	2020/21	2021/22
Satisfaction of business with Environmental Health	85%	↑	91%	Unavailable	

Business satisfaction, engagement and enforcement were much lower in 2021/22 due to the pandemic. Results are therefore recorded as 'Unavailable' as despite being a percentage, is not a true reflection in comparison to previous years.

**FINANCIAL MANAGEMENT  
INFORMATION**

**July 2021**

## REVENUE BUDGET - MAJOR VARIATIONS AND RISK AREAS

JULY 2021

### Introduction

The report that follows summarises the General Fund and Housing Revenue Account budget variations for 2021/22 based on information available at the end of July.

Set out below are explanatory notes for the major variations that have been identified.

### General Fund – Major Variations and Risk Areas

The Council allowed a General Fund risk contingency of £250,000 in the Budget for 2021/22 and assumed a £9.5m use of reserves to meet service pressures and Covid related income losses. Budget monitoring to the end of July indicates a forecast reduction in this use of reserves of £1,996,709. The variations making up this underspend are reported below.

	Position to July £	Forecast Outturn 2021/22 £
<u>Impact of Covid on Income Budgets</u>		
a Car Parks Income	1,456,168	3,653,000
b Commercial Rents	646,667	1,940,000
c Leisure Management Fee	210,290	630,869 *
Sales, Fees & Charges compensation grant	0	-1,264,000
Provision for Covid related income reductions in 2021/22 base budget	-2,204,672	-6,614,016
	<u>108,453</u>	<u>-1,654,147</u>
<u>Direct Covid expenditure and funding</u>		
d Town Centre Leisure lease extension	353,894	500,168 *
e Taxis and Private Hire Vehicles	32,955	32,955 *
f Civic Events	-30,678	-30,678 *
g Mayors Car and Driver	-10,612	-10,612 *
c Freedom Leisure - operational support	87,484	224,726 *
General Support grant	-449,354	-449,354
Leisure Recovery Fund	-11,672	-11,672
Additional Restrictions Grant	-150,000	-150,000 *
New Burdens funding - Business support grants	-166,800	-166,800
	<u>-344,783</u>	<u>-61,267</u>
<u>Other Service Variations</u>		
h Legal Costs	43,853	130,000 *
i The Lightbox	26,000	26,000
j Planning Inquiry Costs	200,000	400,000
k Interest costs	-790,429	-500,000
Unused Contingency net of Savings Target	-50,000	-150,000
Employee costs under staffing budget	-187,295	-187,295 *
	<u>-757,871</u>	<u>-281,295</u>
Forecast Underspend/Reduction in Use of Reserves at July 2021	<u>-994,202</u>	<u>-1,996,709</u>
Position at June 2021		-1,593,562

Items marked with a \* in the table and the following comments have changed this month. Further details of each of these variations are set out in the following section.

Covid related service expenditure in 2021/22 is currently assumed to be met through specific Covid grant funding and Contain Outbreak Management Fund (COMF). This position will be monitored and variations reported as the year progresses.

a Car Parks Income (Geoff McManus, Director of Neighbourhood Services)

The gradual lifting of Covid restrictions and impact of changes to behaviours has meant activity is still significantly reduced during quarter 1 of 2021-22. The situation will continue to be closely monitored.

The government has extended the income compensation scheme for lost sales, fees and charges to 30 June 2021, which will fund 75% of the losses over an initial 5% reduction in income. The forecast income from this scheme is shown separately.

b Commercial Rents (Ian Tomes, Strategic Asset Manager)

The National Lockdowns and various levels of restrictions in force has resulted in a difficult trading environment for businesses within the Borough. A number of tenants in the Council's commercial properties have had difficulties in paying rent and service charges due during this period. Where possible arrangements have been made to recover amounts due over time. An assessment of the potential lost income through irrecoverable debt forecasts a variance to budget of approximately £1.94m in 2021/22.

c Leisure income \* (Steve May, Leisure Services Manager)

There is a forecast loss of income from the Leisure Management contract, as Covid restrictions affect the income which can be generated from the facilities. The government extended the Sales, Fees and Charges compensation scheme until 30 June 2021, which will provide some compensation (reported separately) for this lost income, and the latest forecast indicates better performance than anticipated, primarily by adding more casual swim and swim school programmes, and Freedom receiving Start Up Grants which weren't previously included. The Council has also continued to provide support towards operational costs while restrictions are in place affecting activity.

d Town Centre Leisure lease extension (Ian Tomes, Strategic Asset Manager)

Due to the Covid pandemic the Town Centre Leisure lease has been extended to October 2021 to accommodate the housing pods provision for rough sleepers. There have also been costs relating to the assignment of the footbridge licence costs, giving a projected total cost of £500,168 in 2021-22.

e Taxis and Private Hire Vehicles (Joanne McIntosh, Director of Legal and Democratic Services)

Activity levels for 2021/22 have been lower than forecast for Private Car Hire and Taxi Licences resulting in an overspend for the service.

f Civic Events (Frank Jeffrey, Democratic Services Manager,)

Costs relating to Civic Events such as Remembrance Sunday, Civic Service, Civic Reception, Freedom of Borough and Peace Garden Service have either been scaled down for 2021 or postponed until 2022 due to the Covid-19 pandemic

g Mayors Car and Driver \* (Frank Jeffrey, Democratic Services Manager,)

The Mayors duties have been limited due to the Covid-19 pandemic resulting in a saving on the costs associated to the Mayors car and driver.

- h Legal Costs (Joanne McIntosh, Director of Legal and Democratic Services)  
This overspend is in respect of legal costs associated with commercial properties that have been contracted out to external solicitors due to the volume of work.
- i Lightbox (Steve May, Leisure Services Manager)  
There is an overspend of £26,000 in 2021-22 due to contract inflation.
- j Planning Inquiry Costs (Joanne McIntosh, Director of Legal and Democratic Services)  
In May 2021 the Planning Inspectorate held an inquiry into the Woking Football Club Stadium and associated developments planning appeals. There will be a second planning inquiry in relation to a site in Goldsworth Road later in the year. The cost to the Council is forecast to be approximately £400,000.
- k Interest Costs (Neil Haskell, Financial Services Manager)  
There has been a saving in year as short term borrowing, at lower interest rates, has been taken in advance of securing long term PWLB loans. As the long term loans are taken during the year, this variance is expected to reduce. Loans to group companies have been lower than budgeted resulting in a reduction in income received, however this is offset by a reduction in associated PWLB interest paid and slippage in other project costs.

Housing Revenue Account (Louise Strongitharm, Director of Housing)

The 2021/22 Housing Revenue Account variations identified to the end of July 2021 are set out in the table below:-

	Position to July	Forecast Outturn 2021/22 £
Rent Recovery	0	80,000
Plant room repairs	172,028	172,028 *
Employees saving in excess of staffing budget	-5,933	-5,933
Increase in HRA outturn	<u>166,095</u>	<u>246,095</u>

Rent Recovery

The collection rate is up significantly on the same period last year, but still down on pre-pandemic levels, due to many tenants struggling with the financial impact of Covid-19. Work continues in 2021/22 to ensure that those tenants receive advice and support in accessing Universal Credit. It is worth noting that with the embargoes on taking recovery action during 2020/21, the courts have a considerable backlog and have prioritised the most serious cases (i.e. significant ASB, substantial rent arrears of more than 1 year, etc.). Rental income is also affected by void properties within the Red Line of the Sheerwater Regeneration awaiting redevelopment. A bad debt provision for £200,000 has been budgeted for the year.

Plant room maintenance

Plant room maintenance expenditure is over the budget by £172,028. The cause of this is that the works scheduled for 2020-21 (communal boiler replacements) had to be deferred due to the pandemic. These works have been undertaken this year as they are still required.

### **Capital and Investment Programme decisions**

The Executive has delegated authority to approve new schemes up to £10 million in any year, subject to any individual project being not more than £5 million and the cost being contained within the Council's Authorised Borrowing Limit.

Fit for the Future external support	£500,000
Town Centre Masterplan	£100,000

### **Opportunity Purchases**

The Investment Programme includes an annual budget of £3,000,000 for opportunity purchases. There have been no acquisitions to date.

## SHEERWATER REGENERATION

In April 2017 the Council authorised the purchase of private properties by Thamesway Housing Ltd, financed by Thamesway Developments Ltd (TDL), as part of the Sheerwater regeneration scheme. The Sheerwater Community Charter also offered an Assisted Purchase scheme where the Council would acquire a stake in a new property (up to 33% or £100,000) to enable residents to move to an equivalent property, and the option of a mortgage of last resort. The following amounts have been advanced since the schemes opened in August 2017:

<u>Capital Expenditure</u>	<u>No of</u> <u>Properties</u>	
Assisted Purchases and acquisition of new houses	26	£3,159,785
Mortgages	12	£1,868,830
Properties acquired by THL using WBC loan finance:		
Completed Sales (expenditure incurred)	111	£39,479,361
Offers Accepted (committed expenditure)	8	£1,688,125
	<u>119</u>	<u>£46,196,100</u>

Further costs incurred to date which are to be reimbursed by the project are detailed below (the timing of the reimbursement will be dependent on the financial position of the project):

The Birch and Pines Lease Surrender & Demolition	£231,924
The Sheerwater Underwrite Agreement	£3,841,106
Purchase Of Dwellings Within The Redline and acquisition of new houses	£4,682,457
Home Loss & Disturbance Payments	£1,895,536
Infrastructure Investment	£2,128,901
Financial Modelling	£82,821
Southern Housing Group Property Purchase	£3,657,402
Greenoak Housing Association Purchase	£4,029,551
	<u>£20,549,699</u>

### Loan Finance Approvals

The Sheerwater regeneration is to be funded by loan finance from the Council. In April 2017 the Council agreed that funding will be advanced at cost to the Council with a 1% arrangement fee. During 2017/18 the Executive approved £5m to be made available to Thamesway Developments Ltd (TDL) and on 5 April 2018 the Council approved a loan facility of £26m to enable TDL to construct the leisure and recreational facilities at the Bishop David Brown site. On the 4 April 2019 the Council approved a further short-term loan facility of £42m to TDL, on terms previously approved, to enable the first residential phase (Purple). The Council also approved that on completion of the Purple phase a 50 year loan facility of £48.4m be made available to Thamesway Housing Ltd at a margin of 0.5%. On 13 February 2020 the Council approved the loan finance for the delivery of the scheme as whole. As detailed in the Council report arrangement fees and margins were removed from the loan facilities for the scheme.

### Project Management\Revenue Expenditure

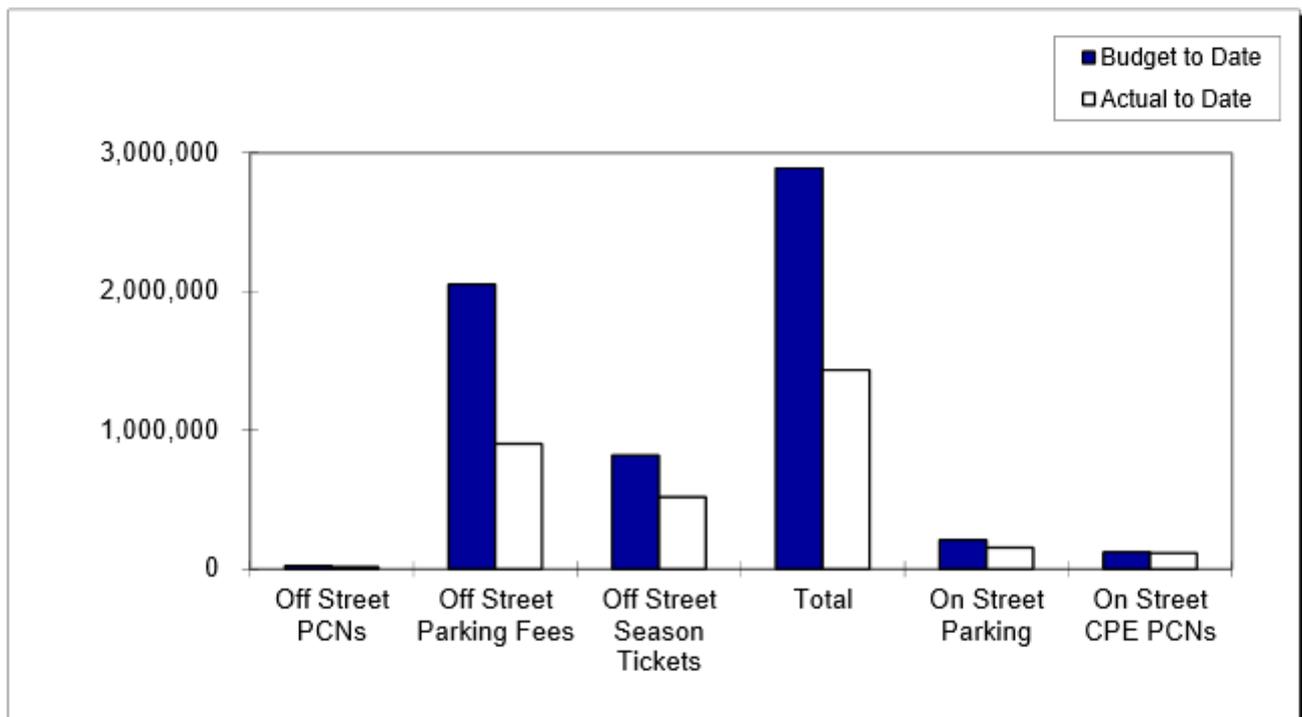
The following costs have been identified to be funded from the Sheerwater Regeneration reserve\WBC Resources:

	<u>To Date</u>
Sheerwater Regeneration Staff Costs Not Charged To TDL	£687,289
Removal Costs	£92,341
Equalities Survey	£80,881
Miscellaneous Costs	£133,180
Securing Void Sheerwater Units	£31,634
Subsidy of Bishop David Brown School Legal Fees and Rent Loss	£175,478
Subsidy of Sheerwater GP Practice	£68,989
Total	<u>£1,269,792</u>

<u>Compulsory Purchase Order (CPO)</u>	<u>Income</u>	<u>Expenditure</u>
DCLG Estate Regeneration Grant	£285,000	
Committed legal advice for CPO process		£280,000

**CAR PARKS INCOME**  
**JULY 2021**

	Off Street PCNs	Off Street Parking Fees	Off Street Season Tickets	Total	On Street Parking	On Street CPE PCNs
Annual Budget	63,000	6,393,000	1,499,000	7,955,000	672,000	362,000
Budget to Date	21,000	2,052,000	818,000	2,891,000	208,000	121,000
Actual to Date	14,000	903,000	517,832	1,434,832	153,000	115,000
Variation to Date	-7,000 -33%	-1,149,000 -56%	-300,168 -37%	-1,456,168 -50%	-55,000 -26%	-6,000 -5%



The gradual lifting of Covid restrictions and impact of changes to behaviours has meant activity is still significantly reduced during quarter 1 of 2021-22. The situation will continue to be closely monitored.

The government has extended the income compensation scheme for lost sales, fees and charges to 30 June 2021, which will fund 75% of the losses over an initial 5% reduction in income. The forecast income from this scheme is shown separately.

Geoff McManus, Director of Neighbourhood Services

## STRATEGIC PROPERTY INVESTMENTS

	Rental Income			Financing Costs				Net budget benefit		
	Business Case	Current (Full Year)	Increase/(Decrease)	Business Case	Actual	Further Works	Increase/(Decrease)	Business Case	Increase/(Decrease)	Current Surplus/(Deficit)
<u>Property</u>	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cleary Court	278	132	-146	158	130	21	-7	120	-139	-19
Morris House	309	167	-142	187	170	128	111	122	-253	-131
6 Church Street West	728	795	67	451	425		-26	277	93	370
Orion Gate	1,377	1,388	11	483	464		-19	894	30	924
Dukes Court	4,364	5,054	690	2,763	2,622	33	-108	1,601	798	2,399
Red House	423	266	-157	236	224		-12	187	-145	42
CMS House Poole Rd	120	120	0	72	72		0	48	0	48
Victoria Gate	2,073	2,073	0	1,642	1,595		-47	431	47	478
Midas House	1,406	657	-749	950	923		-27	456	-722	-266
Albion House	1,569	1,487	-82	1,140	1,046		-94	429	12	441
Commercial Buildings	226	190	-36	150	128		-22	76	-14	62
1 Christchurch Way	615	631	16	360	367		7	255	9	264
Goldsworth Park Centre	912	938	26	711	681		-30	201	56	257
36-42 Commercial Way	134	134	0	82	59		-23	52	23	75
<b>TOTAL</b>	<b>14,534</b>	<b>14,032</b>	<b>-502</b>	<b>9,385</b>	<b>8,906</b>	<b>181</b>	<b>-298</b>	<b>5,149</b>	<b>-204</b>	<b>4,945</b>

These properties have been acquired to support the economic sustainability and employment space in Woking. Based on July, the above properties will provide a net benefit to the Council of circa £4,945,000 per annum. The reasons for the variations from the business case projections are on the next page.

Ian Tomes, Strategic Asset Manager

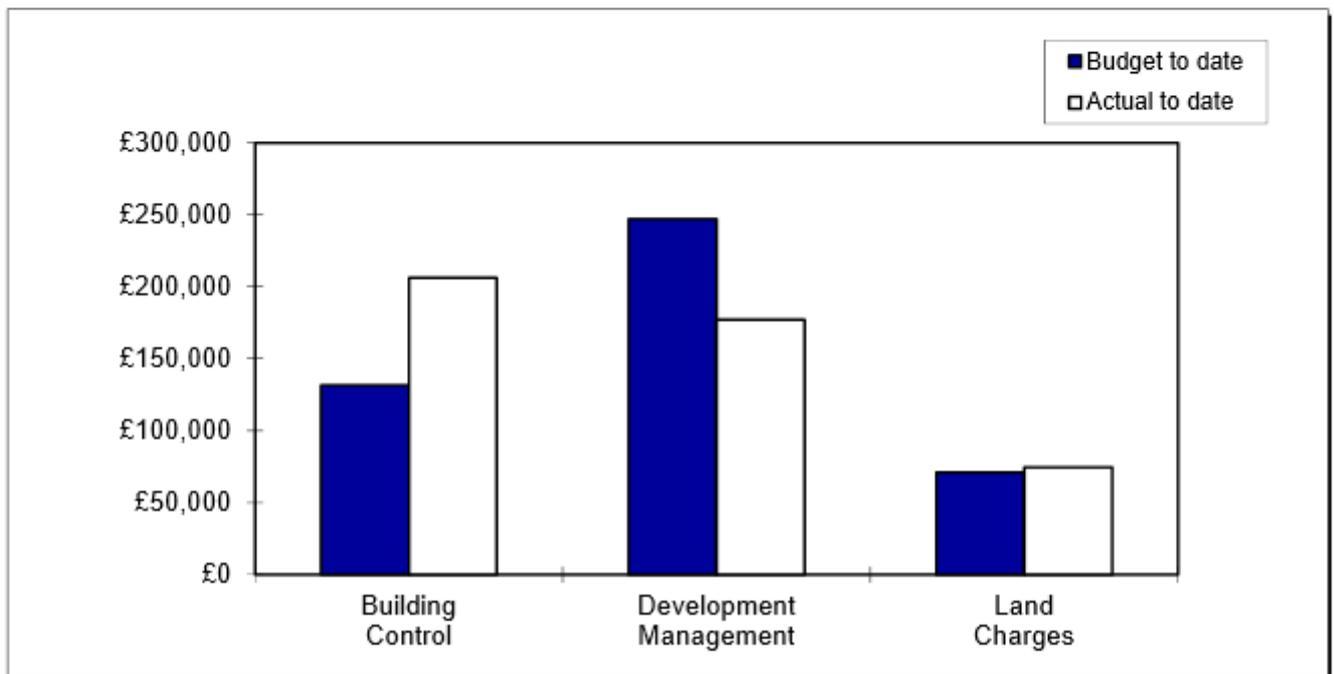
## STRATEGIC PROPERTY INVESTMENTS

<u>Property</u>	
Cleary Court	Cleary Court currently has 2 office suites and 2 shop units vacant, although 1 shop unit has been relet and rent has become payable from April 2021.
Morris House	The rent shortfall is due to the vacant ground floor retail units which have been empty since acquisition
6 Church Street West	There is a new full repairing and insuring lease now in place with the Department of Work and Pensions (DWP) for the whole building paying approximately £795,000 per annum effective December 2020.
Orion Gate	Orion Gate is fully let.
Dukes Court	The assumed rent for Dukes Court was reduced by 10% on acquisition to allow for turnover of tenancies and to recognise the need to set aside a proportion of rents received into a sinking fund to meet future landlord investment. The financing cost assumption included additional costs which have not yet been incurred.  Vacant space now amounts to some 27,000fts2 in units B4, C1, C3,C6,C7,D1 and Cherstey House
Red House	Red House is fully let.
CMS House Poole Rd	CMS House is fully let.
Victoria Gate	Victoria Gate is fully let.
Midas House	Midas House was acquired on 31 January 2019. Part of the 1st floor, 2nd floor and 3 floor are vacant. The vacant shop unit has been let and rent has been payable from April 2021.
Albion House	Albion House was acquired on 29 March 2019. There is currently 1 void unit.
Commercial Buildings	63, 65, 67, 69, 71, 73 and 75 Commercial Way were acquired on 2 October 2019. Number 67 became vacant on 8 May 2020 and was re-let in March 2021 on a new 5 year term at a market rent.
1 Christchurch Way	1 Christchurch Way was acquired on 9 November 2019 and is fully let.
Goldworth Park Centre	The Goldworth Park Centre was acquired on 9 April 2020 and is fully let.
36-42 Commercial Way	36, 38, 40 and 42 Commercial Way was acquired on 11 November 2020 and is fully let.

Ian Tomes, Strategic Asset Manager

**OTHER FEES AND CHARGES**  
**JULY 2021**

	Building Control	Development Management	Land Charges
Budget to date	131,676	247,214	71,074
Actual to date	206,202	177,259	74,584
Variation to Date	+74,526 +57%	-69,955 -28%	+3,510 +5%



**Building Control** (David Edwards, Chief Building Control Surveyor)

Confidence is returning in the domestic construction market. Additionally two major developments have boosted the building control income this quarter, but it remains to be seen if this recovery lasts through autumn.

**Development Management** (Thomas James, Development Manager)

Despite a significant increase in the number of planning applications being received, these generally have involved the submission of householder and minor applications which attract lower fees. Fees will continually be monitored and it is expected income will return to being 'on budget' during the financial year.

**Land Charges** (David Ripley, Revenue & Benefits Manager)

Prices have been set to reflect the cost neutral requirement of Land Charges fees and income. Activity to date suggests income will be above budget for the year.

**EMPLOYEE COSTS**  
**JULY 2021**

	Original Budget 2021/22 £	Variations £	Latest Budget 2021/22 £	Budget to JULY £	Actual Expenditure to JULY £	Variation from Budget to JULY £
US - Corporate Leadership Team	914,815	0	914,815	304,938	331,734	26,796
US - Human Resources	412,712	0	412,712	137,571	166,798	29,227
US - Revs, Benefits & Customers Services	1,799,947	0	1,799,947	599,981	583,608	-16,373
US - Financial Services	711,199	0	711,199	237,066	233,317	-3,749
US - ICT and Business Improvement	1,247,294	0	1,247,294	415,764	377,151	-38,613
US - Legal & Democratic Services	1,446,745	0	1,446,745	482,249	456,711	-25,538
PLACE - Neighbourhood Services	2,690,081	0	2,690,081	896,694	842,076	-54,618
PLACE - Planning Services	1,730,822	0	1,730,822	576,941	631,080	54,139
PLACE - Estate Management	466,571	0	466,571	155,524	147,451	-8,074
PLACE - Building Services	887,861	0	887,861	295,954	282,536	-13,418
PLACE - Business & Community Engagemer	169,625	0	169,625	56,542	57,778	1,236
PEOPLE - Housing Services	1,864,215	0	1,864,215	621,405	635,963	14,558
PEOPLE - Community Services	4,515,989	0	4,515,989	1,505,330	1,473,027	-32,303
<b>Salary budget</b>	<b>18,857,875</b>	<b>0</b>	<b>18,857,875</b>	<b>6,285,959</b>	<b>6,219,230</b>	<b>-66,729</b>
Contribution towards costs	-3,267,877	0	-3,267,877	-1,089,292	-1,215,792	-126,500
	<b>15,590,000</b>	<b>0</b>	<b>15,590,000</b>	<b>5,196,667</b>	<b>5,003,439</b>	<b>-193,228</b>

**Notes**

1. At its meeting on the 4 February 2021 the Executive agreed that the staffing budget for the year would be limited to £15.590m and an annual average number of staff for the year of 340 FTE. CLT will manage the staffing budget flexibly within these two parameters.

2. The above figures exclude costs of £105,798 on redundancy payments, which will be met from the management of change budget. The amount is split as follows:

General Fund	81,047
Housing Revenue Account	24,751
	<u>105,798</u>

3. Contributions towards costs reflect costs included in main table for which we receive some external funding.

4. The variation above is split between the General Fund and Housing Revenue Account as follows:

General Fund	-187,295
Housing Revenue Account	-5,933
	<u>-193,228</u>

**EMPLOYEE NUMBERS**  
**As at July 2021**

Business Area	Employee Numbers for Full time, Part time, Agency cover and Casual				
	Full Time	Part Time	Agency Cover	Casual Staff	Total FTEs
US - Corporate Leadership Team (J.Fisher)	5	1	0.00		5.8
US - Human Resources (J.Fisher)	8	3	0.00		9.9
US - Revs. Bens & Customer Services (L.Clarke)	32	13	5.00		44.7
US - Financial Services (L.Clarke)	13	2	0.00		14.3
US - IT & Commercial Unit (J.Fisher)	17	2	0.00		18.2
US - Legal & Licensing (J.McIntosh)	10	0	0.00		10.0
US - Democratic Services (J.McIntosh)	8	1	0.00		8.9
US - Electoral Services & Post Room (J.McIntosh)	3	2	0.00		3.9
US - Marketing & Communications (J.McIntosh)	3	0	0.00		3.0
PLACE - Integrated Transport (G.McManus)	0	0	0.00		0.0
PLACE - Neighbourhood Services (G.McManus)	26	7	0.00		30.0
PLACE - Planning Services (G.Framalico)	29	5	2.00		34.5
PLACE - Estate Management (G.Framalico)	4	1	1.94	2	7.1
PLACE - Building Services (G.Framalico)	10	2	0.00		11.4
PLACE - Business Liaison (G.Framalico)	3	1	0.00		3.3
PEOPLE - Housing Services (L.Strongitham)	18	10	0.00		25.1
PEOPLE - Supporting People (L.Strongitham)	53	53	1.14	5	85.0
Additional FTE to account for partially funded posts					7.6
<b>Grand totals</b>	<b>242</b>	<b>103</b>	<b>10.08</b>	<b>7</b>	<b>322.8</b>

The staffing budget is managed flexibly within a total sum of £15,590,000 and an average annual FTE of 340.

Month	Total FTEs
April 2021	317.5
May 2021	317.8
June 2021	317.2
July 2021	322.8
August 2021	
September 2021	
October 2021	
November 2021	
December 2021	
January 2022	
February 2022	
March 2022	
<b>Average for the year to date</b>	<b>425.1</b>

(Average for previous year: 2021-2022 = 323.2)

Memorandum					
Number of externally funded posts (excluded from count above)	63	22	2	4	

**The funded posts are:**

**1.On-street parking**

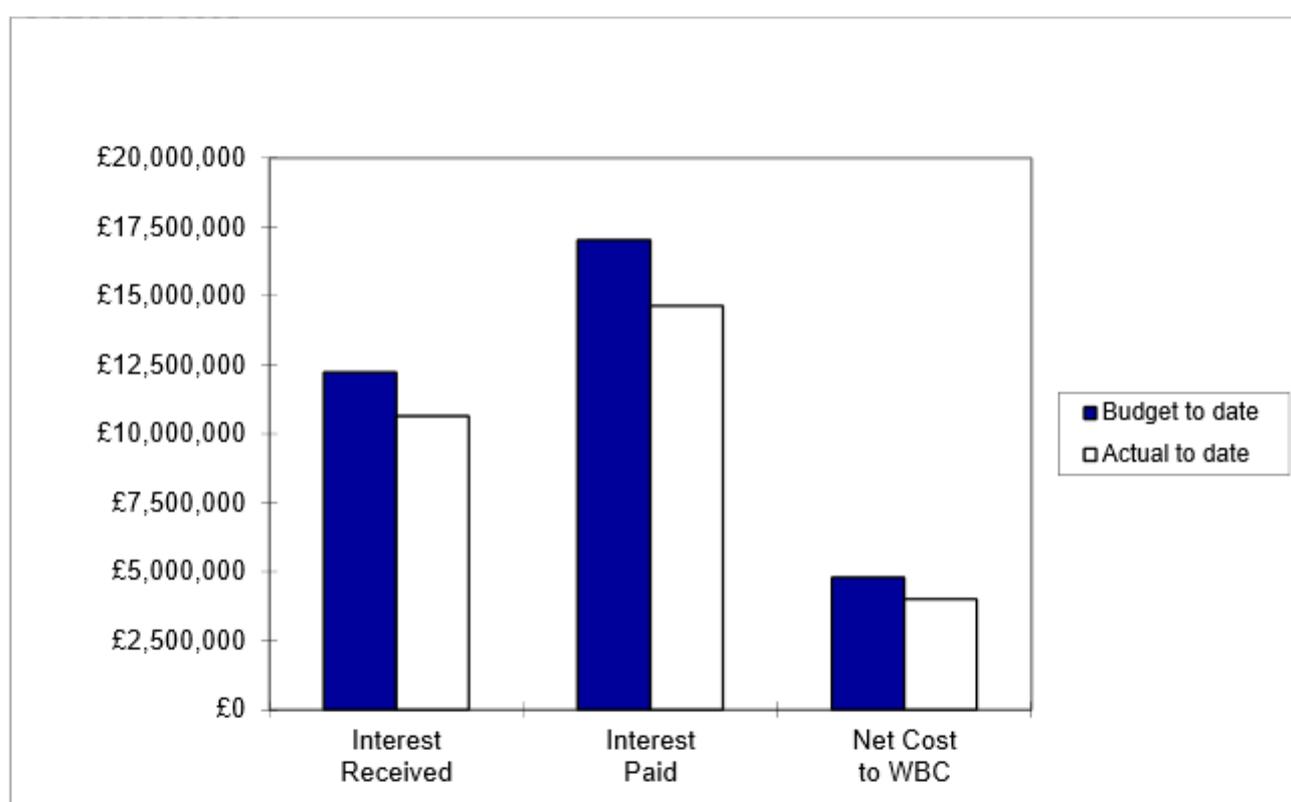
TTR080: Parking Services Manager
OSP020: Operations Manager (On-Street)
AOM010: Assistant Operations Manager
PARK02: Parking Officer(Notice Processing)
PARK12: Senior Parking Officer
PARK13: Notice Processing Officer
PARK06: Assistant Technician
BLE001: Bus Lane Enforcement Officer
CIV038: Civil Enforcement Officer
CIV021: Civil Enforcement Officer
CIV022: Civil Enforcement Officer
CIV023: Civil Enforcement Officer
CIV024: Civil Enforcement Officer
CIV025: Civil Enforcement Officer
CIV026: Civil Enforcement Officer
CIV027: Civil Enforcement Officer

CIV028: Civil Enforcement Officer
CIV029: Civil Enforcement Officer
CIV030: Civil Enforcement Officer
CIV031: Civil Enforcement Officer
CIV032: Civil Enforcement Officer
CIV033: Civil Enforcement Officer
CIV034: Civil Enforcement Officer
DAL088: Senior Parking Administrator
PARK07: Parking Services Administration Officer
PARK09: Voucher Parking Officer

<b>2. Other</b>
SBS165: Building Surveyor
PFI010: PFI Project Manager
ENG001: Town Centre Engineer
ENG002: Town Centre Engineering Officer
ENG003: Principal Engineer
SAM010: Strategic Asset Manager
SBS020: Building Services Manager
SBS024: Senior Building Services Engineer
CHR025: Senior Building Surveyor
ECS082: Marketing Communications Officer
RSC300: Resident Engagement Officer
RSC100: Resident Engagement Officer
RSC400: Resident Engagement Officer
RSC200: Resident Engagement Team Leader
SRB050: Handyperson
SRB055: Handyperson
SRB060: Handyperson
SRB075: Handyperson
SRB065: Handyperson

**INTEREST RECEIPTS AND PAYMENTS**  
**JULY 2021**

	Interest Received	Interest Paid	Net Cost to WBC
2020/21 Estimate	<u>36,712,374</u>	<u>51,078,666</u>	<u>14,366,292</u>
Budget to date	12,237,458	17,026,222	4,788,764
Actual to date	10,640,598	14,638,933	3,998,335
Variation to Date	-1,596,860 -13%	-2,387,289 -14%	-790,429 -17%



Loans to group companies and Victoria Square have been lower than budgeted resulting in an adverse variance in interest received, however, this variance has been offset by borrowing being lower than forecast and short term borrowing has been at lower interest rates than was assumed in the budget. Long term borrowing has been taken recently to take advantage of low interest rates. The underspend on interest costs is expected to reduce as short term loans are replaced with long term PWLB borrowing during the year.

Neil Haskell, Financial Services Manager

**CAPITAL RECEIPTS**  
**JULY 2021**

<b><u>GENERAL FUND</u></b>		
<b><u>DETAILS OF RECEIPT</u></b>	<b><u>ESTIMATED RECEIPTS</u></b> (full year) £	<b><u>ACTUAL RECEIPTS</u></b> (to date) £
<u>Land Sales</u>		
<b>TOTAL RECEIPTS 2021/22</b>	<u>0</u>	<u>0</u>

<b><u>HOUSING</u></b>		
<b><u>DETAILS OF RECEIPT</u></b>	<b><u>ESTIMATED RECEIPTS</u></b> (full year) £	<b><u>ACTUAL RECEIPTS</u></b> (to date) £
Right To Buy Sales *	3,330,000	1,265,600
Land Sales (including target disposals)		
Equity Share Sale		0
Repayment of Discount		0
<b>TOTAL RECEIPTS 2021/22</b>	<u>3,330,000</u>	<u>1,265,600</u>
Receipt retained by WBC	723,191	125,981
Treasury Share of receipt	535,801	133,950
Earmarked for replacement housing	<u>2,071,008</u>	<u>1,005,669</u>
	<u>3,330,000</u>	<u>1,265,600</u>

\* 7 properties were sold under the Right To Buy to the end of July, at a discounted price of £180,800 compared with a forecast of 15 for the year @ £222,000 each.

**SAVINGS ACHIEVED**  
**JULY 2021**

<u>GENERAL FUND</u>	2021/22	Effect in 2022/23
<u>Savings achieved to date:</u>	£	£
No savings have been specifically identified against the target	0	0
Total Savings achieved at 31 July 2021	<u>0</u>	<u>0</u>
Savings Target *	100,000	
Savings to be achieved at 31 July 2021	<u>100,000</u>	

\* GENERAL FUND SAVINGS REQUIREMENT

The General Fund budget set in February 2021 included a savings target of £100,000 consistent with previous years. However, the budget also forecast that the Council would need to use reserves to mitigate Covid specific income losses and some underlying pressures in 2021/22. The Medium Term Financial Strategy (MTFS) report approved by Council in April 2021, and updated in July 2021, included an additional savings target of £1m for 2021/22 to reduce the use of reserves. A further update to the MTFS and proposed approach to achieving savings, will be reported to the Executive in October 2021.

HOUSING REVENUE ACCOUNT

Following the outsource of the housing management services there is little opportunity to achieve further efficiency savings due to the nature of the HRA under the new arrangements. Therefore, no savings target was set for 2021/22.

**26/07/2021: COMMUNITY INFRASTRUCTURE (CIL)**

**FUNDING AVAILABLE BY AREA**

<b>Area</b>	<b>Funding Receipts (£)</b>	<b>Funding Commitments yet to be Paid (£)</b>	<b>Money Paid (£)</b>	<b>Available Funding (Receipts less Commitments less Money Paid) (£)</b>
Brookwood Neighbourhood Area	7,239.35	-	-	7,239.35
Byfleet and West Byfleet Ward	7,980.02	6,000.00	-	1,980.02
Canalside Ward	190,245.33	-	-	190,245.33
Goldsworth Park Ward	8,765.50	6,897.56	-	1,867.94
Heathlands Ward	17,379.53	-	-	17,379.53
Hoe Valley Ward	31,884.00	-	-	31,884.00
Hook Heath Neighbourhood Area	50,780.44	15,000.00	-	35,780.44
Horsell Ward	45,805.40	-	-	45,805.40
Knaphill Ward	22,302.18	2,000.00	-	20,302.18
Mount Hermon Ward	169,973.80	-	-	169,973.80
Pyrford Neighbourhood Area	28,246.98	-	14,000	14,246.98
Pyrford Ward	5,860.82	-	-	5,860.82
Pyrford Ward within West Byfleet Neighbourhood Area	2,630.77	-	-	2,630.77
St Johns Ward	15,487.65	-	5,632.36	9,855.29
West Byfleet Neighbourhood Area	795,865.01	10,347.36	1,594.68	783,922.97
<b>Total</b>	<b>1,361,612.92</b>	<b>40,244.92</b>	<b>21,227.04</b>	<b>1,338,974.82</b>

CIL is a charge levied on new developments to contribute towards infrastructure delivery. A proportion of the money received from this charge is allocated to Wards or Neighbourhood Areas where the development occurred, to be used for local community projects. Ward Councillors can apply for this funding and work with providers and resident groups to deliver identified community projects. The above table sets out the proportion of the CIL income that has been earmarked for the various Wards and Neighbourhood Areas to date.

**TREASURY MANAGEMENT  
INFORMATION**

**July 2021**

## SUMMARY OF EXTERNAL COMMITMENTS

[detailed schedules overleaf]

At 30 June 2021 £'000		At 31 July 2021 £'000	%
<b>External Borrowing Outstanding</b>			
1,577,366	Long-term borrowing <sup>(1)</sup>	1,726,667	90.5
	Short-term borrowing (less than 12 months)		
97,000	- Three months or more	117,000	6.1
85,000	- Less than three months	65,000	3.4
1	- Mayoral Charities (including Hospice)	0	0.0
<u>1,759,367</u>	<b>Total Borrowing</b>	<u>1,908,667</u>	<u>100.0</u>
<b>External Deposits</b>			
0	Long-term Deposits	0	0
	Short-term Deposits		
30,000	- invested by WBC Treasury <sup>(2)</sup>	70,000	42.5
15,385	- on call with Lloyds	94,643	57.5
<u>45,385</u>	<b>Total External Deposits</b>	<u>164,643</u>	<u>100.0</u>
<b>Long-term Investments in Group Companies/Joint Ventures <sup>(3)</sup></b>			
12,818	- Thameswey Energy Limited (TEL)	17,818	n/a *
248,218	- Thameswey Housing Limited (THL)	254,945	n/a *
80,179	- Thameswey Housing Limited (Sheerwater)	80,179	n/a *
47,250	- Thameswey Developments Limited (for THL)	47,250	n/a *
5,000	- Thameswey Developments Limited (Sheerwater)	5,000	n/a *
9,800	- Thameswey Developments (Sheerwater Leisure Centre)	9,800	n/a *
28,014	- Thameswey Developments Limited (for TEL)	28,014	n/a *
33,829	- Thameswey Central Milton Keynes Ltd	33,829	n/a *
993	- Thameswey Solar Ltd	993	n/a *
1,665	- Rutland (Woking) Ltd	1,665	n/a *
563,724	- Victoria Square Woking Ltd	578,905	n/a *
<u>1,031,491</u>		<u>1,058,399</u>	
<b>Long-term Loans to External Organisations</b>			
6,350	- Peacocks Centre	6,350	n/a *
9,256	- Woking Hospice	9,256	n/a *
101	- A & B Menswear	101	n/a *
75	- Woking Football Club	75	n/a *
1,705	- Freedom Leisure	1,705	n/a *
6,400	- Greenfield School	6,400	n/a *
0	- Wolsey Place	625	n/a *
1,500	- Kingfield Community Sports Centre Limited	1,500	n/a *
<u>25,387</u>		<u>26,012</u>	
<b>Share Capitalisations</b>			
6,703	- Thameswey Limited	6,703	n/a *
24,490	- Thameswey Housing Limited	24,490	n/a *
6,000	- Woking Necropolis and Mausoleum Ltd	6,000	n/a *
1	- Woking Town Centre Management	1	n/a *
14	- Victoria Square Woking Ltd	14	n/a *
50	- Municipal Bonds Agency	50	n/a *
50	- SurreySave Credit Union	50	n/a *
500	- Kingfield Community Sports Centre Limited	500	n/a *
<u>37,808</u>		<u>37,808</u>	

(1) £132,796k of the long term borrowing is Housing Revenue Account, with £98,006k of this relating to the Housing Self Financing settlement. The remainder of the borrowing relates to the General Fund.

(2) WBC Treasury utilises AAA rated Money Market Funds operated by Deutsche Bank Advisors, Ignis Asset Management and Federated Hermes Cash Management Fund to manage day to day cash flow.

(3) These investments are used to provide operational assets within the group companies, and consequently fall outside the liquidity measure within the Council's approved Investment Strategy i.e. that a minimum of 65% of investments should mature within 12 months of placing an investment.

## Long Term Loans

### Public Works Loans Board

Reference	Counter Party Name	Start date	Maturity date	Interest Rate	Loan Type	Principal £m
176519	PWLB	27/03/2020	27/03/2021	1.88 Fixed	Maturity	0.0
505504	PWLB	16/11/2016	16/11/2021	1.58 Fixed	Maturity	25.0
496087	PWLB	13/10/2009	13/10/2024	3.91 Fixed	Maturity	4.0
499430	PWLB	12/03/2012	12/03/2025	3.59 Fixed	Maturity	5.0
506421	PWLB	27/09/2017	31/08/2025	1.95 Fixed	Maturity	8.0
501617	PWLB	05/10/2012	05/10/2026	2.18 Fixed	Annuity	0.9
495369	PWLB	17/03/2009	10/03/2027	3.78 Fixed	Maturity	3.0
489099	PWLB	04/10/2004	04/10/2030	4.75 Fixed	Maturity	5.0
489100	PWLB	04/10/2004	04/10/2031	4.75 Fixed	Maturity	5.0
489952	PWLB	20/05/2005	16/05/2033	4.45 Fixed	Maturity	5.0
503002	PWLB	24/04/2014	24/04/2034	3.69 Fixed	Annuity	1.1
488996	PWLB	26/08/2004	26/08/2034	4.85 Fixed	Maturity	5.0
497990	PWLB	28/09/2010	28/09/2034	4.06 Fixed	Maturity	5.0
489911	PWLB	16/05/2005	16/05/2035	4.55 Fixed	Maturity	5.0
502015	PWLB	22/03/2013	22/03/2037	3.90 Fixed	Maturity	5.0
494140	PWLB	10/12/2007	10/12/2037	4.49 Fixed	Maturity	3.0
501718	PWLB	13/11/2012	13/05/2038	3.78 Fixed	Maturity	5.0
496255	PWLB	01/12/2009	01/12/2039	4.22 Fixed	Maturity	3.0
502580	PWLB	04/10/2013	04/10/2040	4.26 Fixed	Maturity	5.0
494241	PWLB	09/01/2008	10/12/2042	4.39 Fixed	Maturity	3.0
496164	PWLB	04/11/2009	02/11/2049	4.29 Fixed	Maturity	3.0
496526	PWLB	21/01/2010	21/01/2053	4.48 Fixed	Maturity	4.0
494807	PWLB	10/09/2008	10/09/2053	4.41 Fixed	Maturity	3.0
496700	PWLB	19/02/2010	19/09/2053	4.67 Fixed	Maturity	10.0
496599	PWLB	01/02/2010	01/08/2054	4.44 Fixed	Maturity	5.0
496701	PWLB	19/02/2010	19/01/2055	4.67 Fixed	Maturity	10.0
490975	PWLB	10/01/2006	10/01/2056	3.95 Fixed	Maturity	3.0
501032	PWLB	28/03/2012	01/09/2056	3.50 Fixed	Maturity	10.0
492382	PWLB	02/11/2006	02/11/2056	4.05 Fixed	Maturity	6.0
496702	PWLB	19/02/2010	19/10/2057	4.67 Fixed	Maturity	10.0
494733	PWLB	15/08/2008	15/02/2058	4.39 Fixed	Maturity	3.0
494420	PWLB	07/03/2008	07/03/2058	4.41 Fixed	Maturity	3.0
494702	PWLB	04/08/2008	04/08/2058	4.46 Fixed	Maturity	5.0
501025	PWLB	28/03/2012	02/09/2058	3.50 Fixed	Maturity	10.0
496703	PWLB	19/02/2010	19/01/2059	4.67 Fixed	Maturity	10.0
501029	PWLB	28/03/2012	03/03/2059	3.50 Fixed	Maturity	10.0
496600	PWLB	01/02/2010	01/08/2059	4.43 Fixed	Maturity	5.0
501028	PWLB	28/03/2012	01/09/2059	3.50 Fixed	Maturity	10.0
496704	PWLB	19/02/2010	19/10/2059	4.67 Fixed	Maturity	8.0
496257	PWLB	01/12/2009	01/12/2059	4.21 Fixed	Maturity	4.0
496525	PWLB	21/01/2010	21/01/2060	4.46 Fixed	Maturity	4.0
501027	PWLB	28/03/2012	01/03/2060	3.49 Fixed	Maturity	10.0
501024	PWLB	28/03/2012	01/09/2060	3.49 Fixed	Maturity	10.0
497889	PWLB	10/09/2010	10/09/2060	4.04 Fixed	Maturity	5.0
501030	PWLB	28/03/2012	01/03/2061	3.49 Fixed	Maturity	10.0
501026	PWLB	28/03/2012	01/09/2061	3.48 Fixed	Maturity	10.0
499282	PWLB	28/12/2011	22/12/2061	4.11 Fixed	Maturity	5.0
499322	PWLB	20/01/2012	20/01/2062	3.99 Fixed	Maturity	5.0
501031	PWLB	28/03/2012	01/03/2062	3.48 Fixed	Maturity	18.0
503577	PWLB	18/12/2014	18/07/2062	3.22 Fixed	Maturity	3.0
503547	PWLB	15/12/2014	15/12/2062	3.36 Fixed	Maturity	3.0
503658	PWLB	20/01/2015	20/03/2063	2.99 Fixed	Maturity	2.0
503523	PWLB	02/12/2014	02/05/2063	3.45 Fixed	Maturity	3.0
502654	PWLB	04/11/2013	04/11/2063	4.20 Fixed	Maturity	5.0
503517	PWLB	01/12/2014	01/05/2064	3.49 Fixed	Maturity	5.0
504415	PWLB	19/10/2015	19/10/2064	3.25 Fixed	Maturity	9.5
503472	PWLB	20/11/2014	20/11/2064	3.66 Fixed	Maturity	5.0
503499	PWLB	27/11/2014	27/11/2064	3.58 Fixed	Maturity	6.0
504660	PWLB	11/02/2016	11/02/2065	2.92 Fixed	Maturity	3.0
506120	PWLB	09/06/2017	09/06/2065	2.28 Fixed	Maturity	4.5
504298	PWLB	12/08/2015	12/08/2065	3.16 Fixed	Maturity	2.0
504387	PWLB	28/09/2015	28/09/2065	3.18 Fixed	Maturity	5.0
504478	PWLB	18/11/2015	18/11/2065	3.33 Fixed	Maturity	2.0
504531	PWLB	08/12/2015	08/12/2065	3.21 Fixed	Maturity	2.0
504597	PWLB	19/01/2016	19/01/2066	3.13 Fixed	Maturity	2.5
505119	PWLB	20/06/2016	20/04/2066	2.50 Fixed	Maturity	10.0

## Long Term Loans

Reference	Counter Party Name	Start date	Maturity date	Interest Rate	Loan Type	Principal £m
505091	PWLB	17/06/2016	17/06/2066	2.57 Fixed	Maturity	10.0
505186	PWLB	30/06/2016	30/06/2066	2.42 Fixed	Maturity	3.0
505365	PWLB	21/09/2016	21/09/2066	2.23 Fixed	Maturity	4.0
505499	PWLB	10/11/2016	10/11/2066	2.47 Fixed	Maturity	8.0
505518	PWLB	30/11/2016	30/11/2066	2.61 Fixed	Maturity	9.0
505724	PWLB	13/02/2017	11/02/2067	2.74 Fixed	Annuity	11.5
505767	PWLB	28/02/2017	28/02/2067	2.68 Fixed	Annuity	19.2
505783	PWLB	02/03/2017	02/03/2067	2.64 Fixed	Annuity	9.6
505922	PWLB	27/03/2017	27/03/2067	2.37 Fixed	Maturity	5.0
506000	PWLB	19/04/2017	19/04/2067	2.50 Fixed	Annuity	4.8
506121	PWLB	09/06/2017	09/06/2067	2.52 Fixed	Annuity	4.8
506306	PWLB	31/08/2017	31/08/2067	2.52 Fixed	Annuity	48.2
506347	PWLB	12/09/2017	12/09/2067	2.50 Fixed	Annuity	9.6
506555	PWLB	07/11/2017	07/11/2067	2.67 Fixed	Annuity	19.3
506564	PWLB	09/11/2017	09/11/2067	2.66 Fixed	Annuity	28.9
506569	PWLB	10/11/2017	10/11/2067	2.63 Fixed	Annuity	19.3
506658	PWLB	23/11/2017	23/11/2067	2.65 Fixed	Annuity	9.6
506730	PWLB	13/12/2017	13/12/2067	2.64 Fixed	Annuity	9.6
506752	PWLB	19/12/2017	19/12/2067	2.30 Fixed	Maturity	10.0
506980	PWLB	02/03/2018	02/03/2068	2.73 Fixed	Annuity	9.7
507084	PWLB	19/03/2018	19/03/2068	2.63 Fixed	Annuity	9.7
507090	PWLB	20/03/2018	20/03/2068	2.61 Fixed	Annuity	9.7
507135	PWLB	26/03/2018	26/03/2068	2.56 Fixed	Annuity	14.5
507136	PWLB	26/03/2018	26/03/2068	2.56 Fixed	Annuity	7.8
507182	PWLB	29/03/2018	29/03/2068	2.54 Fixed	Annuity	9.7
507445	PWLB	31/05/2018	31/05/2068	2.49 Fixed	Annuity	9.7
507623	PWLB	27/07/2018	27/07/2068	2.53 Fixed	Annuity	9.7
507925	PWLB	19/10/2018	19/10/2068	2.68 Fixed	Maturity	6.0
508038	PWLB	14/11/2018	14/11/2068	2.72 Fixed	Annuity	9.8
508052	PWLB	19/11/2018	19/11/2068	2.78 Fixed	Annuity	9.8
508146	PWLB	07/12/2018	07/12/2068	2.75 Fixed	Annuity	58.5
508180	PWLB	11/12/2018	11/12/2068	2.66 Fixed	Annuity	19.5
508231	PWLB	13/12/2018	13/12/2068	2.55 Fixed	Annuity	39.0
508432	PWLB	31/01/2019	31/01/2069	2.56 Fixed	Annuity	9.8
508481	PWLB	11/02/2019	11/02/2069	2.52 Fixed	Annuity	78.4
508610	PWLB	27/02/2019	27/02/2069	2.39 Fixed	Annuity	7.0
508842	PWLB	19/03/2019	19/03/2069	2.55 Fixed	Annuity	19.6
508850	PWLB	20/03/2019	20/03/2069	2.53 Fixed	Annuity	19.6
508869	PWLB	22/03/2019	22/03/2069	2.49 Fixed	Annuity	29.4
508916	PWLB	25/03/2019	25/03/2069	2.39 Fixed	Annuity	48.9
508947	PWLB	26/03/2019	26/03/2069	2.37 Fixed	Annuity	19.6
509003	PWLB	28/03/2019	28/03/2069	2.31 Fixed	Annuity	19.6
509473	PWLB	05/07/2019	05/07/2069	2.15 Fixed	Annuity	19.5
509557	PWLB	26/07/2019	26/07/2069	2.16 Fixed	Annuity	19.5
509591	PWLB	06/08/2019	06/08/2069	2.09 Fixed	Annuity	19.7
509644	PWLB	09/08/2019	09/08/2069	1.93 Fixed	Annuity	19.6
509739	PWLB	20/08/2019	20/08/2069	1.77 Fixed	Annuity	9.8
509874	PWLB	05/09/2019	05/09/2069	1.74 Fixed	Annuity	9.8
116151	PWLB	25/09/2019	25/09/2069	1.82 Fixed	Annuity	9.8
116631	PWLB	26/09/2019	26/09/2069	1.80 Fixed	Annuity	9.8
141733	PWLB	11/12/2019	11/12/2069	3.08 Fixed	Annuity	19.7
156094	PWLB	30/01/2020	30/01/2070	2.85 Fixed	Annuity	19.7
186269	PWLB	16/04/2020	16/04/2070	2.48 Fixed	Annuity	19.8
197955	PWLB	12/05/2020	12/05/2070	2.43 Fixed	Annuity	19.8
292072	PWLB	18/01/2021	18/01/2071	1.71 Fixed	Annuity	9.9
294068	PWLB	21/01/2021	21/01/2071	1.71 Fixed	Annuity	19.9
297978	PWLB	29/01/2021	29/01/2071	1.68 Fixed	Annuity	19.9
304476	PWLB	15/02/2021	15/02/2071	1.87 Fixed	Annuity	15.0
311952	PWLB	02/03/2021	02/03/2071	2.15 Fixed	Annuity	45.0
313114	PWLB	04/03/2021	04/03/2071	2.15 Fixed	Annuity	20.0
323859	PWLB	25/03/2021	25/03/2071	2.13 Fixed	Annuity	10.0
324395	PWLB	26/03/2021	26/03/1971	2.09 Fixed	Annuity	15.0
337369	PWLB	21/04/2021	21/04/2071	2.11 Fixed	Annuity	10.0
353644	PWLB	24/05/2021	24/05/2071	2.23 Fixed	Annuity	20.0
362679	PWLB	14/06/2021	14/06/2071	2.09 Fixed	Annuity	25.0
363703	PWLB	16/06/2021	16/06/2071	2.07 Fixed	Annuity	10.0
365996	PWLB	23/06/2021	23/06/2071	2.02 Fixed	Annuity	20.0
368894	PWLB	01/07/2021	01/07/2071	2.05 Fixed	Annuity	20.0 *

### Long Term Loans

370826	PWLB	06/07/2021	06/07/2071	2.04	Fixed	Annuity	20.0 *
372808	PWLB	09/07/2021	09/07/2071	1.98	Fixed	Annuity	20.0 *
374078	PWLB	13/07/2021	13/07/2071	1.98	Fixed	Annuity	20.0 *
376376	PWLB	19/07/2021	19/07/2071	1.90	Fixed	Annuity	20.0 *
378261	PWLB	22/07/2021	22/07/2071	1.82	Fixed	Annuity	20.0 *
380895	PWLB	28/07/2021	28/07/2071	1.80	Fixed	Annuity	30.0 *

\* New loans taken during this period.

Average interest rate 2.65

1,687.2

## Long Term Loans

### Market Loans

Reference	Counter Party Name	Start date	Maturity date	Interest Rate	Loan Type	Principal
252	LB of Hackney	21/11/2016	19/11/2021	1.38 Fixed	Maturity	3.5
253	Cornwall Council	03/01/2017	04/01/2022	1.30 Fixed	Maturity	6.0
291/296	Barclays Bank plc	31/07/2006	31/07/2076	4.75 Fixed	Maturity	5.0 **
292/295	Barclays Bank plc	31/07/2006	31/07/2076	4.75 Fixed	Maturity	5.0 **
299	Barclays Bank plc	05/04/2007	05/04/2077	3.95 Fixed	Maturity	5.0 **

No new loans taken during this period.

Average interest rate 3.26

24.5

\*\* These loans were previously classified as LOBO (Lender Option Borrower Option) loans. Barclays notified the Council that it had permanently waived its rights under the lender's option of the LOBO feature of the loans to change the interest rate in the future. As a result, the loans effectively became fixed rate loans at their current interest rates with their stated maturities and no risk that the rates will be changed in the future. This change was effective from 28th June 2016.

### Lender Option Borrower Option (LOBO) Loan Debt

£15m of the Council's long term borrowing is in the form of loans called LOBOs. These loans have a 'step up' date after which the lender has the option of asking for the interest rate to be increased at specific intervals ('call periods'). Should the lender request a rate increase, the Council has the option of repaying the loan and seeking an alternative source of finance. Some LOBOs have an interest rate increase pre-agreed at the 'step up' date at which the borrower does not have the option to repay. The new rate is referred to as the 'back-end rate'.

Reference	Counter Party Name	Start date	Maturity date	Initial rate	Next Step up date	Back-end rate	Effective rate	Call Period	Principal £m
293	Danske Bank*	05/04/2005	05/04/2055	3.90	05/04/2023	4.75	n/a	6 years	5.0
294/297	Dexia Public Finance Bank*	06/10/2006	06/10/2076	3.89	08/04/2023	4.75	n/a	2 years	5.0
298	Dexia Public Finance Bank	22/11/2006	22/11/2076	3.95	22/11/2026	3.95	n/a	1 years	5.0

\*LOBO has stepped up to back-end rate.

Average prevailing interest rate 4.48

15.0

### **Total Long Term Loans**

Average prevailing interest rate 2.67

**1,726.7**

### PRUDENTIAL INDICATORS

Section 1 of the Local Government Act 2003, requires the Council to determine, before the beginning of each financial year, the Council's treasury Prudential Indicators.

On 11 February 2021, the Council determined the following limits for 2021/22:

Operational Boundary for External Debt	£2,149,389,000
<i>Current External Debt as a percentage of Operational Boundary *</i>	89.98%
Authorised Limit for External Debt	£2,159,389,000
<i>Current External Debt as a percentage of Authorised Limit *</i>	89.56%

\* The value relating to the estimated PFI liability at 31 July 2021 which is classed as a credit arrangement and comes within the scope of the prudential indicators is: £25,276,000

## Deals Outstanding at 31 July 2021

### Internally managed deposits

Deal Ref	Counter Party Name	Dates		Interest Rate	Principal
		Start	Maturity		
2750	FEDERATED HERMES CASH MANAGEMENT FUND	N/A	CALL	0.010	70,000,000.00 <u>70,000,000.00</u>

### Deposits placed on the advice of Tradition UK

Deal Ref	Counter Party Name	Dates		Interest Rate	Principal
		Start	Maturity		

No applicable deals

### Temporary Loans

Deal Ref	Counter Party	Dates		Interest Rate	Principal
		Start	Maturity		
3437	DERBYSHIRE COUNTY COUNCIL GENERAL	19/08/2020	18/08/2021	0.50	20,000,000.00
3438	PORTSMOUTH CITY COUNCIL	10/09/2020	09/09/2021	0.35	15,000,000.00
3439	MIDDLESBROUGH COUNCIL	14/09/2020	13/09/2021	0.25	10,000,000.00
3440	WOKINGHAM BOROUGH COUNCIL	16/09/2020	15/09/2021	0.25	10,000,000.00
3441	CRAWLEY BOROUGH COUNCIL	19/10/2020	18/10/2021	0.30	5,000,000.00
3442	HAMPSHIRE COUNTY COUNCIL	19/10/2020	18/10/2021	0.30	5,000,000.00
3443	GATESHEAD COUNCIL	16/10/2020	15/10/2021	0.30	5,000,000.00
3444	SOMERSET COUNTY COUNCIL PENSION FUND	16/10/2020	15/10/2021	0.35	2,000,000.00
3445	WEST YORKSHIRE COMBINED AUTHORITY	22/10/2020	19/10/2021	0.30	5,000,000.00
3446	GREATER LONDON AUTHORITY	22/10/2020	21/10/2021	0.40	10,000,000.00
3447	CUMBRIA COUNTY COUNCIL	16/11/2020	15/11/2021	0.30	10,000,000.00
3448	LONDON BOROUGH OF HAVERING	17/11/2020	16/11/2021	0.35	5,000,000.00
3449	SPELTHORNE BOROUGH COUNCIL	18/11/2021	17/11/2021	0.30	5,000,000.00
3450	BOLTON METROPOLITAN BOROUGH COUNCIL	18/11/2021	17/11/2021	0.30	10,000,000.00
3451	SOMERSET COUNTY COUNCIL PENSION FUND	18/11/2021	17/11/2021	0.35	5,000,000.00
3462	DERBYSHIRE PENSION FUND	18/02/2021	20/09/2021	0.10	25,000,000.00
3463	ST HELENS MBC	22/02/2021	22/11/2021	0.12	10,000,000.00
3464	DERBYSHIRE PENSION FUND	22/02/2021	22/09/2021	0.10	5,000,000.00
3465	BARNSLEY METROPOLITAN BOROUGH COUNCIL	20/05/2021	22/11/2021	0.06	5,000,000.00
3466	SOUTH GLOUCESTERSHIRE COUNCIL	20/05/2021	22/11/2021	0.06	5,000,000.00
3467	NORTH SOMERSET COUNCIL	20/05/2021	22/11/2021	0.06	5,000,000.00
3468	HAMPSHIRE COUNTY COUNCIL	20/05/2021	22/11/2021	0.06	5,000,000.00
					<u>182,000,000.00</u>

## New Deals taken between 1 July 2021 and 31 July 2021

### Internally managed deposits

Deal Ref	Counter Party Name	Start	Dates Maturity	Interest Rate	Principal
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**No applicable deals**

### Temporary Loans

Deal Ref	Counter Party Name	Start	Dates Maturity	Interest Rate	Principal
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**No applicable deals**

### Long Term Loans

Deal Ref	Counter Party Name	Start	Dates Maturity	Interest Rate	Principal
368894	PUBLIC WORKS LOAN BOARD	01/07/2021	01/07/2071	2.050	20,000,000.00
370826	PUBLIC WORKS LOAN BOARD	06/07/2021	06/07/2071	2.040	20,000,000.00
372808	PUBLIC WORKS LOAN BOARD	09/07/2021	09/07/2071	1.980	20,000,000.00
374078	PUBLIC WORKS LOAN BOARD	13/07/2021	13/07/2071	1.980	20,000,000.00
376376	PUBLIC WORKS LOAN BOARD	19/07/2021	19/07/2071	1.900	20,000,000.00
378261	PUBLIC WORKS LOAN BOARD	22/07/2021	22/07/2071	1.820	20,000,000.00
380895	PUBLIC WORKS LOAN BOARD	28/07/2021	28/07/2071	1.800	30,000,000.00
					<u>150,000,000.00</u>

**THAMESWEY GROUP  
INFORMATION**

**July 2021**

## THAMESWEY GROUP

Thameswey Ltd (TL) is a 100% subsidiary of Woking Borough Council. It is a holding company and has set up a number of subsidiary Companies specialising in low carbon energy generation, housing at intermediate rental, sustainable house building, property development and support services.

The group is made up of the following companies: unless otherwise stated they are 100% subsidiaries of Thameswey Ltd:

<b>Name</b>	<b>Abbr.</b>	<b>Description</b>
Thameswey Central Milton Keynes Ltd	TCMK	100% subsidiary of TEL providing low carbon energy generation in Milton Keynes
Thameswey Developments Ltd	TDL	Property Development on behalf of WBC
Thameswey Energy Ltd	TEL	Low carbon energy generation in Woking
Thameswey Housing Ltd	THL	Provides housing in the Borough. The majority of the housing is provided at intermediate rental
Thameswey Guest Houses Ltd	TGHL	100% Subsidiary of THL. Company began trading on 01/09/2014.
Thameswey Maintenance Services Ltd	TMSL	Operation & maintenance of Thameswey energy stations and ad hoc work for other customers
Thameswey Solar Ltd	TSL	Operates PV panels throughout the Borough
Thameswey Sustainable Communities Ltd	TSCL	Sustainable Energy Consultancy and also runs the Action Surrey project
Rutland (Woking) Ltd	RWL	50% Joint Venture between TDL and Rutland Properties
Rutland Woking (Carhouse Lane) Ltd	RWCL	50% Joint Venture between TDL and Rutland Properties, developed land on Carhouse Lane, Woking
Rutland Woking (Residential) Ltd	RWRL	75% subsidiary of the Thameswey Group via 50% held by THL and 25% by TDL.

*For further information please see our website: [www.thamesweygroup.co.uk](http://www.thamesweygroup.co.uk)*

*For information on reducing energy consumption in homes, schools and businesses please see: [www.actionsurrey.org](http://www.actionsurrey.org)*

*For information on the solar PV installations please visit our website [www.thamesweysolar.co.uk](http://www.thamesweysolar.co.uk)*

**THAMESWEY GROUP**  
**EMPLOYEE NUMBERS**  
As at 30 June 2021

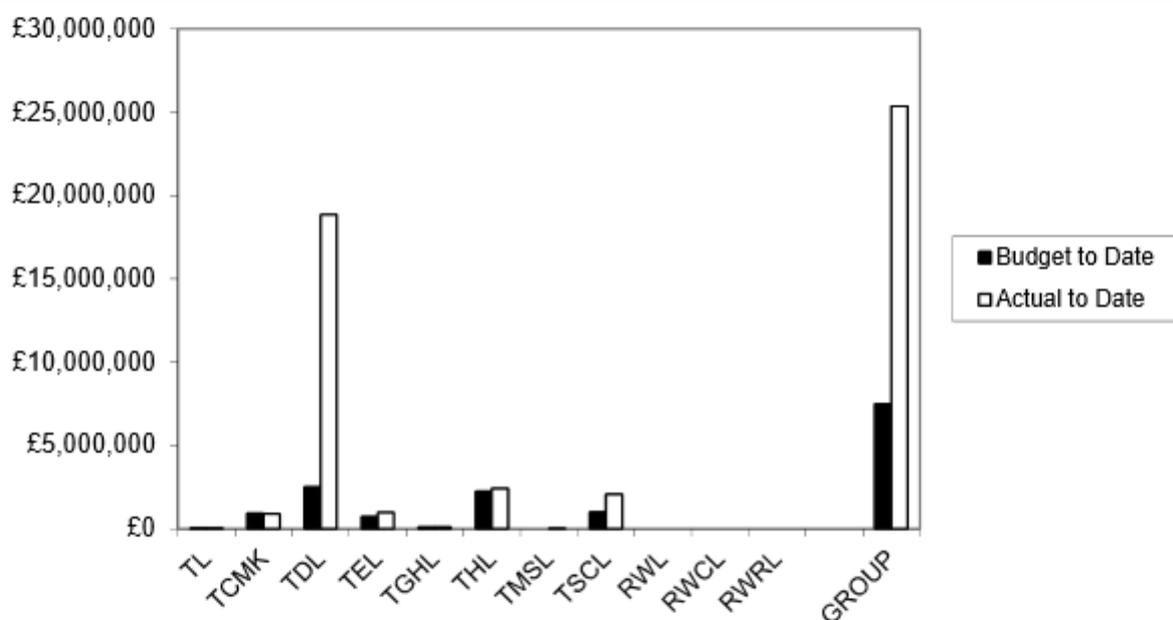
Service Unit	Employee Numbers for Full Time, Part Time, Agency Cover & Casual					
	Full Time	Part Time at FTE	Apprentice	Agency Cover	Casual Staff	Total FTEs
Thameswey Sustainable Communities Ltd	51	0.7	0	0	0	51.7
GROUP	51.0	0.7	0.0	0.0	0.0	51.7

Month	Total FTEs
April	53.7
May	52.7
June	51.7
July	
August	
September	
October	
November	
December	
January	
February	
March	
<b>Average for the year to date</b>	<b>52.7</b>

No other Thameswey Group companies have employees.

**THAMESWEY GROUP**  
**SALES INCOME**  
**June 2021**

Company	Budget to Date £	Actual to Date £	Variance to Date £	Notes
TSL	0	0	0	
TL	29,250	37,052	7,802	
TCMK	907,815	896,688	(11,128)	
TDL	2,513,682	18,847,592	16,333,910	2
TEL	721,567	973,556	251,989	
TGHL	102,515	96,350	(6,165)	
THL	2,230,815	2,425,310	194,495	
TMSL	0	14,713	14,713	
TSCL	1,000,190	2,077,428	1,077,238	1
RWL				
RWCL				
RWRL				
GROUP	7,505,834	25,368,689	17,862,855	



There is a one month time lag on this report.

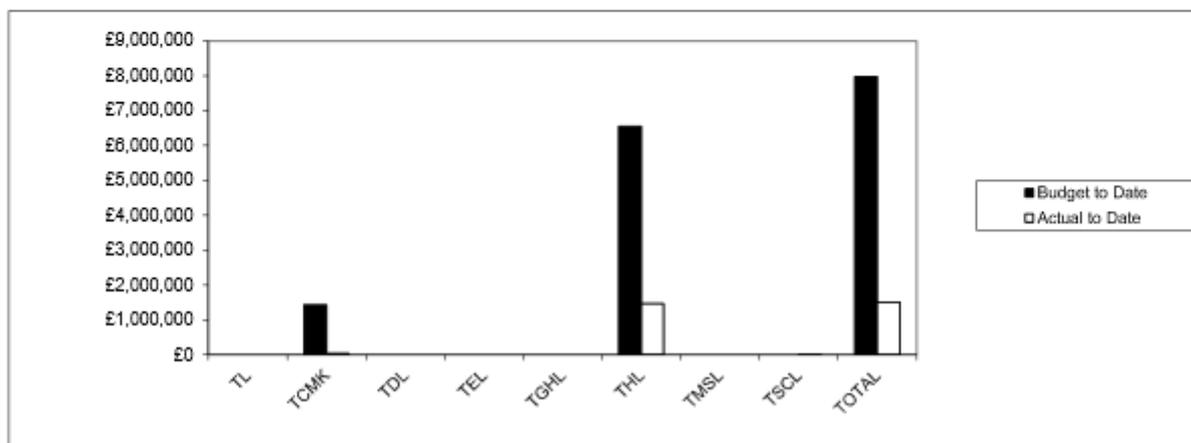
ALL FIGURES SUBJECT TO YEAR END ADJUSTMENTS

Notes

1. TSCL income is exceeding budget due to the Green Homes Grant from BEIS
2. Revenue for TDL includes invoicing for partially completed construction projects

**THAMESWEY GROUP**  
**CAPITAL EXPENDITURE**  
**June 2021**

Company	Budget to Date £	Actual to Date £	Variance to Date £	Note
TSL	0	0	0	
TL	0	0	0	
TCMK	1,433,000	36,292	(1,396,708)	2
TDL	0	0	0	
TEL	0	0	0	
TGHL	0	0	0	
THL	6,545,810	1,460,861	(5,084,949)	1
TMSL	0	0	0	
TSCL	0	12,282	12,282	
<b>TOTAL</b>	<b>7,978,810</b>	<b>1,509,435</b>	<b>(6,469,375)</b>	



There is a one month time lag on this report.

**NOTES**

1. THL: Capital Expenditure:	£
PEX Software	19,482
2 Bonsey Close	365,462
28 Albert Drive	375,000
6 Raynes Close	444,027
Renovations	256,890
	1,460,861
	0

*Please note that Sheerwater properties are recognised quarterly*

2. TCMK: Timing variances for asset purchase

**THAMESWEY GROUP**  
**NEW LOANS**  
**June 2021**

Company	Project	Lender	Start Date	Maturity Date	Interest Rate %	Principal (£M)	Loan Ref
THL	Sheerwater Purple	WBC	22-Apr-21	22-Apr-71	1.93%	1.00	15532
THL	Middle Walk	WBC	13-May-21	13-May-71	3.48%	1.05	10132
THL	Sheerwater Purple	WBC	20-May-21	20-May-71	2.03%	1.00	15534
THL	Sheerwater Red	WBC	20-May-21	31-Mar-23	0.90%	1.50	15535
THL	Sheerwater Copper	WBC	20-May-21	31-Mar-23	0.90%	0.25	15536
THL	Sheerwater Leisure Centre	WBC	01-Jun-21	31-Mar-23	0.85%	1.60	15257
THL	Sheerwater Leisure Centre	WBC	01-Jun-21	31-Mar-23	0.85%	1.10	15258
THL	Harrington Place (Commercial Space)	WBC	08-Jun-21	08-Jun-71	3.50%	1.26	10133
TDL for TEL	Poolo Road	WBC	17-Jun-21	17-Jun-71	2.92%	0.79	14771
THL	Comerstone (Elizabeth House)	WBC	17-Jun-21	17-Jun-71	3.42%	0.75	10134
THL	Sheerwater	WBC	17-Jun-21	17-Jun-71	1.92%	2.31	15537
THL	Sheerwater Purple	WBC	17-Jun-21	17-Jun-71	1.92%	3.39	15538
TCMK		WBC	28-Jun-21	28-Jun-46	3.88%	0.75	11076
THL		WBC	28-Jun-21	28-Jun-71	3.42%	1.06	10135
						17.81	

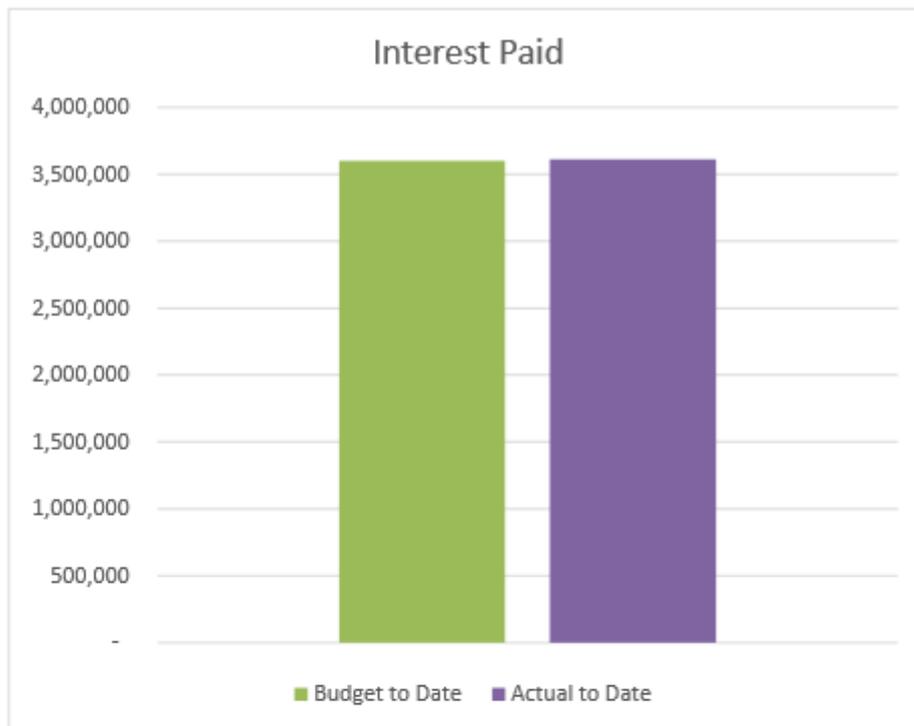
Company	Loan balances as at March-21	New Loans Apr-21 to Mar-22	Less Repayments in period	Net Balance of Loans
	£m	£m	£m	£m
TL				
TCMK	33.39	0.75	0.31	33.83
TDL	89.27	0.79	2.70	87.36
TEL	14.12		1.30	12.82
TGHL				
THL	314.84	16.27	0.01	331.10
TMSL				
TSL	0.99			0.99
TSCL				
RWL	1.67			1.67
RWCL				
RWRL				
GROUP	454.28	17.81	4.32	467.77

**There is a one month time lag on this report.**

*Note that the Green Book figures exclude inter company loans.*

**THAMESWEY GROUP**  
**INTEREST PAYMENTS**  
**June 2021**

Company	Budget to Date	Actual to Date	Net Financing Cost/(Adverse)	Note
	£	£	£	
TSL	-	-	-	
TL	-	-	-	
TCMK	516,447	473,306	43,141	
TDL	86,562	76,490	10,072	
TEL	266,565	193,865	72,700	
TGHL	-	-	-	
THL	2,730,000	2,867,802	(137,802)	
TMSL	-	-	-	
TSCL	-	-	-	
RWL				
RWCL				
RWRL				
<b>GROUP</b>	<b>3,599,574</b>	<b>3,611,464</b>	<b>(11,890)</b>	



Interest related to projects under development/construction will be capitalised in the accounts.

*Note that the Green Book figures exclude inter company loans.*

TDL loan interest relates to Coblands Nursery & Cornerstone property purchases in 2016

**There is a one month time lag on this report.**



## OVERVIEW AND SCRUTINY COMMITTEE – 13 SEPTEMBER 2021

### FINANCE TASK GROUP UPDATE

#### Meeting held on 21 July 2021

Cllr James Sanderson was elected as Chairman and Cllr Kevin Davis as Vice Chairman of the Task Group for the remainder of the Municipal Year.

The Task Group covered the following items:

#### Statement of Accounts

The Statement of Accounts for 2020/21 was being prepared and due to be published by the end of July. There has been particular challenges this year with additional work on business grants and COVID related activities. The audit of the previous year's accounts (2019/20) has still not being completed by BDO and is due to be completed later this year. These delays were discussed by the Task Group and there has been follow up with BDO to emphasise the importance of completing both years' audits as soon as possible. Questions were also raised about the delays in the audits of the Thamesway Group companies.

#### Medium Term Financial Strategy

The Medium Term Financial Strategy, previously presented to the Executive, was reviewed by the Task Group. It was noted that there was no change to the forecasts since the previous version in March/April and therefore the cumulative shortfall over the next 4 years of £6m was still applicable. The Fit for the Future programme and the proposed savings were discussed including reviewing the investment programme, digitalisation of services and reference to the new Head of Transformation and Digital. A question was raised as to whether the Fit for the Future programme would include the subsidiary companies. It was also noted that the request to the Government regarding Exceptional Support was not successful. The review of the MTFs would be a regular item for the Task Group work programme.

#### Treasury Management

It was noted there is a significant amount of Council short term borrowing maturing in the autumn therefore it would be a question of extending these loans on a similar basis or switching to longer term borrowing. This would depend on the rates applicable at the time.

#### Victoria Square

The latest financial projections for the Victoria Square project were reviewed and it was noted that the financial model underpinning these projections is being updated and ideally will be available to review by the Task Group as its next meeting in September. The model was previously updated at the beginning of 2021. At this point, no major changes were noted in the projections from when the Council approved the increase in the total borrowing of this project to £700m earlier this year.

#### Commercial Rents

The situation for Commercial Rents was reviewed by the Task Group. It is noted that the majority of tenants are paying as contracted but there are ongoing follow ups with some tenants.

Other Matters

The write-offs of irrecoverable debts were reviewed and agreed. The latest Green Book was reviewed and the Council's Strategic Property Investments, the forecast out-turn and Midas House were highlighted.

**Recommendation**

The Committee is requested to:

**RESOLVE That** the report be noted.

The Committee has the authority to determine the recommendation set out above.
--

**Background Papers:** None.

**Reporting Person:** Councillor J Sanderson  
Email: [cllrjames.sanderson@woking.gov.uk](mailto:cllrjames.sanderson@woking.gov.uk)

**Date Published:** 2 September 2021

REPORT ENDS

OVERVIEW AND SCRUTINY COMMITTEE – 13 SEPTEMBER 2021

## HOUSING TASK GROUP UPDATE

### Executive Summary

The first meeting was held on 27 July and elected Cllr Barker as Chair and Cllr Whitehand as Vice-Chair.

#### Draft Housing Strategy

The draft Housing Strategy was reviewed prior to going to Council and the Task Group were pleased to see feedback from public consultation had been fully assessed and key points incorporated in the strategy. Encouraging downsizing was discussed and the Director of Housing set out offers that could make the move attractive. The Group learnt that a new government scheme, First Homes, would be replacing shared ownership and a report on this is to be presented to the next meeting.

#### NVH and bringing Housing Services In-house

NVH and Council officers were working to speed up void turnarounds and reduce repair service complaints. The Task Group received an update on the tendering of maintenance and repairs services and how council home residents will be engaged in future. The Group were pleased to learn that all companies providing services would be required to pay the living wage.

#### Tackling homelessness

Excellent news that at the time of the meeting there was nobody currently on the streets. Looking ahead the team had applied for government funding to provide move on accommodation and support for those living in these properties.

The Task Group also heard about recently completed affordable homes at Hale End and in the purple phase of Sheerwater; the successes and challenges of the Selective Licensing scheme; progress on bringing empty properties back into use and bringing Council homes to the decent homes standard.

### Recommendations

The Committee is requested to:

**RESOLVE That** the report be noted.

The Committee has the authority to determine the recommendation set out above.

**Background Papers:** None.

**Reporting Person:** Councillor Ann-Marie Barker  
Email: [cllrann-marie.barker@woking.gov.uk](mailto:cllrann-marie.barker@woking.gov.uk)

**Date Published:** 2 September 2021

REPORT ENDS



OVERVIEW AND SCRUTINY COMMITTEE – 13 SEPTEMBER 2021

## ECONOMIC DEVELOPMENT TASK GROUP UPDATE

### Executive Summary

The update from the meeting held on 25 August 2021.

Councillor D Roberts was appointed Chairman for the municipal year with Cllr M Ali as Vice-chair.

The Economic Development Task Group met on the 25 August 2021 to review a draft report on the economic development action plan for post-pandemic recovery to shortly be discussed by the Executive. The plan set out a number of activities, specific to the borough and our community, that would support local economic recovery. It aligned with the existing Economic Development Plan 2017-22, the framework for recovery and the new corporate strategy. A new strategic plan was intended for 2023-2028.

Members were grateful for the work done by Chris Norrington and Simon Matthews in the diligent preparation of what was a comprehensive and considered report in spite of the many remaining social and economic uncertainties.

Members reviewed the current national overview and local impact. The draft action plan set out priorities for sustainable business growth following a consultation exercise. The plan identified six priorities. These were business, people and skills, future-proofing town and village centres, place, destination and culture. Members discussed rationalising this towards five priorities and it was likely that the sixth, culture, would be absorbed into place and destination without losing the emphasis on Woking having developed its own distinct sense of place through our cultural and green credentials. Members and officers also discussed the importance of an integrated digital strategy that was instrumental to each of the priorities.

### Recommendation

The Committee is requested to:

**RESOLVE That** the report be noted.

The Committee has the authority to determine the recommendation set out above.

**Background Papers:** None.

**Reporting Person:** Councillor D Roberts  
Email: [cllrdale.roberts@woking.gov.uk](mailto:cllrdale.roberts@woking.gov.uk)

**Date Published:** 2 September 2021

REPORT ENDS

