

**TITLE OF REPORT:**            **New Guidance on Overview and Scrutiny**

**REPORT OF:**                **Mike Barker, Strategic Director, Corporate Services and Governance**

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### **Summary**

The report sets out proposed areas for improvement arising from the new guidance on Overview and Scrutiny and seeks the Committee's views.

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#### **1. Background**

New statutory guidance on overview and scrutiny in local government and combined authorities has been published by the Ministry of Housing Communities and Local Government. The guidance has been produced following a commitment made by the Government in early 2018 following on from the Communities and Local Government Select Committee's inquiry into O&S.

The revised guidance is light touch and aims to raise the profile of scrutiny committees and increase the effectiveness and relevance of their work. The updated guidance takes into account changes such as the establishment of combined authorities and the increase in commissioned services. It aims to ensure that the purpose of overview and scrutiny is better understood, and provides advice on what effective scrutiny looks like, how it can be achieved and the value this can bring to policy development and decision making. It reminds authorities of the powers available to scrutiny committees; highlights the benefits of effective scrutiny; and provides practical advice and proposals for improving the function.

A central theme of the statutory guidance is the importance of a strong organisational culture which supports scrutiny to provide effective challenge and a commitment to scrutiny across an authority, not just amongst those members and officers with a scrutiny role. It also focuses on resourcing, selection of committee members, powers to access information, planning of work programmes and evidence sessions.

Compared to the previous guidance, which concentrated on explaining the legislation, the new guidance is practically focused and grounded in the experience of scrutiny in local authorities since the 2000 Act. It leaves scope for local practice and does not intend to be prescriptive.

## **2. Proposal and / or Issues for Consideration**

Having reviewed the areas highlighted within the new guidance it is considered that Gateshead already has in place much of what is set out in the guidance. However, it is considered that the below represent potential areas for improvement:-

### **2:1 Executive – Scrutiny Protocol**

The guidance suggests the development of an Executive - Scrutiny Protocol as a positive means of defining the relationship between Cabinet and Scrutiny and providing a framework for managing /mitigating any differences of opinion.

In Gateshead we already have a protocol in place relating to Cabinet attendance at OSC meetings and it is considered that this could be widened further to cover several matters raised by the guidance eg managing disagreements between scrutiny and the executive; reflect the good practice already in place around early engagement with the executive regarding scrutiny's future work programmes and set out the position in relation to scrutiny's powers to access information.

A proposed revised Protocol is attached at Appendix 1 – (Revisions highlighted in red)

### **2:2 Whistleblowing**

As part of establishing a strong organisational challenge culture the guidance, for the first time, references whistleblowing. It suggests that whilst scrutiny has no role in the investigation or oversight of whistleblowing arrangements the findings of independent whistleblowing investigations might be of interest to scrutiny committees as they consider their wider implications. The guidance indicates that this should always be subject to the Council's Monitoring Officer directions on this matter and the authority's constitution.

At this point in time, the Council's Monitoring Officer has advised that there have been insufficient whistleblowing cases in Gateshead to identify any emerging themes / issues to enable scrutiny to have a worthwhile role. Therefore, at this stage, councillors are asked to note their potential future scrutiny role in this area.

### **2:3 Communicating work of scrutiny to wider Council**

The guidance also indicates that Councils should take steps to ensure that all members and officers are made aware of the role scrutiny committees play in the organisation. The guidance indicates that a means of achieving this could be by some reports and recommendations being submitted from scrutiny to full Council rather than solely the executive, taking account of the relevance of the reports to Council's business and its capacity to consider and respond in a timely manner.

However, having regard to Council's capacity to consider additional reports from scrutiny it is considered that it would be sufficient to submit an annual report to full Council on scrutiny's activities in order to raise awareness of ongoing work. Currently OSCs already receive a report at the end of their annual work programme which looks back at the work each OSC has carried out over the year as well as looking forward to the new work programme and this could form the basis of the annual report.

## 2:4 Following the Council Pound

The guidance suggests that the Council may wish to consider, when agreeing contracts with organisations using public funds to deliver goods and services, whether it would be appropriate to include a requirement for them to supply information to or appear before scrutiny committees.

It is considered that there is significant potential in the role scrutiny could play here: in the context of a number of areas of council policy, existing and emerging in terms of achieving value for money and outcomes with regards to local employment and training; climate change; and other areas of corporate social responsibility and social value generally.

As this is a large area for area for consideration, it is proposed that a workshop is organised for Corporate Resources OSC during November 2019 (which has as part of its remit, efficiency, value for money and procurement) so that they can better understand, explore and prioritise the role that scrutiny could play here.

The workshop will be led by Andrea Tickner, Service Director Corporate Commissioning and will explore scrutiny of the following options:-

- Overall Review of Council third party expenditure (eg key value high spend areas, which suppliers, contracted and off contract/ local and national suppliers
- Process – taking councillors through a particular tender process and what has been achieved on a previous contract
- Social value and what is being achieved

### Recommendations

3. The Committee is asked to

- a) Note the information provided.
- b) Endorse the proposed areas for improvements outlined in paragraphs 2:1 to 2:4

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