

# North East Regional Joint Scrutiny Member/Officer Network

Friday 12 January 2018

County Hall, Durham

<b>Present:</b>	
Cllr Denise Jones	Chair, Newcastle City Council
Cllr Marjory Knowles	Darlington Council
Cllr Rob Crute	Durham County Council
Cllr Andrea Patterson	
Tom Gorman	
Stephen Gwilym	
Liz Finnigan	
Laura Stones	Hartlepool Borough Council
Caroline Breheny	Middlesbrough Council
Cllr Doreen Huddart	Newcastle City Council
Cllr Lesley Spillard	North Tyneside Council
Alison Pearson	Redcar and Cleveland
Paul Baldasera	South Tyneside
Cllr Derrick Brown	Stockton-on-Tees Borough Council
Margaret Waggott	
Peter Mennear	
Gary Woods	
Nigel Cummings	Sunderland Council
James Diamond	
Tim Gilling	Centre for Public Scrutiny
Nick Taylor	Specialist, Communities and Local Government Committee, House of Commons
<b>Apologies:</b>	
Cllr Jean Sharrocks	Middlesbrough Council
Lord Beecham	Newcastle City Council
Cllr Marion Talbot	
Cllr David Faulkner	
Cllr Felicity Mendelson	
Cllr Anita Lower	
Janet Howard	
Karen Christon	
Cllr Lynne Grimshaw	Northumberland County Council
Sean Nicholson	
Cllr J Eagle	Gateshead Council
Cllr N Weatherley	

Cllr B Oliphant Cllr S Green  Nicola Laverick  Sharon Jones	   North East Combined Authority  Tees Valley Combined Authority
--	---

### 1. **Welcome**

Cllr D Jones welcomed everyone to the meeting. She gave background to these meetings, stating how important they are for best practice, information sharing and networking, especially with everything that is going on at present locally, regionally and nationally.

Cllr DJ also welcomed and thanked the two speakers:

- Tim Gilling, Centre for Public Scrutiny
- Nick Taylor, Communities and Local Government Committee, House of Commons

Cllr DJ also introduced Tom Gorman who is supporting officer Chair for this network.

### 2. **Minutes of last meeting – 28 February 2017**

There was one item outstanding:

Appointment of Vice-chair. Expressions of interest had therefore been sought for this meeting.

This is a 2-year tenure, but because Cllr DJ, Chair, is standing down in 2018, the newly appointed Vice-chair will become Chair, and a further Vice-chair will be appointed at that point.

Only one application had been received, from Cllr Rob Crute, Durham County Council. Tom Gorman invited the Committee to either extend the period of nominations for a further month to establish if there are any further expressions of interest or proceed and appoint Cllr RC, who will then become Chair when Cllr DJ stands down and further nominations will be sought for a new Vice-chair at that time.

**Agreed that Councillor Rob Crute be appointed Vice Chair of the Network with immediate effect.**

### 3. **Tim Gilling, Centre for Public Scrutiny (CfPS)**

Tim Gilling gave an update and information on the work programme of CfPS.

He stressed that the CfPS did not consider themselves to be a London-centric organisation although he acknowledged that a lot of their events/activities take place there. However, they do like to support other networks throughout the country.

He referenced the CfPS restructure last year from a thematic to a more holistic structure which aimed to demonstrate and provide better use of sharing skills, experience and knowledge, and better value.

Previously, skills were very focused on providing leadership and support in local scrutiny, as well as practical support. Now they are focusing more on the aspect of practical support to both non-executive functions in the public sector, as well as in the private sector. They are also doing more on research, campaigning and business development.

Tim Gilling has responsibility for business development and delivery, including income streams and funding. This has changed considerably with CfPS moving from a central government grant funded

approach to one which was increasingly becoming dependent on income generation through the provision of support and services on a consultancy basis.

Services are still being provided on good evidence/accountability on how scrutiny works, and the impact it has on local government and public facing organisations.

## **Key Messages**

Governance and Scrutiny are a priority. Reference was made to examples of decisions affecting the public having been taken that have been shown to reflect significant failures in voluntary and public services. CfPS are interested in how decision-makers are held to account. Leadership and organisational culture are linked to decision making, and the right approach to accountability is needed. Questions need to be asked on why it is not working.

CfPS want to:

- Look at services provided.
- Provide skills based training for organisations on generic scrutiny, necessary skills and thematic issues, and also training on key questions to be asked.
- Look at governance reviews on councils and other organisations.
- Provide consultancy for organisational and cultural change.
- Engage with Chief Executives and Leaders of organisations and find out what the value of scrutiny is to them and their organisations. Local Government is very much at the core of sectors supported by CfPS.
- Local Government Association continue to fund some support around improvements.
- Focus on risk resilience, key messages for Health, Social Care, and also faced by local communities, and how councils have helped build up resilience in areas where there are risks to council services. Councils can fail to commit to risks in communities, CfPS feel that Scrutiny can be the solution to help councils to respond in developing policy, measuring outcomes, impact on residents.
- Carry out governance and scrutiny health checks, and help to identify the value of scrutiny within organisations.
- Focus on transformation, commercialism and risk – ensuring innovative arrangements around planning continue to be transparent within local communities.
- Provide support on overview and scrutiny work programmes, focussing on prioritisation of work, fewer resources and big agendas.
- Show how scrutiny can make a difference, including behavioural and cultural skills, executive/non-executive arrangements, and member/officer relationships.

CfPS are also interested in housing – and empowering the voices of tenants within social housing, and how connected housing organisations are to their tenants. They are also looking at the value of the public pound, and the potential merit of setting up local public accounts bodies.

They are also looking at charities, and how social enterprises and the private sector are operating and demonstrating effective service provision and support to local communities.

Health and Social Care – CfPS want to improve public voice networks and make sure they are more connected, and have more impact across Health and Social Care systems including the related Inspectorates and Healthwatch organisations.

## **CfPS Conference 2017**

The annual CfPS conference took place in December, entitled Governance of Complexity Co. Feedback showed it was highly rated, with good speakers, including some from Whitehall and Government, looking at an interesting range of issues. They held plenary sessions and workshops on issues such:

- the Role of scrutiny in local government connected to democracy;
- lessons from CfPS work in the private sector – re behavioural and culture change, and the impact on decisions made;
- financial scrutiny, e.g. commercialism;
- Housing and tenant engagement;
- How scrutiny can support sustainability and transformation partnerships and health and social care.

### **Main issues**

Local public accounts – value of the public pound across a diverse landscape.

CLG Selection Committee report is showing two milestones:

- what the awaited Government response will be to this;
- what the awaited sector response will be (LGA).

Work in the Kensington/Chelsea area on how governance connects with communities in light of the Grenfell Tower tragedy..

### **Health and Social Care**

- Developing the programme of Sustainable Transformation Partnerships (STPs)
- Building knowledge of relationships between the NHS and local authorities – engaging with NHS managers to provide information on what local government is, and what the role of Members is.
- CfPS can assist in CQC reviews, and also work with CQC on how health scrutiny can help.

There is a lack of governance of Local Enterprise Partnerships (LEPs). Last year it was identified that there were inefficiencies within the LEPs, CfPS are working with the Industrial Strategy Department on how they can provide assistance.

Children's Services – alternative delivery services, and offering support for Ofsted inspections. Also providing assistance in preparation of Local Safeguarding reports.

Training courses are offered, including:

- Introduction to Scrutiny
- Chairing Skills
- Scrutiny of complex issues
- Digital Environment.

An event will take place at the end of January on Combined Authority scrutiny and scrutiny in devolved arrangements, and a CfPS session is also being planned on LEPs. A session on redesigning scrutiny in the Digital Age is also being planned in March

The annual survey will be published shortly, and this year CfPS celebrate their 15<sup>th</sup> year, and will therefore be promoting their services. Although a lot of the events take place in London, CfPS are happy to travel, they can provide bespoke sessions, and are happy to work with local authorities who can assist by providing venues and help with arrangements in outlying areas.

The Chair thanked TG for a comprehensive presentation and update.

Debate amongst network members noted that challenges can create opportunities, and that the statutory powers afforded to scrutiny in areas of health, flooding and coastal risk management and, crime and disorder provided effective opportunities to hold relevant bodies to account. It was suggested that it could be further enhanced with statutory powers in areas such as education and external scrutiny. The Scrutiny function needs to be spread out to the private sector, including landlords. Sometimes the hardest to reach can reap the best rewards, e.g. when lobbying Central Government.

The Committee agreed risk resilience is a factor, as evidenced by the Grenfell Tower situation. Teesside Combined Authority are looking into families in this situation.

South Tyneside are looking at the use of the community and voluntary sector to do things that the council are no longer able to carry out in the current environment, and they can often access funding that local authorities cannot. The authority is to monitor how the outcomes are delivered and governance in the voluntary sector. It is also looking at governance in the voluntary sector and relationship between the sectors, and the effectiveness of the use of the Social Value Act. There are more opportunities for the voluntary sector to work with local authorities but they are not always set up to do this – therefore issues exist around risk and reliance. Charities can be small organisations who may not have the skills sets/resources to deliver required outcomes.

Risk Management is acknowledged as a key element of an authority's governance arrangements and a source of evidence for scrutiny exists in local authority risk registers.

Further discussion took place on accountability and delivery risk of external organisations, e.g. Health Scrutiny of CCGs; NHS England's 5 year plan, including waiting times. There are workforce issues which can cause a risk in delivery of targets.

Local authorities need to use best practice, and also lobby Government. Concerns exist around who is governing combined authorities; regional issues; social care; how to 'get a voice' and make a difference. There are implications of scrutiny of new combined authorities and devolution, some roles are not clear, although Manchester seems to be setting the scene.

Risk and resilience – members are aware of issues their own areas, for example:

- Flooding and culverts
- Sink holes.

It is left to local councils to resolve issues such as these and getting additional funding from Government can be problematic. Some council have failed to connect to risk, .e.g. Mid-Staffordshire; Rotherham. There is a need to increase the visibility of impact upon communities. It was agreed risk registers could be used to select scrutiny topics.

The use of Task and Finish Groups and understanding of their roles and responsibilities is also important.

#### **4. Nick Taylor, Specialist, Communities and Local Government Committee, House of Commons**

NT thanked the committee for the invitation to attend this meeting, and said that he was going to focus on two areas:

- How Select committees work in the House of Commons
- The CLG Inquiry into the effectiveness of local authority overview and scrutiny committees. This report was published in December 2017 and is key to the work of overview and scrutiny.

NT was not involved in the inquiry, and did not write the report, but he was going to talk about the recommendations and answer any follow up questions, anything he was unable to respond to, he would feed back after this meeting.

The Select Committee is made up of a cross-party group of MPs. They gather evidence, and Government must respond to the recommendations/reports of their inquiries. They often have direct influence on government policies.

Joint inquiries are often held, and can be on a number of subjects. At present there are ongoing inquiries on Works and Pensions; the future of supported housing; and an inquiry on social care may be taking place in the near future. It is the decision of members of the Select Committee on what they want to look at, within the remit of the committee.

NT fed back on the content of the report, and how workshops discussions had taken place which were used in the session with the Minister and in pulling together the recommendations detailed within the report.

The Government's response to the report and recommendations has not yet been received. He also fed back on the terms of reference, conclusion and recommendations.

In some authorities the Executive are seen as more important than the scrutiny function, and the lines of accountability vary, so in some authorities, scrutiny feedback to Council rather than Cabinet.

How chairs are appointed can also vary between organisations, and can be perceived to lessen the legitimacy of the scrutiny process. The Select Committee has questioned whether it would be preferable to have elected chairs or appointed chairs.

It is also important that scrutiny committees have access to information, in some authorities it was felt that information is withheld, and there is conflict with democratic accountability.

When considering the resources available for scrutiny, many authorities prioritise support for the executive over scrutiny and senior officers provide advice, support and guidance to the executive at the expense of scrutiny. The Select Committee heard evidence that often officers supporting scrutiny do not have the necessary skills. The Committee considers it important that the Statutory Scrutiny Officer role is strengthened. Scrutiny powers also need to be strengthened so issues are scrutinised properly, e.g. public oversight of LEPs is the exception rather than the rule. Funding should be made available for resources for scrutiny.

Devolution deals – scrutiny should be a part of this and resourced appropriately.

Information requested by scrutiny is often classified as commercially sensitive, particularly when scrutinising public/private sector partnerships/service delivery, and the select committee noted examples where this was done in an over-zealous manner.

Network members asked about the private housing sector and engaging with them. This was a suggested potential future topic for the committee, which was on the agenda for this meeting.

There is a need to link up between committees and authorities. Members don't always get the information they need to carry out the governance that is at the hub of what they do.

Agreed Combined Authorities should have ongoing monitoring, and this committee brings together the 12 local authorities to do this.

It was agreed this was an excellent report, but the Government response needed to be monitored when received.

It was also agreed that it is often difficult to communicate with some private organisations, and how could this be improved when scrutinising outside bodies.

NT fed back that Government are required to respond within 60 days to a published Select Inquiry report, but that often it runs over that period.

A discussion took place on the Select Committee enquiry into private rented sector, and student accommodation. Often important issues were forgotten, such as energy supply to houses in the private rented sector.

NT responded that the first evidence gathering session on this had just taken place, and informed the committee that any relevant evidence from their own experience could be put forward and would be well received, as a lot of university cities have the same issues and could learn from each other. The Private Members Bill on the fitness of homes was being looked into as part of the review, and the standard of suitable accommodation.

It was agreed that issues with private sector landlords can have an impact on communities, and it was suggested that NT is invited back to the North East Regional Joint Scrutiny Member/Officer Network when the review was complete to feed back on the report and recommendations.

It was also agreed that the role of this committee was to look at the quality of information provided to scrutiny, and to identify thematic/topical issues, and also to be used as a healthcheck for the scrutiny function. Governance was identified as an issue for discussion at a future meeting.

Health scrutiny can be an issue, as often scrutiny Members are not given the full information they need to address an issue. It was also agreed that information needed to be circulated in advance of meetings so Members had a good understanding of any issues.

Agreed Risk Registers could be used, and also procurement and service level agreements to identify topics for review work. The Chair referenced "Big Data" as a further issue for consideration.

Business rate retention was also identified as another area for future discussion as there were concerns that areas who were involved in the Business Rate retention pilots take priority. Rural areas and areas with smaller businesses are at a disadvantage compared to more affluent areas. Members asked about the timeframe on this and NT agreed to provide further feedback on that review.

NT then fed back on the inquiry process. He stated that Government can choose to accept or not accept the recommendations. The Committee can pursue, or do an amended report if they want to. Reports can also be debated in the House of Commons or Westminster Hall, but Government do not have to carry out the recommendations. It was suggested that some of the recommendations may not require primary legislation and may actually be for local authorities to implement themselves.

There has been good feedback so far about the scrutiny report, and a willingness to think about refreshing guidance. It was felt that it was unlikely that any specific new legislation would be produced for scrutiny arising from the select committee report, although it could be included in legislation for other areas. The refresh of guidance should have a secular approach to reflect the voice of local government.

Issues picked up from the report:

- Powers that scrutiny has in local government
- Access to information re the scrutiny function
- Parity of esteem with Select Committees
- Secret ballot for the election of scrutiny chairs
- Statutory “clout” – Scrutiny is most effective, for example in holding health bodies to account. Recommendations can refer to the Secretary of State for Health if health bodies disregard scrutiny recommendations.
- Scrutiny can be used to hold people to account who provide services to local government.
- Contractual obligation – scrutiny could be built into contracts in some areas. However examples were given of service areas which would benefit from public scrutiny such as academies and regional social housing providers but for which there was no statutory requirement for such organisations to attend scrutiny committees.

South Tyneside Borough Council referenced their approach in calling in academies who are not performing well to engage with scrutiny committees, and also grounds maintenance contractors. These are done ‘in camera’ rather than open committee meetings. Also, exempt reports can be added to agendas if necessary.

## 5. **Future agenda items**

The Chair referred to the agenda which detailed suggested areas that the Network might wish to consider for inclusion within its future work programme including:-

- Supporting major change and transformation – Big Data
- Impact of Brexit on Local Government
- Private Sector Housing
- School accountability
- Safeguarding and looked after children
- Autism

Other items put forward at the meeting were:

- Devolution and scrutiny of combined authorities
- School accountability and safeguarding – tracking of children in care. This links to a review Durham are carrying out at present on Role of the Social Worker and journey of the child, which is looking at workloads and retention of social workers.
- Refugees/asylum seekers and best practice between authorities.

Stockton Borough Council referenced work that they had undertaken in respect refugees and asylum seekers, which they are happy to share if required. There are areas that have cultural practices with people who have the skills to help, language etc. and this could also link with the Local Refugee Services.

Any further ideas for future guest speakers were welcomed, an example would be university reps. It was suggested that representatives email the Chair, or Tom Gorman (DCC) with any potential topics.

## 6. **Date of next meeting**

The Chair thanked the speakers for excellent presentations and debate.

A reminder was issued to the network to please let Maureen O’Keefe have updated contact details for her mailing list.



There was a suggestion that bi-monthly meetings should take place, and that members preferred mornings, however, it was agreed that if speakers are coming from further afield, afternoon meetings are preferable to allow for travel arrangements.

The next meeting was agreed for April 2018, the date and venue to be confirmed.