

# CYNGOR SIR POWYS COUNTY COUNCIL.

County Council - 24 January, 2019

**REPORT AUTHOR:** Scrutiny Manager and Head of Democratic Services

**SUBJECT:** Scrutiny Committee Structure

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**REPORT FOR:** Decision

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## 1. Summary.

- 1.1 The revision to the scrutiny committee structure was considered at the meeting of the Scrutiny Development Board which met on 12<sup>th</sup> November, 2018. This report presents the recommendations of the Democratic Services Committee which met on 14<sup>th</sup> November following consideration of the proposals by the Scrutiny Development Board. The Council is asked to consider the proposals for approval.

## 2. Audit Committee and Finance Scrutiny Panel.

- 2.1 The Council is the only Council in Wales that utilises the provisions [Section 81(2)] of the Local Government (Wales) Measure 2011 whereby the Audit Committee can also undertake other functions such as scrutiny.
- 2.2 There has been comment recently from the Wales Audit Office (WAO) regarding a lack of clarity on Audit Committee agendas as to whether the committee is undertaking its regulatory role or is acting as a scrutiny committee.
- 2.3 The Finance Scrutiny Panel has been in existence since 2015. It has been cited by the WAO as an example of good practice. However recently it has been felt by Members that it has not been functioning effectively for a variety of reasons and needs to be reinvigorated. The Membership of the Panel currently includes the Chairs of the Scrutiny Committee, Opposition Group Leaders as well as representatives of the Audit Committee. Its main functions relate to scrutiny of the Council budget – See **Appendix 1 (current terms of reference)**.

### **Recommendations from the Democratic Services Committee:**

#### **Audit Committee.**

- (i) that the Audit Committee should undertake the statutory regulatory functions only, and that the scrutiny functions be transferred one of the new scrutiny committees. **(See Appendix 2 – Column 4 for the amended Terms of Reference)**
- (ii) that the Committee be comprised of 14 Members on a politically balance basis (plus the Lay / Independent Member(s))
- (iii) that the Committee determines its own schedule of meetings (approximately 6 per year)
- (iv) that in principle meetings of the Audit Committee should be webcast, subject to a review of the financial implications of webcasting additional meetings.

### **Finance Scrutiny Panel.**

- (i) that the Finance Scrutiny Panel be retained but that it be renamed Finance Panel (“FP”).
- (ii) that the Terms of Reference be amended to reflect that the Panel scrutinise strategic financial issues only i.e. MTFs, development of the overall Council budget, budget out-turn, rather than service specific financial issues which would be within the remit of individual scrutiny committees. **(See Appendix 3 for the amended Terms of Reference)**
- (iii) that the composition of the FP should not be politically balanced and consist of the Chairs of the Scrutiny Committees, Opposition Group Leaders as well as representatives of the Audit Committee plus the Portfolio Holder for Finance (who cannot be the Chair of the FP). **(See Appendix 3 – amended Terms of Reference)**
- (iv) that the Terms of Reference be amended to reflect that the Panel will appoint its Chair from its Membership (except the Portfolio Holder for Finance). **(See Appendix 3 – amended Terms of Reference)**
- (v) that meetings of the FP be held in public wherever possible except where confidential matters are to be discussed.
- (vi) that the Chair of the FP would not be a remunerated role.

### **3. Scrutiny Committees**

3.1 The Scrutiny Committee structure proposed by the Democratic Services Committee in May 2018 were based on Vision 2025 and the suggestion was that the following committees be established:

- Economy, Residents and Community Committee
- Health and Care Committee
- Learning and Skills Committee
- Audit Committee – which scrutinised “Making It Happen” and other Corporate functions.

### **Recommendations from the Democratic Services Committee:**

- (i) That the Council establish the 3 scrutiny committees (excluding Audit) based on Vision 2025 as set out below, but amended to move the “governance” functions currently undertaken by Audit and taking into account the Council’s revised service structure **(See Appendix 2)**
  - Economy, Residents, Community and Governance Committee
  - Health and Care Committee
  - Learning, and Skills Committee
- (ii) that the committees comprise a maximum of 14 Members (inclusive of statutory Co-Opted Members) with Councillor membership being based on a politically balanced basis.
- (iii) that meetings of the committee be held on a 6 weekly basis.
- (iv) that meetings of committees be held in public (unless required to move into confidential session) and that the Council moves to webcast those committee meetings, subject to a review of the financial implications of webcasting additional meetings.
- (v) that the Terms of Reference of each committee include Vision 2025 responsibilities, relevant service areas, as well as partnerships to be scrutinised e.g. Brecon Beacons National Park, ERW, RPB.

## **4. Working Groups**

- 4.1 The Council in May decided to no longer use Working Groups for scrutiny which has been a detrimental move in hindsight and current research indicates that the best scrutiny takes place in smaller working groups. Working Groups will generally be task and finish groups dealing with specific items only as and when determined by the Scrutiny Co-ordinating Committee (see paragraph 5 below).
- 4.2 There is also a need to find a mechanism to involve members who are not on a scrutiny committee, but have the relevant knowledge, expertise or interest in being involved in scrutiny working groups. This will need a good forward work programme to be in place so that other Members can be contacted in advance to gauge interest.

### **Recommendations from the Democratic Services Committee:**

- (i) that Cabinet Members should not be members of Scrutiny Working Groups.
- (ii) that Member Champions could assist scrutiny working groups (if not already a formal member) but not be formal members of those groups.
- (iii) that Working Groups (including cross-cutting groups) should be set as and when required by the Co-ordinating Committee (see 5 below) only and any requests from Committees to establish Working Groups would need to be considered by the Co-ordinating Committee together with a justification for establishing that group.
- (iv) That the reports of Working Groups be referred to the Co-ordinating Committee for approval prior to submission to the Cabinet (if appropriate). The Working Group reports will be subsequently submitted to the appropriate Scrutiny Committee for information following consideration by the Co-ordinating Committee.
- (v) that Working Groups should comprise a maximum of 4 or 5 members on a non-political basis.
- (vi) that up to 2 Members who are not on a Scrutiny Committee but who have a particular skill or expressed an interest in any Working Group subject can participate in Working groups
- (vii) that there should not be more than 2 working groups held per committee in a 6 weekly committee cycle.
- (viii) that the Chairs of Scrutiny Committees are required to attend all Working Groups for their respective Committees, but do not have to Chair the working groups with another Member leading the group to allow for development of individual members. Where a cross cutting Working Group is established, the Chairs from all the Committees involved will participate in the Working Group.

## **5. Co-ordinating Committee.**

- 5.1 The Council currently has a group comprising Chairs and Vice-Chairs of the Scrutiny Committees which sets the work programme for scrutiny. Following the external review it is suggested that this group needs to be widened. The Scrutiny Development Board at its meeting in October agreed to recommend to the Democratic Services Committee that the new Co-ordinating Committee consist of the Scrutiny Development Board together with the Chairs and/or Vice-Chairs of Scrutiny who are not members of Scrutiny Development Board.

5.2 The proposed membership of the Co-ordinating Committee is as follows:

- Chairs and Vice-Chairs of the Economy, Residents, Community and Governance Scrutiny Committee, Learning, and Skills Scrutiny Committee, Health and Care Scrutiny Committee, Audit Committee;
- 3 Cabinet Members appointed by the Leader.
- Chief Executive and Solicitor to the Council.

5.3 The Board also decided that this committee considers the need for greater detail on Cabinet and Scrutiny Forward Work programmes regarding what each item is about.

5.2 The current group also undertakes scrutiny work i.e. the Corporate Improvement Plan, the Strategic Equalities Plan, the Annual Governance Statement.

### **Recommendations from the Democratic Services Committee:**

- (i) that the Co-ordinating Committee determine the Forward Work Programme for scrutiny as well as reports from Working Groups prior to submission to the Cabinet.
- (ii) that the Committee does not undertake any “corporate” scrutiny functions and that these functions be transferred to the Economy, Residents, Community and Governance Committee.
- (iii) that the committee determines whether items should be considered by a committee or working group as well as the focus of the review to be undertaken.

## **6 Chairs of Committees**

6.1 Attached for information is the allocation of scrutiny chairs to political groups, based on current group numbers in accordance with the provisions of the Local Government (Wales) Measure 2011. **Appendix 4**

6.2 The Council is asked to approve that the Solicitor to the Council be authorised to receive the nominations for the Chairs of the Scrutiny Committees from the relevant political groups, so that the new scrutiny committee structure can be implemented immediately following this meeting.

6.3 In addition the Solicitor to the Council to be authorised to facilitate and authorised to receive the allocation of the scrutiny committee chairs nominated by the political groups.

6.4 That the Solicitor to the Council report to the next meeting of the Council on the names of the members who have been appointed by their political groups as Chairs of the scrutiny committees under 6.3 above.

## **7. Public Service Board Scrutiny Committee.**

7.1 A Public Service Board Scrutiny Committee has been established and there are no proposals to amend this Committee. **See Appendix 5 for Terms of Reference**

## **8. Council Constitution.**

- 8.1 As a result of the change to the Scrutiny Committee Structure it is necessary to amend Parts 2 (Purpose, Definition, Interpretation and Amendment) and 7 (Scrutiny Procedure Rules) of the Council's Constitution. A copy of the revised documents are attached as **Appendix 6**.

## **9. Recommendation.**

- 9.1 To progress this matter the Council is asked to.

<b>Recommendation to Full Council:</b>	<b>Reason for Recommendation:</b>
<p>(i) that the proposals as set out above be approved</p> <p>(ii) that if the information is available for the meeting:</p> <ul style="list-style-type: none"><li>• the nominations of the political groups for the membership of the 3 committees be approved.</li><li>• the nominations of the relevant political groups for Chairs of the scrutiny committees be noted</li></ul> <p>(iii) that if the information is not available for the meeting:</p> <ul style="list-style-type: none"><li>• that the Solicitor to the Council be authorised to receive the nominations for the membership of the 3 committees and the Chairs of the Scrutiny Committees from the relevant political groups, so that the new scrutiny committee structure can be implemented immediately following this meeting.</li><li>• that the Solicitor to the Council to be authorised to facilitate and authorised to receive the allocation of the scrutiny committee chairs nominated by the political groups</li><li>• that the Solicitor to the Council report to the next meeting of the Council on the names of the members who have been appointed by their political groups as Members of the 3</li></ul>	<p>To review the scrutiny committee structure.</p>

committees and Chairs of the scrutiny committees as above	
(iv) that a review of the new structure be undertaken in 6 or 12 months following implementation.	
(v) that the revisions to Parts 2 (Purpose, Definition, Interpretation and Amendment) and 7 (Scrutiny Procedure Rules) of the Council Constitution be approved.	

Relevant Policy (ies):			
Within Policy:	Y / N	Within Budget:	Y / N

Relevant Local Member(s):	
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Person(s) To Implement Decision:	Clive Pinney / Wyn Richards
Date By When Decision To Be Implemented:	January 2019

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**Background Papers used to prepare Report:**