

To: Scrutiny Committee
Date: 15 May 2019
Report of: Head of Law and Governance
Title of Report: Scrutiny Operating Principles and Standing Panel Arrangements

Summary and recommendations	
Purpose of report:	To adopt a set of operating principles for the Scrutiny Committee for the 2019/20 municipal year, establish Standing Panels and appoint Standing Panel Chairs.
Key decision:	No
Scrutiny Lead Member:	Councillor Gant, Chair of the Scrutiny Committee 2018/19
Corporate Priority:	‘An Efficient and Effective Council.’
Recommendations: That the Scrutiny Committee resolves to:	
1.	Agree the revised Committee Operating Principles for the 2019/20 municipal year, as set out in Appendix 1.
2.	Agree to re-establish the Finance, Housing and Companies Standing Panels for the 2019/20 municipal year.
3.	Appoint Chairs of the Finance and Housing panels.
4.	Continue the current membership arrangements for the Companies Panel, so that it may meet on 28 May.
5.	Agree the number of seats and political balance of each standing panel for 2019/20 (Finance: 4, Companies: 4, Housing: 6 recommended)

Appendices	
Appendix 1	Draft Scrutiny Committee Operating Principles

Introduction and background

1. At the start of a new administrative year the Scrutiny Committee is asked to re-establish the key principles by which the Committee, and its standing panels and review groups, will operate. This provides clarity to members, officers and the public about how Scrutiny will manage and organise its activities during the year. An updated set of

operating principles proposed by the Scrutiny Officer is set out in Appendix 1 for the Committee's consideration.

2. The Committee is able to delegate responsibility for scrutiny of certain issues to specific standing panels, which report back to the Committee with recommendations (where time allows). The Committee should consider whether it wishes to re-establish the previous standing panel arrangements, or establish different panels. As standing panels are established, it is recommended that the Chairs are appointed and the number of seats and political make-up of the panels also are agreed. Councillors will be appointed to these panels at the next meeting on 4 June 2019.
3. The Companies Panel very recently agreed to have a further meeting on 28 May. It is therefore recommended that the membership and chairmanship of that panel continues until 4 June 2019.

Role of the Scrutiny Committee

4. Scrutiny operates to provide democratic oversight and public assurance that the Council is carrying out its business effectively, and a check and balance function to ensure that decisions are taken in the best interests of the residents of Oxford. Scrutiny carries out research, reviews and hears from independent experts, as well as Council officers, making recommendations for service improvement where necessary. One focus of the Committee's work is to hold the City Executive Board to account but Scrutiny also pursues its own agenda by commissioning reports from officers on priority issues, assisting the Council in developing policy. As outlined in the Council's Constitution, the Committee can:
 - a) Carry out research and consultation on policy options, and introduce schemes to involve the public in developing policy;
 - b) Review the performance and decisions of the City Executive Board, and council officers (but not decisions on individual planning or licensing applications);
 - c) Review the progress of the Council and individual services in achieving its policy aims and performance targets;
 - d) Work with national, regional and local organisations to promote the interest of local people.
 - e) Review executive decisions in respect of any companies wholly or partly owned by the Council and hold the shareholder to account for the performance of those companies. The decisions of Council-owned companies do not fall within the remit of the scrutiny committee.
 - f) Require the attendance of Board Members and Senior Officers to answer questions about their decisions and performance.
 - g) Hold other public service providers to account (though there is no legal requirement for them to engage).
5. Members of the Committee are encouraged to read the Scrutiny Guide for Councillors which provides a detailed review of how the Committee operates, how to be effective as a scrutiny councillor, and the support and development opportunities available to members. Hard copies of the guide will be available at the meeting on 15 May 2019, and circulated via email beforehand.

Scrutiny Operating Principles

6. The Council's Constitution sets out the role and procedures of the Scrutiny Committee, as outlined above, but it is not prescriptive about how the scrutiny function will be organised and managed. In previous years, the Committee has agreed a set of operating principles to govern key aspects of their work that are not covered by the Constitution. Key matters addressed in the document include: resource expectations, membership guidelines for panels and meeting frequency.
7. The Operating Principles are designed as a reference document to guide the Committee's work, and a draft set of principles for adoption are set out in Appendix 1. The Committee may make revisions as it sees appropriate within the confines of the Constitution, relevant legislation and resource capacity. In which case, members are asked to discuss any proposed changes in advance with the Scrutiny Officer or to take advice at the meeting.
8. Proposed changes to last year's operating principles are set out in this report.

Standing Scrutiny Panels

9. In previous years, the Committee has established Finance, Housing and Companies Panels to undertake detailed scrutiny of decisions and issues relevant to their remit. The reason being that small groups of members with an interest in these priority areas can build up specialist knowledge and insights and use these to produce better scrutiny outcomes. These Panels have discretion to manage their own work plans, but remain accountable to the Scrutiny Committee for their work. Where time permits, the Standing Panels will report to the Scrutiny Committee before their recommendations are submitted to the City Executive Board.
10. The Committee is invited to agree a set of standing panels for the year, and is recommended to continue with the current arrangements, or a similar provision. As a guide, in assisting with the Scrutiny Committee's workload, 36 of the 81 reports considered by scrutiny in 2018/19 were done so by standing panels.
11. Standing Panel chairs must be members of the Scrutiny Committee in order that there remains a direct line of reporting line. After identifying which panels to appoint, the Committee is requested to appoint Chairs of these panels. The Scrutiny Committee's Operating Principles stipulate that four or six councillors should sit on these panels, and that panel membership will be cross-party.
12. Feedback from last year showed that the appointments to standing panels process was confusing. The Scrutiny Officer therefore proposes to streamline the operating principles to be more precise about group allocations, in line with a recent history of balanced cross-party membership. It is recommended that these groups be either 4 or 6 members, as set out below:
 - 4 members (2 Labour, 1 Lib Dem, 1 Green)
 - 6 members (3 Labour, 2 Lib Dem and 1 Green)
13. Attendance at Finance and Companies Panel meetings in 2018/19 (which currently have memberships of 6) has been variable. The experience has been that inconsistent attendance from one meeting to the next tends to result in meetings that are less focused and effective than they otherwise could be. For the Companies Panel, this will be in part owing to the short notice and ad-hoc nature of their meetings, which need to

react to changes in the Shareholder's reporting schedule. It is therefore suggested that the Finance and Companies Panels have 4 members to centralise responsibility, and also for the Companies Panel to be more agile to changing dates. Attendance for the Housing Panel has been good throughout the year.

14. Councillors have asked if there is a quorum in circumstances of low attendance, and there is currently no established minimum. It is therefore proposed that the quorum for standing panels and review groups is two members for panels of four, and three for panels of six. If the quorum is not reached, some decisions may pass without formal cross-party scrutiny, and other items may need to be delayed.
15. The Members Allowances Scheme allocates a Special Responsibility Allowance equivalent to 25% of the Basic Allowance (£1,270 in 2019/20) to a maximum of two standing panel chairs, on the basis that panels meet at least five times a year. Where there are more than two standing panels, the total allocation of £2,540 will be divided between the panel chairs. This Special Responsibility Allowance is to reflect the additional responsibility of Scrutiny panel chairs.
16. Matters of co-option and review groups will be considered at the next meeting on 4 June 2019.

Alternative options

17. The Committee is not required to reappoint the three standing panels, and it may choose to appoint panels with different remits. This will require planning however. The Scrutiny Officer has again considered the merits of merging the Finance and Companies Panels into one single standing panel. However, as the Council's wholly owned companies have not yet established a long term schedule of quarterly Shareholder meetings that align with the Council's finance reporting schedule, this is not yet recommended.
18. The Companies Panel in particular presents challenges, as these meetings are sometimes cancelled or rescheduled to align with a changing Shareholder reporting timetable, which the Panel has little influence over. This places a significant draw on administrative resource in programming and reprogramming these meetings. It also puts pressure on councillor availability, given the ad-hoc nature of the meetings. It is therefore recommended that the Committee monitors this situation, and considers whether this pressure has eased in 2020/21.
19. If the Committee decides to set up different Standing Panel arrangements, the Scrutiny Officer will liaise with the Scrutiny Committee Chair and return to the next available meeting with a revised proposal for agreement. Consideration would need to be given to the organisation's capacity to support the overall number of panels.

Scrutiny Work Plan

20. The Committee will be invited to agree an indicative Work Plan for the year at their meeting on 4 June 2019. This allows reasonable time for new members on the Committee to contribute to the Work Plan longlist, which is being coordinated through the Scrutiny Officer. The Work Plan is kept under review throughout the year and will remain reactive to the Forward Plan and new suggestions.

Member Support and Resources

21. The Scrutiny Officer is the lead officer responsible for ensuring that members of the Committee receive the support they need in order to be effective in their role. The current Scrutiny Officer has recently accepted a new role with the Oxfordshire Growth Board starting in June 2019. Core Scrutiny functions will still be supported through existing resource within the Committee and Member Services Team on an interim basis. However, support for the first review group of 2019/20 will not begin until a new officer is in post.

Key Scrutiny Dates: May – July 2019

Date	Event
7 May	The Scrutiny Committee agenda for 15 May is published
13 May	The Scrutiny Committee members are appointed at Annual Council
15 May	The Scrutiny Committee will: <ul style="list-style-type: none"> • Elect a Chair • Elect a Vice-Chair; • Establish standing panels and their Chairs; • Agree its operating principles; • Consider any outstanding business from 2018/19.
4 June	The Scrutiny Committee will: <ul style="list-style-type: none"> • Establish an indicative Work Plan for 2019/20 • Appoint members to standing panels • Agree one of more priority topics for review when resources allow • Consider any outstanding business from 2018/19
2 July	The Scrutiny Committee will establish the membership of any review groups and prioritise and start its first review.

Schedule of meetings

22. Members of the Committee are invited to take note of the schedule of meetings for the remainder of the calendar year and to diarise these where necessary:

Scrutiny Committee	Finance Panel	Housing Panel	Companies Panel (Provisional Dates)
4 June 2019	3 July 2019	27 June 2019	28 May 2019
2 July 2019	5 September 2019	3 October 2019	4 July 2019
30 July 2019	7 November 2019	5 December 2019	23 July 2019
(Provisional)			17 October 2019
3 September 2019			19 November 2019
1 October 2019			
5 November 2019			
3 December 2019			

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Background Papers: None