

To: Scrutiny Committee
Date: 02 June 2020
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 2020/21 municipal year, establish standing panels and appoint standing panel Chairs.
Key decision:	No
Scrutiny Lead Member:	Councillor Gant, Chair of the Scrutiny Committee 2019/20
Corporate Priority:	All
Recommendations: That the Scrutiny Committee resolves to:	
1.	Agree the proposed Committee Operating Principles for the 2020/21 municipal year, as set out in Appendix 1.
2.	Agree to re-establish three standing panels for the 2020/21 municipal year with the following remits: <ul style="list-style-type: none"> i) Finance and Performance Panel – finance and budgetary issues and decisions, annual review of the Council’s budget, quarterly monitoring of finance and performance; ii) Housing and Homelessness Panel – strategic housing and landlord issues and decisions, homelessness, housing services performance; iii) Companies Scrutiny Panel - executive decisions made in relation to any companies wholly or partly owned by the Council or to agree to establish alternatives.
3.	Agree the number of seats and political balance of each standing panel for 2020/21 (Finance and Performance Panel: 4, Companies Scrutiny Panel: 4, Housing and Homelessness Panel: 6 recommended)
4.	Agree members and appoint Chairs of the Finance and Performance, Housing and Homelessness and Companies Scrutiny Panel or any other panels as agreed by the Committee
5.	Co-opt Tony Buchanan as a Council tenant representative onto the Housing Panel

6. Agree temporary ways of working until September 2020 to reflect the particular challenges posed by the Covid-19 pandemic

Appendices

Appendix 1	Draft Scrutiny Committee Operating Principles
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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 unchanged set of operating principles is set out in Appendix 1 for the Committee's consideration.

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 number of seats and political make-up of the panels and membership is agreed, and the Chairs are appointed.

Role of the Scrutiny Committee

2. 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 Cabinet 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 Cabinet, 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).

3. 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.

Scrutiny Operating Principles

4. 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.
5. 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.
6. No proposed changes are recommended to last year's the Operating Principles. A list of temporary measures to reflect the circumstances of the Covid-19 emergency are detailed at the bottom of this report.

Standing Scrutiny Panels

7. 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 Cabinet.
8. The Committee is invited to agree a set of standing panels for the year, and is recommended to continue with similar arrangements to the existing, with minor changes as detailed in the section below.
9. The proposed Operating Principles stipulate that standing panel Chairs must be members of the Scrutiny Committee in order to ensure that all aspects of the Scrutiny function are led by Scrutiny Members and that a direct line of reporting is maintained from the standing panels commissioned by the Committee. However, the way that Scrutiny chooses to manage itself through its Operating Principles is a matter for the Committee to decide. After identifying which panels to appoint, the Committee is requested to appoint Chairs of these panels. The proposed Operating Principles stipulate that four or six councillors should sit on these panels, and that panel membership will be cross-party as follows:
 - 4 members (2 Labour, 1 Lib Dem, 1 Green)
 - 6 members (3 Labour, 2 Lib Dem and 1 Green)

10. The quorum for standing panels 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.
11. The Members Allowances Scheme allocates a Special Responsibility Allowance equivalent to 25% of the Basic Allowance (£1,286 in 2020/21) 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 £2,571 will be divided between the panel chairs. This Special Responsibility Allowance is to reflect the additional responsibility of standing panel chairs.

Recommended Changes to Scrutiny Panels

12. Two minor changes are recommended to the Scrutiny panels as well as a change to the way panels report back to the Committee.
13. The first is simply a change in nomenclature. Whilst the issue of homelessness already sits within the remit of the Housing Panel, the issue has grown in prominence in the last year, reflecting the Council's commitment to homelessness prevention. It is recommended the name of the Housing Panel be changed to the 'Housing and Homelessness Panel' so as more accurately to reflect to the public the issues and focus of the panel.
14. The second recommended change also refers to a change in nomenclature, but also a change in practice to reduce duplication. At present, the Finance Panel considers the quarterly Integrated Performance Cabinet report, whilst Scrutiny also monitors a number of alternative performance indicators at the main Scrutiny Committee on a quarterly basis. It is recommended that to reduce duplication, increase clarity and operate more efficiently that responsibility for Scrutiny's performance monitoring be merged into one arm of the Scrutiny function. Considering the respective workloads of the Finance Panel and Scrutiny Committee, it is recommended that the Finance Panel become solely responsible for (non-housing) performance monitoring, and that it be renamed the 'Finance and Performance Panel'. Doing so would have the further benefit of enabling a tight focus amongst a small number of members, thereby providing a more effective level of scrutiny overall.
15. Members have reported that whilst the minutes of Scrutiny's standing panels are published, it would be useful if the Chairs of standing panels could give a quick update to the Committee on the items considered. At present, only Scrutiny-commissioned reports on which recommendations are made tend to come back to the Committee, providing a partial representation of the work of the panels. It is therefore recommended that the Scrutiny Committee include a standing item where panel Chairs are invited to give a precis of no more than five minutes of the reports heard at their panels since the previous meeting.

Co-Option

16. The Scrutiny Committee has the right to co-opt members as non-voting members under the Local Government Act 2000 (section 9FA(4)). Section 13.3 of the Council's constitution allows the Scrutiny Committee to 'appoint non-voting co-opted members to serve for a specific policy review or until the next annual Council.'

17. At the end of last municipal year the Scrutiny function had one co-opted member. Tony Buchanan was co-opted onto the Housing Panel as a Council-tenant representative. Mr Buchanan has been an active and insightful member of the Housing Panel and is willing to continue in the role. It is recommended that he be appointed as a co-optee for a further year.
18. It is not recommended that further co-optees are appointed at this time, but that the Scrutiny function more regularly seeks to hear from key external stakeholders on case by case issues as they arise.

Alternative options

19. The Committee is not required to reappoint the three standing panels, and it may choose to appoint panels with different remits.
20. 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.

Covid-19 Impacts and the Scrutiny Work Plan

21. A key element underpinning the Scrutiny function's ability to discharge its responsibility to provide independent scrutiny and challenge is, as enshrined in Part 13.7 of the Council's Constitution, its ability to set its own programme of work. The Scrutiny Committee is not limited to considering decisions being referred to Cabinet, but may commission reports on any subject. This is, however, tempered in the Scrutiny Operating Principles by a requirement that it be 'mindful of the impact on resources and the constraints of the organisation'.
22. Since late March 2020 the Council has been working under the emergency measures provisions of its Constitution to ensure it is able to maintain business continuity amidst the Covid-19 pandemic and respond swiftly to the new challenges arising from its consequences. The scale of this challenge has caused officer capacity to be significantly reduced at present.
23. On the other hand, it is also recognised that important decisions will need to be made by the Council at this time, and that it is important that democratically elected members maintain the ability to represent the interests of their communities in such difficult times. Scrutiny, therefore, faces a challenge to find the optimum balance between providing independent scrutiny without diverting stretched officer resources away from the Council's emergency response.
24. It is recommended, therefore, that until September the Scrutiny function:
 - Continues with its schedule of meetings so long as there is business to conduct
 - Does not commission additional reports but limits its consideration to Cabinet papers
 - Requests attendance of senior officers only when absolutely necessary.
25. Under normal circumstances the Committee would be asked at this meeting to start developing a longlist of topics to be scored against a topic selection criteria. A proposed work plan would then be presented to the Committee in July. However, in

light of the emergency measures being taken and the significant re-evaluation of the Council's Forward Plan which is taking place, it is recommended that the creation of a longlist be deferred by the Committee until the 06 July 2020 meeting. Consideration of potential Review Group topics will also be considered as part of this process. Councillors are encouraged to begin thinking about the issues they would like to see included in readiness for that meeting and may wish to discuss any suggestions with the Chair, Vice Chair and Scrutiny Officer.

26. An indicative work plan has been created up until September based upon these recommendations and is included under the relevant section of the agenda pack.

Schedule of meetings

27. 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 and Performance Panel	Housing Panel	Companies Panel
02 June 2020	30 June 2020	23 July 2020	22 June 2020
06 July 2020	29 September 2020	08 October 2020	14 September 2020
04 August 2020	03 December 2020	05 November 2020	14 December 2020
01 September 2020			
06 October 2020			
03 November 2020			
01 December 2020			

28. Joining instructions for remote meetings held via zoom will be issued to Councillors separately to the main agenda.

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Background Papers: None
