

To: Scrutiny Committee
Date: 07 June 2023
Report of: Interim Head of Law and Governance
Title of Report: Scrutiny Operating Principles and Standing Panel and Review Group Arrangements

Summary and recommendations	
Purpose of report:	To adopt a set of operating principles for the Scrutiny Committee for the 2023/24 municipal year, establish standing panels and review groups and appoint standing panel and review group chairs.
Key decision:	No
Scrutiny Lead Member:	Chair of the Scrutiny Committee 2023/24
Corporate Priority:	All
Recommendations: That the Scrutiny Committee resolves to:	
<ol style="list-style-type: none"> 1. Agree the proposed Committee Operating Principles for the 2023/24 municipal year, as set out at Appendix A. 2. Agree to establish the following standing panels for the 2023/24 municipal year with the following remits and timeframes: <ol 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 (including performance of the Council’s companies); ii) Housing and Homelessness Panel – strategic housing and landlord issues and decisions, homelessness, housing services performance and interaction with the Tenant’s Forum; iii) Climate and Environment Panel – climate and environmental issues and decisions, progress and performance monitoring, monitoring delivery of existing strategies, policies and projects; iv) Companies Scrutiny Panel - executive decisions made in relation to any companies wholly or partly owned by the Council. <p>or to agree to consider the establishment of alternative panels at a subsequent meeting.</p> 3. Agree to establish a Budget Review Group, comprising the membership of the Finance & Performance Panel, noting that the proposed scope will be agreed at a future Scrutiny Committee meeting. 	

4. **Agree** the schedule of meetings as presented within the report.
5. **Agree** the allocation of seats on standing panels to political groups for 2023/24 (Finance and Performance Panel: 4, Housing and Homelessness Panel: 6, Climate and Environment Panel: 4, Companies Scrutiny Panel: 4 are recommended).
6. **Agree** to appoint members and chairs of the Finance and Performance, Housing and Homelessness, Climate and Environment and Companies Scrutiny Panels or any other panels as agreed by the Committee in accordance with nominations made by political groups.

Housing and Homelessness Panel:	Cllr Lizzy Diggins (Chair), Cllr Dunne, Cllr Fouweather, Cllr Nala-Hartley, Cllr Rawle, Cllr Sandelson
Finance and Performance Panel:	Cllr Fry (Chair), Cllr Djafari-Marbini, Cllr Jarvis, Cllr Smowton
Climate and Environment Panel:	Cllr Hollingsworth (Chair), Cllr Dunne, Cllr Kerr, Cllr Miles
Companies Scrutiny Panel:	Cllr Rowley (Chair), Cllr Miles, Cllr Morris, Cllr Walcott
7. **Agree** that the Chair of the Finance and Performance Panel will Chair the Budget Review Group.
8. **Agree**
 - i) The preliminary Work Plan covering the period to September 2023 as detailed at **Appendix B**; and
 - ii) That Committee members will send ideas for topics for Scrutiny-commissioned reports to the Scrutiny Officer by e-mail for consideration at the Committee's 04 July meeting.
9. **Note** the Scrutiny Guide for Councillors at Appendix D.

Appendices

Appendix A	Draft Scrutiny Committee Operating Principles
Appendix B	Preliminary work plan to September 2023
Appendix C	List of suggestions for 2023/24 Scrutiny Work Plan
Appendix D	Scrutiny Guide for Councillors

Introduction and background

1. At the start of a new municipal 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.
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 number of seats and political make-up of the panels and membership is agreed, and the Chairs are appointed.
3. The Committee may also establish review groups to undertake issue-led and time-bound 'task and finish' reviews of specific issues, before concluding their work with a

report and recommendations, usually to Cabinet. As review groups are established, it is recommended that the number of seats and political make-up of review groups and membership is agreed, and the Chairs are appointed.

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 to act as a check and balance function to ensure that decisions are taken in the best interests of the people 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 Part 8.3, the Committee can:
 - a) Develop and review policy:
 - Help Council and the Cabinet to develop policy by studying issues in detail
 - Carry out research and consultation on policy
 - Consider and introduce schemes to involve the public in developing policy
 - Work with national, regional and local organisations to promote the interest of local people.
 - b) Hold the Cabinet to account:
 - Review the performance and decisions of the Cabinet, and Council officers (but not decisions on individual planning or licensing applications)
 - Review the Council's progress in achieving its policy aims and performance targets
 - Review the performance of individual services
 - 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).
 - Ask Cabinet members, and senior officers questions about their decisions and performance – these may be questions about general performance or about particular decisions and projects.
 - c) Require senior officers and Cabinet members to attend meetings and answer questions
 - d) 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 (Appendix D) 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

6. The Council's Constitution sets out the role (Part 8) and procedures (Part 13) of the Scrutiny Committee 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 its work which 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 at Appendix A. 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. The Committee is recommended to adopt the draft Operating Principles as outlined at Appendix A. These Operating Principles are broadly similar to those of previous years.

Scrutiny Standing Panels

9. In previous years, the Committee has established Finance and Performance, Housing and Homelessness, Companies and, in the 2022/23 municipal year, Climate and Environment Scrutiny 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 a degree of 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. This will not normally be possible where the standing panels are making recommendations on Cabinet reports.
10. The Committee is invited to agree the remits of standing panels for the year and is recommended to re-establish the Finance and Performance Panel, Housing and Homelessness Panel, Climate and Environment Panel and Companies Scrutiny Panel.
11. It is recommended that the Companies Scrutiny Panel continues to meet at the same time as the Shareholder and Joint Venture Group (SJVG), as per the revised arrangements established in the 2022/23 municipal year, to provide more effective and efficient Scrutiny oversight of the shareholder function. The intention is that these arrangements will be monitored and reviewed by the Scrutiny Officer during the 2023/24 municipal year with a view to understanding whether any changes to the revised arrangements may be required. Should the Companies Scrutiny Panel wish to look at a specific element of a company's work which is not covered by the SJVG, any such reports would be considered at additional meetings held separately to SJVG meetings.
12. The draft Operating Principles at Appendix A set out that, in any given year, the organisation ordinarily has capacity to support either:
 - a. 2 Standing Panel and 3 Review Groups; or
 - b. 3 Standing Panels and 2 Review Groups

As set out in paragraph 10 above, it is recommended that the Scrutiny Committee re-establishes the Finance and Performance, Housing and Homelessness, Climate and

Environment and Companies Scrutiny Panels. This amounts to 4 standing panels in total. However, given that SJVG meetings attended by the Companies Scrutiny Panel will not be clerked by the Scrutiny Officer, as per the arrangements established in the 2022/23 municipal year, this means that only 3 standing panels will be directly supported by the Scrutiny Officer and as such there is additional capacity within the Scrutiny function. It is recommended that one meeting of the six which would previously have been convened by the Companies Scrutiny Panel (prior to the revised arrangements taking effect) be reserved for the purposes of Scrutiny commissioned reports relating to the companies (paragraph 11). As a result, capacity for five meetings remains and the Committee is recommended to give consideration to whether it wishes to establish an additional review group focused on a priority topic of the Committee's choosing, or alternatively the Committee could choose to allocate additional meetings to the established standing panels.

13. After agreeing which standing panels to establish, the Committee is recommended to appoint Chairs of these Panels and agree their full membership. 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)

14. 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 Cabinet reports may pass without formal cross-party scrutiny, and other items may need to be delayed.

15. A further issue for the Scrutiny Committee to consider regarding standing panels is whether they should be held virtually, in-person or as hybrid meetings – noting that it is now Council practice that most officers may attend meetings virtually. Given that these meetings are not formal committees of the Council, there is no legal requirement for panel meetings to be held in-person. The Committee is recommended to consider the additional resource that in-person and hybrid meetings place on the organisation and agree that meetings of standing panels and review groups will be held virtually, unless there is a compelling need to hold an in-person meeting.

16. The Members Allowances Scheme allocates a Special Responsibility Allowance (SRA) equivalent to 25% of the Basic Allowance (£1,368 in 2023/24) to a maximum of two standing panel chairs, on the basis that panels meet at least five times a year. If there are more than two standing panels set up then 50% of the Basic Allowance (£2,736 for 2023/24) will be divided between the panel chairs. This SRA is to reflect the additional responsibility of standing panel chairs.

Scrutiny Review Groups

17. Each year, the Scrutiny Committee ordinarily establishes a Budget Review Group to examine the Council's budget proposals for the next financial year, which helps ensure good financial governance practices.

18. It is recommended that the Scrutiny Committee agrees to establish a Budget Review Group for the 2023/24 municipal year to examine the Council's budget proposals for 2024/25 and that the proposed scope be presented at a future Scrutiny Committee meeting for agreement.

19. Given the Finance and Performance Panel’s involvement in scrutinising the Council’s finances, it is recommended that the membership of the Budget Review Group should comprise the membership of the Finance and Performance Panel (if re-established); including that the Chair of the Finance and Performance Panel should Chair the Budget Review Group:

- *Cllr Fry (Chair), Cllr Djafari-Marbini, Cllr Jarvis, Cllr Smowton*

20. Due to the busy time of year during which the Budget Review Group takes place and the absence of a legal requirement for the review group to meet in-person, it is recommended that meetings of the Budget Review Group take place virtually.

Schedule of meetings

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

Scrutiny	Finance and Performance	Housing and Homelessness	Climate and Environment	Companies
07 June 23			27 June 23	21 June 23
04 July 23		05 July 23		27 July 23
01 Aug 23		02 Aug 23		
05 Sept 23	06 Sept 23		07 Sept 23	
10 Oct 23		05 Oct 23		
06 Nov 23		02 Nov 23	22 Nov 23	01 Nov 23
04 Dec 23	06 Dec 23			07 Dec 23
16 Jan 24	22 Jan 24			
06 Feb 24			27 Feb 24	
04 Mar 24	26 Mar 24	07 Mar 24	20 Mar 24	27 March 24
11 Apr 24				24 Apr 24

Alternative options for Standing Panels

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

23. 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 number and remits of standing panels.

Co-Option

24. The Scrutiny Committee has the right to co-opt members as non-voting members under the Local Government Act 2000 (section 9FA(4)). Part 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.’

25. The membership of the Housing and Homelessness Panel has included a co-opted tenant, or a small number of co-opted tenant ambassadors, since the panel was first

established in 2013. Following the passing of the DSS Discrimination motion by Council in July 2021 the Panel will host twice a year the Tenants' Forum, once established.

Scrutiny Commissioned reports

26. As referenced above, Scrutiny has the power to commission its own reports. However, it should be recognised that doing so is significantly more resource-intensive for officers than presenting a report which is already being written for Cabinet. The draft Scrutiny Operating Principles recognises this, stating that 'items will be taken forward as resources allow, and the Committee must provide officers with sufficient notice and guidance on what they are requesting to consider, mindful of the impact on resources and the constraints of the organisation. The Scrutiny Committee and its standing panels will provide as much notice as is possible when commissioning reports from Council officers (minimum 8 weeks).' As a guideline, to allow time for consideration of reports in sufficient depth whilst maintaining timely meetings of Scrutiny and its standing panels, each meeting will aim to have three reports for consideration. Being mindful of resource implications of Scrutiny-commissioned reports, it is recommended that the Committee seeks to average not more than one Scrutiny-commissioned report per meeting over the municipal year.
27. The decision for the report topics Scrutiny would like to commission is expected to be made at the meeting on 04 July 2023. In preparation for that, the Committee is recommended to agree that ideas from Members will be sent to the Scrutiny Officer by e-mail for collation outside the meeting.
28. Attached to this report at Appendix B is a draft Work Plan to September 2023, which provides a recommended Work Plan until that date, enabling items to be considered until such point as the Committee has had time to organise its own priorities for the remainder of the municipal year.
29. Attached to this report at Appendix C is a list of suggestions already made; these are comprised of suggestions made by Members and senior officers to date, recurring Scrutiny-commissioned reports and Cabinet reports currently listed on the Forward Plan.

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Background Papers: None

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