

FAREHAM

BOROUGH COUNCIL

Report to Council

11 October 2018

Subject: **Review of Policy Development and Review Panels and Scrutiny Board Meetings**

Report of: **Head of Democratic Services**

SUMMARY

This report provides the details of the Vanguard Intervention review of Committee Services, focussing on the work of the Policy Development and Review Panels and the Scrutiny Board. The Scrutiny Board and the Executive have been consulted on the proposals for changes to the Council's Committee Structure and no amendments were made to the proposals.

RECOMMENDATIONS

It is recommended that the Council:

- (a) agrees to dissolve the Policy Development and Review Panels;
- (b) agrees that a Scrutiny Panel for each of the 6 Executive Portfolios be created;
- (c) agrees that, subject to (a) and (b) above, the current Scrutiny Board is dissolved;
- (d) agrees that each Scrutiny Panel be scheduled to meet 4 times per municipal year, with additional meetings created by the Scrutiny Panel if necessary;
- (e) agrees that, subject to (d) above, the revised schedule of meetings for the remainder of the municipal year 2018/19 be approved, as set out in Appendix A;
- (f) approves the schedule of meetings for the municipal year 2019/20, as set out in Appendix C and notes that the meetings of the Executive have been set by the Executive Leader;
- (g) agrees that the deputation scheme be amended to allow members of the public to apply to give a deputation on any subject, to the relevant Scrutiny Panel;
- (h) agrees that, subject to (a), (b) and (c) above, a revised allocation of seats for the remainder of the municipal year 2018/19 be approved, as set out in Appendix D;
- (i) agrees the revised nominations of the political groups to seats on committees, chairmen, vice chairmen, deputies and spokesmen, for the remainder of the municipal year 2018/19, as set out at Appendix E (to be tabled at the meeting);
- (j) agrees the changes to the Member's Allowance Scheme, as set out from paragraph 57 of the report; and
- (k) agrees that subject to approval of the above, delegated authority be given to the Council's Monitoring Officer to review and amend the Constitution to:
 - i. create the new functions of the Scrutiny Panels;
 - ii. amend the Call-In procedures to reflect the changes to Portfolio Scrutiny Panels;
 - iii. amend the Deputation Scheme;
 - iv. amend the Members' Allowances Handbook; and

- v. make any other minor or ancillary changes arising required to give effect to this report.

INTRODUCTION

1. The purpose of this report is to outline the results of a review into the effectiveness of the Council's Policy Development and Review (PDR) Panel and the Scrutiny Board, using the Vanguard methodology, and to put forward proposals for new arrangements.

LEGISLATIVE BACKGROUND & SCOPE

2. The Localism Act 2011 amended the Local Government Act 2000, allowing Councils to choose to operate under either executive arrangements, a committee system or arrangements prescribed by the Secretary of State. On 21 June 2012, the Council resolved to retain its executive arrangements using the leader and cabinet executive model. Meetings of the Executive are outside the scope of this report.
3. Where a local authority chooses to operate under executive arrangements, it must provide for the appointment of one or more overview and scrutiny committees. As a minimum, the Council must retain a scrutiny function to be responsible for holding the Executive collectively and individually to account. At present, the Council meets this requirement through the Scrutiny Board and 5 PDR Panels.
4. The Council is also required by the Licensing Act 2003 to appoint a committee to undertake certain licensing functions and therefore the Licensing & Regulatory Affairs Committee is outside of the scope of this report.
5. The Council is also required to appoint such committees as it considers necessary to carry out the non-executive functions of the Council. The Planning Committee is appointed to deal with the functions of the Town and Country Planning Act 1990 and is therefore outside of the scope of this report.
6. The Audit and Governance Committee is appointed to oversee and assess the Council's risk management, control and corporate governance arrangements and to lead on the Council's duties under chapter 7 of the Localism Act 2011 to review the standards of ethics and probity of councillors. This committee is therefore required to continue.
7. Finally, the Appeals Committee is appointed to determine appeals from Senior Officers under the Council's procedures relating to disciplinary action, salary grading and unresolved grievances. This function is therefore required to continue.

ORIGINAL PURPOSE OF PDR PANELS

8. The PDR Panels were created in 2009 to focus on policy development work and to support the Executive in researching options for improving and developing the Council's services. The intention was that after researching all the facts and discussing possible options, the Panels would produce reports for consideration by the Executive.
9. It was expected that such an approach would ensure that those Councillors with seats on the PDR Panels would be engaged in challenging and interesting work which would support the work of the Executive in delivering the Council's priorities.
10. The work of the Panels would also include monitoring progress on strategies and action plans previously agreed by the Executive.

PERFORMANCE / PURPOSE

11. The first stage in undertaking a Vanguard intervention is to undertake a review of the performance of the Panels against “purpose”.
12. With this in mind, the work output of the PDR Panels was analysed for 2014/15, 2015/16 and 2016/17. During this period, each Panel was scheduled to meet 6 times per municipal year, unless the meeting was cancelled with the agreement of the Chairman. This occurred 9 times over the period.
13. Out of a total of 297 items discussed by the Panels, only 5.7% (17) resulted in recommendations being made to the Executive for decision. There is an evident decline in the number of items being recommended to the Executive year by year:
 - 2014/15 – 102 items, 11 recommendations (10.7%);
 - 2015/16 – 91 items, 4 recommendations (4.3%);
 - 2016/17 – 104 items, 2 recommendations (1.9%)
14. Of these, just four items were in relation to policy decisions, all of which were from the Planning & Development Panel.
15. Of the 81 meetings held over the three-year period, there was a relatively low level of public engagement with 6 deputations and 2 petitions reviewed. 3 deputations were made to the Leisure & Community Panel, 2 regarding play areas and 1 on Locks Heath Football club. 2 deputations were made to the Public Protection Panel on taxi licensing and animal welfare. 1 deputation was made to the Planning & Development Panel on coastal defences. The petitions were regarding a skate park and Portchester Village plans.
16. The average duration of the 81 panel meetings was 1 hour 20 minutes, with an upper limit of 1 hour 55 minutes and a lower limit of 50 minutes. The lowest average duration was Streetscene (1 hour 9 minutes) and the highest average was Planning and Development (1 hour 26 minutes).
17. The Vanguard review also noted that if the purpose of the PDR Panels is to review and develop policies, there would be a real danger of organisational “initiative overload”. If each of the five Panels were to work on one policy per meeting cycle, this would result in 30 policy reviews per year.

WHAT WE LEARNT / WHAT WE THOUGHT

18. An important part of the Vanguard methodology is to compare “what we think” happens in the work flow against “what actually happened”. The following section highlights some examples of this type of comparison using anonymous quotations from Officers to exemplify the gap between assumptions and current reality.
19. When the PDR Panels were created, the intention was for the Panel to focus on policy development work and to support the Executive in researching options for improving and developing the Council’s services. The intention was to ensure that those Councillors on the PDR Panels would be engaged in challenging and interesting work which would support the work of the Executive in delivering the Council’s priorities.
20. In reality, nearly 90% of the items presented to PDR Panels are reviewing work which has already been delivered by the relevant service. This leaves little time or focus on

genuine policy development.

“The reports for review are ‘Noted’ by the Panel but then nothing goes forward from there to improve the work being carried out or to make changes to it. It therefore seems to be a waste of time preparing the report in the first place’.

21. There have recently been 7 Member Working Groups convened to deal with specific corporate priorities as “task and finish” groups. (Daedalus MWG, Holly Hill Leisure Centre MWG, Constitution Review MWG, Housing Strategy MWG, Local Plan Review MWG, Strategic Air Quality MWG, Daedalus Anniversary Events MWG). It should be noted that the original intention was that the PDR Panels would be asked to carry out “task and finish” work.

“What hinders the development work is the formality of being dressed up as a public meeting.”

22. The content of the PDR Panels is set up via the Annual Work Programme from which each Panel’s agenda is created. The theory is that the content of the Work Programme is contributed to by Members requesting items via their discussions at the Panel meetings.

23. In reality, the creation and maintenance of the Work Programme for each PDR Panel has become a key driving factor in deciding the content of the Panels. It is felt that because there are 6 Panel meetings per year with the dates pre-set by Council in the preceding municipal year, the task is to fill the meetings with work items. In Vanguard terms, this is the “work driving behaviour”.

“In January of each year we ask what ideas have Members got for next year’s Work Programme. Very little comes back from the Panel so it’s usually the Officers who decide what goes forward.”

“We struggle to find enough work items to fill the Work Programme and therefore an agenda”

24. A number of Panels receive progress reports on action plans as part of their monitoring role. The action plans outline the steps taken to meet strategic objectives but this monitoring can be duplicated as it is also a function of the Scrutiny Board.

25. There is a trend for some Panels to have external organisations addressing the Panel to provide service updates. For example, the Clinical Commissioning Group addressed the then Health & Housing Panel whilst the Leisure & Community Panel has received presentations from SLM, Hampshire Cultural Trust, Y-Services, CAB and One Community. Whilst this interaction is positive, this external review work could be duplicated, as it is a function of the Scrutiny Board.

26. There has been very low public engagement across the PDR Panels with just 6 deputations delivered across a 3-year period. This may be adversely influenced by the constitutional rule that Panels can only receive deputations on subjects which appear as an agenda item.

“Mr x waited 9 months before having his say on taxi ranks – this shouldn’t have taken so long but because it wasn’t on the agenda he couldn’t address the meeting.”

EFFORT / VALUE

27. When analysing work flow under a Vanguard review, a key step is to identify “value demand” against the “purpose” and maximise the benefits. Equally, it is necessary to identify waste work and remove it. Two key questions posed are “*How much resource is used?*” and “*What value is created as a result?*”
28. The estimated resource time for the preparation and delivery of each PDR Panel meeting over one municipal year with six meetings is: Member 150 hrs, Service Officer 150 hrs, Committee Officer 80 hrs.
29. This appears disproportionate to the time spent at the meeting of an average of 1 hr 20 mins per attendee (total of 14 hrs 40 mins for the year).
30. The estimated hours are split between the following tasks:
 - Preparation of the Work Programme
 - Reports and presentations
 - Chairman’s briefing
 - Attendance at the meeting
 - Post meeting administration
 - Portfolio Holder meeting
31. In assessing the output value of the Panel meetings, the question “*what value is created as a result?*” was posed against the following groups: -

Residents / customers

- Nothing discernible
- Confidence in the democratic process?

Officers

- Creates unnecessary work
- Seen as necessary evil

Members

- May help Members become better informed

VANGUARD REVIEW SUMMARY

32. The conclusion of the Vanguard review was that the current system appears to be a “find work/make work” style and approach, possibly caused by the inherent assumptions created by a formal committee setting.
33. It is suggested that it is possible to create a better system, but this must be focused on a clearly defined purpose, followed by everyone involved working to that new purpose.

NEW DESIGN

34. In acknowledging that the current system of PDR Panels is not delivering against its original purpose and, taking into account the multiple organisational changes which have been implemented along with Vanguard method reviews, the following recommendations are made. That:
- (a) the current Policy Development and Review Panels are dissolved;
 - (b) a Scrutiny Panel is created for each of the 6 portfolios:
 - Health & Public Protection Scrutiny Panel
 - Housing Scrutiny Panel
 - Leisure & Community Scrutiny Panel
 - Planning & Development Scrutiny Panel
 - Policy and Resources Scrutiny Panel
 - Streetscene Scrutiny Panel
 - (c) subject to the above, the current Scrutiny Board is dissolved;
 - (d) each Scrutiny Panel is scheduled to meet 4 times per municipal year, with additional meetings created if necessary. A revised schedule of meetings for the remainder of the 2018/19 municipal year is attached as Appendix A;
 - (e) the minutes of the meetings of the six Scrutiny Panels will be received by Council; and
 - (f) the Deputation Scheme is amended to allow members of the public to apply to give a deputation on any subject to the relevant Scrutiny Panel.

35. In suggesting these changes, the following factors have been considered:

Policy Formulation

36. By creating themed Scrutiny Panels linked to Executive portfolios, it enables a shift in focus to encourage involvement in Council Corporate Priorities and the Improvement Actions identified in the Corporate Vision 2017-2023.
37. The Corporate Vision Improvement Actions can be assigned to the relevant Scrutiny Panel to input to the work in delivery of the action. For example:
- Priority two – Protect and Enhance the Environment, the corporate action to ‘Increase Recycling Rates and Reduce the amount of household waste’ would be assigned to the Streetscene Scrutiny Panel.
 - Priority five – Leisure Opportunities for Health and Fun, the corporate action to ‘Develop long term plans aimed at bringing the Ashcroft Arts Centre and Ferneham Hall together into a new and exciting single arts and entertainment venue’ would be assigned to the Leisure & Community Scrutiny Panel.

38. An example of the proposed Work Programme items for each Scrutiny Panel is set out at Appendix B.
39. The reduction in the number of scheduled meetings per year to 4 would reduce the resource time needed to prepare the work and should ensure a more focussed approach on work output. The current over-reliance on work programmes to manage the workload should become an enabling tool rather than being a drain on resources.
40. In order to ensure that all Scrutiny Panels have the ability to meet and discuss work items at the most appropriate time, it is suggested that each Scrutiny Panel is able to set additional meeting dates, or to move scheduled meeting dates as necessary, with the relevant Lead Officer consulting with the Chairman to agree the dates. All Members will be advised of meeting date changes via the Members' Newsletter.
41. Ward Members would be more able to directly support local projects and initiatives by ensuring that these are taken into account at the policy development stage.

Policy Scrutiny

42. The allocation of Corporate Strategy priority actions would not only enable Scrutiny Panels to input to the work but also to hold the Executive Portfolio Holder and Senior Officer to account in delivery of the action, thus strengthening the scrutiny function.
43. The addition of a specific Policy & Resources Scrutiny Panel provides additional focus on the budget setting process and recognises the ongoing challenges of meeting budget pressures. It would also support the Corporate Priority of 'A Dynamic, Prudent and Progressive Council'.
44. The existing functions of the Scrutiny Board and PDR Panels, as detailed in Part 2 Chapter 3 of the Constitution would continue to be in effect and would be covered by each Scrutiny Panel in turn. However, the Monitoring Officer will review the functions and update the constitution accordingly.
45. Any Executive decisions subjected to Call-In would be dealt with by the relevant Scrutiny Panel based on the portfolio.

External Scrutiny

46. The Scrutiny Panels would continue to invite external organisations operating within the Borough to attend meetings to present information and respond to questions as part of the Scrutiny function.
47. It is suggested that the Deputation Scheme be amended to allow the Scrutiny Panels to hear a deputation on any matter on which the Council has powers to act, thereby removing the constraint which results in deputations only being allowed on agenda items. This would increase the opportunity for public participation via the Scrutiny Panels.

MEMBER WORKING GROUPS

48. Member Working Groups have proven to be an effective and efficient way to manage short term projects as task and finish groups where the intention is that Members and officers attend meetings to "roll up sleeves" and work together on specific items.

49. The convening of the Member / Officer working groups, including the appointment of Members to that group will continue to be agreed by the Executive with the relevant Scrutiny Panel scrutinising their work.
50. The working groups are not formal meetings held in public and therefore are not constrained by the legislation set by the Local Government Act for formal committees. Similarly, there is no requirement for the working groups to be politically balanced. However, a working group protocol could be drawn up to provide guidelines for the conduct of the meetings.
51. As these are not formal decision-making meetings, there is no need for support from the Democratic Services team, however Heads of Service would ensure that any clerical tasks are carried out and a record of meetings and the attendance by Members would be noted.
52. The output and findings of the Member Working Groups could be reported (in the absence of the PDR Panels) via officer reports to the relevant Scrutiny Panel. All reports recommending policy amendments or development would be referred to the relevant Scrutiny Panel before being recommended to the Executive.
53. This approach will ensure that the policy development work carried out by the working groups receives an appropriate amount of attention by a formal committee meeting before the recommendations are passed to the Executive for decision or for onward recommendation to Council.

COMMITTEE ALLOCATIONS

54. A recalculation of committee allocations based on the change from PDR Panels to Scrutiny Panels is attached at Appendix D.
55. The calculation is based on the deletion of 9 Scrutiny Board seats, this being replaced by 7 Policy & Resources Scrutiny Panel seats. The revised total number of seats is reduced from 79 to 77.
56. The Council is asked to agree the revised nominations of the political groups to seats on committees, chairmen, vice chairmen, deputies and spokesmen, for the remainder of the municipal year 2018/19, as set out at Appendix E (to be tabled at the meeting).

ROLE OF OPPOSITION GROUPS

57. The change from Policy Development and Review Panels to Scrutiny Panels must not stifle or suppress the voice of opposition Members. The suggested changes instead provide the prospect of more meaningful opposition through the more focussed Scrutiny Panel meetings, including the introduction of a Policy and Resources Scrutiny Panel.

MEMBERS' ALLOWANCES

58. Following any decision to implement these changes to the committee structure, the Members' Allowances Scheme would require a slight amendment.
59. The following roles would therefore be recommended for review (shown with existing or projected points):

	REMOVE	NEW
Chairman of Scrutiny Board	140	
Vice-Chairman of Scrutiny Board	15	
Chairman of PDR Panel	125 x 5	
Vice-Chairman of PDR Panel	15 x 5	
Chairman of Scrutiny Panel		125 x 6
Vice Chairman of Scrutiny Panel		15 x 6

60. It is recommended that the PDR Panels become Scrutiny Panels and therefore the Special Responsibility Allowance for the Chairman and Vice-Chairman of Scrutiny Panels should be the same as is currently awarded to PDR Panels.
61. If approved, there is a total deletion in SRA payments of 855 points and an addition of 840, resulting in a net reduction of 15 points (2018/19) value of 1 point = £57.87 and therefore an estimated saving of £868.05.

RISK ASSESSMENT

62. There are no significant risk considerations in relation to this report.
63. The opportunity exists for the work of Panels to be more focussed around work contributing to the Corporate Strategy and Priorities of Fareham Borough Council.

CONCLUSION

64. The Executive is invited to comment on the proposed recommendations following the Vanguard Intervention in Committee Services. All comments will be put forward along with the report to Council for a decision at its October meeting.

Appendices:

- Appendix A: Schedule of Meetings for the remainder of the municipal year 2018/19
- Appendix B: Proposed work items – Scrutiny Panels
- Appendix C: Schedule of Meetings 2019/20
- Appendix D: Allocation of Seats
- Appendix E: Committee Nominations (to be tabled at the meeting)

Background Papers:

Reference Papers:

- Minutes of the Scrutiny Board meeting held 28 June 2018
- Minutes of the Executive meeting held 03 September 2018

Contact: For further information please contact Leigh Usher, ext 4553